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## 10 REASONS THE STOCK MARKET WILL LIKELY CRASH AGAIN

*The ongoing crisis will continue to create financial uncertainty for months to come....*

Despite the fact that many saw it coming, the stock market crash of March 2020 took an enormous toll on global economies. Most G20 countries saw an economic downturn of 30 % (percent) as a result of the global shutdown and widespread panic caused by the global health crisis.

Although the stock market has been rising back up like a rocket ship over the past couple of months, many fear that we haven't seen the last of its impact on Wall Street. While it's possible that the situation could continue improving, it's also not unlikely that we're due for another crash soon. Another shock may well be coming, as millions of people and businesses fall behind on obligations such as

*By Thomas Shultz*

mortgages and corporate loans. Here are 10 reasons why this could happen.

### 1. A Second Wave of Illness

Regardless of where you stand, the current lack of vaccine means there is at least a **chance** of countries being hit with a second wave of illness.

Health officials and organizations around the world are warning of an impending "second wave," i.e. a repeated increase in the numbers of new instances of infection. Estimates on when this might happen vary from the holiday season to early autumn. As many countries are beginning to lift restrictions and re-open businesses and public spaces, this might happen sooner rather than later.

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# June

**Maneuvering Through The Mayhem!**

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## 2. Stimulus Packages Are Temporary

In the U.S. and many other countries, governments have provided stimulus packages for businesses and additional unemployment benefits for individuals. This cash injection is mainly responsible for the recovery of the stock market that we've seen in the last two months. However, this **IS** a temporary boost – once this money runs out, businesses and individuals will struggle again to pay mortgages, rent and will limit their spending, possibly leading to another rapid drop in stocks.



## 3. Irreversible Damage to Small Businesses

Despite government help, many small businesses are struggling to keep afloat – and many others have already been forced to cut down on staffing or close down entirely. A continued decrease in small business activity will cause unemployment levels to remain elevated, negatively impacting the economy.

## 4. Unemployment Will Continue for Longer Than The Crisis Itself

Even once the threat has passed, we can't realistically expect everything to go back to the way it was before this hit. Even in an optimistic

scenario, it will take months for businesses to return to full capacity – and for new companies to take the place of those that didn't survive. Unemployment is at a record high in the U.S. and many other countries, and this will continue to put a strain on the economy.

## 5. Mortgage Defaults

So far, many lenders have been making allowances for late payments. But no bank can afford to keep delaying its income forever. Combined with the unemployment rate and the aforementioned temporary nature of government financial aid, it won't be long before mortgage and lending defaults deliver another hit to the stock market.

## 6. Unreliable Earnings Per Share Estimates

Earnings per share (EPS) estimates are the primary tool for investors to determine the potential success of a company. Without accurate EPS, it's impossible to reliably estimate whether it's best to sell, buy or hold a particular stock. Experts warn that current EPS estimates are not reflective of the real value of stocks, with as much as half of all EPS estimates taking the economic impact of the crisis into account. In effect, many stocks appear cheaper than they actually are, leading to potentially catastrophic decisions on investors' part.

## 7. Reduction in Stock Buybacks

Stock buybacks, or share repurchases, essentially allow companies to re-invest money into themselves. In the process, the company absorbs the repurchased shares, reducing the number of outstanding shares on the market. Regardless of how debatable the ethics of stock buybacks might be, they do make up a large proportion of corporate stock market gains

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or rather, they did – until the downturn forced companies to cut back on their buyback programs.

## 8. Looming Recession

In terms of how this crisis has affected the global economy, most people agree that things will have to get worse before they can start to get better. Experts are expecting the U.S. to have to face a post-crash recession, with little hope of the Federal Reserve bailing Wall Street out this time.

## 9. Continued Fear and Uncertainty

It's important to keep in mind that often-overlooked influences like panic and fear can fuel an economic downturn as effectively as any other factors. With the public health emergency still a largely unknown entity to healthcare professionals and the public alike, it's difficult to make informed decisions about anything – including investing. Uncertainty leads to erratic decisions and inaction, which can cause economic damage and stagnation, respectively.

## 10. Misinformation

The situation has highlighted many imperfections in our socio-economic realities, including the questionable reliability of many of our news outlets. With different media platforms often providing contradictory or downright incorrect information and advice, it's difficult to know which source to trust. This fuels the aforementioned sense of uncertainty, effectively paralyzing many decision-makers.

There has never been a better time than **NOW** to take a second look at your portfolio to re-evaluate whether your diversification can withstand these 10 obstacles.

*Here at Lyfe Advisors, we have been **PREPARING** retirees just like you about being overleveraged in the markets for months and have had happy and calm clients during this pandemic.*

*Now is the time to relook at your current investment mix to make sure it can withstand another **“Significant”** correction.*

*If you'd like to see what retirement could look like for you, we would love the chance to show you our skills!*

*Thomas Shultz*

**SCHEDULE YOUR  
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PREPARED TO OVERCOME  
THESE 10 OBSTACLES!**

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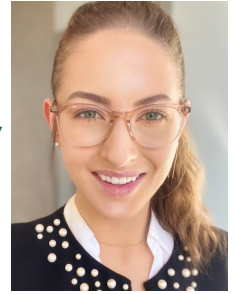
**OR EMAIL US AT**

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## VICTORIA'S VALUES

*My goal is to share tidbits and lessons that can help us all become better leaders not only of ourselves but to every person in our lives!*



### EXPECTATIONS AND PEOPLE

What are expectations and how do people play into them? I asked myself this question all month long and thought, to be quite honest, that I had terminated most expectations for people in my life. It wasn't until I sat down with someone very close to me in my life and had them say "You have an expectation I can't fulfill, I'm only human." I was floored. How could I have expectations for others? This person must be lost! Trust me I threw that statement out the window and even felt a pang of resentment. Then I really started thinking and studying, what is an expectation and who am I applying them to? I found two definitions for the word **EXPECTATION**:

1. A strong belief that something will happen or be the case in the future.
2. A belief that someone will or should achieve something.

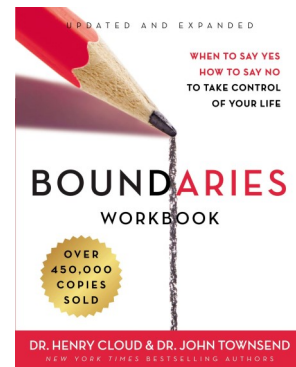
I started making a mental list of important people in my life and beside each name, I recognized a list of expectations I had for each of them, some including:

- 1) They love me without conditions
- 2) They allow me to make my own decisions
- 3) They forgive me freely
- 4) They make time for me when they can

I felt guilt as I had realized I was not reciprocating these same expectations that I had been holding others to. I began studying what a life without expectations looked like and quickly realized that I did not like that either.

So, do you see my dilemma?

It was either I had an almost rule like structure for others or a free for all mentality. During my searching I came upon a book called Boundaries.



Curious, I searched for definitions of the word boundary and found either a line that marks the limits of an area or a limit of a subject or sphere of activity.

After reading this book, a lot of grey area was clarified of what I could expect and what I could not. I was so excited! I learned to define my own personal boundaries and slowly started introducing them to the people around me. The biggest thing I have learned is that only I can place boundaries on my "property lines". This has allowed self-preservation for me while allowing others to be themselves.

Since this year has been unlike any other and we have felt a loss of control over what is happening in society my hope is that you can find your own peace of mind through setting proper boundaries!

*Victoria Arnett*

# THANK YOU HEALTHCARE HEROES!

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WE CONTINUE TO SAY THANKS TO ALL THE FIRST RESPONDERS AND MEDICAL PROFESSIONALS THAT ARE STILL OUT THERE ON THE FRONT LINES PUTTING THEIR LIVES ON THE LINE EACH AND EVERY DAY FOR OUR SAFETY. MAY GOD BLESS AND LOOK OVER EACH AND EVERY ONE OF YOUR FAMILIES.....

***We appreciate your referrals!***

Your referrals are gifts to whomever you refer. By making a referral, you are giving them a chance to make a difference in their financial future. Thank you for helping spread the LYFE Advisor's message.

## RITA'S CORNER

*Every month, my husband and I enjoy trying out places to eat. This month we picked "Oregano's" on Cave Creek Road in Cave Creek as we were in need of some good ole' Italian.*



Even though most restaurants have opened to dine in service again, I am still in take-out mode. One of our regular stops is Oregano's Pizza Bistro. The first



Oregano's was opened in old Town Scottsdale on November 18, 1993 by founder Mark Russell. His family was from Chicago and the restaurant was born from their love of good Italian food. His grandmother would have his father and brothers go door to door selling her pizzas during the depression to help make ends meet. His father developed a passion for cooking and loved to experiment with his grandmother's recipes using fresh vegetables to create new and unique flavors.



His parents loved to entertain and on weekends would have everyone over for dinner. The pasta dishes were loved by all, but the pizzas were their specialty. Even today there is a photo of his

parents at the front of each restaurant to honor them and their philosophy of life. The key to happiness is good food, friends, and music.

There are 17 locations in the Phoenix area as well as Flagstaff, Tucson, and Colorado. The restaurants have a nostalgic feel to them with all of the 50's memorabilia and some old tv

shows showing on the black and white televisions. The service is always great and the food is terrific. The prices are very affordable and the serving size is huge.



We have our favorites, of course, and my husband cannot wait to order the Big Beef sandwich which is stuffed full of shaved ribeye beef, served with their homemade potato chips. My favorite

is their Pablo Picasso Mexico salad. This salad is so large that we split it between the three of us and there is still some left for my husband to have a second helping!



My mom loves the Zany Ziti which is baked in a bread bowl. Take out is just as great as dining in as we have never been disappointed with the serving size or the quality of the food. When you order they give you a time to pick up and it is always ready and hot when you get there.

Of course, they have 3 kinds of pizzas; Traditional Pan, Thin Crust, and Stuffed. Each pizza is hand-tossed and baked in a hearthstone oven. They also have 6 thin crust specialty pizzas if you would rather not choose your own toppings. They offer a variety of appetizers and two desserts; the Original Pizza Cookie and Grandma G's Classic Cheesecake.

The restaurants are open Sunday through Thursday from 11 AM to 9 PM and Friday and Saturday from 11 AM to 10 PM.

*Rita Henderson*



## Medicare Hack #20

### How Will Insulin Be Covered By Medicare in 2021....

**Medicare enrollees could get Insulin for as low as \$35 a month**



There is a proposal on the table that starting in 2021 Medicare recipients will be able to get prescription plans that limit copays for insulin, a potential savings of hundreds of dollars per month for those that need it.

The new benefit is being touted as a major accomplishment by Trump administration officials eager to change the subject from the grim drumbeat of coronavirus pandemic news.

Older adults who pick a drug plan offering the new insulin benefit would pay a maximum of \$35 a month starting next year, a savings estimated at \$446 annually. Fluctuating cost-sharing amounts that are common now would be replaced by a manageable amount.

The new insulin benefit will be voluntary, so during open enrollment this fall Medicare recipients who are interested must make sure to pick an insurance plan that provides it. Most people with Medicare will have access to them.

Stable copays for insulin are the result of a deal shepherded by the administration between insulin manufacturers and major insurers. The three major suppliers, Eli Lilly, Novo Nordisk and Sanofi, were all involved.



The cost of insulin is one the biggest worries for consumers generally concerned about high prices for brand name drugs. Millions of people with diabetes use insulin to keep their blood sugars within normal ranges and stave off complications that can include heart disease, blindness, kidney failure and amputations. People with diabetes also suffer worse outcomes from COVID-19.



The fate of drug pricing legislation ultimately seems to rest with House Speaker Nancy Pelosi, who has a much more ambitious plan for Medicare to negotiate prices for the costliest drugs, not just insulin. Pelosi would use expected savings to provide vision, dental and hearing coverage for older adults.

The Centers for Medicare and Medicaid Services said 1,750 insurance plans that offer drug coverage to Medicare recipients have agreed to provide insulin for a maximum copay of \$35 a month next year. It will be available through "enhanced" plans that may cost more per month but offer additional benefits such as reduced cost-sharing on certain drugs. The cap on copays is expected to lead to a small increase in premiums.

Importantly for patients, the new benefit would cover a range of insulin products, including pen and vial forms for rapid-acting, short-acting, intermediate-acting and long-acting versions.

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One out of three people with Medicare have diabetes, and more than 3 million use insulin. At list prices, the drug can cost more than \$5,000 a year. Although insured patients don't pay that, they do notice rising copays that are based on the full cost. People who can't afford their insulin may try to cope by reducing their doses, a dangerous calculation that can put their lives in jeopardy.

Medicare's prescription drug benefit is offered by private insurers, either as a stand-alone "Part D" drug plan added to traditional Medicare, or as part of a managed care plan under Medicare Advantage. The taxpayer-subsidized private plans are closely regulated by the government, but by law Medicare is barred from negotiating drug prices.

Medicare estimates that about 6 in 10 beneficiaries are already in prescription drug plans that will offer the new insulin benefit. Those whose plans don't offer the new option can switch during open enrollment season, which starts October 15th.

The insulin benefit will be available in all 50 states, Washington, D.C., and Puerto Rico. Participation is voluntary for insurers and Medicare recipients alike.

**FOR ALL OUR  
CLIENTS  
CURRENTLY ON  
INSULIN, WE WILL BE  
REACHING OUT TO  
YOU SOMETIME IN  
THE MONTH OF  
SEPTEMBER TO GET  
YOU PREPARED FOR  
YOUR SPECIAL PLAN  
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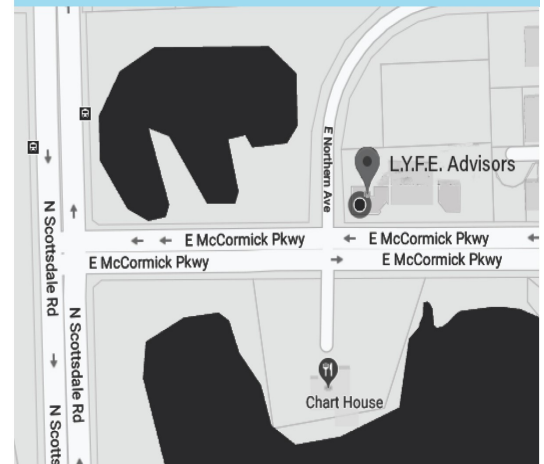
**We are here to help!**

## Map to our NEW Scottsdale Office



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We're across from Chart House  
on East McCormick Parkway.  
First building on E Northern Ave.



## Sudoku

	4					5		
	5		4		3			
1		2	9			8		
	8	9						6
6					1	7	2	
7				3	6			9
		5		6	4			
	1	3	2				8	
				8		1	7	

## May Sudoku Solution

3	1	8	9	2	7	4	5	6
9	2	6	1	5	4	8	7	3
7	5	4	8	6	3	9	2	1
8	9	7	6	3	2	5	1	4
1	6	2	5	4	8	3	9	7
4	3	5	7	1	9	6	8	2
6	7	1	3	9	5	2	4	8
2	8	9	4	7	6	1	3	5
5	4	3	2	8	1	7	6	9

## June Quiz

## Question 1:

What percentage of Americans celebrate Christmas?

- A. 92%
- B. 46%
- C. 85%

## Question 2:

Ice Cream mixed with soda is referred to as what?

- A. Float
- B. Smoothie
- C. Milk Shake

**Question 3:** What do you call a person in the Harry Potter universe who can magically speak to serpents?

- A. Parselmouth
- B. Snake Charmer
- C. Slytherian

## Answers for May

**Question 1:** What was put on sale for the first time in May of 1886?

**C. Coca-Cola**

**Question 2:** Which state was admitted to the Union in May 1858?

**B. Minnesota**

**Question 3:** Which two signs of zodiac share the month of May?

**A. Taurus and Gemini**

## Medicare Supplement Rates

### Lowest Medicare Supplement Rates

#### For 85258 Maricopa County

Gender	Age	Plan	Carrier	Premium*
Female	65	G	Humana	\$110.94
Male	65	G	Blue Cross Blue Shield	\$117.31
Female	65	GHD	New Era Life	\$40.37
Male	65	GHD	New Era Life	\$44.41
Female	65	N	Aetna	\$88.96
Male	65	N	AARP United Healthcare	\$103.68
Female	66	F	Aetna	\$131.78
Male	66	F	Blue Cross Blue Shield	\$146.76
Female	66	G	AARP United Healthcare	\$113.90
Male	66	G	Blue Cross Blue Shield	\$123.28
Female	66	GHD	New Era Life	\$41.40
Male	66	GHD	New Era Life	\$45.54

Rates are accurate at the time of production. Included in the list are fraternal organizations, service organizations, and carriers with ratings above B+.

\*Source: CSG Actuarial effective dates 06/01/2020

## Interest Rates

### Highest CDs and Share Rates

#### Highest National Rates

Duration	Institution	Yield to Maturity*
1 year	Marcus	1.35%
2 year	NBKC Bank	1.44%
3 year	Comenity Bank	1.44%
4 year	MOO Bank	1.55%
5 year	MOO Bank	1.90%

Rates are accurate at the time of production. We include banks and federal credit unions in our national search. All have FDIC or NCUA Insurance. \*Source: BankRate.com 06/01/2020

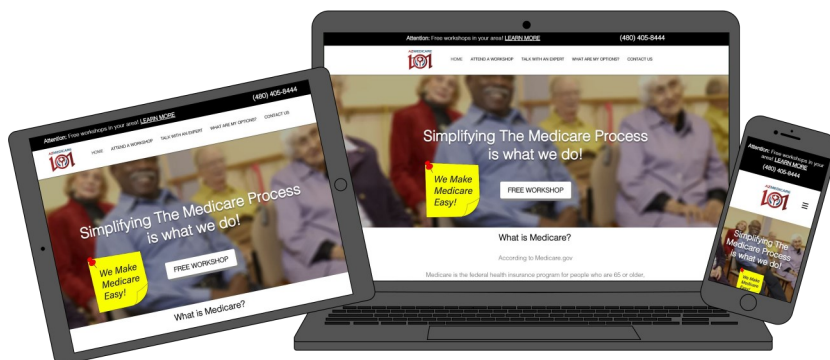
### Highest Fixed Annuity Rates

#### Highest Arizona Rates

Duration	Institution	Yield to Maturity*
3 year	Oceanview Life	2.75%
4 year	Guarantee Life	3.00%
5 year	American Life	3.20%
7 year	Midland National Life	3.50%
10 year	Atlantic Coast Life	3.30%

Rates are accurate at the time of production. Excluded from the list are fraternal organizations, service organizations, and carriers with ratings below B \*Source: AnnuityRateWatch 06/01/2020

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## ONLY 23% OF OLDER WORKERS ARE CONSIDERING THIS SOCIAL SECURITY STRATEGY THAT COULD INCREASE YOUR BENEFITS FOR LIFE

Millions of retirees depend on Social Security benefits to make ends meet during their senior years. The average Social Security recipient receives just over \$1,500 per month in benefits, and nearly one-quarter of married couples and close to half of unmarried beneficiaries rely on this money for at least 90% of their income in retirement according to the Social Security Administration.

However, Social Security is facing serious financial challenges that have only been exacerbated by the coronavirus pandemic, so you may not be able to depend on your benefits as much as you expect to in retirement. That means it might be wise to take action now and start planning for how you'll maximize your monthly checks -- but few older Americans are planning to take advantage of this one benefit-boosting strategy.

### The Social Security Strategy That Could Increase Your Benefits For Life

The age you begin claiming retirement benefits has a lifelong impact on how much you receive each month. When you claim at your full retirement age (FRA) -- which is age 67 for those born in 1960 or later, or either 66 or 66 and some number of months for those born before 1960 -- you'll receive the full benefit amount you're theoretically entitled to collect. But if you claim before or after that age, it will affect your monthly benefit amount.

You can file for retirement benefits as early as age 62, but your checks will be reduced by up to 30% if you claim that early. This benefit reduction

is permanent, too -- meaning you won't start collecting your full benefit amount once you reach your FRA, as some retirees mistakenly believe.

Delaying retirement benefits, on the other hand, will result in a permanent boost in benefits. If you have an FRA of 66 years old and claim at age 70, you'll collect your full retirement benefit amount plus an additional 32% every month for the rest of your life.

Delaying retirement benefits can be a smart strategy, yet only 23% of workers in their 50s expect to take this Social Security approach, according to a recent survey. In addition, 58% of survey respondents said they don't believe Social Security benefits will allow them to continue living the same quality of life they're accustomed to. In other words, although the majority of people realize it will be tough to live comfortably on Social Security benefits, less than one-quarter of those nearing retirement plan to maximize their benefits by waiting to claim.

### Is Delaying Retirement Benefits The Right Choice For You?

Waiting until past your FRA to claim retirement benefits can be a smart decision for many people, but it's not always the right choice for everyone.

If you don't have much in savings and are worried about how you'll afford to retire, delaying might be a wise move. You could potentially receive hundreds of dollars more per month by waiting, and that money can go a long way if you're strapped for cash in retirement.

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Additionally, delaying benefits may be a good choice if you expect to live a very long life. In theory, you should receive roughly the same amount in lifetime benefits regardless of when you claim. Claim early, and you'll receive smaller checks but more of them over a lifetime, or delay benefits and receive fewer but bigger checks. However, this calculation assumes you'll live an average lifespan, or around 83.8 years, according to the Social Security Administration. If you have reason to believe you might live longer than that, you could come out ahead by delaying benefits and earning those bigger checks.



On the other hand, if you think you'll live a shorter-than-average life or have a robust retirement fund and don't necessarily need the extra benefits, claiming earlier might be the right move. Some people also may not have a choice in when they retire, so if you're forced into an earlier-than-expected retirement and need the cash, you might need to claim early.

Also, keep in mind that not all Social Security benefits rise if you delay past FRA. Spousal benefits, for example, aren't entitled to delayed retirement credits. You won't get a bigger spousal benefit payment by waiting until 70 than you would if you claimed at FRA.

No matter when you choose to start claiming Social Security benefits, make sure you've put some thought into your decision. Delaying benefits can be a smart move in some situations, and by taking advantage of this strategy, you can boost your retirement income for life.

**June 2020**

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1 Hour Presentation - Everything you need to know about Medicare. We explain how Medicare works and what you can expect before you choose!

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### Online Workshop

Monday, June 15th  
2:00pm to 3:00pm

### Online Workshop

Wednesday, June 17th  
5:30pm to 6:30pm

## PIMA COUNTY

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*“As a fiduciary, it is our responsibility to make sure that both the Health and Wealth areas of your retirement have been planned for accordingly. You can’t have a sound financial plan without addressing both and here at LyfeAdvisors we believe that it starts with Healthcare! For the last 12 years, we have been helping thousands of retirees all throughout Arizona and we’d love to help you as well.” - Thomas Shultz, Managing Partner*



## Medicare Workshops

1 Hour Presentation - Everything you need to know about Medicare. We explain how Medicare works and what you can expect before you choose!

THIS PRESENTATION HAS BEEN APPROVED BY MEDICARE

**Online Workshop**  
Monday, June 22nd  
1:30pm to 2:30pm



**Online Workshop**  
Tuesday, June 23rd  
11:00am to 12:00pm

**Online Workshop**  
Wednesday, June 24th  
5:30pm to 6:30pm

**MARICOPA &  
PINAL COUNTY**

**Online Workshop**  
Thursday, June 25th  
6:30pm to 7:30pm

Register online at  
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*“As a fiduciary, it is our responsibility to make sure that both the Health and Wealth areas of your retirement have been planned for accordingly. You can’t have a sound financial plan without addressing both and here at LyfeAdvisors we believe that it starts with Healthcare! For the last 13 years, we have been helping thousands of retirees all throughout Arizona and we’d love to help you as well.” - Thomas Shultz, Managing Partner*

