BOGGS & COMPANY
WEALTH MANAGEMENT

BUILDING OPPORTUNITIES GUIDING GENERATIONAL SUCCESS

AUGUST REMINDERS

The month of August kicks off Investors Month! What should beginners know to give them the best leg up in the world of investing? How should investors account for inflation? Continue reading for our August news roundup.

- **McHenry Office Reopening:** Our office at the McHenry Plaza- 2445 Garrett Highway McHenry, MD 21541 is reopening this month.
- **Now Accepting New Clients:** If you know someone, contact info@boggsandcompany.com and someone will contact your referral within 24 hours.
- **Want to go paperless?** See the accompanying document for instructions. Contact our office at info@boggsandcompany.com or (301) 798-7669 if you have any questions.

INTRODUCING WEALTHVISION

At Boggs & Company, we use WealthVision to integrate your financial plan into a robust personal financial website. Its powerful engine can generate comprehensive financial planning analytics—calculating cash flow projections, modeling "what-if" scenarios, and generating alerts when adjustments may need to be made. You'll have access to budget tools, reports, educational materials, and storage for personal documents in one convenient and secure location.

The WealthVision client portal is designed to provide you with the features you need to stay connected to your finances, goals, and important documents. Your secure personal website is available via Account View, and it allows you to track your progress against the goals that we create together.

Access Your Account 24/7

Within your online portal, you can:

- Easily connect all of your financial accounts in one place
- Track your net worth
- Receive alerts of your balance changes
- Access investment analyses of your assets
- Track your spending with a budgeting tool

You're just a click away from everything you need, whenever you want it, from wherever you are.

Interactive Appointments

Call our office and schedule an appointment with your advisor who can walk you through hypothetical scenarios to help analyze decisions like:

- retirement age
- social security timing
- savings rate
- investment allocation
- budget
- insurance coverage

And factor potential risks like:

- inflation
- investment volatility
- death, disability
- health events

Ready to get started or have any questions? Give our office a call at (301) 798-7669 or email us at info@boggsandcompany.com.

10 TERMS EVERY INVESTOR SHOULD KNOW

If you're new to investing, you may encounter some unfamiliar jargon. Many of these terms you may already know but here is a quick refresher.

Portfolio

An investment portfolio is a collection of investments owned by an individual or an institution. Typically, a portfolio comprises a mix of asset classes such as stocks, bonds, and cash. An investor's risk tolerance, time horizon, and investment goals generally determine a portfolio's asset allocation.

Stock

A stock is a security that represents ownership (or equity) in a corporation. An investor who purchases shares of stock owns a piece of the company and has a claim on a portion of the assets and earnings. Shareholders are subject to the potential benefits and risks of that position, which means they can make money if the company does well or lose money if the company does poorly.

Note: The return and principal value of stocks fluctuate with changes in market conditions. Shares, when sold, may be worth more or less than their original cost.

Cash

Cash is another investment type, or asset class. It includes currency and cash alternatives that offer low risk and high liquidity. Some examples of common cash alternatives are savings accounts, certificates of deposit (CDs), and U.S. Treasury bills.

Note: The FDIC insures CDs and bank savings accounts, which generally provide a fixed rate of return, up to $250,000 per depositor, per insured institution.

Note: U.S. Treasury securities are backed by the full faith and credit of the U.S. government as to the timely payment of principal and interest.

Mutual Fund

A mutual fund is a collection of stocks, bonds, and/or other securities purchased and managed by an investment company with funds from a group of investors. Shares are typically bought from and sold back to the investment company at the end of the trading day, with the price determined by the net asset value (NAV) of the underlying securities. Mutual funds offer investors the advantages of diversification and professional management. Diversification is a method used to help manage investment risk; it does not guarantee a profit or protect against investment loss.

Exchange-Traded Fund

An exchange-traded fund (ETF) is also a portfolio of securities assembled by an investment company. But unlike mutual funds, ETF shares can be traded throughout the day on stock exchanges, like individual stocks, and the price may be higher or lower than the NAV because of supply and demand. ETFs typically have lower expense ratios than mutual funds, but you must pay a brokerage commission whenever you buy or sell ETFs, so your overall costs could be higher, especially if you trade frequently.

Note: The return and principal value of mutual funds and ETFs fluctuate with changes in market conditions. Shares, when sold, may be worth more or less than their original cost. Before investing, carefully consider the fund's investment objectives, risks, fees, and expenses, which can be found in the prospectus. Read it carefully before investing.

Dividends

Dividends are the distributions of a company's earnings to shareholders, generally paid in cash or additional shares of the company's stock on a quarterly basis. The dividend amount per share is decided by the company's board of directors. Dividends must be reported as income by shareholders in the year received. Investors often view dividend payments as an indicator of the company's financial strength and future prospects.

Note: Investing in dividends is a long-term commitment. In exchange for less volatility and more stable returns, investors should be prepared for periods when dividend payers drag down, not boost, an equity portfolio. The amount of a company's dividend can fluctuate with earnings, which are influenced by economic, market, and political events. Dividends are typically not guaranteed and could be changed or eliminated.

Yield

Generally, the yield is the amount of current income provided by an investment. For stocks, the yield is calculated by dividing the total of the annual dividends by the current price. For bonds, the yield is calculated by dividing the annual interest by the current price. The yield is distinguished from the return, which includes price appreciation or depreciation. Investments seeking to achieve higher yields also involve a higher degree of risk.

Index

An index is a statistical composite used to track changes in economic conditions (such as inflation) or financial markets over time. Investors use some indexes as benchmarks against which the performance of certain investments can be measured. For example, the S&P 500 Index is considered to be representative of the U.S. stock market in general, but there are hundreds of other indexes based on a wide variety of asset classes (stocks/bonds), market segments (large/small cap), and styles (growth/value).

Note: The performance of an unmanaged index is not indicative of the performance of any specific investment. Individuals cannot invest directly in an index. Past performance is not a guarantee of future results. Actual results will vary.

Bear/Bull Market

A bear market is generally defined as a period in which the prices of securities are falling, resulting in a downturn of 20% or more in several broad market indexes over a period of several months or longer. A bull market is a sustained period in which the market is rising and investor optimism is high, usually occurring over several months or years. Either of these market trends can influence the attitudes and behaviors of investors.

GASOLINE AND HOUSING PRICES COLOR YOUR INVESTING

A roof over your head and gas in your tank cost more than ever. But prices for these essentials color your view of investing.

What do your nest egg, retirement planning and personal finances share with the overall American economy? Plenty, especially when it comes to the bite from energy and home prices.

Gasoline & Fuel Costs are Skyrocketing

In the past couple of years and especially in 2022, rising gasoline and heating and cooling costs gobbled up family income, although a red-hot housing market helped ease the impact to personal wealth (at least on paper). Nonetheless, Americans are feeling uncertain about their economic prospects.

Gas and fuel oil costs seriously affect our economic well-being, accounting for nearly 10% of the U.S. Consumer Price Index. And according to the latest consumer price index figures from the U.S. Bureau of Labor Statistics, energy and home costs continue to spearhead jumps in overall prices in 2022.

- Energy is up over 30% in the past 12 months
- Gasoline is up over 40% in the last 12 months
- Fuel oil up a staggering 80%

And anyone who fills up their car knows that the national average for a gallon of gas keeps hitting all-time highs, (currently less than a nickel under $5/gallon) with many predicting more increases later this summer and into the fall.

Housing is Bubble-Like

Meanwhile, the housing market is red-hot – almost bubble-like. This is good news for current homeowners – although not so good news for prospective homeowners or renters.

Consider this: the S&P CoreLogic Case-Shiller U.S. National Home Price NSA Index, covering all nine U.S. census divisions, reported a 20.6% annual gain in March, up from 20.0% in the previous month. Further:

- The 10-City Composite annual increase came in at 19.5%
- The 20-City Composite posted a 21.2% year-over-year gain

Tampa, Phoenix, and Miami reported the highest year-over-year gains among the 20 cities in March.

Tampa led the way with a 34.8% year-over-year price increase, followed by Phoenix with a 32.4% increase, and Miami with a 32.0% increase.

Seventeen of the 20 cities reported higher price increases in the year ending March 2022 versus the year ending February 2022.

Maybe rising mortgage rates will cool housing.

Maybe not. A year ago, the benchmark 30-year fixed-rate mortgage was at 3.19%. Four weeks ago, the rate was 5.38%. For now, home purchases and prices remain strong.

Questions to Ask Before Investing

Your optimism fuels your desire to invest and commit to investments – especially in our recent rollercoaster market.

Ask yourself, how is your mindset affecting your spending and investing? Your advisor is always here to speak through your concerns, how the current economic status could affect your financial goals and how to stay the course.

We're always here for you and can be reached at (301) 798-7669 and info@boggsandcompany.com.

Important Disclosures

The opinions voiced in this material are for general information only and are not intended to provide specific advice or recommendations for any individual.

Investing involves risks including possible loss of principal.

The S&P CoreLogic Home Price Index tracks monthly changes in the value of residential real estate in 20 metropolitan regions across the U.S. The composite indexes and the regional indexes are seen by the markets as measuring changes in existing home prices and are based on single-family home re-sales.

All information is believed to be from reliable sources; however LPL Financial makes no representation as to its completeness or accuracy.

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