

Quarterly Portfolio Review

March 31, 2022

“If life were predictable it would cease to be life, and be without flavor.”

-Eleanor Roosevelt

Year in Review

- Russia’s invasion of Ukraine in late February caused a global shock.
- The grave human implications fed through into markets, with equities declining and bond yields rising (meaning prices fell).
- Commodity prices soared given Russia is a key producer of several important commodities including oil, gas, and wheat. This contributed to a further surge in inflation as well as supply chain disruption.
- Elsewhere, Chinese equities were negatively affected by renewed Covid-19 outbreaks, leading to new lockdowns in some major cities.

BENCHMARKS YTD THROUGH 3/31/2022

FTSE World Gov’t Bond Index 3-7 Yr. Hedged	-3.86%
Russell 2000 (US Small Cap index)	-7.53%
S&P 500 (US Large Cap index)	-4.95%
Wilshire 5000 (US Total Market index)	-5.89%
MSCI EAFE (International Stock index)	-6.61%

SECURE ACT 2.0

Americans could be in store for a major retirement overhaul with the Securing a Strong Retirement Act of 2022, otherwise known as the Secure 2.0 bill. The proposal, which on March 29 passed the House with broad bipartisan support, comes as almost half of older workers have no retirement savings.

To be sure, Secure 2.0 has yet to pass the Senate, but the plan so far has garnered support from both Democrats and Republicans as well as retirement experts and advocacy groups like the American Society of Pension Professionals & Actuaries.

The bill has the potential to solve some of retirement problems facing American workers — including their lack of retirement readiness. And workers are clearly worried about their ability to financially handle retirement, with a new Allianz Life study finding that more than 6 in 10 non-retirees fear running out of money more than death.

The five major components are:

- Automatic enrollment in retirement plans
- Allowing pre-retirees to sock away more money
- Delay mandatory withdrawals until age 75
- Employers could match student loan repayments
- Employers could contribute to Roth IRAs

QUARTERLY CLIENT WEBINAR

Date: Thursday, April 14th, Starting time: 12:30 pm, Eastern Standard Time

Meeting Number: 2630 643 9579 Password is 1234 if asked

Website link: <https://afadvisorsevents.webex.com/afadvisorsevents/j.php?MTID=m0d9b48d9dba19017bafdc5eda07f1a47>

To join the teleconference only: US TOLL: +1-415-655-0002 Access code: 89976733

If you cannot join us for this important webinar, we will post a recording of the entire presentation on our website at www.afadvisors.com.