

What is Important to You About . . .

Financial ~ Mental ~ Physical ~ Spiritual ~ Social

NEWSLETTER

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"Good actions give strength
to ourselves and inspire
good actions in others."

~Plato

Prepare for the obligatory rollout in the market media of stories about the "January Effect" and its reliability in predicting the year's market performance. This well-known adage states, "so goes January, so goes the year," and it has been surprisingly accurate when you consider that since 1950 the barometer has been wrong only 10 times, for a batting average of 87%. That's very good, but of course, the returns during those positive years have been all over the board.

This year, we see a start coming off a very bad fourth quarter where the US markets dropped 20% which officially meets the correction criterion. In January, the Dow rose 7.2%, the S&P 500 climbed 7.9%, the NASDAQ gained 9.7%, and the Russell 2000 Small Cap index added more than 11%. The gains were attributed to the Fed's decision to leave interest rates unchanged, positive corporate earnings reports, and optimistic developments regarding trade tariffs with China. The Fed language on rates has softened since their comments in October which sent the markets into a tailspin. As far as the talks with China and the tariffs proceed, well we know how quickly those can reverse.

While the equity indices are off to a great start for the year, the volatility witnessed during the past few months serves as a sobering reminder that risks remain present for investors. The sharp rally we saw off the December low are quite common and often times are indicators of bear markets.

Overall, the economy appears to be fundamentally sound, but uncertainties are coming back into the markets and investors continue to wring their hands over the budget, legislative gridlock, trade issues and the upcoming earnings season.

The major headwinds impacting the market continue to be trade talks with China, Brexit and government slowdowns.

According to officials from both countries, progress on the trade talks have been substantial but no breakthroughs have been reported. While President Trump indicated he is willing to meet face to face with China President Xi Jinping, he better get moving because on March 2, existing tariffs are set to increase to 25% from 10%. In the meantime, the US administration continues to pressure China for stealing trade secrets and evading sanctions.

Prime Minister May of Britain has until March 29 to get her "Plan B" or some variation of it through Parliament, but the opposition party seems non-plussed. Even Queen Elizabeth has weighed in on the matter through back channels, but the only consensus on her remarks was that no one seem to understand what she was saying.

Every Wall Street Bank that puts out a price target for the S&P 500 is predicting a positive year in 2019. The average earnings for the S&P 500 are expected to be \$173. With a 2018 close of \$2,507, that works out to a forward P/E of 14.5, which is low by historical standards meaning stocks are currently a good value. This puts equities on par with where they were at the start of 2013 – that year the market rallied 34%.

Investors should be prepared for further hiccups by ensuring that their equity exposure matches their risk profile.



5 Reasons Why Tidying Your Room Can Change Your Life

By Mehwish A. Wahid (www.lifehack.org)

You step into your room and stumble upon something hard that hurts you, you have to tiptoe your way to your bed because there is not enough space to walk, your bed has huge piles of clothing spread everywhere, your table groans under books, newspapers, cups, and all other kinds of stuff, and your closet looks like a ransacked outlet store post-Black Friday. If that's a common scenario for you, then you are living in a space that disrupts your ability to use it well.

Your room is the place where you start and end your day. Whether you are aware of it or not, the physical space in which you live and spend a lot of your time has an important role to play in how we behave. Having a bedroom in such a messed state can have a variety of effects on your life. Our mind cannot live completely independent from our environment; therefore, keeping the room tidy, organized, and clean is significant. A straightened room with a made bed and pile-free floor will not only bring happiness and organization to your life, it will also change your life!

Here are five reasons that can spark the desire in you for tidying your room to create change in your life.

1. You will know what resources you have

Do you find yourself looking everywhere for your matching bracelet or clothes when going for a party or out with friends? Or does it happen that you buy a pair of pants, only to find out later that you had a better one to match the shirt you were wearing to the event? Keeping your bedroom tidy will let you know what things you have – the shoes, clothes, jewelry, books, magazines, and stationary – that are among your belongings so that you don't have to rummage for them everywhere or go and buy new things when you already have better alternatives.

2. Your thoughts will also be tidied up

Tidying your place also tidies up your mind. It is suggested by psychologists that a messy room is a representation of a disorganized mental state. When one is tidy and organized it also builds into their life, helping them in everything.

As Marie Kondo states in [The Life-Changing Magic of Tidying Up](#), "From the moment you start tidying, you will be compelled to reset your life. As a result, your life will start to change." So, if you want to bring a change to your life, go ahead with cleaning and organizing your space and start a tidying marathon.

3. Tidying your room can save you time

Tidying your room and organizing your space not only lets you know about the stuff that you have, but it can also save you a lot of time, since you will know where to find something when you need it. Now, when you wake up early in the morning, you don't have to search frantically as minutes tick by for your special pair of shoes, your watch, or the blouse that you really wanted to wear. The start

of your day will be a smooth one instead, and you will be able to make it out of the door to your work or college on time.

4. You will be more social

Would you like your friend to see your messy room? I would probably be too embarrassed if my friend came over and got to look at my room in a messy state. When you are ashamed of the state of your bedroom, it is less likelihood that you invite anyone over. On the other hand, when your house is clean, you are ready for company and are also more likely to invite or welcome someone over on the spur of the moment. Tidying your room helps in preventing the creation of a boundary around you; therefore, you will become more social.

5. Your health will improve

Tidying your room also bring with itself some health benefits. When your bedroom becomes a peaceful and ordered place with no clutter around, you will feel less stressed and less distracted. This means you can spend some relaxing time before bed and go to sleep calmly. From studies, it has been found that those who have cluttered bedrooms full of their hoardings take a long time to fall asleep and their sleep quality is also poor enough that it leads an increase chance of depression and stress. It's clear enough. Tidying your room will have a positive effect on your health and the thought of going to the bedroom would be a pleasant and calming one. Not just this, but a tidy room will no more be home to bacteria and viruses that can compromise your health.

Conclusion

No doubt, cleaning up a really messy room and streamlining your surroundings is no easy job but, with a little determination and taking a methodical approach, it is totally doable. You just need to get started. Marie Kondo's *The Life-Changing Magic of Tidying Up*, one of New York Times Best Sellers, can serve as the perfect manual to guide you. Happy Cleaning!

Market Statistics

	1/31/2019 Close	Change YTD
Dow Jones	24,999.67	7.17%
NASDAQ	7,281.74	9.74%
S&P	2,704.10	7.87%



4 Ways to Get a Bigger Tax Refund

By Rebecca Lake (www.smartasset.com)

Want to get a big tax refund come tax filing season? You can minimize your tax liability, and potentially snag a larger refund, by taking advantage of every possible tax break. Here are a few things to keep in mind as you look to get the biggest refund you can.

Consider Your Filing Status

Your filing status can have a significant impact on your tax refund, regardless of whether you're single or married. For most married couples, it makes sense to file jointly. However, there are some situations where you should consider filing separately.

For example, if you or your spouse has a significant amount of medical or business expenses, filing separately may reduce your adjusted gross income and increase the amount you can deduct (because these deductions can only be taken if they exceed a given percentage of your income). On the other hand, filing separately means you may miss out on some key tax credits. Run the numbers to see which filing status yields the bigger benefit. And if math isn't your forte, you can estimate your return easily with a free tax return calculator. If you're single, you could look into whether you qualify for head of household status. Generally, you need to have paid more than half the cost of maintaining a household for yourself and a qualifying dependent over the course of the year. For tax purposes, this could mean a child or a dependent adult, including an aging parent. If you're able to file as head of household it could give your refund a significant boost. For example, heads of household get a larger standard deduction than single filers.

Claim Your Credits

A tax credit reduces the amount of tax you owe to the IRS on a dollar-for-dollar basis. For example, if you owe \$6,000 in taxes and claim a credit worth \$1,000, your bill drops to \$5,000. Certain credits may even be refundable, which means you can claim them even if you don't have any tax liability.

Some of the most common tax credits include the Earned Income Tax Credit, the Child and Dependent Care Credit, the Child Tax Credit and tax credits for education expenses. Your eligibility to claim these and other tax credits typically depends on your income, filing status and whether or not you have eligible dependents. For credits related to education expenses, there are additional guidelines regarding when you can claim them and which expenses qualify.

You may also earn credits for making certain energy efficient improvements to your home. There is also the Premium Tax Credit which is designed to offset some of the cost of premiums for insurance purchased through the federal health care exchange.

Don't Forget the Deductions

In terms of your tax refund, credits typically yield a bigger tax return than deductions. But that doesn't mean you should overlook key write-offs you qualify for. Instead of reducing the amount of tax you owe, deductions reduce the amount of income that is subject to tax.

When you file your taxes, you have to decide whether to take the standard deduction or itemize. For many filers, the Trump tax plan's doubling of the standard deduction has made this choice an easy one. However, itemizing becomes the smarter choice when you have a lot of deductible expenses. This includes business expenses such as mileage and lodging, home office expenses if you're self-employed, donations to charitable organizations, mortgage interest, student loan interest and even gambling losses.

The amount of each expense you can deduct does vary. It's also important to make sure you have appropriate records to back up your claim, like receipts or bank statements.

Max Out Your IRA

Setting aside money in a traditional IRA is a great way to build your nest egg and score an additional tax bonus. You can fund your IRA for the previous tax year right up to the April filing deadline and your contributions may be partially or fully deductible. It's an above-the-line deduction, which means you can take the deduction even if you're not itemizing.

You may also be able to claim a tax credit for your contributions. The Retirement Saver's Credit applies to contributions to both traditional and Roth IRAs, but you have to meet specific income guidelines to qualify. When it comes to filing your taxes, every penny counts, especially when you're trying to beef up your tax refund. The more you know about which tax benefits you qualify for, the more money you'll be able to put in your pocket.

Bottom Line

There are ways to boost the tax refund you get back from the government. It's all about optimizing your deductions, claims and credits. Even your filing status can get you a bigger refund. If you're really trying to get the biggest refund you can, make sure that you use the best tax filing software you can. A good tax service will help you get every deduction and credit that you qualify for. It will also guide you through the process so that you don't have to feel lost or confused as you work through your return.



7 Big Benefits Of Exercising Outside This Winter

By Alena Hall (www.huffpost.com)

Let's face it -- it's tough to find the motivation to exercise outside these days. During the work week, sometimes *both* legs of our daily commutes are completed in utter darkness. And while weekend sunshine is appreciated, it doesn't do much to warm up our wintry surroundings. But before you throw in the towel and restrict yourself to the crowded, stuffy gym for the next few months, it may be worth giving the idea of a winter workout a second thought.

Exercisers are often concerned about the internal safety hazards that come along with chilly sweat sessions, but there is surprisingly little to worry about. Simply suiting up appropriately with enough layers made of moisture-wicking fabrics keeps the body at a healthy temperature and functioning the same way it would in any other workout environment. Sure, a slippery moment on an icy running path could lead to injury, but circumstantial (and potentially clumsy) moments aside, exercising outside during the wintertime actually boasts benefits that may not be achieved as efficiently elsewhere.

If you can pull yourself away from that cozy seat in front of the fireplace, you'll reap these seven bonus benefits of sweating it out in the cold weather -- and you might even learn to love it.

You'll burn more calories.

As the body works harder to regulate its core temperature among the elements, you'll burn a few more calories during your wintry workout compared to one conducted indoors. While the calorie burn varies with each person's body mass and the extremity of the temperature, it can be a nice morale booster (especially around the food-focused holidays) to get more out of your sweat session in this regard.

You'll strengthen your heart.

Cold weather also makes the heart work harder to distribute blood throughout the body. For an unhealthy heart that struggles to manage the additional stress, this process can exacerbate illness and injury. But a regular exerciser with cardiovascular endurance can make their heart muscle even stronger with these cold-weather sessions, better preparing the body for more strenuous workouts in the future -- not to mention other non-exercise stresses in life.

You'll drink more water.

Staying hydrated is one of the most important factors in minimizing the dangers of cold-weather workouts. The body continues to sweat, but that sweat evaporates more quickly into the chilly, dry air, making it seem as though the body is losing *less* water. Drinking water before, during and after cold-weather workouts helps maintain peak

performance, protect the body from injury and stay warm from start to finish. Don't wait to feel thirsty to hydrate!

You'll build a tolerance for the freezing elements.

It can feel downright painful to force yourself out into the elements for the first workout of the winter season, but rest assured that over time, it *does* get easier. According to chief coach of the New York Road Runners organization John Honerkamp, it's important to adjust your expectations as you acclimate rather than push for your typical, temperate-weather performance. Pay particular attention to the amount of effort you're putting forth rather than hitting certain time, distance or other performance goals, and try to just enjoy the process.

You'll remember the importance of warm-up and cool-down routines.

Proper warm-up and cool-down movements are crucial to keeping the body in top fitness shape, but they become even more important when it's cold outside. Keeping the body loose, limber and warm for a chilly workout can help prevent painful twists, sprains, tears and other injuries. Winter workouts will encourage you to become a pro when it comes to full warm-up and cool-down routines, the former to keep your internal body temperature elevated, and the latter to reduce unnecessary tightness inspired by the chill in the air.

You'll get a dose of vitamin D.

Sure, it may be cold, but that doesn't mean the extra sun exposure won't supply you with the same critical nutrients it does throughout the warmer parts of the year. The relative benefit also feels more substantial in the wintertime since the amount of natural light is already so restricted. Just remember to wear your sunscreen (yes, even when it's freezing) after your skin is exposed for 10 to 15 minutes.

You'll feel happier and more energized.

Cold-weather exercise also has the ability to boost one's mood, thanks to the lack of humidity (which creates that heavy air feeling in the summer months) and the stimulating aspect of the chill. As the body works harder to stay warm, the amount of endorphins produced also increases, leaving you with a stronger sense of happiness and lightness following a workout in the cold.

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