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The Priebe Post

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In Your 20's? Investments to Avoid

There's a *Seinfeld* episode in which George Costanza decides to do the exact opposite of what his instincts tell him, and suddenly his entire life improves. His character does not generally tend to make the best choices, so the premise for him to do the opposite of what he normally would is a good one.

That same may hold true for many of us when we invest for retirement. The classic example is "buy low, sell high" – our tendency may be to chase the latest stock or invest when a particular asset class is having a good run, when the best choice may be to do the opposite.

When it comes to saving for retirement, it may be helpful to view a list of what not to invest in, and then find a better alternative.

Individual Stocks

I suspect George would buy Apple stock right around now (gold, silver or oil). Whether a stock is priced correctly or not, it's important to remember that the price of any one stock could fluctuate dramatically in a short period. There is company risk, market risk and economic risk, to name a few. It's best to avoid investing your retirement savings in individual stocks and instead choose a low-cost mutual fund or ETF.

Leveraged or inverse mutual funds or ETFs

This is an investment George would jump on the moment he had a chance because of its promise of returns two or three times that of the market. Leveraged funds use futures and options to try to amplify returns and rely on "borrowed" money to increase their bet and therefore their potential gains. But the potential for losses is also significantly higher. While there might be a time and place for leveraged funds, one should proceed with caution and due diligence. Certainly for first-time investors starting off with little to no retirement savings, leveraged funds may not be the first place to invest.

Tax-deferred annuities or equity-indexed annuities

George might fall for a sales pitch touting the appeal of potentially steady and guaranteed income from an annuity; but the high expense ratios and exorbitant administrative costs and surrender fees of many annuity products often outweigh their benefits. The average annual expense on variable annuities is typically more than a full percentage point over the average open-ended mutual fund.

Equity-indexed annuities – which earn interest linked to a stock or other equity index—may offer a guaranteed minimum return to protect against downside losses, but it is typical for their yields to be lower than expected because there is often a cap on the maximum amount of interest earned. And, like traditional tax-deferred annuities, they often come with high fees and surrender charges. One may be better off investing in a diversified account over the long term with low-cost mutual funds.

Sometimes identifying what not to invest in is a good first step to determine the best way to save for retirement.

(Source: www.mainstreet.com)

Priebe Investment
Plans invites you to a



On Tuesday,
February 25th,
at 12 noon

We invite you to join us in our Fort Lauderdale office for an educational presentation.

Topic:

ARE YOU A
SMART
SPENDER?

Join us for a friendly discussion. **Bring your spouse, neighbor or friend.** Walter Priebe will have a short presentation and will be available to take any questions. Seating is limited. Lunch will be served.

Please call our office, 954.974.3266 to reserve your seat.

Office Address:

2933 W. Cypress Creek Rd.
Suite 102

Fort Lauderdale, FL 33309

BUDGET, BUDGET, BUDGET!

The dreaded “B” word, **Budget**. The only other word that starts with “B” that might generate a worse reaction in most people is the word bankruptcy.

Unfortunately, the word budget has gotten a bum rap – it is basically just a PLAN. When you budget, you’re spending on paper, on purpose, before the month begins. But many people view a budget as a straightjacket that keeps them constrained. Freedom and budget just don’t seem to go together.

However, when you see that a budget is just spending your money with intention, you’ll actually experience more freedom than before. Many people say they’ve found even more money when they created a realistic budget and stuck with it.

Here are some pointers:

- Give it three to four months to start working. It won’t be perfect the first time you do it.
- Spend every dime on paper before the month begins.
- Over-fund your groceries category. Most people underfund that category.
- If married, spouses need to do the budget together. The preacher said “... and you are *ONE*.”



Most Window computers come with Microsoft Excel which will have various budget templates created where all you have to do is input numbers and it does the work for you. Mac Computers have the Numbers program which have similar budget templates created, as well. Get to know the tools on your computer to help you with your budget.

February is Heart Health Month.

Heart disease is still the No. 1 cause of death in the United States. High blood cholesterol is a major risk factor for heart disease. Here are some strategies you can use in the battles against high blood cholesterol that will help reduce your risk of heart disease:

- Know what cholesterol is
- Get tested
- Live a heart-healthy lifestyle
- Seek proper treatment
- Get answers

Click on link below for more information from the American Heart Association, <https://www.heart.org/en/health-topics/cholesterol>



Tune in to Walt of Priebe Investment Plans from 10am-10:30am every Wednesday on 1470AM, 95.3FM and 103.9FM dials and 8am-10am every Sunday on your 1230AM dial.



Leap Day Is February 29, which is an extra (intercalary) day added during a Leap Year, making the year 366 days long and not 365 days, like a common year.

Leap Years are needed to keep our calendar in alignment with the Earth’s revolutions around the sun. It takes the Earth approximately 365.242199 days (a tropical year) to circle once around the Sun. If we didn’t add a day on February 29 nearly every 4 years, we would lose almost six hours every year. After only 100 years, our calendar would be off by approximately 24 days!

Leap into 2020 by budgeting and lowering your debt ceiling. This issue will focus on the different ways to cut costs and get your debt under control.

(Source: www.timeanddate.com)

CLIENT CELEBRATIONS

Client Birthdays

Jeanne Anderson
Carolina Adrianzen
Rolf Billeter
Madeleine Billeter
Russell Demarais
Karin Dana
Craig Fulkerson
Rita Feinberg
Mackenzie Ross- Fidler
Natasha Higgins
Tom Hughes
Alvin Jagoda
Cathleen Johnson
Phyllis Kraus
David Mathews
David Minor
Michael Martinez
Barbara Nilles
Sylvia Rosenfeld
Walt Reid



Wedding Anniversaries

Pat & Lillian DeGasperi
Bill & Julie Farbarik
Ron & Iris Greene
Earle & Elaine Renshaw
Martin & Doris Shorkey
Greg & Vicki Williams



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Rosie's

RECIPE CORNER



Walt's favorite

Buffalo Chicken Dip

Ingredients:

1 cup shredded cooked chicken breast
2 pkg. – 8 oz cream cheese, softened
¾ Frank's Red Hot Pepper Sauce
1 cup Chunky Blue Cheese dressing
1 cup shredded cheddar cheese
Celery sticks
Frito's Scoops corn chips

Mix the cream cheese and pepper sauce well until cream cheese is smooth. Add in the shredded chicken and blue cheese. You can substitute with ranch dressing but I prefer blue cheese. Finally, mix in the shredded cheddar cheese. Bake in the oven on 350 degrees for 20 minutes. Serve hot. If you have a mini crockpot then transfer it to this and keep on warm. Do not overheat. Serve with celery sticks and Frito's Scoops. This is a definite crowd pleaser.

