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April 17, 2020

Dear Client,

This letter contains news and views that I feel will be of interest to you. As always, please call us at your convenience to set up your quarterly investment meeting.

Contents:

Going, Sebastien, Fisher & Le Bouef, LLP News:

- GSF&L constantly researches asset classes that may be suitable for clients' portfolios to add diversification (reduce risk). We offer Insurance-Linked Securities, Alternative Lending, Market Insurance, and other Alternative Strategy Securities, Realty, and Real Assets, so feel free to contact us for more details. The strategies have a low to moderate correlation to a Global Equities/Global Fixed Income mix; therefore, adding diversification to portfolios.
- Please make note of the above letterhead indicating our other office located in Lafayette. We have been operating in Lafayette since early 2017. Should you wish to meet or come visit please do not hesitate to do so.

Investment Views:

- ***Market Watch - Through March 31, 2020 - Year-to-date returns –*** Dow Jones Industrial Average -24.08%, S&P 500 -20.66%, NASDAQ Composite -15.31%, Russell 2000 -30.83%, Barclays US Aggregate Bond 1.91%, and Morgan Stanley Capital International Europe, Australasia, Far East -23.86%.

- **American Institute for Economic Research Rates of Interest (As of March 23, 2020 – Average National Rates) –**

Federal Funds Rate	0.20%	10-Year TIPS	0.62%
3-Month Treasury Bill	0.04%	10-Year Muni Bonds – Nat'l	1.60%
10-Year Treasury Note	1.12%	15-Year Mortgage Fixed	3.06%
30-Year Treasury Bond	1.78%	30-Year Mortgage Fixed	3.65%

- ***Northern Trust – Weekly Economic Commentary – April 9, 2020 –*** The normalization of commerce depends critically on two sets of decision makers. The first are public health officials, who have implemented increasingly restrictive social distancing measures. They, too, are quick to become conservative and slow to relax. And when that signal is given, the question becomes how quickly people will get back to their daily business. The medical and economic consequences of the pandemic have consistently exceeded our expectations. The recession we recently entered could be deeper and more lasting than anyone suspected.
- ***Bureau of Economic Analysis – March 26, 2020 -*** Real Gross Domestic Product (GDP) – the value of goods and services produced by the nation's economy less the value of the goods and services used up in production increased at an annual rate of 2.1% in the fourth quarter of 2019, according to the "third" estimate released by the Bureau. Real GDP increased 2.3% in 2019, compared with an increase of 2.9% in 2018. Personal income increased 0.6% in February, which compares to 0.6% in January.
- ***Bureau of Labor Statistics – April 10, 2020 –*** On a seasonally adjusted basis, the Consumer Price Index for All Urban Consumers decreased 0.4% in March. Over the last 12 months, the all items index increased 1.5% before seasonal adjustment. A sharp decline in the gasoline index was a major cause of the monthly decrease in the seasonally adjusted all items index, with decreases in the indexes for airline fares, lodging away from home, and apparel also contributing.

Craig's Thoughts and Views:

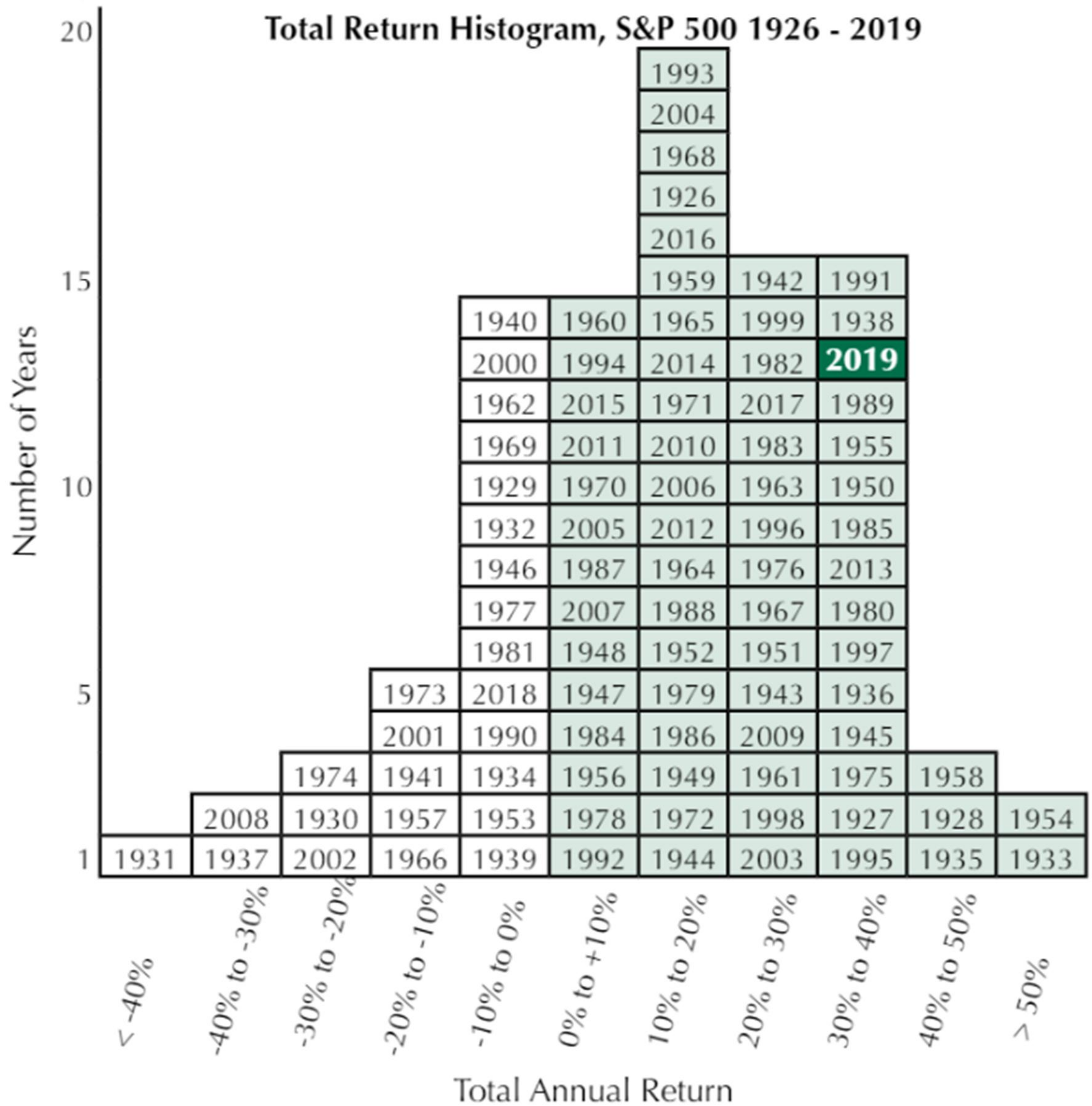
A History of Stock Market Returns

While most investors are witnessing market volatility in the equity portion of their portfolios, a review of calendar year nominal returns of the U.S. stock market (represented by the S&P 500 index) going back to 1926 may help put the current market cycle in perspective over the long term. As page 1 shows, through March 31, 2020, the Dow Jones Industrial Average returned -24.08% and the S&P 500 returned -20.66%. 2019's return of 31.5% was well above the median annual return of 14.0%. That return also demonstrated the volatility of calendar-year returns, as it followed the 2018 return of -4.4%.

The below histogram makes several points. First, the randomness of returns is evident and there seems to be no "momentum" trend from year to year. Second, positive returns occur more frequently. Market gains have occurred in 69 of those years, while 25 years had losses. Third, the magnitude of the stock market's gains in the positive years on average exceeds the degree of losses during the negative years. The average return during the positive years was +21.3% versus -13.2% during the negative years.

The histogram does not account for the impact of inflation. The average annual compound return over the 94-year period was 10.2%. However, if you adjust for inflation (loss of purchasing power as measured by CPI), the annualized return falls to 7.1%, according to the American Institute of Economic Research. Put another way, a $1,000 investment made at the beginning of 1926 would have grown to $9.23 million by the end of 2019 in nominal dollars, but after adjusting for price inflation, the ending value would have been about $643,000.

Even though it is virtually impossible to predict calendar year returns, stock markets will likely continue to be the best choice for investors who want long-term real growth.



A Retirement Approach

When preparing for retirement, there are many topics to consider, but first most should start with their goals and aspirations.

The first step in retirement planning does not require some special knowledge of investing, income taxes, estate planning, or other personal financial planning aspects. Instead, you may want to begin with asking yourself "What do you want retirement to look like?" Some common answers include "I want to be comfortable" and "I don't want to outlive my money." However, to reach your retirement goals, it may be better to be more specific and realistic about what you will need and what you hope to do.

There are many online retirement calculators that help you identify your income and assets and then attempt a fixed annual draw-down in the future of those assets (401(k) websites and mutual fund companies have these). As a first glance, this can serve as a reality check, but this approach may ignore some personal objectives. Withdrawal rates can be a useful guide; however, they may distract from an honest conversation about what you hope to achieve.

Goals-Based Planning, begins by identifying specific spending goals (needs, wants, and wishes) and then tries to determine the probability of meeting them. If the projections suggest that you may fall short of meeting those objectives, then we can discuss a variety of ways to address the shortfall and maybe not give up on the goal entirely. Solutions could include working longer, saving more or finding some other ways to generate more income in retirement, such as tapping home equity or finding part-time work. Or in the end, you might choose to re-set your expectations. This type of planning hopefully allows you to consider the alternatives within a rational framework in evaluating the trade-offs.

One way to approach this process is to begin with 10 questions. This may take several days to mull over, particularly for married couples to discuss these together.

1. **At what age do you want to retire?** This is the most fundamental question as you start to build your plan. Do you decide on a pre-meditated milestone age (common is age 65 when Medicare is available)? Do you pick a retirement age based on an estimated future savings (at the risk of an uncertain projection of future finances)? Do you think about the satisfaction that work provides and evaluate the trade-offs between retirement and spending (more goals-based approach)?
2. **Will you consider working part-time?** Whether you are willing (and able) to work part-time in retirement can have a huge impact on retirement planning.
3. **What are your most basic spending needs?** It is helpful to know the bare minimum you need every month or year to maintain your quality of life. If there is a good chance you will fall short, you'll have to re-evaluate your plan.
4. **Do you intend to travel before and/or during retirement? How often? What is your anticipated spending? Until what age would you like to travel?** Whatever travel looks like to you and your spouse, now is a good time to discuss where you want to go, how often you want to travel, and how long you'd like to travel for.
5. **Do you expect other large expenditures – a second home, a boat, or other large purchase? What may be the cost and when do you plan to purchase?** Coming up with a single number for an annual budget won't help you plan for these large one-time expenditures.

6. **Do you plan to provide educational expenses for your yourself, children, grandchildren, or other family members? When, how much might it cost, and for how long?** Between 1989 and 2016, the average cost of a four-year degree increased from about $26,000 to more than $100,000 (Forbes magazine).
7. **Do you plan to support children, parents or other family members before and/or during retirement? When, how much might it cost, and for how long?** A recent survey found that 38% of adults over age 50 have adult children living with them, and another 16% have a parent living with them (Consumer Affairs).
8. **Do you intend to make charitable contributions during retirement? How much?** During retirement you may want to continue ongoing charitable donations or even begin new ones.
9. **Do you intend to leave a bequest to your heirs and/or charity? Do you have a specific dollar amount in mind?** Rather than a general sense of leaving something you may want to quantify how much to leave.
10. **Do you have other major lifestyle objectives that will influence your financial situation?** This question is meant to draw out any additional lifestyle objectives that might influence spending during retirement.

Two cost questions not specifically addressed in the above questions are health care costs and long-term care costs. These costs need a deeper discussion. Answering the above 10 questions will hopefully help you create an effective roadmap as you think about retirement.

GSF&L, LLP Registered Investment Advisors:

We can never know what the future holds, but we can make informed decisions regarding investment strategies and portfolio allocations. We (GSF&L) make changes based on our perception of opportunities in the capital markets. We assimilate fundamental, technical, and economic information to make informed decisions. Of course, it is important to have long-term focus on portfolio management, but with a critical analysis of intermediate strategies.

Managing risks and opportunities are important to portfolios and reaching one's financial needs and goals. Having a complimentary understanding of investment horizon and attitude toward risk are equally important. Markets and economies do not always behave as we expect them to. That is the problem with investing! There is no luck to professional investing. You can no more have a successful, disciplined approach by luck or accident than you can win a chess tournament by luck or accident.

If you know of someone who may fit our financial and investment planning philosophy, please mention our name. We are a small organization and intend to remain so. A solid organization makes it possible for us to spend our time managing our business rather than each other. Because everyone has so much to do, much gets done. We will forego any growth opportunity that may detract from our ability to serve our clients as they have become accustomed to. We never expect to be among the biggest, but our attention to be among the best is not subject to compromise.

Regards,

Craig

Craig C. Le Bouef, MBA, CPA/PFS, CFP®

NASDAQ composite measures the performance of all issues listed in the NASDAQ Stock Market, except for rights, warrants, units, and convertible debentures. The S&P 500 is made up of 500 common stocks representing major U.S. industry sectors. The Dow Jones Industrial Average contains 30 stocks that trade on the New York Stock Exchange (NYSE) which reflect the performance of 30 large American companies. The Morgan Stanley Capital International Europe, Australia, and Far East Index (MSCI EAFE) is a market-weighted aggregate of 20 individual country indexes that collectively represent many of the major markets of the world, excluding Canada and the U.S. The Lehman Brothers U.S. Aggregate Bond Index tracks performance of debt instruments issued by corporations and the U.S. Government and its agencies. The returns for this index are total returns, which includes reinvestment of dividends. The Russell 2000 Index measures the performance of the 2,000 smallest companies in the Russell 3000 index, which represents approximately 8% of the total market capitalization of the Russell 3000 index.

All indices are unmanaged. It is not possible to invest in an index.

Past performance is no guarantee of future results. Diversification does not assure against market loss.