



Reality Check

Reality REAL SOLUTIONS FOR REAL PEOPLE
FINANCIAL
PLANNING SERVICES, LLC

Volume 17, Issue 4

April 2, 2021



Planner's Perspectives

Dear Friends,

Hopefully this note finds you well and closer to, if not already, fully vaccinated. It will be so nice when the topics of conversation do not start with whether we were stuck in the arm and/or how nice our masks complement our outfits (if that is even a thing).

It will even be nice to hear people complain again about Snowbird's overtaking the restaurants and golf courses, causing traffic accidents and mayhem rather than opining about overcrowded spreader events.

So, Happy Spring to you. May the rest of our year be filled with good health, much happiness and prosperity.

Attached please find your *Quarterly Report and Billing Statement*.

ZOOM Webinars for Clients

We are excited to announce the topic for this month's workshop: **Education Planning and Funding Strategies**. We will discuss the best ways to plan when your children (or grandchildren) are young,

approaching college age, and even while in college. Topics will include the pros and cons of the various education savings vehicles, "Florida Prepaid", financial aid, and managing student loan debt post-graduation. Feel free to invite friends or family in your life that you feel may benefit from a review of these topics. We will send out the flyer and registration information soon.

There will be "room" space for 100 attendees. The webinar will be Wednesday, April 28, at 5:00 and presented via ZOOM. To

register, please email us at inquire@realityfinancialplanning.com and we will send you the log-in details.

NEWS FLASH:

Last month's presentation on "The SECURE Act and How Tax Changes Impact Retirement" is available for replay. The broadcast can be found in the Media & Posts tab on our website www.realityfinancialplanning.com.

Travel Insurance Basics

Recently, we met with a client who shared an amazing story of how he was hurt badly on vacation overseas pre-pandemic. The moral of the story was how grateful he was that he purchased travel insurance and some of the benefits that it provided him.

Someday, maybe before long, it will become normal again to get on a plane, and the more daring of us might even decide to travel outside the United States. But as we ease back into long-distance vacations, there is going to be an uneasy period where there are greater than normal numbers of cancellations, delays and (though we hope this never happens) the need for medical care in a foreign destination.

Enter travel insurance. A recent article on the NerdWallet website tells us that the price of a travel insurance policy ranges from 4% to 8% of the trip cost, depending on the length of the trip, the cost of medical care in

your foreign destination and your age. (The older you are, the more expensive the policy.)

The most common benefit is trip cancellation coverage, which covers prepaid, nonrefundable reservations like flights, hotels, and other bookings if the trip is cancelled because of an unforeseen event. The covered reasons might include extreme weather, job termination, jury duty, or if you incur a serious injury or hospitalization before the trip. Due to the disruption in air travel, there may simply be situations where the airline has cancelled the flight.

These provisions are spelled out in the contract, but if you want more coverage, there are "cancel for any reason" policies that allow you to cancel your trip for any reason and get at least a partial refund of your nonrefundable deposit. Typically, you must invoke the clause at least two days in advance of the trip date.

The article suggests that some travelers might back out of an upcoming trip because they're nervous about catching the COVID virus, which would not be a covered reason under a normal policy.

Some people already have cancellation coverage through a premium travel credit card, or they may have made reservations that are refundable. If traveling internationally, consider purchasing a supplement like standalone travel medical insurance (for which our client was grateful to have had), which specifically protects you in the event of unexpected injuries or illnesses while you're abroad.

Which policies are best? The *Consumers Advocate* website lists policies for each state, with links to its top-rated providers, including travelinsurance.com, Trawick International, Square Mouth Travel Insurance, Roam Right and



General Global Assistance. travelinsurance.com and Square Mouth allow you to compare plans from major insurers in one place; the others provide their own policies. You list the cost of your trip, your destination, number of travelers, ages and your country of residence, and the sites give you a quote. Even if you're not shopping for coverage, these sites also offer updated Coronavirus advisories on potential travel destinations.



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- ⇒ Cash management
- ⇒ Investment strategies and management
- ⇒ Retirement planning
- ⇒ Estate planning

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The greatest compliment we can receive are referrals from our clients. THANK YOU!

Market Check

GDF ↓ .15 HJK ↑ 1.25 RTY ↓ 1.23 IOP ↑ .05 BNM ↑ 12.0 XCV ↑ .20 QEW ↓ .65

March 23 marked the anniversary of what many pundits called the COVID bottom in terms of the market declines. The market had a year's worth of losses in just over a month last spring; recall that the S&P 500 declined 34%. Then, stocks packed an entire bull market's worth of gains into the past year and set fresh, all-time highs.

Can the massive rally continue? The realistic answer is that that is unlikely. Eventually bulls get tired from running and need to take a breather. Markets are no different.

At some point that euphoria will temper, and normality will return. Valuations have obvi-

ously risen quite dramatically. It certainly would not be surprising (rather welcomed) to see the markets pause and take a 10% – 12% adjustment from these lofty levels. That would be normal behavior and not something to fear or induce panic.

That is certainly not meant to sound pessimistic; but, rather pragmatic. Nothing moves in a straight line. And, contrary to what the Robin Hood-frenzied neophytes might think, NEWS FLASH: market can go down. A little volatility is not a bad thing – except for some people's blood pressure.

Key Index Returns	MTD %	YTD %	3-Year %*
Dow Jones Industrial Average	3.17	1.06	7.31
NASDAQ Composite	0.93	2.36	11.98
S&P 500 Index	2.61	1.47	11.98
Russell 2000 Index	6.14	11.45	13.32
MSCI World ex-USA **	1.88	2.04	2.78
MSCI Emerging Markets **	0.73	3.72	3.87
Bloomberg Barclays US Aggregate Bond	-2.45	-2.96	5.04

MTD Return: Feb. 1, 2021-Feb. 26, 2021 • YTD Return: Jan. 2, 2021-Feb. 26, 2021
Source: Morningstar™ * Annualized **in US Dollars

Bottom Line

Undoubtedly, the greatest unknown for the remainder of 2021 is how quickly we can return to "business as usual" and a semblance of normalcy. As we have discussed repeatedly, there is likely massive amounts of pent-up anxiousness to "get out" when people feel comfortable traveling, eating out, etc. If/when that comes to fruition, the markets and the economy should get another nice bump up. Of course, that is predicated on responsible people doing responsible things.

Until your time comes to roll up your sleeve, please mask up, physically distance, and do your best to maintain your sanity and sense of humor.

As always, thank you for the trust and confidence you place in us. It is something we never take for granted and sincerely appreciate. Please do not hesitate to reach out whenever you have questions, concerns or whenever we may be of service to you.

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