



Retirement is a journey. Let us be your guide.

## WEALTH eTHOUGHTS Newsletter

August 2020

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## The Battle vs C-19

The battle versus COVID-19 continues. The spread in some of the recent hotspots like California and Florida is slowing, while states in the Northeast and Midwest are now experiencing increases in cases. According to the World Health Organization, 27 vaccines are in human trials, and the chances of an approved vaccine by late this year or early next year are quite high. We continue to side with scientists and humankind's resolve, as the entire world is working together, and we believe we will beat this latest adversary.

In good news, the S&P 500 Index has moved into positive territory for the year (as of August 5) after being down more than 30% in March, making 2020 one of the largest reversal years ever. Going back to 1950, however, August and September historically have been the two worst months of the year for stocks. In addition, signs of recent weakening in the job market, based on stubbornly high jobless claims, combined with evidence of reduced consumer mobility from several high-frequency data points suggest the stage could be set for stocks to take a well-deserved break.

At the July 29 Federal Open Market Committee meeting, Federal Reserve (Fed) Chair Jerome Powell made it very clear that the Fed has additional tools to support the recovery, and that low interest rates may be here to stay well beyond this year and next. The economy has improved off the March lows, but it isn't near the record-breaking levels we saw earlier this year. Powell also noted that further relief from Congress was "essential" to help support the economy. (continued)

Enjoy this issue of Wealth e-Thoughts!

**Stay diligent and strong,**

Paul King, CFP®  
Registered Principal  
LPL Financial

#### Important Links:

- [www.kingwealth.com](http://www.kingwealth.com)
- [COVID-19](#)
- [Events](#)
- [Client Resources](#)
- [Ask an Advisor](#)
- [KWP Publications](#)
- [LinkedIn](#)
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## The Battle Continues...



Meanwhile, Congress is inching closer to a new COVID-19 relief bill, but parties remain at odds over several key elements. Although the two sides appear far apart, we expect a deal may likely be struck at the eleventh hour—consistent with typical Washington theater. At this time, we expect Congress to agree to a stimulus package in the neighborhood of \$1.5 trillion, bringing the total US fiscal stimulus to more than \$4 trillion.

Signs that the economic recovery may be leveling off have not prevented corporate America from delivering earnings well above expectations. Leaders like Apple, Amazon, and Facebook reported extremely strong results in the second quarter, helping these influential stocks move significantly higher. FactSet consensus estimates of future earnings have ticked higher as well, suggesting corporate America may be confident in the eventual economic rebound.

Baseball Hall of Fame catcher Yogi Berra said, “If you torture numbers enough, they will tell you anything,” which fits well with what we’re seeing right now in 2020. Some data appears good, while some data appears troubling. This journey is not over yet, and there may be more twists and turns before society

and the economy can fully recover from COVID-19. But like all journeys, this one has an end date, and we will get there. In the meantime, if you have financial questions you know who to call!

## Let’s Talk About Gold

In [Let’s Talk About Gold](#), LPL Financial Research Chief Market Strategist Ryan Detrick talks about why gold is at all-time highs and why we’re bullish on gold.



## California Heat

We have taken measures to ensure business continuity during a power outage, however, we want you to be aware. Due to the potential for future rolling blackouts, our phone system may be affected. In the event that you reach voicemail, please leave a message. All calls will be returned as soon as we have regained access to the system.

We will announce on social media and email if our office is impacted by any outages.

If you need information around these rolling blackouts and how to best prepare, click [here](#). As always, please let our team know if we can provide any assistance.



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## LPL Focus 2020

LPL's premier education event will be virtual this year. Annually, this conference unites thousands of financial professionals with opportunities to learn, share and grow. This year will look a little different.

“We’re living through a time of change: in the way we live, in the way we work, and in the way we see the world and interact with those around us. But change also brings opportunity, and maybe the most important opportunity we have today is to imagine, and accelerate into, new possibilities.”

Daily general sessions will be delivered virtually and feature LPL executive leadership discussing the future of the business and the industry, as well as keynote speakers: Madeleine Albright and Colin Powell. Breakout sessions hosted by LPL and sponsors will also be streamed and will cover topics rated most important by attendees.

Due to the new, digital format, KWP's entire staff will have the ability to attend together, from our offices and our

conference room. We look forward to learning, sharing and growing together! We would love to share our new experience with you... stay tuned to social media for clips, pictures and updates of our Focus 2020 conference.

Speaking of virtual, for those of you who have used GoToMeeting with us... what do you think?



## What's Coming Up

**Healthy, Wealthy & Wise**— King Wealth Planning presents a series of webinars designed for you and your families! And the best part, no mask required!

- **Optimizing Resources for a Layoff/Career Transition**- Wednesday, 8/26 12:30pm
- **Long Term Healthcare: What You Need to Know in a COVID World**- Wednesday, 10/7 12:30pm
- **Sustainable Investing: A Force for Positive Change**-TBD

Details including registration information can be found on our [website](#). We hope you will join us, from the favorite room of YOUR house, for these fun and informative virtual events (Paul loves doing these).