

What is Important to You About . . .

Financial ~ Mental ~ Physical ~ Spiritual ~ Social

NEWSLETTER

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"You are never too old to set
another goal or to dream a
new dream."

~C.S. Lewis

Are investors feeling better about their portfolios? The markets seem to think so as the major indices have recovered from their bottoms in mid-December and recently hit new all-time highs.

Why have investors decided to jump back in and fuel this rebound? Perhaps they have stopped looking over their shoulders with fear and anxiety and are instead focusing on the opportunities ahead. As one of two drivers in investor mentality, the sense of "greed" or missing out has replaced the fear of losing which dominated their thinking at the end of 2018 and into early 2019. Another reason could be that they are less concerned about recession and are becoming more optimistic again that a trade resolution between the US and China is getting closer. Other significant factors are improving US and Chinese economic data, corporate profits are better than expected, and the Fed has agreed to step out of the way. All of this reduces uncertainty that typically holds back business investment. Stocks valuations are forward looking and a leading economic indicator, so they already seem to be pricing in expectations for stronger economic growth for the remainder of the year and on into 2020.

Before we get too excited about the economic and market conditions, we need to recognize that there are plenty of mixed signals for the economy and stocks. Besides the concerns about the yield curve and generally lower than expected revenue numbers for this earnings season, you have the regular group of pessimists who could fill a dossier with plenty of doom and gloom. The market optimists could easily point to those pessimists and make a valid point that the vocal pessimists will serve the expanding market well by keeping stocks from surging and becoming overextended. They will essentially serve a very useful purpose by putting one foot on the brake and keeping the markets from blasting out of control.

Overall, the path of least resistance for both the economy and stocks appears to be upward. In the bond market, the Feds are willing to let the market police itself and the end results will be stable bond yields as capital rotates from bonds to equities in an improving growth and inflation environment. A healthy economy, (yes, we actually have one) helps corporate earnings, while a dovish Fed keeps rates low and supports equity valuations.

So once again the theme continues to be the Feds and trade. With a dovish Fed and a resolution to the trade problems, corporations will likely ramp up capital spending and guidance, enticing idle cash into the market and further fueling bullish conviction.

There will still be those that espouse caution and concern about an impending recession, but this could be a return to a more predictable environment for corporate planning and steady corporate earnings growth.



Happiness linked to longer life

By Amanda MacMillan (www.Health.com)

Being happy doesn't just improve the quality of your life. According to a new study, it may increase the quantity of your life as well.

Older people were up to 35% less likely to die during the five-year study if they reported feeling happy, excited, and content on a typical day. And this was true even though the researchers took factors such as chronic health problems, depression, and financial security out of the equation.

"We had expected that we might see a link between how happy people felt over the day and their future mortality, but we were struck by how strong the effect was," says Andrew Steptoe, Ph.D., the lead author of the study and a professor of psychology at University College London, in the United Kingdom.

Previous studies on happiness and longevity have largely relied on the participants' ability to recall how they felt during a certain period of time in the past. These recollections aren't always accurate, though, and to get around this problem Steptoe and his colleagues asked more than 3,800 people to record their levels of happiness, anxiety, and other emotions at four specific times over the course of a single day.

The participants, who were between the ages of 52 and 79 when the study began, were divided into three groups according to how happy and positive they felt. Although the groups differed slightly on some measures (such as age, wealth, and smoking), they were comparable in terms of ethnic makeup, education, employment status, and overall health.

Five years later, 7% of people in the least happy group had died, compared with just 4% in the happiest group and 5% in the middle group.

When the researchers controlled for age, depression, chronic diseases, health behaviors (such as exercise and alcohol consumption), and socioeconomic factors, they found that the happiest and medium-happy people were 35% and 20% less likely to have died, respectively, than their gloomier counterparts.

It may seem far-fetched that a person's feelings on one particular day would be able to predict the likelihood of dying in the near future, but these emotional snapshots have proven to be a good indication of overall temperament in previous studies, says Sarah Pressman, Ph.D., a professor of psychology at the University of Kansas, in Lawrence.

"There is always room for error, of course; if I get a parking ticket or stub my toe on the way to the study, I'm not going to be particularly happy," says Pressman, who was not involved in the study but researches the impact of happiness

on health. "But given that the study worked, it suggests that, on average, this day was fairly typical for the participants."

Unlike the happiness measures, depression symptoms were not associated with mortality rates once the researchers adjusted for overall health. According to the study, this finding suggests that the absence of happiness may be a more important measure of health in older people than the presence of negative emotions.

Positive emotions could contribute to better physical health in a number of ways. Regions of the brain involved in happiness are also involved in blood-vessel function and inflammation, for instance, and studies have shown that levels of the stress hormone cortisol tend to rise and fall with emotion.

The study doesn't prove that happiness (or unhappiness) directly affects lifespan, but the findings do imply that doctors and caregivers should pay close attention to the emotional well-being of older patients, the researchers say. "We would not advocate from this study that trying to be happier would have direct health benefits," Steptoe says.

However, this study and others like it should help establish happiness as a legitimate area of concern for health professionals, Pressman says. "There are still some people who see happiness as something fluffy and less scientific -- not something they should be worried about like, say, stress or depression," she says.

Happiness, she adds, "may be something for doctors to ask their patients about."

The study, which was published today in the Proceedings of the Academy of National Sciences, included participants from a larger, long-running British study on aging.

Market Statistics

	4/30/2019 Close	Change YTD
Dow Jones	26,592.91	14.00%
NASDAQ	8,095.39	22.01%
S&P	2,945.83	17.51%



When Should You Get a Credit Card for a Specific Reason?

By Sam Lipscomb (www.msn.com)

I recently applied for the Uber Visa card just so that I would have a no-annual-fee Visa with no foreign-transaction fees to use on a spring break trip to Europe. Now that I'm back in the US, I don't plan on using the card again until the next time I go abroad.

There are loads of credit cards that can provide you with specific benefits, but you might not want to use these cards on a regular basis. I'll break down some of the downsides to applying for cards just for specific purposes, but in most cases the benefits outweigh the costs.

When Should You Get a Credit Card for a Specific Reason?

Here's the short answer: If the benefits from having a certain card outweigh the costs associated with the card, it's worth it. This is true even if you only plan on using the card a few times a year or for very specific purchases. Cards with no annual fee won't hurt you, as you'll come out ahead if you earn any rewards at all. If a card has an annual fee, make sure you can justify the cost at the end of your account year.

Getting a card for a specific reason, like to earn bonus category rewards, will always help you maximize your points and miles earnings, but try to avoid getting a new card without having a strategy in mind.

Credit Cards With Specific Bonus Categories

Many rewards credit cards give you extra points when you spend money on travel or food, but some have more specific bonus categories. Those cards provide an opportunity to earn rewards at three to six times the rate you would by using a card without those specific bonus categories.

Take the Ink Business Preferred Credit Card from Chase. It offers 3 points per dollar on travel purchases just like the Chase Sapphire Reserve, but it also earns 3 points per dollar on shipping purchases as well as internet, cable and phone services (all on the first \$150,000 spent in combined purchases each account anniversary year). It also comes with a cell phone protection plan, which will pay to replace a damaged phone up to three times a year with a \$100 deductible. With just a \$95 annual fee, it's easy to get your money's worth out of this card.

Credit Cards With Rotating Bonus Categories

Cards like the Discover it® Cash Back and the Chase Freedom only provide 1% cash back on everyday purchases. But they also offer an above-average 5% cash back on rotating quarterly categories, after enrollment and up to \$1,500 each quarter. These categories may or may not align with your spending — as of publish time the Freedom's 5% back categories include grocery and

home-improvement stores — but luckily rotating-category cards tend to have no annual fees.

Credit Cards for Specific Trips or Events

Sometimes it can make sense to apply for a credit card for a certain trip or set of purchases, as I did with the Uber Visa in Europe. Cards with no foreign-transaction fees or a very specific bonus category can certainly be valuable, but if you don't plan on using the card for more than a short period of time, make sure that the value you get outweighs the annual fee. If not, consider downgrading the card to a no-annual-fee option so you can maintain your open line of credit, which is one of the factors that determines your credit score.

Cobranded Credit Cards

Cobranded credit cards are probably the most popular cards for specific purchases. Many airline and hotel cobranded cards offer bonus points or miles when you spend money with that particular airline or hotel chain, along with other benefits like priority boarding or free-night awards. Most of these credit cards carry annual fees, but the bonus categories and other perks like lounge access or free hotel nights can often outweigh the costs even for an infrequent traveler.

Sign-Up Bonuses

If you were already planning on applying for a certain credit card, a big sign-up bonus is an added perk. Receiving a big stash of points for hitting a certain spend requirement will usually more than pay for the annual fee, as is the case with the current Chase Sapphire Preferred Card offer of 60,000 points when you spend \$4,000 in the first 3 months of account opening. Since TPG values Chase points at 2 cents apiece, the 60,000-point bonus is worth \$1,200 — much more than the card's \$95 annual fee.

Signing up for a card just for the sign-up bonus and then canceling the card is what's known as churning and is frowned upon by credit card issuers. Card companies might decline future applications if they suspect you of churning, so be wary.

Potential Downsides

There are plenty of examples of when getting a credit card for a very specific purpose makes a lot of sense, and the most important factor is whether the benefits of having the card outweigh the cost.

Having multiple cards for specific purposes means opening new accounts. While having more open accounts is ultimately good for your credit score, the

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Keep Your Brain Young by Staying Fit

By Elizabeth Agnvall (www.aarp.org)

Exercise can't prevent Alzheimer's, but a new study shows it can cut the risk in half.

Sudoku. Crossword puzzles. Computer training. Half of Americans believe these games and mental tasks keep their brains healthy, according to a 2014 AARP survey — but there is little evidence that they do. If you really want to retain mental clarity and improve your odds of staving off dementia, researchers say, hit the gym.

In the past decade, scientists have begun to understand the crucial relationship between exercise and brainpower. Just as exercise helps keep muscles strong, blood vessels flexible and stress low, it also enhances mental abilities, stops brain shrinkage and promotes the formation of new neurons.

Studies even suggest that people who are physically active "have lower rates of Alzheimer's and other age-associated neurodegenerative disorders," says Arthur F. Kramer, senior vice provost for research and graduate education at Northeastern University in Boston and an expert on exercise and the brain.

A bigger, younger brain

As we age, the hippocampus — an area of our brains that is key to memory — shrinks, leading to memory problems and possibly dementia. Research by Kramer and others showed that when previously sedentary men and women 50 to 80 years old walked around a track 40 minutes a day three times a week for six months, their hippocampi actually increased in size. A control group that did not walk had smaller hippocampi than when they started.

Another study of nearly 900 men and women with an average age of 71 found that those who had exercised moderately or vigorously over five years — jogging, hiking, swimming, dancing — performed on a par with someone a decade younger on tests of memory and other brain skills.

These studies support the prevailing theory that heart health and brain health are linked. Regular exercise helps prevent high blood pressure and stiffening of the arteries, and keeping blood vessels healthy ensures an optimal flow of blood to the brain. In addition, aerobic exercise creates higher levels of a protein known as brain-derived neurotrophic factor, or BDNF, which helps repair and protect the brain, explains Marilyn Albert, director of the division of cognitive neuroscience at Johns Hopkins Hospital in Baltimore.

And strength training seems to help by sending pulses of blood into your brain, says Teresa Liu-Ambrose, director

of the Aging, Mobility, and Cognitive Neuroscience Laboratory at the University of British Columbia in Vancouver. She conducted a study that found that women who did moderate strength training at least once a week showed a 15 percent improvement on mental-skills tests.

The dementia connection

So what does all this mean for those concerned about developing Alzheimer's? A recent UCLA study of 876 men and women age 65 or older found that those who were more active had a 50 percent reduced risk of developing the disease. Still, Kaycee Sink, head of the Memory Assessment Clinic at Wake Forest Baptist Medical Center in Winston-Salem, N.C., recommends exercise "as part of a whole healthy lifestyle." As long as the result is a healthy brain, she says, "it doesn't matter if it was the exercise or the diet or the whole package."

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hard inquiries can hurt your score a bit in the short term, so be mindful if you decide to apply for several new cards in a short period of time.

You should also take into account how getting a credit card for a specific purpose plays into your long-term strategy. You won't be able to get a new Chase credit card if you've opened five or more accounts in the past two years thanks to Chase's 5/24 rule, so getting a new card for a trip might not be worth it if it means you can't get another Chase card for a while. Keep other issuers' application restrictions in mind, too. For example, Amex generally only allows you to open two credit cards in 90 days, and you can only earn an Amex card's welcome bonus once.

Bottom Line

Getting a credit card for a specific purpose is a great way to make sure that you're getting the most out of every dollar that you spend. There are huge benefits to having certain cards even if you only use them occasionally. And while there's no absolute formula to figure out which lineup of cards is right for you, remember to always ensure that you're getting adequate value out of all of your cards.

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