

Q3 news

1301 Annapolis Drive • Raleigh, NC 27608 • 919.838.3221 • toll free: 877.678.5901

Online Security: Partner with Schwab to Protect Your Account

Following these preventative steps can go a long way toward keeping you and your personal information more secure, helping protect you from identify theft, and maintaining more secure accounts.

Use unique passwords in the places where you do business: At Schwab, your passwords are stored in very secure ways. However, they may not be stored in the same way, or as securely, at an online retailer, a government website, or within a social media database. Using the same password for multiple sites makes you vulnerable to the risk that a security compromise at any of these entities could lead to exposure across all of your online credentials.

Enroll in two-step verification: Add an additional layer of security, which requires you to enter a unique security code each time you access your Schwab accounts. These security codes protect the security of your accounts, even if someone else has correctly guessed your existing login ID and password. You can now enroll to receive a security code from Schwab via text message, automated phone call, or mobile app. To enroll in two-step verification, visit schwab.com/Passwords.

Consider activating voice ID: Voice ID enables Schwab to authenticate you simply by having you say the phrase "At Schwab my voice is my password." This bypasses the need to ask you for other personal information when you call Schwab. Visit schwab.com/VoiceID.

Ensure your contact information is up-to-date: To check your current information, visit schwab.com/MyProfile. ▲

Index	Year to Date
S&P 500	20.55%
Russell Midcap	21.93%
Russell 2000	14.18%
MSCI EAFE	12.80%
Bloomberg Barclays Aggregate Bond	8.52%
Bloomberg Barclays Muni Bond Index	6.75%
Dow Jones Industrial Average	17.51%

*Index return data as of 9/30/2019 provided by Morningstar DirectSM

Quarterly Market Review

- Despite the overhang of the prolonged U.S. trade dispute with China and its ripple effects on global growth and market volatility, U.S. large cap stocks managed gains in the 3rd quarter, rising 1.7%. The S&P 500 rose to an all-time high in July amid perceived progress in the trade talks before experiencing a sharp pullback in August in response to a breakdown in negotiations, the labeling of China as a currency manipulator and the announcement of new and increased tariffs. The S&P 500 recovered in September ahead of a new round of trade talks slated for early October.
- U.S. small company stocks and foreign stocks, while posting gains year-to-date, declined during the 3rd quarter as the consequences of weak global growth including slow manufacturing activity, historically low interest rates and downward trending oil prices.
- Technology-related stocks have maintained their market leadership in 2019, but the interest rate-sensitive Real Estate and Utilities sectors have also been standout performers this year as interest rates have fallen significantly, making their rich dividends appealing.
- Bonds continued to rally in the 3rd quarter as interest rates continued their descent to levels last seen in mid-2016 in the aftermath of the Brexit vote. The 10-year U.S. Treasury yield, near 3.25% last November and 2.0% at mid-year 2019, closed the 3rd quarter at 1.66%. ▲

News and Notes

- The Federal Open Market Committee (FOMC) cut interest rates at the July and September meetings, citing the "implications of global developments for the economic outlook as well as muted inflation pressures". This was a sharp reversal from a pattern of gradually raising rates to "normalize" interest rate policy that had been in effect since 2015.
- The Organization for Economic Cooperation and Development (OECD) cut its view of global growth to 2.9% for 2019, the weakest rate of growth since the financial crisis of 2008-2009. The OECD cut its view of U.S. growth to 2.4% for 2019 and 2.0% for 2020.
- Oil briefly spiked above \$60/barrel in mid-September in reaction to an attack on a major oil complex in Saudi Arabia, but retreated back into the mid-\$50s by quarter end as record U.S. production combined with poor global growth have kept a lid on prices, which were over \$70/barrel in September 2018.
- The initiation of a formal impeachment inquiry against President Trump sets the stage for a contentious campaign season ahead of the 2020 elections, which will ultimately have important implications for the business climate in the U.S.
- The U.S. has entered its 11th year of economic expansion, a record exceeding the 10-year expansion from 1991-2001. This expansion has brought the U.S. unemployment rate under 4%, the lowest level in nearly 50 years. ▲





Triangle Securities is a privately owned investment advisory firm that specializes in assisting families with developing a realistic strategic plan to provide the best opportunity for achieving their long-term financial goals as prudently as possible.

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1301 Annapolis Drive, Raleigh NC 27608
phone 919.838.3221
toll free 877.678.5901
fax 919.838.9081



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Beat the Short-term Market Jitters

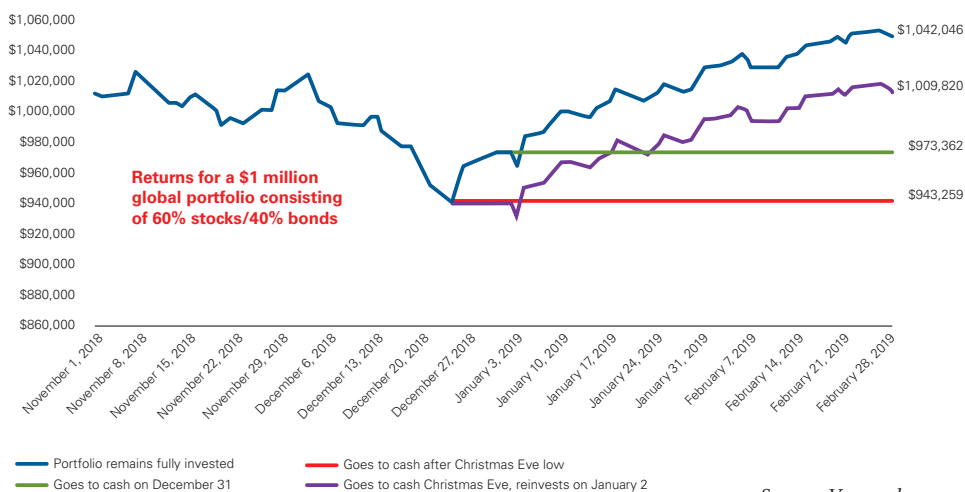
When the financial markets are in turmoil, there is a strong temptation to want to "do something" to stem any perceived losses. Yet it is often the case that staying the course – or doing nothing – proves to be the better path.

Here is one recent example: A hypothetical 60% stock / 40% bond portfolio that stood at \$1 million on the morning of November 1, 2018, would have declined by 5.7% of its value by Christmas Eve. Yet selling that portfolio at that time and fleeing the markets, even if briefly, would have cost an investor tens of thousands of dollars in two months, versus the alternative of staying invested.

When faced with a similar situation, consider how you might feel if markets rebounded and you could have recouped all your money, and more. That's why it's best to stick to the long-term plan that we have built together. Any changes should be made because of changes in your life, not changes in the markets. Please give us a call if you have questions about your long-term plan. ▲

Staying the course can pay off; abandoning course can be costly

The global stock market drop in late 2018 offered a lesson in investor behavior



Source: Vanguard

Get ready for Medicare's Open Enrollment

Medicare's Open Enrollment Period is about to begin. From October 15 to December 7, you can enroll in health and drug plans for 2020. Use these 5 quick tips to get ready for Medicare's Open Enrollment.

Check your mail. You may get important notices from your current plan, Medicare, or Social Security about changes to your coverage or any Extra Help you may get paying for prescription drugs. You'll also get brochures from companies that offer Medicare health and prescription drug plans. Just remember — plans aren't allowed to call or come to your home without an invitation from you.

Review your new "Medicare & You" handbook. It has information about Medicare coverage, as well as Medicare plans in your area. It is possible to download an electronic copy at <https://www.medicare.gov/forms-help-resources/medicare-you-handbook/download-medicare-you-in-different-formats>

Review your current coverage. Plans change and your needs change. Carefully review any materials and changes in costs or coverage that will happen in 2020, and decide if your current Medicare coverage will meet your needs for the year ahead.

Preview 2020 health & prescription drug plans online. Our new and improved Medicare Plan Finder <https://www.medicare.gov/plan-compare> makes it easier than ever to compare coverage options and shop for plans. For a personalized search, log in or create an account (if you have a Medicare Number) <https://www.mymedicare.gov> to create or access a list of your drugs, compare your current plan to others, and see prices based on any help you get with drug costs.

Get personalized help in your community. You may find a free local event nearby, with health insurance counselors to help you, like your State Health Insurance Assistance Program. <https://www.shiptacenter.org> ▲