



RICHMOND BROTHERS

Matt's Minutes: Year End 2022 "Closed Captions"

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Hi, this is Matt Curfman with the Richmond Brothers. Thank you for tuning in to the December 2022 edition of Matt's Minutes. The final one for the 2022 year. Also, I'm recording this in early January, so I wanted to wish you all a Happy New Year. I know that 2022 from a financial and market and economic perspective was less than exciting and more than challenging. So here's hope to the future and to things settling down a little bit as we move into 2023.

With a short look back into 2022, I did post some broad bench marks just to kind of get a sense. The Dow Jones was down about 8.9%. The S&P was down about 19.5% in 2022. The NASDAQ ended up down 33% in 2022. The Russell 2000, the small cap index down about 21.5% and then AGG, which is generally a bench mark or exchange traded fund that represents kind of the core corporate bond index was down 15%. These are all according to Y charts and also CNBC just as far as where the data comes from.

So, again, that's just really challenging. According to research we shared in 2022, if you go back on the corporate bond bench mark in all of history since it's been tracked, there's never been a year where bonds have lost more than 3%. In 2022 it was down 14.98%. So really, really challenging. So again, safe assets risk one, risk five, risk ten on a scale of 1 to 99 did help cushion that blow. Certainly though, portfolio's that had stock or bond exposure were not immune to those movements. If you recall on a scale of 1 to 99, the S&P 500 that I shared before comes through, according to Riskalyze, at a risk 76. That just means more volatility, more ups, more downs. So I think it's real important that we continue to review your individual risk tolerances and your comfort level based on your goals and your plan, and at the same time, continue to reassess if we need to make any changes.

So one of the options that we have introduced to Fidelity and is now available to our block of clients – you may have seen some of my Smoother Ride Special Edition video series posted in the 4th quarter. There were four videos. I'm actually going to add a fifth this week and it'll be on, instead of the 2.0 strategies, the 3.0 strategies. But the idea is really to own broad based market holdings. So exchange traded funds. Have some down side protectors on both stocks and bonds so you're not just always buying and holding and riding through the roller coasters. May not fit for everyone, but in general we've worked with both Beacon and Fidelity on setting this up, and if you're someone who has across your immediate family who works with us at least \$25,000 of liquid Fidelity investments and each account has at least \$5,000 counting towards that \$25,000, it is a strategy that can be considered for your portfolio. So don't hesitate to email us at questions@richmondbrothers.com. Put in your subject, "Smoother Ride Interest," and we can certainly make sure you have a copy of those video links to check

out. Maybe that will be a New Year's resolution, further educating, getting information and knowledge of some new strategies. So kind of keep that in mind.

Lastly, the Secure Act 2.0 you saw in my last Matt's Minutes did get passed. The biggest changes for retirees is going into 2023, the required minimum distribution age is now 73. If you're already turned 70 ½ under the old rules or 72 under the Secure Act 1.0 we'll call it, you just keep acting as you had before. However, if you were to turn 72 in 2023, you no longer have a required minimum distribution. That pushes out to 2024. We will work with you individually on that. If you have any questions, shoot us an email titled, "RMD," in the subject and just email questions@richmondbrothers.com and we're happy to answer any specific questions that you have. Thank you so much for tuning in. Thank you for being part of our Richmond Brothers family. My goal is to help inform, educate, maybe entertain, but more than anything help guide you through no matter what the world throws in our financial path. Thank you for tuning in. Thank you for being part of Richmond Brothers family, and may 2023 bring you health, happiness, joy, peace, and prosperity to all of us.

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Sources:

Research Reports

YCharts

<https://www.cnbc.com/2022/12/29/stock-market-futures-open-to-close-news.html>

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