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FINANCIAL UPDATE

Here are selected rate of return numbers for the last two years and year to date as of 9/30/2018*

	2016 Return	2017 Return	2018 YTD Return
Dow Jones Industrials	+16.50%	+28.11%	+8.83%
S&P 500 Index	+11.96%	+21.83%	+10.56%
NASDAQ Composite	+8.87%	+29.64%	+17.48%
MSCI World (ex. U.S.) in U.S. dollars	+2.75%	+24.21%	-1.50%
Russell 2000	+21.31%	+14.65%	+11.51%
Russell 1000 Value Index	+17.34%	+13.66%	+3.92%
Russell 1000 Growth Index	+7.08%	+30.21%	+17.09%
Russell 3000 TR USD	+12.74%	+21.13%	+10.57%

Major Bond Indexes

Barcap Intermediate Treasury	+1.06%	+1.14%	-0.81%
Barcap Aggregate	+2.65%	+3.54%	-1.60%

Mutual Funds (Morningstar Categories)

Large-Cap Growth	+1.79%	+31.15%	+20.38%
Large-Cap Value	+18.91%	+15.09%	+4.08%
Small-Cap Growth	+9.61%	+23.77%	+20.07%
Small-Cap Value	+27.96%	+8.40%	+3.19%

(Source: Morningstar) *Inclusion of these indexes is for illustrative purposes only. Keep in mind that individuals cannot invest directly in any index, and index performance does not include transaction costs or other fees, which will affect actual investment performance. Individual investor's results may vary. Past performance does not guarantee future results.



BUILDING ON YOUR FOUNDATION

Setting Investment Goals

Setting goals is an important part of financial planning. Before you invest your money, you should spend some time considering and setting your personal goals. For example, do you want to retire early? Would you like to start your own business soon? Do you need to pay for a child's college education? Would you like to buy or build a new house? In addition to these, there are several other considerations that can help you and your financial professional develop an appropriate plan.

Think About Your Time Horizon

One of the first questions you should ask yourself in setting your investment goals is "When will I need the

Yesterday I was clever, so I wanted to change the world. Today I am wise, so I am changing myself."

- RUMI



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FOURTH QUARTER | 2018

money?" Will it be in 3 years or 30? Your time horizon for each of your financial goals will have a significant impact on your investment strategy.

The general rule is: The longer your time horizon, the more risky (and potentially more lucrative) investments you may be able to make. Many financial professionals believe that with a longer time horizon, you can ride out fluctuations in your investments for the potential of greater long-term returns. On the other hand, if your time horizon is very short, you may want to concentrate your investments in less risky vehicles because you may not have enough time to recoup losses should they occur.

Understand Your Risk Tolerance

Another important question is "What is my investment risk tolerance?" How do you feel about the potential of losing your hard-earned money? Many investors would forgo the possibility of a large gain if they knew there was also the possibility of a large loss. Other investors are more willing to take on greater risk to try to achieve a higher return. You can't completely avoid risk when it comes to investing, but it's possible to manage it.



Almost universally, when financial professionals or the media talk about investment risk, their focus is on price volatility. Advisors label as aggressive or risky an investment whose price has been prone to dramatic ups and downs in the past, or that involves substantial uncertainty and unpredictability. Assets whose prices historically have experienced a narrower range of peaks and valleys are considered more conservative.

In general, the risk-reward relationship makes sense to most people. After all, no sensible person would make a higher-risk investment without the prospect of a higher reward for taking that risk. That is the tradeoff. As an investor, your goal is to maximize returns without taking on more risk than is necessary or comfortable for you. If you find that you can't sleep at night because you're worrying about your investments, you've probably assumed too much risk. On the other hand, returns that are too low may leave you unable to reach your financial goals.

The concept of risk tolerance refers not only to your willingness to assume risk but also to your financial ability to endure the consequences of loss. That has to do with your stage in life, how soon you'll need the money, and your financial goals.

Remember Your Liquidity Needs

Liquidity refers to how quickly you can convert investments to cash. Real estate, for example, tends to be relatively illiquid; it can take a very long time to sell. Publicly traded stock, on the other hand, tends to be fairly liquid.



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FOURTH QUARTER | 2018

Your need for liquidity will affect the types of investments you might choose to meet your goals. For example, if you have an emergency fund, you're in good health, and your job is secure, you may be willing to hold some less liquid investments that may have higher potential for gain. However, if you have two children going to college in the next couple of years, you probably don't want all of their tuition money invested in less liquid assets. Also, having some relatively liquid investments may help protect you from having to sell others when their prices are down.



Source: Raymond James
Image Source: iStock

MARK YOUR CALENDAR

VETERANS DAY IS NOVEMBER 11 - On November 11 at 11:11, 1921 the U.S. France and England each buried an unknown soldier in honor of those who died in World War I. This began the annual Armistice Day holiday. The time and day was picked because fighting ceased in WWI in 1918 on November 11 at 11:11. In keeping with this tradition, work stops on this day and time each year for a moment of silence. In 1954,

President Eisenhower changed it to Veteran's Day, in honor of those who served and died from all wars.

CLEAN OUT YOUR REFRIDGERATOR DAY IS

NOVEMBER 15 - The origin of this day is unknown, but what a great way to prepare for the holidays by cleaning out your refrigerator. And don't forget when it comes to food safety, fall back to the old saying "When in doubt, throw it out!"

NATIONAL ESPRESSO DAY IS NOVEMBER 23

- The Espresso Machine was first invented in Italy by Luigi Bezzera in 1901. Luigi's goal, was decrease the time of his employee's coffee breaks, and subsequently increase productivity. His espresso machine accomplished this goal, and went beyond, creating a thick, bold, coffee that has become very popular.

MARCEL'S MASTERMIND

*"Appreciate life's
simple pleasures...
like turkey
scraps."*





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FOURTH QUARTER | 2018

OCTOBER IS CYBERSECURITY AWARENESS MONTH

10 WAYS TO PROTECT YOURSELF FROM CYBER SECURITY THREATS

The next time you're about to go online — whether at work or home — stop, think and then connect. Remember that you are both the target of cybercriminals and the strongest line of defense against cyber threats to your employer, your loved ones, friends, and yourself. The following are ten best practices to help you stay safe online.

Back Up Your Important Data

It is always important to have more than one copy of your most important data. Make sure to back it up frequently and keep a safe offline copy to ensure that ransomware or even a technical problem doesn't get in the way. Having a backup is the best way to recover from ransomware.

Limit Sensitive Personal Info on Social Media

Whether you're about to create a new social media account or you already have existing ones, make sure that you only enter the basic information required to get the account activated, and don't provide excessive information that could put you at risk.

For each account you create, check the minimum required information and think twice about entering data that's classified as Personal Identifiable Information (PII).

Enable Privacy and Security Settings

Many social networks are open to the public by default, privacy is typically basic or turned off, and security is optional. Make sure to review what privacy and security options are available for each account and enable them. Make sure the security is sufficient for the type of data or services you plan to use for your account. Use two-factor authentication.

Use a Password Manager

If you have many accounts and passwords, opting to use a password manager makes securing and managing your accounts easier. A password manager helps track the age of each password, lets you know what additional security controls have been applied,



and helps generate complex passwords for all your accounts so you won't have to type or remember them. You only need to remember one strong password, which reduces your cyber fatigue and makes your life easier — and more secure.



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FOURTH QUARTER | 2018

A password manager will help you, but do remember that there are still a few best practices when creating account passwords. You can use passphrases, which are a combination of words that you know and a few special characters (for example, ?%&!). A long, strong passphrase combined with Two-Factor Authentication is tough to crack. Make sure to change passphrases at least every nine months to one year.

Limit Social Logins

Many online services have a social login, also known as Single Sign On. This means that you can sign up for new accounts by using your Google+, Facebook, and so on. This offering solves the issue of remembering



multiple passwords, but it poses a greater security that many people don't realize.

When using Single Sign On, most apps request read/write access or access to your basic information that most people are okay with, but some apps request full access, which means access to almost everything including emails, calendar, location

information, friends, family, and so on.

When possible, use unique accounts rather than social logins because if those accounts get compromised or stolen, it means that cybercriminals can cascade to all your accounts just by using the one stolen social login.

Know Your Digital Footprint

If you've never searched for yourself in any search engine, it's time you discovered what your digital footprint looks like. A digital footprint is the data that exists in cyberspace as a result of actions and communications that you or others perform online.

Search yourself online. This action quickly identifies potential fraudulent accounts and then you can take action by automating digital identity alerts to alert you to your personal information found online.

Beware of Public Wi-Fi

When security is important, use your cellular network instead of public Wi-Fi. If you must use public Wi-Fi, ask the vendor for the correct name of the Wi-Fi access point and whether it's secure. Hackers will use Wi-Fi access points with common names like "Airport" or "Cafe" so your device will auto connect without your knowledge.

Other tips include the following:

- Don't select to remember the Wi-Fi network.
- Use the latest Web browsers because they have improved security for fake websites.



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FOURTH QUARTER | 2018

- Use a VPN (virtual private network) service.
- Always assume someone is monitoring your data over public Wi-Fi.

Limit Followers and Access to Social Media

When using social media, be aware of the risks of liking, following pages, or allowing different applications to access your profile because when access is provided, many people don't have good cyber hygiene on cleaning them up when no longer required. Information is shared and unless your followers get revoked, they'll continue to have access to your profile data.

Run Antivirus Scans and Install Software Updates

You can discover if you're a victim of a cyberattack by installing or updating your antivirus software, running a full scan, patching your system with the latest security updates, or changing your password and security. This is why your IT security team at work constantly tells you to change passwords, let antivirus scans complete, or reboot your systems periodically. These processes and techniques help prevent and detect security incidents and apply to your own personal devices (including smart TV or home security cameras) and any Internet user accounts as well.

Think before You Click

We are a society of clickers; we like to click on pictures, addresses, hyperlinks, and more. Always be cautious of receiving any message with a hyperlink and ask yourself whether it was expected. Do you know the person who's sending it? Ask people whether they actually sent

you something before clicking on potential malware.

Source: www.moneyinc.com / Joseph Carson

Image Source: iStock

STAFF NEWS

Nellie Cashman Award

Kathleen was one of the finalists for this year's Nellie Cashman Business Owner of the Year Award. Although she did not win that night, we had a great time honoring her many achievements over the years!



Florida Travels

Kathleen and Kelli attended the Raymond James Women's Symposium in September, meeting with Raymond James leaders and industry experts to help women thrive in the financial industry.

Kathleen, Nicole and Kelli also attended the Raymond James Empower Conference in October to meet with other investment managers and many of the Raymond James home office staff for updates on technology, financial planning, practice management, and investment software.



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FOURTH QUARTER | 2018

Road Trip

Kathleen and Nicole will be traveling for a week in November to visit clients in out of state. It's sure to be an adventure when these two hit the road together!

Investment Research

David will be attending investment research meetings in the upcoming months to gain further insight into the investment managers we use as well as the economy and investment markets. David recently attended the Private Wealth Northwest Forum in Seattle, a valuable opportunity to learn about trends in the investment industry and wealth management overall.

Happy Holidays

In this season of reflection and gratitude, we are thankful for the many benefits we have enjoyed. It is with this in mind that instead of our holiday party we will make a comparable donation to two charities. First to our local Seattle Cancer Care Alliance which is a leader in cancer research and treatment of patients. We also will donate to the Colorectal Cancer Alliance which focuses on patient and family support, screening and prevention awareness, and ongoing cancer research.



For more information about these excellent organizations, please go to www.ccalliance.org and www.seattlecca.org.

We would like to remind you that in the event you are unable to speak with someone at our office, you can contact Raymond James Client Services directly for assistance with your accounts at (800) 647-7378.

We would like to thank those of you have referred your associates, clients, family members and friends to us. Your referrals are personally and professionally the most satisfying way for our practice to grow.

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If you have any questions or feedback regarding the newsletter, please contact the office and let us know how we can improve our communication with you.

Please contact us at 425.822.8122 or by email. Be sure to include more than one email address to ensure a prompt response.

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