MOULTON WEALTH MANAGEMENT INC.

"MOLTEN HOT" MINUTES

SPECIALIZING IN RETIREMENT AND TAX PLANNING

DONALD J. MOULTON
CFP®, RFC

www.moultonwealth.com

RIAL R. MOULTON
CFP®, CPA/PFS, RFC

Week of March 29, 2021

Per a disaster declaration by Governor Inslee, all gatherings of 5 or more are suspended. If you were planning to attend a seminar and don't wish to wait until there is a change in the restrictions please call the office for a free Financial Physical.

We initially wrote about taxes and Roth conversions for this letter (see below) but felt compelled to first comment on the market's behavior last week.

FINANCIAL PHYSICAL

Due to the Lock Down, Seminars are on hold. If you'd like a phone based Financial Physical, please call…

509-922-3110

OUR FINANCIAL PHYSICALS REVIEW:

1. PROTECTION
2. ESTATE PLANNING
3. TAXES
4. RETIREMENT
5. INVESTMENTS

Many large companies' stock took a beating last week, including Discovery, ViacomCBS, Baidu, Fox, etc. The moves were very unusual both in size and speed for such big names.

Over the weekend it was announced at Archegos Capital Management may have been the cause. Archegos apparently held too much leverage and was forced to sell large positions due to margin calls.

In short this has more to do with a big player who got caught being too aggressive as opposed to all of these companies suddenly having fundamental issues.

We will see where they go from here.

On to taxes.

Do you pay much in taxes?

As tax time approaches (although this year the deadline had been extended from April 15th to May 17th) there are strategies to consider to reduce future taxes.

We speak with a lot of people who proudly tell us they pay little income tax in retirement. Most of us would be happy with that scenario, but is it best to pay so little?

If you have an IRA, at age 72 you have to begin taking Required Minimum Distributions (RMDs) – and add them to taxable income – whether you want to or not.

So if you're fortunate to pay little in taxes, whether older or younger than age 72, might it be prudent to purposely pay more?

Maybe.

First consider that taxes will go up in 2025 unless Congress makes the current tax reductions permanent, which appears less and less likely. In fact President Biden is seeking higher taxes on corporations and those making more than $400,000 to help pay for increased spending.

As such a couple or individual, paying little or no taxes today, but with an IRA they are not likely to need for living expenses (or not likely to need it all) should consider increasing their taxes by converting a portion of the IRA to a Roth IRA each tax year.

Why?

A Roth IRA is tax free – both basis and earnings – for you, your spouse and your beneficiaries. Better, there are no RMDs for you or your spouse on Roth IRAs so they can be allowed to grow as long as you like without distribution.

Also, RMDs are calculated based on your age and the value of your IRA – the bigger the IRA the bigger the RMD. By moving money to a Roth you are reducing the value of your IRA, thus reducing future RMDs.

In addition, you're hedging against bigger tax increases in the future as you are creating a tax free pool of money you can draw from – or not - as you see fit. And although beneficiaries after you and your spouse do have to empty a Roth within 10 years, it's still tax free to them.

Finally, there is sometimes a misconception that you have to be working to add money to an IRA or a Roth IRA. This is true for "new money" but not for converting an IRA to a Roth IRA. IRA conversions can be done at any age, whether working or not.

It was once said that investments are a matter of opinion, but taxes are a matter of fact.

Does your advisor help you create a tax plan in addition to an investment plan?

Does the investment plan include a sell strategy to protect your downside?

Participate but protect.

We have a defense, do you?

Where are you getting your advice?

Are they fiduciaries?

Are they a Certified Financial Planner™?

Do they have a background in accounting, tax, finance?

Do they review all areas of your financial life (like income taxes, risk management, estate planning) or just talk about stocks?

Who benefits most from their "advice"?

If you're not a client, what is your advisor telling you about our current situation? If your advisor is not discussing these issues with you, shouldn't (s)he be? How much work do you think it takes to keep up on all of this as we try to do, and how much easier do you think it would be to simply repeat over and over…

- Never sell
- You can't time the market
- You're a long term investor
- The market always comes back

- Etc., etc., etc.

Are you being told to stay invested after thoughtful analysis of world events, stock valuations, economic considerations, etc.? Or are you being told to stay invested due to a lack of thoughtful analysis of world events, stock valuations, economic considerations, etc.?

It's your money and it's your retirement.

Being told after the fact that 'everyone lost money' may make you feel better but it won't help pay your utilities.

If you didn't like what happened to your portfolio in the dot.com bubble or the financial crisis bubble, but you've made no moves to change the way you invest, now may be the time to seriously consider your process – NOT after the market, and your portfolio, have crashed.

Break the cycle and make your portfolio decision based on where we are likely headed, not on where we've recently been.

If we can help, call our office now and set up a no obligation review.

We think investing today must include a defensive strategy and system. It's this system that helps us decide when "enough is enough" and that it is time to protect your portfolio. If you don't have a system you should consider it now. Regardless of what happens over the next week, month or several months, stocks are overvalued in our opinion and eventually they will reset with a significant market decline.

Remember, we have a feature on our website: www.Moultonwealth.com to help you measure your risk tolerance. The problem with trying to decide how much risk to take is we all want to be aggressive when the market is going up, but conservative when it's going down. That's why a sell discipline is important. However, the first line of defense is always our allocation. This approach to measuring risk gives a number by making investors trade off gains and losses. Just click the button to see where you stand.

On to this week's data…

U.S. Markets: The major indexes finished the week mixed, as investors seemed to continue weighing optimism over a full economic reopening against inflation and interest rate concerns. Small-cap stocks lagged for a second consecutive week, signaling a potential pause in their recent market leadership. The Dow Jones Industrial Average added 445 points finishing the week at 33,072, a gain of 1.4%. The technology-heavy NASDAQ Composite shed -0.6% to 13,138. By market cap, the large cap S&P 500 and mid cap S&P 400 added 1.6% and 0.5%, respectively, while the small cap Russell 2000 ended down -2.9%.

International Markets: International markets finished the week mixed as well. Canada's TSX gave up -0.5%, while the United Kingdom's FTSE added 0.5%. On Europe's mainland, France's CAC 40 ticked down -0.2%, while Germany's DAX rose 0.9%. In Asia, China's Shanghai Composite rebounded 0.4% following four weeks of consecutive declines. Japan's Nikkei closed down -2.1%. As grouped by Morgan Stanley Capital International, developed markets rose 0.2%, while emerging markets ended the week down -1.5%.

Commodities: Precious metals saw their first down week in three, with Gold falling -0.5% to $1732.30 an ounce, while Silver declined -4.6% to $25.11. Crude oil declined for a third consecutive week giving up -0.8% to $60.97 per barrel of West Texas Intermediate crude oil. The industrial metal copper, viewed by some analysts as a barometer of world economic health due to its wide variety of uses, ended the week down -1.1%.

U.S. Economic News: The number of Americans filing for first-time unemployment benefits fell last week hitting its lowest level since the pandemic began. The Labor Department reported initial jobless claims fell by 97,000 to 684,000 in the week ended March 20. Economists had forecast new claims would fall to 735,000. New claims fell the most in Illinois, Ohio, and California. Massachusetts. The only states with notable increases were Virginia and Nevada. Meanwhile, the number of people already collecting benefits fell by 264,000 to 3.87 million. That's the lowest level since last spring.

Sales of existing homes fell in February following two consecutive months of gains. The National Association of Realtors (NAR) reported existing-home sales dropped 6.6% from January to a seasonally-adjusted annual rate of 6.22 million. Still, home sales were up 9.1% from the same time last year. Lawrence Yun, chief economist at the National Association of Realtors, noted "Despite the drop in home sales for February — which I would attribute to historically-low inventory — the market is still outperforming pre-pandemic levels." By region, home sales decreased the most in the Midwest (-14.4%), followed by the Northeast (-11.5%). Sales increased in the West by 4.6%. The median existing-home price in February was $313,000—nearly 16% higher than the same time last year.

Spending at the consumer level posted its biggest decline in almost a year in February, predominantly due to a bout of harsh winter weather and a delay in government stimulus payments. The Bureau of Economic Analysis reported consumer spending sank 1% last month—the biggest drop since the onset of the coronavirus pandemic. The reading matched economists' forecasts. Americans reduced spending on an array of goods and services in February, particularly drugs, recreational items and takeout food, more than offsetting increases in outlays on housing, health care, utilities and gasoline.

Orders for goods expected to last at least three years, so-called ‘durable goods’, fell in February for the first time since last spring. The Census Bureau reported orders for durable goods fell 1.1%, far below economists’ estimates for a 0.6% increase. The decline in orders last month was broad based. Orders in every major category fell except for commercial passenger planes. Auto makers reported the biggest drop in orders—down -8.7%. If transportation is excluded, durable-goods orders slipped a smaller 0.9% in February. One major concern is the shortages of many key materials used in the production of goods ranging from lumber to computer chips. Stephen Stanley, chief economist at Amherst Pierpont Securities stated, “The primary driver of the drop was the disruptions in the auto industry, as chip shortages have sharply curtailed production.”

The U.S. economy contracted in February for the first time since the worst phase of the coronavirus pandemic, according to a nationwide economic survey. The Chicago Federal Reserve reported its National Activity Index fell to -1.09 from a revised 0.75 in January. The Chicago Fed index is a weighted average of 85 economic indicators. In the details, only 34 of the 85 indicators made positive contributions. Production-related indicators dragged the index down the most, subtracting -0.85 from the index, down from a positive 0.37 in January. The personal consumption and housing categories also contributed -0.29, down from positive 0.27 in January.

Sentiment among the nation’s consumers is the most upbeat since the onset of the pandemic, a recent survey showed. The University of Michigan reported its consumer sentiment index of March rose 1.9 points to 84.9 in March. Richard Curtin, chief economist of the survey stated, “Consumer sentiment continued to rise in late March, reaching its highest level in a year due to the third disbursement of relief checks and better than anticipated vaccination progress.” However, the index remains about 16 points below its pre-pandemic peak. Still, the attitude of Americans right now about their own personal finances and the broader economy is at a one-year high. Associate economist Mahir Rasheed of Oxford Economics wrote in a note to clients, “We expect attitudes will continue to rebound as the pandemic wanes and economic activity normalizes over the coming months.”

International Economic News: Canada imposed new economic sanctions against four officials and one entity under the new Special Economic Measures (People’s Republic of China) Regulations. The measures were based on Canada's assessment of China’s gross and systematic human rights violations in the Xinjiang Uyghur Autonomous Region. Implemented in coordination with sanctions imposed by Canada's allies, the new sanctions follow earlier accusations of China’s repressive surveillance, mass arbitrary detention, torture, and the use of forced labor in Xinjiang. Effective immediately, Canada has imposed a prohibition on dealings and an asset freeze on the persons listed under the new regulations.

Across the Atlantic, rate-setters at the Bank of England played down risks of a sustained surge in inflation when Britain’s economy recovers from its pandemic crash. After weeks of rising government bond yields driven by worries about inflation, Bank of England policymakers

Michael Saunders and Silvana Tenreyro said the bank may have more room to stimulate the economy without generating excess price pressures. While inflation has been heading higher, Tenreyro said it was important to differentiate between a sustained increase and temporary pick-ups. Saunders noted that Britain's economy currently has spare resources that can be used up as the economy grows before cost pressures build, citing rising unemployment and under-utilized companies. The comments from Saunders and Tenreyro contrast with those of BoE Chief Economist Andy Haldane who has warned of an inflation "tiger" fueled by the release of household and corporate savings built up during the pandemic and high government spending.

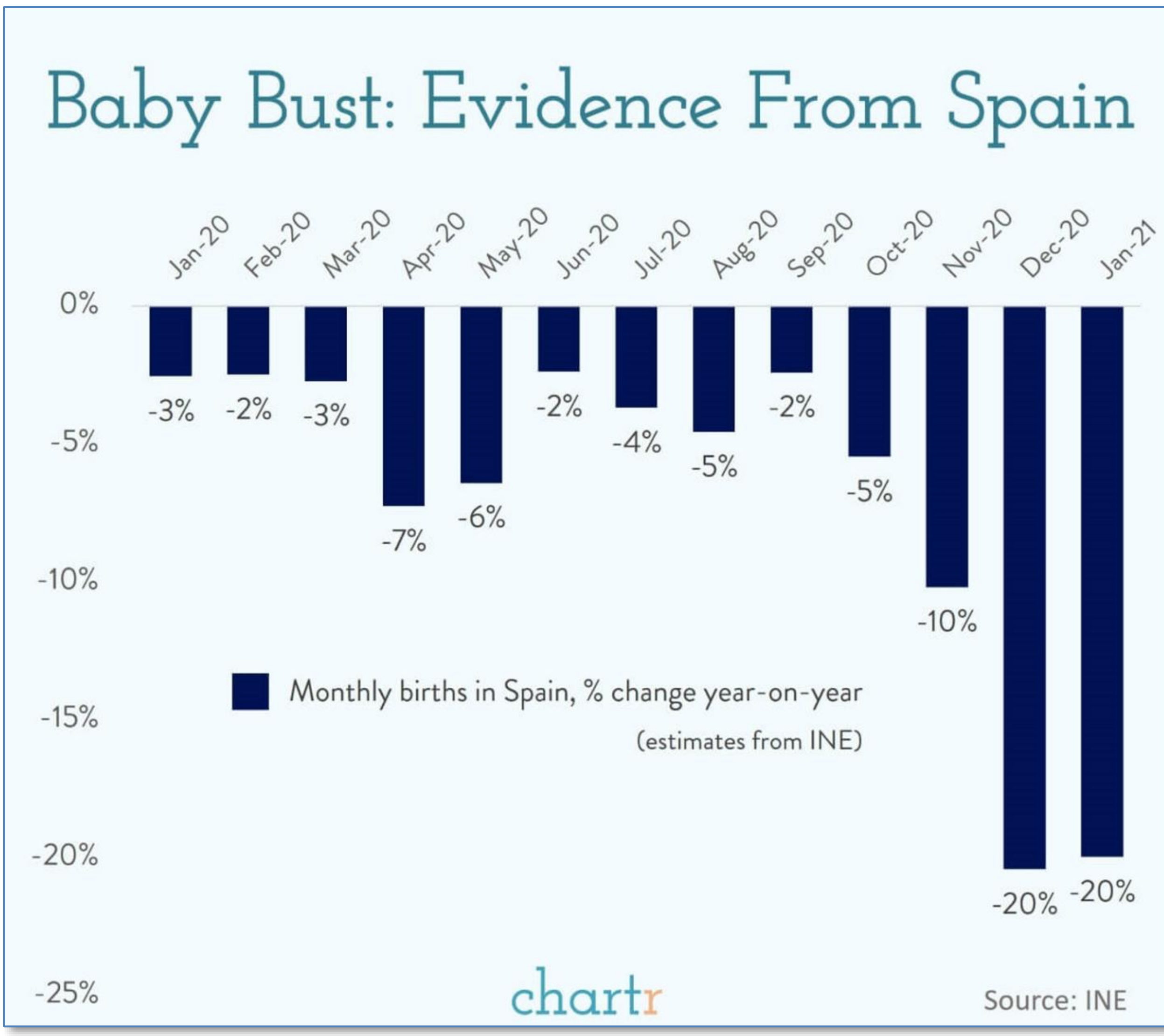
On Europe's mainland, the French government now owes more money than at any time since the end of World War II. France's public debt in 2020 was the equivalent of 116% of annual GDP, and the budget deficit amounted to over 9% of GDP, "the highest level since 1949," national statistics agency INSEE reported. In 2019, before the Covid-19 pandemic, French government debt was 98% of GDP and the budget deficit slightly more than 3%. The Covid-19 pandemic has battered the French economy which contracted 8.2% in 2020, forcing the government to provide massive support to business to avoid bankruptcies and mass job cuts.

Business sentiment in Germany "improved noticeably" in February to its highest level since June 2019, the Munich-based Ifo Institute for Economic Research reported. Based on its monthly survey of 9,000 German companies, Ifo's Business Climate Index rose 3.9 points to 96.6 this month. Clemens Faust, President of Ifo wrote, "Despite the rising rate of infections, the German economy is entering the spring with confidence." Companies are "clearly more satisfied" with their current business situation and "optimism about the coming months has also returned." In Germany's manufacturing industry, the business climate continued to recover as demand for industrial goods picked up noticeably. In the service sector, the index also rose markedly.

In Asia, China's Premier Li Keqiang asserted economic growth could exceed its target of "above 6%" this year in a meeting with foreign business executives. "We need to seek a balance between growth, income, and employment, and we cannot pursue economic growth based on high energy consumption and heavy pollution," Li said, according to a statement from the State Council. China needs growth in employment and income and will have to work more on boosting domestic demand and consumption, he said. Last year, China had recorded 2.3% growth—its lowest in three decades.

Japan's government cut its view on exports for the first time in 10 months and stated overall economic conditions were still showing weakness due to the coronavirus pandemic. In its economic report for March the government stated, "The economy shows some weakness, though it continued picking up amid severe conditions due to the coronavirus." Among key economic elements, the government slashed its assessment of exports, a key driver of Japan's trade-reliant economy, for the first time since May. Behind the downgrade was a slowdown in car exports, which showed signs of flattening out after manufacturers front-loaded shipments ahead of an expected recovery from the health crisis. On a positive note, analysts expect the decline will be followed by a rebound of an annualized 5.3% in the second quarter as economic activity rebounds following the easing of lockdown measures.

Finally: With everyone locked up in their homes around this time last year, many scientists who study population demographics predicted a subsequent "baby boom". This, however, does not seem to have been the case. The latest data from Europe suggests advanced economies are almost certainly in for the opposite—a baby bust. Data from Spain estimates the number of babies born between December 2020 and January 2021 was down roughly 20% from the same time the year before. Data from Italy shows a similar pattern. Italy and Spain already have some of the lowest fertility rates in the world – well below the so-called "replacement rate" - and it is not hard to imagine why potential parents may have put off the enormous responsibility of having children over the past year. (Chart from Chartr.co)



GET A PHYSICAL! We invite you to attend a seminar and come in for a “financial physical”, even if you think your current approach is fine. Much like going to the doctor for a physical despite feeling great, you want to make sure any negative issues you may not be aware of are caught early and addressed. For example…

- Do you need a process to help manage losses during the next bear market?
- Have you addressed your investment process and adjusted it for what is going on in the world?
- If not, what are you waiting for?

At the bottom of the 2007 - 2009 bear market the S&P-500 index returned to levels last seen in 1996.

The drop didn’t retrace only a few months or even a couple years.

We discuss many of these issues on the weekly radio show and invite you to listen.

WEEKLY FOCUS – THINK ABOUT IT

“A fine is a tax for doing wrong. A tax is a fine for doing well.”

Unknown

Yours truly,

Rial R. Moulton, CFP®, CPA / PFS, RFC
Certified Financial Planner™

Donald J. Moulton, CFP®, RFC
Certified Financial Planner™

P.S. Please feel free to forward this commentary to family, friends, or colleagues. If you would like us to add them to the list, please reply to this e-mail with their e-mail address and we will ask for their permission to be added.

Investment services offered through Moulton Wealth Management, Inc., an independent Registered Investment Advisor. The Standard & Poor's 500 (S&P 500) is an unmanaged group of securities considered to be representative of the stock market in *general. The Dow Jones Industrial Average is a price-weighted index of 30 actively traded blue-chip stocks. The NASDAQ Composite Index is an unmanaged, market-weighted index of all over-the-counter common stocks traded on the National Association of Securities Dealers Automated Quotation System. Yahoo! Finance is the source for any reference to the performance of an index between two specific periods. Opinions expressed are subject to change without notice and are not intended as investment advice or to predict future performance. Consult your financial professional before making any investment decision. You cannot invest directly in an index. Past performance does not guarantee future results. Investments in securities do not offer a fixed rate of return. Principal, yield and / or share price will fluctuate with changes in market conditions and, when sold or redeemed, you may receive more or less than originally invested. No system or financial planning strategy can guarantee future results.*

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The Barclays Capital Credit Index *is an unmanaged index composed of U.S. investment-grade corporate bonds.*

The Barclays Global Aggregate Bond Index *(formerly Lehman Brothers Global Aggregate Index), an unmanaged market-capitalization-weighted benchmark, tracks the performance of investment-grade fixed income securities denominated in 13 currencies. The index reflects reinvestment of all distributions and changes in market prices.*

The Barclays U.S. 1-10 Year TIPS Index *is an unmanaged index composed of inflation-protected public obligations of the U.S. Treasury that have a remaining maturity of one to ten years.*

The Barclays U.S. Aggregate Bond Index *is an unmanaged benchmark index composed of U.S. securities in Treasury, Government-Related, Corporate, and Securitized sectors. It includes securities that are of investment-grade quality or better, have at least one year to maturity, and have an outstanding par value of at least $250 million.*

The Barclays U.S. TIPS Index *is an unmanaged index composed of all U.S. Treasury Inflation- Protected Securities rated investment grade, have at least one year to final maturity, and at least $250 million par amount outstanding.*

The Barclays U.S. Treasury Index *is an unmanaged index composed of U.S. Treasuries.*

The CDX IG 12 *is a benchmark high-grade derivatives index, which measures the cost of insuring a basket of U.S. investment-grade corporate debt against defaults.*

The Chicago Board Options Exchange Volatility Index (VIX) *tracks the expected volatility in the S&P 500 over the next 30 days. A higher number indicates greater expected volatility. Common usage: The Chicago Board Options Exchange Volatility Index (VIX), a barometer of market volatility.*

The Dow Jones Industrial Average *is a widely followed market indicator based on a price-weighted average of 30 blue-chip stocks that trade on the New York Stock Exchange which are selected by editors of The Wall Street Journal.*

The Dow Jones Wilshire Real Estate Securities Index (RESI) *is used to measure the U.S. real estate market and includes both real estate investment trusts (REITs) and real estate operating companies (REOCs). It is weighted by float-adjusted market capitalization.*

The JP Morgan Emerging Market Bond Index *is a total-return, unmanaged trade-weighted index for U.S. dollar-denominated emerging-market bonds, including sovereign debt, quasi-sovereign debt, Brady bonds, loans, and Eurobonds.*

The JP Morgan EMBI Global Diversified Index *tracks the performance of external debt instruments (including U.S.-dollar-denominated and other external-currency-denominated Brady bonds, loans, Eurobonds and local market instruments) in the emerging markets.*

The JP Morgan GBI-EM Global Diversified Index *tracks the performance of local-currency bonds issued by emerging market governments.*

The MSCI World Index *is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed markets. The MSCI World Index represents 23 developed market countries.*

The MSCI All Country World Index *is a market-capitalization-weighted index composed of over 2,400 companies, and is representative of the market structure of 46 developed and emerging market countries. The index is calculated with net dividends reinvested in U.S. dollars.*

The MSCI EAFE Index *is an unmanaged, market-capitalization-weighted equity index that represents the developed world outside North America.*

The MSCI Emerging Markets Index *is a free float-adjusted market-capitalization-weighted index designed to measure the performance of global emerging market equities.*

The NASDAQ Composite Index *is a market-value-weighted index of all common stocks listed on the National Association of Securities Dealers Automated Quotations (NASDAQ) system.*

The Russell 1000 Index *includes 1000 of the largest U.S. equity securities based on market cap and current index membership; it is used to measure the activity of the U.S. large-cap equity market.*

The Russell 2000 Index *includes 2000 small-cap U.S. equity names and is used to measure the activity of the U.S. small-cap equity market.*

The S&P 500 Index *is a capitalization-weighted index made up of 500 widely held large-cap U.S. stocks in the Industrials, Transportation, Utilities and Financials sectors.*

Investing Terminology

Alpha *is a measure of a portfolio's return above a certain benchmarked return.*

Alternative Investments *are investments that are not one of the three traditional asset types (stocks, bonds and cash). Alternative investments include hedge funds, managed futures, real estate, commodities, and derivatives contracts.*

Asset-Backed Securities (ABS) *are bonds backed by a pool of loans or accounts receivable and commonly include payments from credit cards, auto loans and mortgage loans.*

Austerity *refers to measures taken by a country's government in an effort to reduce expenditures and a budget deficit.*

Beta *is a measure of the volatility or systematic risk of a security or a portfolio in comparison to the market as a whole.*

Book-to-Price Ratio *is the inverse of the price-to-book ratio, which is calculated as the market value of a security divided by its book value. A lower the price-to-book ratio for a security may mean the security is undervalued, and vice versa (the higher the book-to-price ratio, the better the value).*

Commercial Mortgage-Backed Securities (CMBS) *are pools of commercial mortgage loans that are packaged together and sold to the public. They are usually structured in tranches, or classes of risk, so that investors can determine how much risk they want to take on. In general, CMBS carry less prepayment risk than loans backed by residential mortgages.*

Corporate Bonds *are debt securities issued by corporations to raise money; these bonds usually pay higher coupon rates than government or municipal bonds.*

Correlation Risk *refers to the change in the marked to market value of an asset when the correlation between the underlying assets changes over time.*

Credit Ratings *are an assessment of the risk of default of a company or country. The higher the credit quality (or rating), the lower the perceived risk of default.*

Cyclical Sectors or Stocks *are those whose performance is closely tied to the economic environment and business cycle. Managers with a pro-cyclical market view tend to favor stocks that are more sensitive to movements in the broad market and therefore tend to have more volatile performance.*

Debt-to-Equity Ratio *is calculated as long-term debt divided by common shareholders' equity, and measures the amount of a firm's leverage, or debt.*

Donor Advised Funds *are private funds administered by a third party and created for the purpose of managing charitable donations on behalf of an organization, family, or individual.*

Duration *is a measure of a security's price sensitivity to changes in interest rates. Specifically, duration measures the potential change in value of a bond that would result from a 1% change in interest rates. The shorter the duration of a bond, the less its price will potentially change as interest rates go up or down; conversely, the longer the duration of a bond, the more its price will potentially change.*

Excess Returns *are investment returns from a security or portfolio that exceed a benchmark or index with a similar level of risk.*

Grantor Retained Annuity Trust *is an estate planning technique that minimizes the tax liability existing when intergenerational transfers of estate assets occur. An irrevocable trust is created for a certain term or period of time. The individual establishing the trust pays a tax when the trust is established. Assets are placed under the trust and then an annuity is paid out every year. When the trust expires, the beneficiary receives the assets estate and gift tax free.*

High Yield Debt *is rated below investment grade and is considered to be riskier.*

Managed Futures *strategies use futures contracts as part of their overall investment strategy. They provide portfolio diversification among various types of investment styles and asset classes to help mitigate portfolio risk in a way that is not possible in direct equity investments.*

Market Capitalization *is calculated as the number of company shares outstanding multiplied by the share price, and is used to determine the total market value of a company.*

Momentum *is the rate of acceleration for an economic, price or volume movement; it is used to locate trends within the market.*

Mortgage-Backed Securities (MBS) *are pools of mortgage loans that are packaged together and sold to the public. They are usually structured in tranches, or classes of risk, so that investors can determine how much risk they want to take on.*

Option-adjusted spreads *estimate the difference in yield between a security or collection of securities and comparable Treasuries after removing the effects of any special features, such as provisions that allow an issuer to call a security before maturity.*

Peripheral Eurozone Countries *are those countries in the Eurozone with the smallest economies.*

Price-to-Book Ratio *is calculated as the market value of a security divided by its book value. A lower the price-to-book ratio for a security may mean the security is undervalued.*

Private Foundations *are charitable organizations that do not qualify as public charities by government standards. A private foundation is a nonprofit organization which is usually created via a single primary donation from an individual or a business and whose funds and programs are managed by its own trustees or directors.*

Quantitative Easing *refers to expansionary efforts by central banks to help increase the supply of money in the economy.*

Recapitalized/recapitalization *refers to injecting fresh equity into a company or a bank, which can be used to absorb future losses. This generally takes place through the company issuing new shares. In the case of a government or organization recapitalizing a bank, it usually results in the government or organization owning a stake in the bank.*

Spreads*: Yield spreads represents the difference in yields offered between corporate and government bonds. If they tighten, this means that the difference has decreased. If they widen, this means the difference has increased.*

Standard Deviation*: Statistical measure of historical volatility. A statistical measure of the distance a quantity is likely to lie from its average value. It is applied to the annual rate of return of an investment, to measure the investment's volatility (risk). Standard deviation is synonymous with volatility, in that the greater the standard deviation the more volatile an investment's return will be. A standard deviation of zero would mean an investment has a return rate that never varies.*

Treasuries *are U.S. government debt obligations that are backed by the full faith and credit of the government. Often, they are used as a proxy for a risk-free asset when comparing other risky assets.*

Yield Curves *illustrate the relationship between the interest rate, or cost of borrowing, and the time to maturity. Yields move inversely to prices. The Barclays Capital 1-10 Year US TIPS Index: Barclays Capital 1-10 Year US TIPS Index measures the performance of inflation-protected public obligations of the U.S. Treasury that have a remaining maturity of one to ten years.*

(Other Sources: All index- and returns-data from Yahoo Finance; news from Reuters, Barron's, Wall St. Journal, Bloomberg.com, ft.com, guggenheimpartners.com, zerohedge.com, ritholtz.com, markit.com, financialpost.com, Eurostat, Statistics Canada, Yahoo! Finance, stocksandnews.com, marketwatch.com, wantchinatimes.com, BBC, 361capital.com, pensionpartners.com, cnbc.com, FactSet.)