

Dear Clients, Family and Friends:

We hope you have had a wonderful start to the new year.

Each year, our firm sets a theme that we use to guide our strategic planning. We have found that this process allows our organization to be more agile in adapting to emerging trends that arise throughout the year. Establishing a theme helps bring us back to our core mission, which is serving our clients across multiple generations while maintaining a tradition of excellence.

At Costanzo Financial Group (CFG), our 2019 theme is to be a “change agent” in each initiative that we embark on. In being a change agent, one must demonstrate transformational leadership qualities in even the smallest initiatives. In today’s world, where volatility is increasingly prevalent, we must quickly adapt to help our clients understand the issues they may be facing and determine how those issues could impact their investment and retirement plans.

To be change agents, we are committed to further enhancing our knowledge base, being proactive in client service and leaving a positive impact with each client interaction.

Given that commitment, **we have enclosed our introductory podcast episode** with this letter. It is our hope that this offering will allow us to bring additional context to our educational platform while also allowing us to build on our regular communications with you. Upcoming episodes will include regular conversations with our advisor team, institutional money managers discussing market conditions and other specific topics related to client interests. There is no video or additional software that needs to be downloaded with this series. Just click the link below, turn up the volume on your device and enjoy:

- [A Preview to the CFG Podcast Series: Where Tradition Meets Excellence](#)

Market Update:

After one of the worst Decembers in our market’s history, investors were left feeling cautious to begin 2019. However, we are beginning to see some of those losses from December pared back as we close out the month of January and head into February. We expect a similar trend of slow, but steady growth as the year continues. Consumer spending, corporate earnings and jobs reports were all trending positively, so the markets have responded well to that information in the month of January. Additionally, the Federal Reserve is taking a more cautious approach towards potential rate increases in 2019. Trade negotiations with China are ongoing and we are starting to hear some good news on that front. However, until it is finalized, that is a big piece of the global economic picture that is still outstanding. On the domestic front, many legislative issues remain unsolved and will be closely debated in the coming months.

Again, although we have had a positive start to the year, many investors remain uncertain about this year’s forecast. With how quickly things can change, continued education and patience are two important qualities

for smart investors during these times. We are watching all these items closely and will continue to provide our perspective throughout the year.

In case you missed the 2019 market outlook, we have enclosed it below. Additionally, you will find other market publications from our research team that will help you better understand some of the driving forces in our economy.

- [Market Outlook](#)
- [Clouds Begin to Part and Earnings Come Into Focus](#)
- [Correction or Bear? 6 Charts That Explain Market Declines](#)

Household Documents:

A new year is a great opportunity to organize your household, and a critical part of this process is reviewing important paperwork that should be retained. Additionally, it is important to set a proper timeline for retention. By doing so, you can consider purging surplus documentation to make room for additional items.

The first list is a checklist of documents that should be retained indefinitely and stored in a very secure location:

- Birth/death certificates and Social Security cards
- Marriage licenses and divorce decrees
- Pension plan documents
- Copies of wills, trusts, health care proxies/living wills and powers of attorney (attorney/executor should have copies)
- Military discharge papers
- Copies of burial deeds and plots
- Safe-deposit box inventory
- Copies of all tax returns

The second list is comprised of other important household documents and a suggested timeline for retention:

- Supporting documents for tax return (7 years): This is the recommended minimum period of time to retain. Remember, tax return copies should remain on file forever.
- Investment records and statements (7 years): These are needed for tax filing. Keep for at least 3 years. You may want to keep for the same amount of time as the supporting documents for tax returns.
- Credit card statements (7 years): Keep up to 7 years if it may be used for taxes, as proof of purchase or for insurance.

- Bank statements (1-3 years): Keep for 3 years or longer if you apply for Medicaid, or it pertains to taxes, a business expense, home improvement, mortgage payment or major purchase.
- Medical and dental records (1-5 years): Keep for at least 1 year, maybe up to 5 to be safe. Retain information about prescriptions, specific medical histories, health insurance information and contact information for your physician.
- Utility and phone bills (1 year): Shred them after you have paid them, unless they contain tax-deductible expenses—keep them for a year if they can be used for business deductions.
- Insurance policies (until closed): Keep as long as the policies remain in force.
- Mortgages and other home documents (ownership + 6 years): Mortgages, deeds and home improvement documents should be kept on file for the length of ownership, plus 6 years after selling the home.
- Appliance manuals and warranties (if owned): Keep on file for the length of ownership.
- Vehicle titles and loan documents (if owned): Keep on file for the length of ownership.
- Pay stubs (7 years): There is not a requirement for keeping pay stubs. Keep up to 3 months if you are applying for a loan. You may want to keep them for a year so you can compare against your W-2.

Feedback:

Again, it is our objective to be change agents in 2019 by making a difference in every client service interaction. As we continue to roll out these new initiatives that were detailed in Andy's previous letter, please do not hesitate to provide us with feedback. Your input is largely what drives us to make updates to our processes, so we encourage you to engage with us and to be a part of our growth strategy.

Closing:

If you have any questions regarding your Investment and Retirement Planning efforts, please contact us or click on the following link to schedule a review using our new online booking system: [Schedule Review Today](#).

It has been, and continues to be, an absolute honor and privilege to serve as your Investment and Retirement Planning advisors.

We wish you and your families abundant good health, peace and prosperity in 2019.

Thank you,

The CFG Team