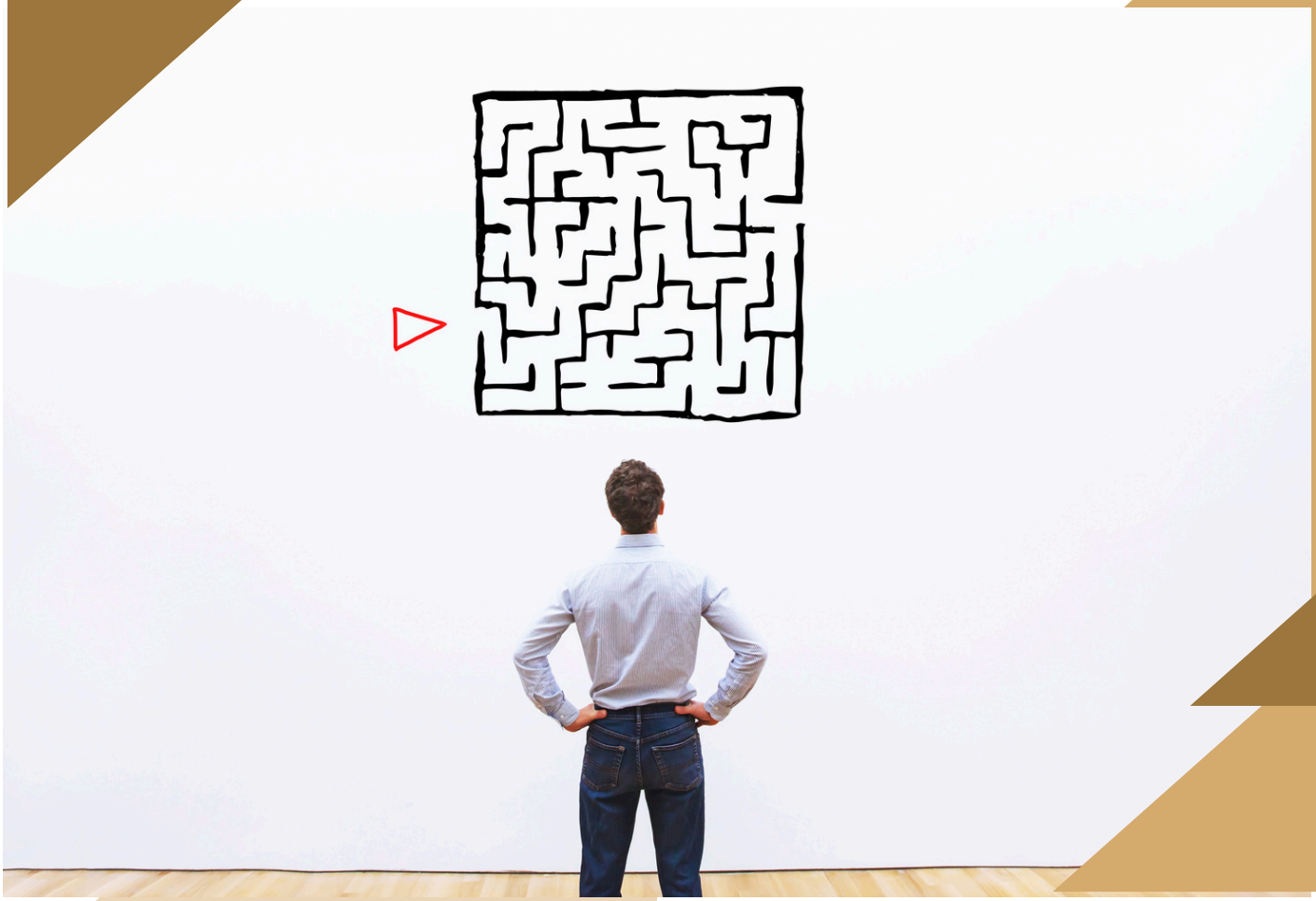
TRINITY WEALTH ADVISORS

Prosper.

ADAPTING TO LIFE'S COMPLEX FINANCIAL TWISTS & TURNS



Explores practical strategies to increase the likelihood that your finances can keep up with life's longer, often unpredictable journey. We get it. Life just happens. That’s why our team is here to offer straightforward financial advice that we personalize for your use.

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How to Adapt to Life's Increasingly Complex Financial Twists & Turns

Have you ever considered the possibility of celebrating a 100th birthday? Thanks to groundbreaking medical advancements, healthier lifestyles, and new technologies, living for 100 years or more is a real possibility that should be planned for.

But here's the catch: if you decide to retire at age 65, your retirement savings must produce income for 35 years or more. To put that in perspective, if you are 65 and retiring, consider all the life events you have experienced since age 30. This thought alone can be daunting, and this lifespan is more likely to happen if longevity runs in your family.

Our eBook explores practical strategies to increase the likelihood that your finances can keep up with life's longer, often unpredictable journey. We get it. Life just happens. That’s why our team is here to offer straightforward financial advice that we personalize for your use.

Our advisors hold the CFP® certification and average 25+ years of planning and investment experience each. When you've spent decades working to accumulate retirement assets, the last thing you need is advice from inexperienced financial advisors.

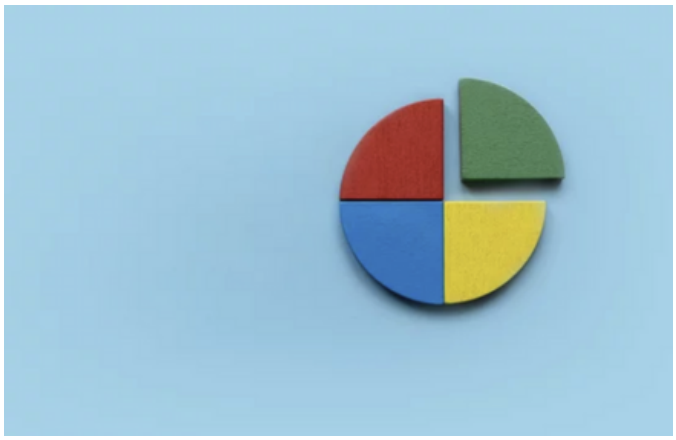
At Trinity Wealth Advisors, we prioritize pursuing your long-term financial goals over everything else. But that is just the beginning; our advice is also based on your current circumstances and tolerance for risk. You can feel confident you have selected the right team to facilitate your financial journey.

Let's start planning today for those extra candles on your future birthday cakes!

To your financial well-being,

The Trinity Wealth Team

Chapter 1: How Can I Preserve My Assets? Our Best Answer Is Increased Diversification



As the old saying goes, “Don’t put all your eggs in one basket.” If you are 60 or older and are planning to retire in the next few years or have already retired, diversifying your investments is one of the best ways to protect the capital you’ve worked so hard to accumulate over the past few decades.

Diversification involves spreading your investments across various asset classes, such as stocks, bonds, and real estate. It can also be the difference between a domestic and global investment strategy or strategic vs tactical approaches.

Four scenarios describe diversification strategies that can help preserve your capital. Each scenario requires a tailored approach, but the common thread is about balancing a need for growth with risk management tailored to your specific needs.

Five Years to Retirement

It's a balancing act between seeking additional growth and being cautious about taking too much risk. Consider looking at a mix of investments that creates a blend between stocks, bonds, real estate, and cash equivalents.

Stocks offer growth potential, which is still valuable at this stage. However, you'd still keep a significant portion in bonds or other lower-risk investments to reduce your risk in a down market. You want an equal emphasis on risk and reward.

One Year to Retirement

You are vulnerable because your assets are nearing their peak, and distributions are on the doorstep. You may even want to lock in your retirement assets amounts. Preserving what you've already accumulated is critical for planning purposes, but so too is growth for a long, well-deserved retirement.

It's about finding that sweet spot where your investments can still produce positive returns, but you are less exposed to short-term market declines.

Recently Retired

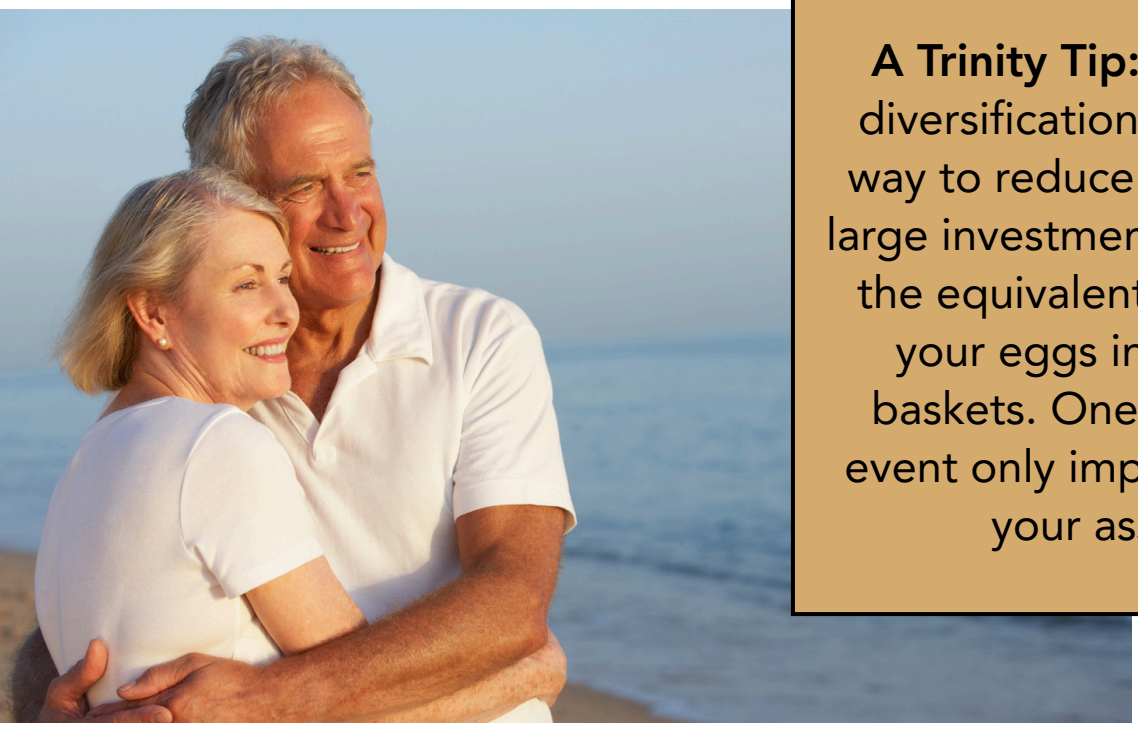
Your strategy may change again once you retire. You need a long-term strategy that supports your lifestyle and need for financial security. Your targeted return has to cover the erosive impact of your distributions, inflation, and expenses. This is relatively easy to do in a rising market and more difficult in a declining one.

A balanced approach is key. Consider combining dividend-paying stocks, conservative bonds, and income-producing real estate to augment your social security payments. This mix aims to provide a steady income while providing some capital appreciation.

Later in Retirement

Your focus is on ensuring your assets last a lifetime, which could be 100 years for one or both spouses. Increased safety and income become the main goals. When you know you can't outlive your assets, you may want to take additional investment risk to benefit your estate.

The idea is to have a steady stream of income that keeps pace with inflation and is not impacted as much by market fluctuations. It's about preserving your capital base, so it produces a steady income for the rest of your lives (both spouses).



A Trinity Tip: Increased diversification is the best way to reduce your risk of large investment losses. It is the equivalent of putting your eggs in multiple baskets. One economic event only impacts part of your assets.

Chapter 2: Strategic vs. Tactical Allocation

If you have any experience in sailing, you know that stormy seas call for different navigation. When the wind is good and the skies are clear, it's time to unfurl the sails, harness the wind, and enjoy the open water. Take that same approach when a storm is brewing, and you could sink your ship. The same is true for navigating turbulent financial markets. Different markets call for different styles of management with different types of expertise.

At Trinity, we talk about the Strategic to Tactical continuum and utilize managers across the continuum. Here is a brief explanation of the differences:

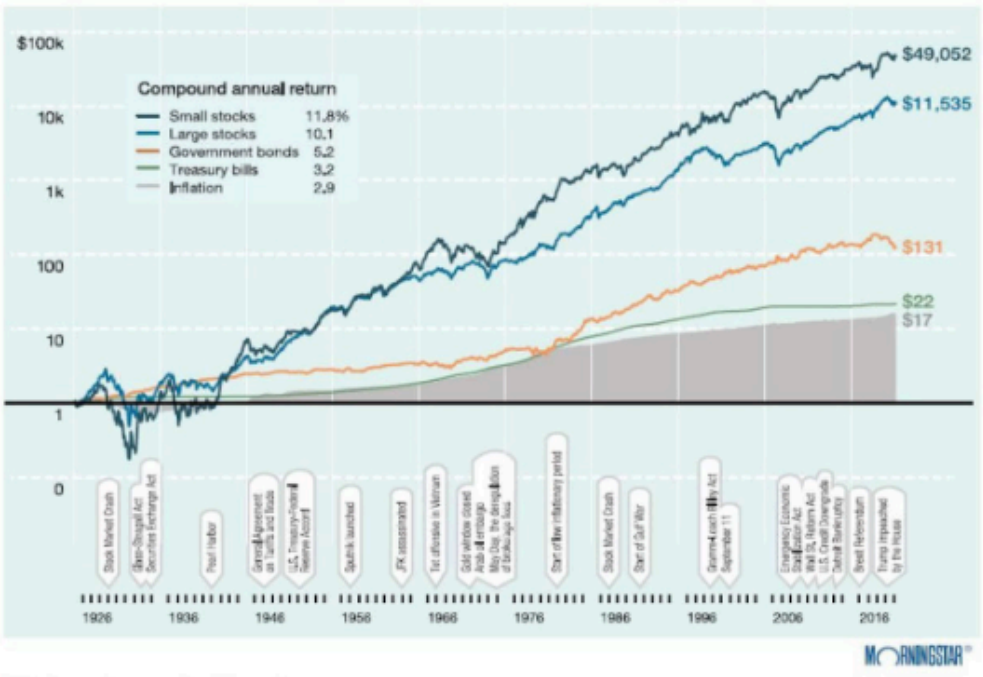
Strategic allocation is based on the observation that, over the long run, the stock market generally outperforms other investment options (graph 1).

Ibbotson® SBBI®

Stocks, Bonds, Bills, and Inflation 1926–2022

Why invest?

If you have financial goals, such as a secure retirement or paying for a college education, investing makes sense. As you can see here in the growth of $1 over the past 97 years, small-cap stocks, large-cap stocks, government bonds, and Treasury bills should all have a place in a properly allocated long-term investment strategy.



Past performance is no guarantee of future results.

Past performance is no guarantee of future results. Hypothetical value of $1 invested at the beginning of 1926. Assumes reinvestment of income and no transaction costs or taxes. This is for illustrative purposes only and not indicative of any investment. An investment cannot be made directly in an index. © Morningstar 2023 and Precision Information, dba Financial Fitness Group 2023. All Rights Reserved.

Strategic managers develop what they believe to be an optimized strategy based on an investment portfolio they think will best perform in the long run. They then employ something like a buy-and-hold position to harness the strength of a growing market, which typically requires less trading, less tactical maneuvering, and can be less costly.

Tactical allocation, by contrast, applies a short-term lens that relies on market outlook, adaptability, greater risk control, and increased flexibility with more frequent trading. Tactical managers employ several tools to reduce risk and respond to changing market, economic, and political uncertainty.

Where a strategic manager focuses on harnessing the power of a bull market and unfurling the sails to maximize growth, a tactical manager will focus on minimizing loss in a bear market and deftly maneuvering risk to navigate uncertainty.

Strategic allocation is a more rigid, offensive approach with a long-term focus.

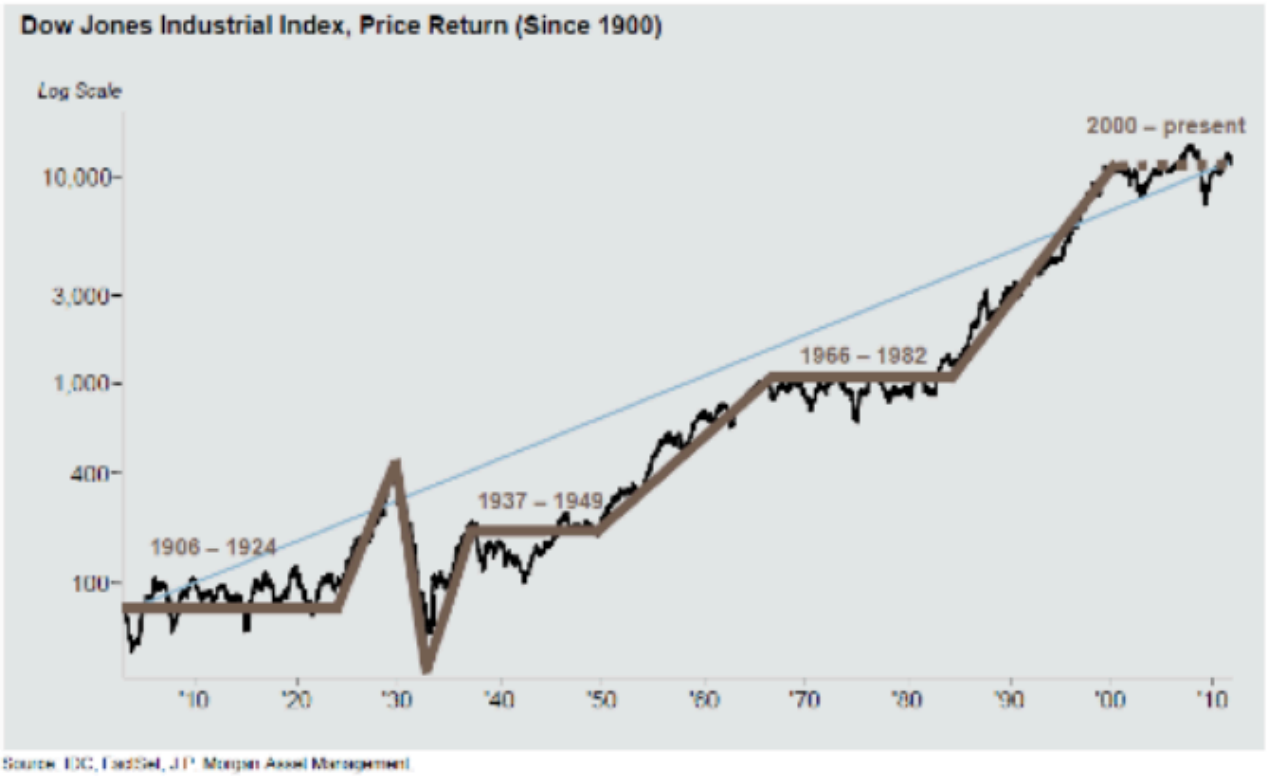
Tactical allocation is a more flexible, defensive approach with a short-term focus. Managers fall all along this continuum.

A Trinity Tip: So, how does Trinity manage money? The short answer is that we don't. We don't directly manage money – we hire and fire money managers to create maximum alignment with your needs and preferences. Our job is to help you understand and articulate your vision and goals, account for other factors like tax implications or lifestyle changes, apply our expertise to the market forecast and then employ managers who can best operate at the intersection of your needs and the economic climate.

Chapter 3: The Importance of Tactical Investment Strategies During Volatile Markets

When current economic forecasts are challenging, the right strategy may well be to incorporate more defensive managers. Since 2008, the markets have been reacting quicker than the industry can get the data to analyze them, scenarios have become more complex and policies that shape business confidence are unclear, leaving investors to react with fear and emotion. The question then becomes when will we experience the next recession.

At these times it is prudent to anticipate sideways markets with longstanding volatility similar to what we saw in the 70s (graph 2), and given this forecast, we would rely more heavily on tactical managers who have better tools to navigate risk.



One critical principle of investing is that the downs hurt more than the ups help.

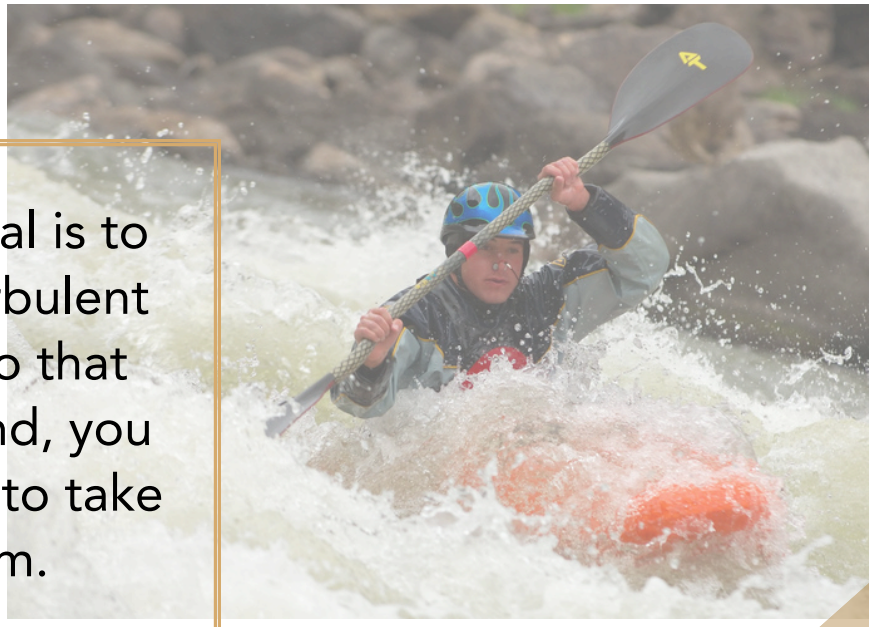
Consider this: a portfolio that decreases by 50% will have to grow by 100% to return to where it started.

Tactical managers position their investments to minimize loss in the downs and recover more moderately in the ups. In sideways markets, the best answer to this question is typically to lose the least while still having an opportunity for gains in shorter timeframes.

As we chart a course through these difficult times, we focus on a less erratic ride that generates growth through minimized risk.

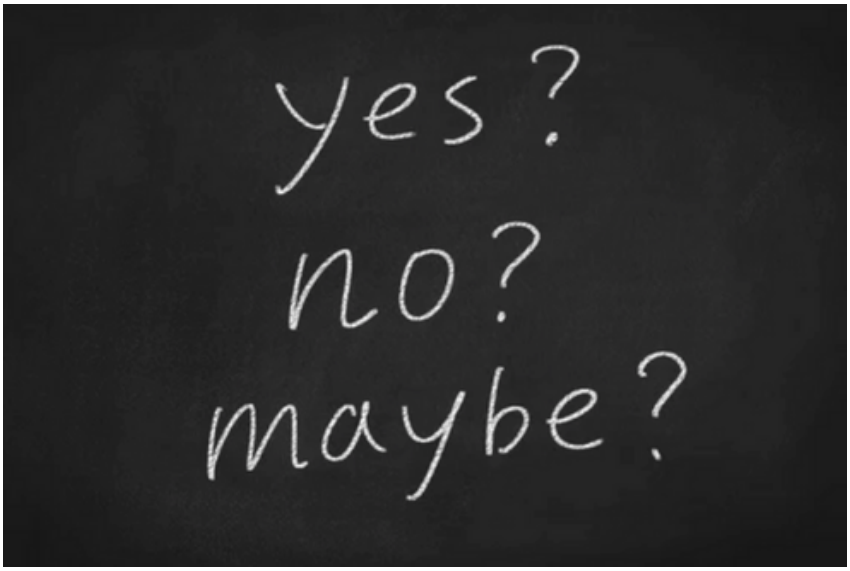
So, which is a better style of management? The answer, of course, is "it depends." All management styles have their place and are useful tools for different conditions. The key is knowing which managers to employ at which times. Our major concern is not just beating a benchmark but growing money as smartly as possible in any given environment.

The way to do that depends on the environment. If the skies are sunny, we'll unfurl the sails. If the seas are turbulent and unpredictable, it's time to row. The important thing is knowing when to sail and row and employing the right managers at the right time.



A Trinity Tip: Our goal is to help you navigate turbulent waters confidently so that when markets rebound, you are better positioned to take advantage of them.

Chapter 4: Understanding Your Financial Biases



Regardless of your life stage, being emotionally prepared for major life events and market volatility is crucial for the stability of your financial future. Emotional reactions can lead to impulsive decisions, often driven by financial biases. Recognizing and managing these biases is essential.

1. Five Years from Retirement

Half a decade away from retirement can seem like a long time. But time flies, especially as you approach your retirement date. After 40 years of receiving a paycheck, it can be dramatic when you realize there are no more paychecks. You are on your own to make wise short-term and long-term investment decisions.

Anxious moments can produce sleepless nights when you are awake thinking about financial matters. This can lead to emotion-based decisions that impact your long-term financial well-being. Your alternative can be a disciplined long-term investment strategy that is reviewed regularly. Refinements are made to the strategy on an as-needed basis.

2. One Year from Retirement

The closer you get to retirement, the more aware you may be of market fluctuations that impact your retirement assets. Your assets are also nearing their peak, so you have more to lose. This sensitivity may cause you to make financial decisions that may undermine your long-term security and lifestyle.

Loss aversion bias becomes more pronounced here, where the fear of losses outweighs the satisfaction of gains. It's important to recognize this tendency and focus on long-term objectives rather than short-term market movements.

3. Recently Retired

The transition from accumulating assets to depending on them can be unsettling once you retire. Market movements you used to read about now have more serious implications. You depend on the assets to produce gains and income that fund your lifestyle and financial security.

It pays to remember your emotions may cause you to do the opposite of what is best - for example, you buy when markets are up and sell when markets are down. The calm investor does just the opposite.

4. Later in Retirement

As you age, your concern will shift towards the sustainability of your assets. This concern increases when you realize you have few alternatives for increasing your income while expenses may be peaking, such as a spouse with health issues requiring specialized care.

A Trinity Tip: Your risk tolerances can change as you move through various stages of life. It all depends on your amount of assets. The more dependent you are on the performance of your assets late in life, the more conservative your investment strategy is likely to be. On the other hand, if you have substantial assets, the main beneficiaries may be your heirs.

Get to Know Trinity Wealth Advisors

At Trinity Wealth Advisors, we're more than just a financial firm – we work alongside you to cultivate your affluence into significance.

We are unlike big financial firms that must keep their shareholders happy. At Trinity, our main focus is long-term investment strategies that help our clients achieve all their financial goals: Early, mid, and late working years and early, mid, and late retirement years.

We take a unique approach to wealth management. Wealth isn't just about the size of a client's bank account. It's about creating a lasting legacy that represents the beliefs and values of our clients now and for future generations.

Choosing to work with Trinity means you're choosing a partnership based on:

- (Truth) – we shoot straight with you
- (Kindness) – with kind, gracious words and tones
- (Faithfulness) – in a consistent manner with thorough follow up
- (Patience) – even if it may take several iterations to accomplish your tasks
- (Love) – all because we want what is best for you

Galatians 5:22-23… "But the fruit of the Spirit is love, joy, peace, patience, kindness, goodness, faithfulness, gentleness and self-control."

Ready to learn how Trinity can help you prepare for life's twists and turns? Let's schedule an introductory call.

314-966-0033 www.trinitywealth.com