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“Count your age by friends, not years. Count your life by smiles, not tears” (John Lennon)

Retirement – Wealth Plan Analysis: Are you ready for retirement? Are you on track to achieve your retirement goals? Let us help you with our Wealth Plan Analysis based on your current situation and future expectations for a healthy retirement. Please click on the 4-page questionnaire that is attached to the current e-mail, answer the questions as best you can, and send it back. We will then follow up with you.

Your IRA: Don't forget your yearly contribution for 2018 - \$5,500. For 2019 the maximum contribution is raised to \$6,000. Those aged 50 years or older may add an extra \$1,000 for both years. Please call for information on other retirement plans.

My Website: www.davidjklein.com: **“Global Insight: 2019 Outlook”** is on the front page of the website. This is RBC Wealth Management's outlook for the New Year.

Key Statistics Year-to-date a/o 3/22/2019

Dow: +9.32%
S&P 500: +11.72%
Nasdaq: +15.18%

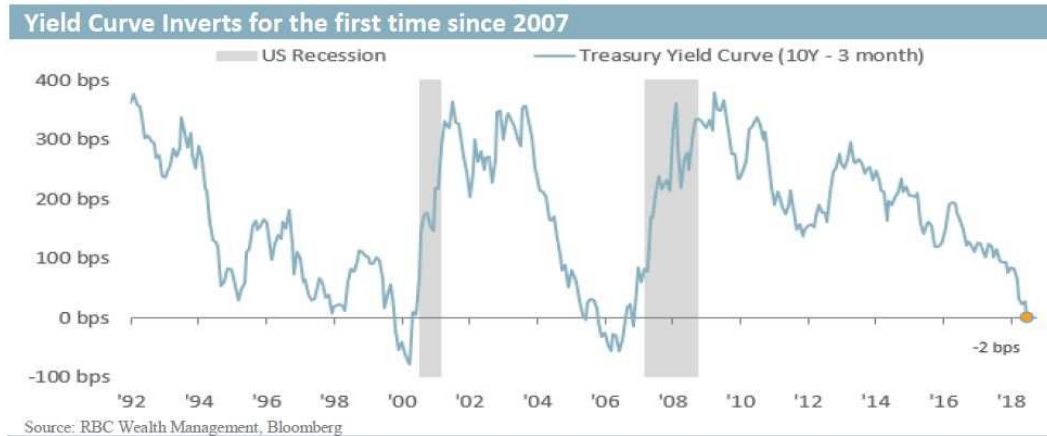
Treasury Bond Yields: Year- to-date a/o 3/22/2019

1-year Treasury: 2.45%
2-year Treasury: 2.31% - Yes, lower than the 1-year
5-year Treasury: 2.24% - Unbelievable - lower than the 1 and 2-year
10-year Treasury: 2.44% - Only a 0.13 spread between the 2 and 10-year
30-year Treasury: 2.88%

--Germany's 10-year sovereign bonds are at a negative yield

Inverted Yield Curve: The 3-month Treasury at 2.46% and the 1-year at 2.45% are at a higher yield than the 10-year Treasury at 2.44%. When the yield on the short-term is higher than the yield on the long-term, this becomes an inverted yield curve. (See following chart)

Economists often look at the relationship between the 2-year and the 10-year for a sign of a recession. One should not jump to short-term conclusions. Many other economic factors must be considered.



Markets: (Barron's, IBD, WSJ, RBC, MFS, Reuters, Advisor Perspectives)

- For the week: Dow fell (-1.34%), S&P 500 fell (-0.77%), Nasdaq fell (-0.60%)
- Friday, down 460 points, 1.77%, wiped out gains of the week
- Financial sector performed the worst – down 5%
- Global equities fell on the week
- Oil remains at \$58.50/barrel

Analyst's Forecasts: Just as economists have differing opinions on the economy, so too do analysts who make recommendations on stocks. Following are some examples that we often see every week. For compliance purposes we cannot name the analyst, the investment company, or the stock. These are, however, real examples from last week.

Stock #1: \$168/sh – Target price \$200 from one, target price \$120 from another

Stock #2: \$181/sh – Target price \$241 from one, target price \$190 from another

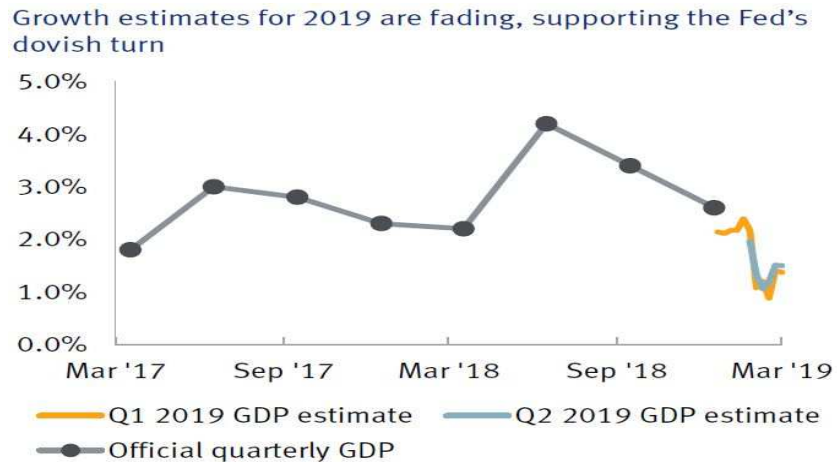
Stock #3: \$363/sh – Target price \$480 from one, target price \$120 from another

Stock #4: \$40/sh – Target price \$90 from one, \$60 from another, and \$32 from another

Analysts often have very different views on companies, their growth and earnings projections, their role in a changing economy, their competitors, etc.... This is why you, the investor, must be well diversified in a portfolio that conforms to your goals and discipline.

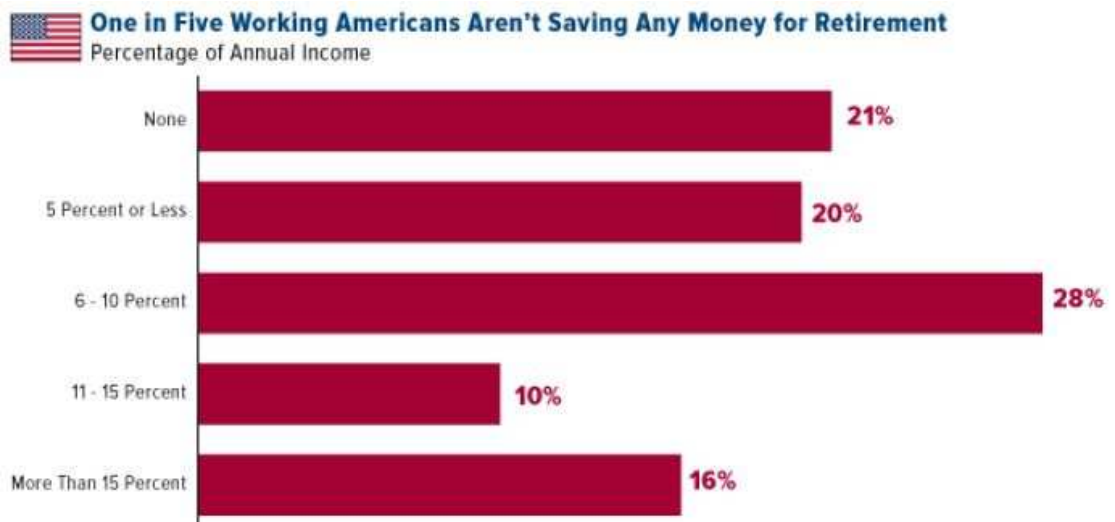
Economic News: (Barron's, IBD, WSJ, RBC, MFS, Reuters, Advisor Perspectives)

- Subdued economic growth has kept a lid on interest rates.
- Fed reverses course – projects zero interest hikes in 2019
- Fed needs to see higher inflation and better economic growth to hike interest rates (see chart below)
- Fed projects 2.1% economic growth and 1.8% inflation for this year



Source - RBC Wealth Management, Bloomberg, estimates from the Federal Reserve Bank of New York, *Nowcasting Report*

Are You Saving Enough for Retirement?



**Survey of 1,003 Adults Between Feb. 26 – Mar. 3
Source: Bankrate, U.S. Global Investors

Question of the Week: The US government has maintained financial records for the past 230 years, starting in 1789. How much debt did the government create for the first 220 years, from 1789 – 2009, and how much debt has been created since 2009?

Question from Last Week: What was the growth rate of both the Chinese economy and the US economy in 2018?

Answer: China's economy grew at 6.6% in 2018, its lowest growth rate since 1990. The US economy grew at 2.9% in 2018.

Did You Know:

- 23% of 3,462 American workers surveyed admit that they live “*paycheck-to-paycheck*” all the time (BTN Research, Career Builder)
- In 1980, it took an adjusted gross income (AGI) of ***\$80,580*** to rank in the ***top 1%*** of US taxpayers. In 2016, an AGI of ***\$80,921*** placed a taxpayer in the ***top 25%***. (BTN Research, Internal Revenue Service)

Sports Trivia: Through 3/14/19, the Milwaukee Bucks were 51-17 and have the best record in the NBA. The last time the Bucks had the league's best record was 45 years ago in 1974. (BTN Research, NBA)

Referrals: Many sincere thanks for your referrals of family, friends, and associates. I am deeply appreciative.

Sincerely,

David J. Klein

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The views presented here are solely the views and opinions of David Klein and do not reflect the views of RBC Wealth Management, or its officers and directors. Data is believed to be from reliable sources, but we make no representation as to its accuracy or completeness. The Dow Jones Industrial Average covers 30 blue chip U.S. companies selected by the editors of the Wall Street Journal. The Dow represents about 25% of the NYSE market capitalization and less than 2% of NYSE issues.

The Nasdaq Composite is a market-value weighted index that measures all NASDAQ domestic and foreign common stocks. The Standard and Poor's 500 is an unmanaged, capitalization weighted benchmark that tracks broad-based changes in the U.S. stock market. This index of 500 common stocks is comprised of 400 industrial, 20 transportation, 40 utility, and 40 financial companies representing major U.S. industry sectors. The index is calculated on a total return basis with dividends reinvested and is not available for direct investment. This material is based on data obtained from sources considered to be reliable. However, it is not guaranteed to accuracy and does not purport to be complete. The illustrations are for informational use only. RBC Wealth Management does not provide tax or legal advice. All decisions regarding the tax or legal implications of your investments should be made in conjunction with your independent tax or legal advisor. RBC Wealth Management, a division of RBC Capital Markets