



MILLER ADVISORS

# MILLER ADVISORY

Personal financial services as individual as you are

FIRST QUARTER | 2022



## FROM KATHLEEN AND NICOLE

Dear Clients,

We have had a busy start to this new year! January always brings us a feeling of renewal and a sense of opportunity. And Marcel's mastermind quote from C.S Lewis certainly encapsulates our newsletter this quarter.

We are setting new goals personally, and as a team. Our most important goal each year is to increase our knowledge in tools that support us as financial planners/advisors. eMoney (Miller Advisors Portal) continues to be one of the most robust planning tools for us to collaborate with you on your financial plan. We also now have access to tax planning software that will greatly enhance our ability to research and introduce more customized tax planning strategies into your plan.

A second, most important goal for us as a team, is to care for each other. After these last two years, it's even more important to encourage others. The article on happiness tips, offers some great suggestions on creating a more sustainable way to introduce healthy habits into one's lifestyle. In recognition of this, we are starting Walk the Block—our team is committing to going on a walk during lunch together a couple times a week. What is something you want to commit to doing this new year?

We are excited to see where this year takes us as we continue to integrate with Mercer Advisor's technologies and expand our capabilities working with you.

*Kathleen and Nicole*

## STOP TRACKING SPENDING AND OTHER MONEY TASKS TO TAKE OFF YOUR TO-DO LIST

When it comes to your money, sometimes doing nothing is the best thing to do.

Financial to-do lists abound at this time of year, and it's always smart to check on the rules around charitable giving or set financial goals for the new year. Knowing what to skip is just as important, though—so consider this list of suggestions from financial advisers as a 2022 to-don't list.

### **Don't rush to pay off a low-interest mortgage**

With inflation predicted to rise, paying off fixed-rate mortgage debt ahead of schedule might not make sense.

Elliot Pepper, in Baltimore, encourages clients to think about putting extra money in investments that will perform better than the interest rate cost of their mortgage. That's especially true for those who have recently refinanced a mortgage, he said.

For example, rather than make an extra \$10,000 payment on your 3% mortgage, you could buy a new series US I savings bond where money will earn an annualized 7.12% rate through April 2022, he said. The bonds can't be redeemed for 12 months from the date of purchase.

Instead use some of the extra funds you were going to use to pay off your mortgage sooner, invest in a long-term portfolio with low fees, said Ajay Kaisth, of Princeton Junction, N.J. Your after-tax returns are likely to be greater than the interest cost of the mortgage, he said. Those with underfunded retirement accounts are typically better off diverting extra funds into retirement savings than into added mortgage payments, said Mr. Kaisth.

### **Don't overpay for items because 'supplies are limited'**

Consumers might normally wait for a sale, or at the very least shop around to get the best price, said Bobbi Rebell, a finance expert at Tally, a credit-card debt management app.

Now, many retailers are putting language on their websites such as "only a few left" to push shoppers to click the "buy" button amid supply-chain shortages, shipping delays and rising inflation. Retailers also often follow up

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with targeted emails and text message warning that say, “the pajamas we love will be gone if we don’t buy them immediately”. Don’t succumb to the pressure.

Some specific items may genuinely be in short supply, but panic-buying or snagging something “just in case” it’s out of stock later can undermine a budget, Ms. Rebell said.

“Rising prices are real but that doesn’t mean you shouldn’t shop around for the best price possible, ask for a discount or find a less expensive alternative,” she said.

### **Don’t track your spending**

Tracking every last dollar of your monthly spending can feel empowering at first but is hard to sustain, like a crash diet, said Kenny Senour of Denver, CO.

He advises clients to focus on using a simpler approach such as designating 50% of your paycheck for essentials such as rent, 20% for savings, and 30% for everything else.

Save first so there’s no need to budget for what’s left, said Kathryn Tuggle, editor in chief at HerMoney Media and co-author of the upcoming book “How To Money.”

She advises figuring out how much you want to save every month, and setting that amount aside immediately through an automatic transfer to a high-yield online savings account. When you put your long-term goals first, then tracking your short-term spending matters less, she said.

“It’s such an empowering feeling to know that the money that’s left in your account is yours to spend as you see fit that month,” she said.

If you still need to stay under a certain dollar amount for spending each month, create a “fun money” account to make automatic deposits into at the same time you’re funding your savings account, said Ms. Tuggle.

Since you will be putting only discretionary funds into that account, you can spend the money on whatever you’d like without feeling guilty, she said.

### **Don’t fall prey to FOMO [fear of missing out]**

You may feel a pang for not owning cryptocurrencies or the latest stock sparking conversations on Reddit, but don’t feel the need to jump in, Scott Newhouse, from Tucson, AZ, said. It may feel like a wise choice to get in, but chasing hot

stocks often leads to underperformance in your returns as their outperformance won’t last forever, he said.

It’s fine to stick with time-tested investment strategies, such as a low-cost, well-diversified investment portfolio of stocks and bonds, he tells clients.

“It is a waste of time to do a deep dive into investing trends like NFTs, SPACs and cryptocurrencies if you know they aren’t a fit for your investing goals—or you just don’t understand them,” said Tally’s Ms. Rebell.

- *The Wall Street Journal*  
By: Veronica Dagher

**PLANT SEEDS EVERY SINGLE DAY THAT YOU KNOW WHO YOU ARE, YOU KNOW WHAT YOU’RE ABOUT, AND YOU KNOW WHAT GOALS YOU’VE SET FOR YOURSELF.**

— **STEPHEN CURRY, ATHLETE**

## **HAPPINESS TIPS: 8 LIFESTYLE HABITS TO INCORPORATE IN NEW YEAR 2022**

January 2022 is the perfect time to evaluate your wellness routine and reinvigorate your life. Forget the champagne and socializing, check out these health coach-approved 8 best ways and easy-to-pick-up habits to ensure a happy and healthy self this New Year.

Two weeks into the New Year 2022 and our resolutions have already gone for a toss. This is because developing simple lifestyle habits can be much easier and more effective than traditional resolutions. January 2022 is more than just the start of a new year - it's the perfect time to evaluate your wellness routine and reinvigorate your life. Health Coach Simrun Chopra

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reveals to Zarafshan Shiraz that instead of opting for sweeping life changes like quitting social media or losing weight, focus on the small things whether it is taking time to regularly engage in activities you love, eating more vegetables or limiting phone usage. "That way, you'll work towards your larger goals without feeling overwhelmed and learn something new about yourself during a less-stressful process. It's truly a win-win situation," she said and suggested 8 lifestyle habits to incorporate in New Year 2022.



1. Include vegetables in your daily diet - Including vegetables in your meals every day is extremely important. Veggies are packed with nutrients and antioxidants which help you stay healthy and prevent disease as well as help you lose weight due to their low-calorie content. 2 cups of vegetables are advised to be consumed every day but this can be difficult for some of you. Some of you find it hard to consume enough vegetables each day while others are uncertain how to prepare them in an appetizing way.

2. Drink 2-3 liters of water every day - Even mild dehydration can affect you mentally and physically. It significantly affects your energy levels and brain function. Staying hydrated is the key to maintaining energy, reducing headaches and so much more. Make sure that you get enough water each day. It's one of the best things you can do for your overall health. Try adding a glass of water on waking and set reminders through the day to ensure you finish your allotted quota.

3. Get on a better sleep schedule - Let 2022 be the year that

you finally take control over your sleep schedule. Getting proper sleep affects so many areas of your life, including your appetite, mood, hormones and general wellbeing. Plus, once you start prioritizing sleep, there's less chance of you being irritable, stressed or inclined to snack.

4. Engage in 30 minutes activity of your choice - It's no secret that moving more helps us to be fitter and healthier. Research shows that as little as 30 minutes of activity per day can offer multiple benefits for cardiovascular health, hormonal health and so much more. You may choose to dance, or go for a walk if you can't get in a workout. After 30 days you should see improvements in your muscular strength, endurance and balance. Plus, notice a difference in how your clothes fit — winning!

5. Each day, spend some time de-stressing - If stress has you anxious, tense and worried, consider trying meditation. Spending even 10 minutes in meditation can restore your calm and inner peace. Anyone can practice meditation. It's simple and inexpensive and it doesn't require any special equipment. Start by using a simple free app at a time convenient for you.

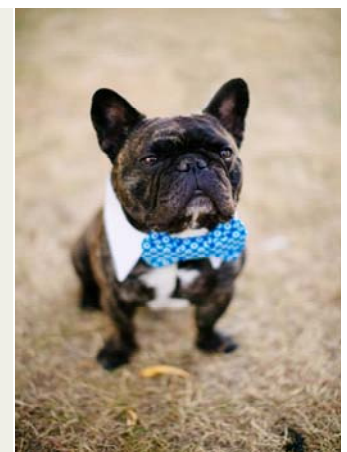
6. Ask for help and feel comfortable doing so - We should know how to ask for help. Asking for help is not a sign of weakness. It's not bothering anyone. It's just getting the help you need in order to work through problems and accomplish goals. People are very willing to offer help if asked for it but we tend to avoid

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## MARCEL'S MASTERMIND

**"YOU ARE NEVER TOO OLD TO SET ANOTHER GOAL OR TO DREAM A NEW DREAM."**

**— C.S. LEWIS**





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situations where it's necessary to ask for someone's help and that creates a negative cycle — we never ask for help, so we never become comfortable asking for help and because we're uncomfortable asking, we continue to avoid it.

7. Include one thing you enjoy in your day or week - It could be as simple as a dance class or learning a new hobby or skill or joining a book club. Do more of what makes you feel happy and you'll see your life-changing for the better. If this seems too daunting, start with something even smaller. Maybe some time pampering yourself with a face mask, a foot scrub or even just 10 minutes to yourself drinking your tea or coffee.



8. 30 minutes before bedtime, avoid using any gadgets or devices - It's the bedtime routine for so many of us: Hop into the pajamas, flip the lights off, crawl into bed and then reach for the cell phone [or iPad]. We're all guilty of it and hey, you may even find yourself guilty of it right now while reading this article but since you're here, you might as well soak up this useful knowledge — then go to bed! Tempting as it might be to use your computer or phone before bed, studies have shown these devices can interfere with sleep by suppressing the production of melatonin, a natural hormone released in the night and has long been associated with control of the sleep-wake cycle.

*Source: [www.instantnewz.com](http://www.instantnewz.com)*

***“THE FIRST STEP TOWARDS GETTING SOMEWHERE IS TO DECIDE YOU'RE NOT GOING TO STAY WHERE YOU ARE.”***

***—J.P. MORGAN***

## STAFF NEWS

**Kathleen:** I enjoy being a grandmother and spending time with my growing granddaughters. I look forward to taking them back to Iowa this summer.

Professionally, my passion is for expanding women's roles in the financial industry, I will continue to work on the mentoring program with the Women's Leadership Alliance and become more involved in the Mercer Advisors InvestHers mentoring program.

Nicole, David and Carrie joined the Financial Planning Association, Puget Sound Chapter and will be attending the Symposium in March, I will be a key note speaker.

Personally, I am looking forward to resuming client in-person meetings.

**Nicole:** I would like to do more travel as a family now that my girls are getting older. I am also excited for my youngest daughter to start kindergarten in the Fall.

I have taken the leadership role in merging Miller Advisors with Mercer Advisors and have been named Sr. Wealth Advisor and Director of the Bellevue/Kirkland offices.

**David:** I look forward to upcoming travel, golf and healthier habits in the coming year.

**Carrie:** I am planning to run my first marathon at the end of summer, and to prepare, I have scheduled several smaller running competitions. I am most excited about seeing my nephew soon and hearing him say his first word(s), hopefully the word is “chicken”.

**Jane:** I would like to travel to Texas, Missouri and Florida to see my children this summer/fall. It is difficult to be so far away from them all.

**Sharon:** I am excited to welcome my fifth grandchild (first for this daughter) in February.



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## MARK YOUR CALENDAR



### January

- ◆ **January 31**—Deadline for employers to send W-2's and 1099s to individuals.

### February

- ◆ **February 2**—Groundhog Day.
- ◆ **February 14**—Valentine's Day. Be sure to spoil your loved ones!
- ◆ **February 15**—Deadline for financial institutions to send 1099s to individuals.
- ◆ **February 21**—President's Day, Mercer Advisors is closed.
- ◆ **February 28**—Begin mailing delayed and amended form 1099s.

### March

- ◆ **March 13**—Daylight Savings Time. Spring forward!
- ◆ **March 15**—Final mailing of any remaining delayed original Form 1099s.

### April

- ◆ **April 15**—Deadline to submit individual tax returns for the year 2021. File your taxes by this date!
- ◆ **April 29**—Arbor Day. Let's all plant a tree!

## SHREDDING PARTY

Miller Advisors is hosting a Safe Shredding drop-off site

**Friday, April 15th to Tuesday, April 19.**

Jump-start your spring cleaning by clearing out those old statements from 2021. Bring them to our office to be securely destroyed by our shredding company.

### What to Keep

- Year-end statements for all accounts including Raymond James Financial Services.
- Reports for income tax reporting such as 1099s.

### What to Shred

- Monthly Statements after you receive the corresponding year-end statement for each account.
- Shred your Buy and Sell confirmations after you read them.

## MARKET UPDATE BY: DAVID SIMPSON

We have seen a large amount of growth in US markets given the level of uncertainty in the United States and around the world. The S&P 500 was up 28.7% in 2021 and is up over 100% over the last three years. International markets (using the MSCI EAFE listed on page 6) have done well over the last year also, up 11.3% for 2021 and 46% for the last three years. We continue to recommend diversifying equity between US and International since we do not know which asset class will do better in any given year.

Fixed Income has had very low interest rates according to historical trends. As inflation has been increasing over 2021, interest rates have also been increasing. In 2021, the 10-year US Treasury rate has increased from 0.91% to 1.50% and the 2-year US Treasury has increased from 0.12% to 0.73%. While there is a large concern regarding interest rates in the United States, when looking around the world at other choices for investors, rates are very low. Germany's 2-year government rate is -0.62% and the 10-year rate is -0.18%. Additionally, the 10-year government bond in Japan is 0.07% and the United Kingdom is 0.97%. Institutional investors will look around the

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**"CELEBRATE ENDINGS; FOR THEY PRECEDE NEW BEGINNINGS."**

— JONATHAN LOCKWOOD HUIE



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world for investing in Fixed Income and we expect lower rates around the world will provide resistance for a significant increase US interest rates.

Looking into 2022, there are going to be several themes that will drive the US economy and the stock market: Covid, Inflation, the Federal Reserve, and the mid-term election in November. Difficult times are nothing new for experienced investors and are actually quite common. Past uncertainties, such as Watergate, the first (or second) Iraq War, and 9/11 show that difficult periods are nothing but speed bumps on the road to long term growth.

We believe a well developed financial plan along with a diversified portfolio is the best approach for an investor. As always, we continue to recommend investing in equity with money for five years or longer and in fixed income & cash for money you need in the near term.

## FINANCIAL UPDATE

Here are selected rate of return numbers for the last two years and year to date as of 12/31/2021\*

	2021 Annual Return	2020 Annual Return	2019 Annual Return
Dow Jones Industrials	20.95	9.72	25.34
NASDAQ Composite	22.18	44.92	36.69
S&P 500 Index	28.71	18.40	31.49
Russell Midcap - US Mid Cap	22.58	17.10	30.54
Russell 2000 - US Small Cap	14.82	19.96	25.52
MSCI EAFE - International Large Cap	11.26	7.82	22.01
MSCI Emerging Markets	-2.54	18.31	18.42
BBgBarc US Aggregate Bond	-1.54	7.51	8.72
FTSE Treasury Bill 3 Month - Cash Alternative	0.05	0.58	2.25

(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.

## CONTACT INFORMATION & DISCLOSURES

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. 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.

As previously communicated, we have new email addresses. The old ones will still forward over to our new email for a short time, but we respectfully ask that you change your address book to reflect the new email below.

We thank those of you who have referred your family members, friends, associates, and clients, to us. Your referrals are most appreciated personally and professionally and has helped our practice to grow over the years.

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Please email more than one of us to ensure a prompt response.

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