



**April 2019**

**1<sup>st</sup> Quarter 2019 Market Commentary**

**1<sup>st</sup> Quarter Market and Economic Summary**

- Fed halts interest rate hikes in 2019; rates subsequently fall
- Domestic equity markets rebound nicely after 4<sup>th</sup> quarter downturn
- Ongoing trade talks with China appear to be nearing resolution
- Unemployment remains historically low, and though there are signs of some slowdown domestically and abroad, indicators are not pointing towards recession
- International indices positive on the quarter, but lag domestics as Brexit talks continue

**Period Ending March 31, 2019**

	Annualized Total Returns					Calendar Period Total Returns							
	YTD	1 year	3 year	5 year	7 year	10 year	2018	2017	2016	2015	2014	2013	2012
Dow Jones Industrial Average	11.81%	10.08%	16.37%	12.21%	12.86%	15.97%	-3.48%	28.11%	16.50%	0.21%	10.04%	29.65%	10.24%
NASDAQ Composite Index	16.81%	10.63%	17.97%	14.29%	15.36%	18.93%	-2.84%	29.64%	8.87%	6.96%	14.75%	40.12%	17.45%
S&P 500	13.65%	9.50%	13.51%	10.91%	12.85%	15.92%	-4.38%	21.83%	11.96%	1.38%	13.69%	32.39%	16.00%
Russell 2000	14.58%	2.05%	12.92%	7.05%	10.74%	15.36%	-11.01%	14.65%	21.31%	-4.41%	4.89%	38.82%	16.35%
MSCI EAFE	9.98%	-3.71%	7.27%	2.33%	5.63%	8.89%	-13.79%	25.03%	1.00%	-0.81%	-4.90%	22.78%	17.32%
Barclays US Aggregate	2.94%	4.48%	2.03%	2.74%	2.48%	3.77%	0.01%	3.54%	2.65%	0.55%	5.97%	-2.02%	4.21%
Barclays Global Agg. Ex-US	1.52%	-4.13%	0.96%	-0.26%	0.17%	2.46%	-2.15%	10.51%	1.49%	-6.02%	-3.08%	-3.08%	4.09%

Based on U.S. dollars

Source: RBC Wealth Management as of March 31, 2019



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### **April is Financial Literacy Month**

The childhood years are an exciting stage of life that can shape a child's long-term personality. In addition to building social skills and developing talents, children often establish financial habits that last a lifetime. However, when a recent RBC Wealth Management survey asked Americans who taught them about investing, 35% said nobody.



We are a strong advocate of financial literacy for people of all ages including clients and the public at large. We also see the value in educating future generations and have resources available for help. Information we can provide is designed for children as young as 6 and spans to young adulthood, and includes topics such as:

- Fun ways to learn about money
- Finance 101
- Money sense for teens
- Discussing college with your teen
- College payment options
- Smart financial management for twenty-somethings
- And many more!

If you would like additional information about how to talk with your children about finances, please contact us to discuss further.



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### **Important Tax Information**

With the tax season now officially behind us, we wanted to provide an update as to how we will be approaching the vexing issue of amended 1099 tax forms going forward.

#### ***Why am I getting an amended 1099?***

As companies reallocate income, update cost basis, amend foreign withholding, etc., RBC is required by law to inform clients of those changes in the form of an amended 1099 form. Amended 1099 forms are created if a company amends information after the initial mailing of 1099 combined forms in mid-February.



#### ***Why am I getting an amended 1099 so late or even after April 15<sup>th</sup>?***

Many of you may not be aware that there is no federal deadline for amended 1099 statements, which is a frustrating and unfortunate reality. Though extremely rare, we have had amended 1099 statements issued as late as November of the following tax year. As an example, a mutual fund company may own hundreds or even thousands of individual investments. As such, they are responsible for aggregating all dividend information, interest information, capital gain information, etc. If even one of those investments makes a change or an error in their reporting, the mutual fund company must pass along that corrected information.

#### ***How we're updating our notification process going forward:***

While we attempt to contact all affected clients by phone in a timely manner when an amended 1099 form is generated, it is not always possible due to the potential volume of impacted clients. We've updated our business practices so that we will be emailing all clients in masse alerting them that a corrected tax form is on its way. For those clients without email addresses, we will call to notify.

#### ***I got an amended 1099. Can you forward it to my CPA?***

Yes! With the proper authorizations on file, we have the ability to provide tax documents directly to your tax preparer, as well as help to answer questions they might have regarding your investment accounts.

As a reminder, we encourage our clients to delay submitting their taxes until late-March, when possible, in the event an amended tax form is generated. If you get an amended form after you've filed your tax return, we suggest alerting your tax preparer to the form and working with them to determine the best course of action.



**Wealth  
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That's all we have for this quarter's edition of our newsletter. The team, like all of you, is thrilled spring has finally sprung and is looking forward to some golf, baseball, and gardening.

As always, If there is something specific you would like to see us address in future issues, please email Colby at [colby.spann@rbc.com](mailto:colby.spann@rbc.com) so that we can do our best to provide material of interest to you in future editions of our newsletter.

Please feel free to reach out to the team with anything you might need related to your financial well-being, as we hope to be a resource available to you and your families.

Thank you!  
The Abrahamson Investment Group  
-Kirk, Mike, and Colby