BUILDING AND PRESERVING WEALTH

INVESTMENTS | TAX | RETIREMENT | INSURANCE | ESTATE

Quarterly Update
October 2023

Shredding Event
October 14, 2023
Saturday—10:00am–1:00pm

Join us and protect yourself from identity theft and fraud by shredding sensitive documents securely!

A Shred Right truck will be in the parking lot for immediate destruction.

Materials can include staples, paper clip and rubber bands. Shredding brought in a paper bag can go right into the truck. Other types of containers will be returned to you.

When in Doubt, Have it Shredded!

We will have a food truck & pumpkins!

Hope to see you all!

Webb Financial Group
South parking lot
8120 Penn Ave S., Bloomington

Please feel free to invite your guests to attend the event!

Webb Financial Group provides comprehensive wealth management solutions to individuals and businesses. For over forty years, we have helped our clients achieve financial security.

Michael Bischoff, *CFP® & COO*
Gary Webb, *RFC®, CKA® & CEO*
Dave Verbeke, *Financial Advisor*
Tim Greife, *Financial Advisor*
Michelle Brennan, *FPQP®*
Financial Paraplanner
Kristi Mattiuz, *Controller*
Taylor Fish, *Executive Assistant*

Navigating Medicare

Tim Greife
Financial Advisor

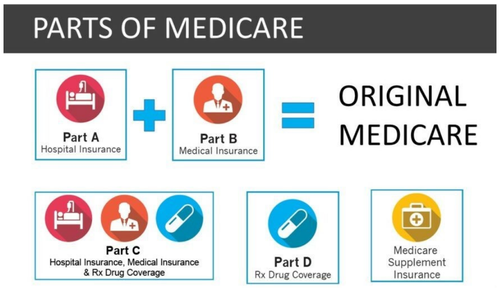
Although Medicare can be confusing, we are able to provide additional information and can offer a great resource from our professional network. After you receive your "Welcome to Medicare" packet in the mail (and your 65th birthday festivities have come to an end!), it's time to secure well-rounded and worry-free health insurance coverage.

The ABC and D's of Medicare

Medicare Part A: For most people, Medicare Part A is automatic. The government will enroll you when you turn 65.

Part A (Hospital Insurance) helps cover:

- Inpatient care in hospitals
- Skilled nursing facility care
- Hospice care
- Home health care



Medicare Part B: Most people enroll in Medicare Part B unless covered under an employer health plan.

Part B (Medical Insurance) helps cover:

- Services from doctors and other health care providers
- Outpatient care
- Home health care
- Durable medical equipment (like wheelchairs, walkers, hospital beds, and other equipment and supplies).
- Many preventive services, like screenings, shots, and yearly wellness visits.

Part B requires a monthly premium usually deducted from your monthly Social Security benefit. It's quickest and easiest to apply in person at your local social security administration office, but you can also apply by mail or phone.

Medicare Part C: Once enrolled in Medicare Parts A & B, you may wish to consider Medicare Part C, also known as Medicare Advantage Plans. This replaces Medicare Parts A & B and provides similar benefits. Available in most areas of the United States, Medicare Advantage plans offer extra benefits not covered by traditional Medicare. Many of these plans also cover prescription drugs.

Medicare Part D: Medicare Part D is prescription drug coverage and is an optional benefit offered to everyone who has Medicare. It's important to compare drug coverage with any current prescription plan you may have.

At first glance, standard Medicare coverage looks comprehensive. There are some gaps in coverage that should be understood before you make a selection. It is important to understand and manage health care costs in retirement. We feel that working with a Medicare insurance specialist would be very beneficial to our clients. If you would like a referral to our specialist, Matt Kern, please contact us for an introduction.

We look forward to helping you navigate Medicare. We can provide resources on how to address these gaps and achieve true peace of mind so that high healthcare costs will not be a part of your golden years.

WEBB FINANCIAL GROUP
WEALTH MANAGEMENT

2023 Economic Landscape


Gary Webb, *RFC*®

Recently, clients have asked about the United States and China's current economic landscape and how they could affect the financial markets. China's economy is facing significant hurdles. Retail sales have only increased by 2.5% year over year, a far cry from the usual 7-10% before the pandemic. Industrial production has risen by a mere 3.7%, well below the pre-pandemic rate of 6%.

China exports have fallen nearly 15% over the past year due to a global shift from goods to services. Imports have fallen by 12%, signaling a decline in internal demand. Their once impressive economic growth, averaging 7.7% annually (2010-2019), has slowed to 4.4% over the past several years (2020-2023). This slowdown is projected to continue.

Unlike the US, where 70% of the economy depends on consumer spending, China relies on consumer spending for less than 40%. Instead, investment spending constitutes 44% of GDP. However, a significant portion of this investment went into real estate. With it's debt-driven growth, this led to issues like overbuilding and unproductive infrastructure investments. Real estate investment, accounting for 10% of the economy before the pandemic, has declined by 8% annually.

The impact on the US economy remains limited. Imports from China have been decreasing, comprising less than 2% of GDP. The redirection of trade towards other Asian countries shows China's waning influence on US imports. The US economy's reliance on internal demand protects it from China's economic struggles, unlike China's dependence on exports and investment.

The effect on financial markets would likely result from headline risks, such as the 2015-2016 currency devaluation. However, the US economy is more resilient now. Chinese actions might slightly affect US Treasury yields, but the broader movement hinges on US growth prospects and Fed policy. The consistent growth of the US economy, surpassing China's, underscores its relative strength.

After the best start to a year since 1997 for the S&P 500, stocks fell slightly in February and August. However, the market has risen 6 of the last 8 months. The bull market is alive and well, and we continue to expect new highs before year-end. The markets tend to follow earnings and earnings continue to look quite good.

The recent economic data suggests a resilient and potentially accelerating economy. Retail sales and food services increased in July, with a 3 month average showing a 7% rise in retail sales at an annualized pace. Inflation-adjusted retail sales surged at a 5% annualized pace, surpassing pre-pandemic levels by 7%, indicating strong household strength.

Vehicle production reached its highest level since 2018 with medium and heavy trucks rising by 14% this year. Aerospace industry production increased by 4%. High-tech equipment manufacturing surged over 7% in the first 7 months of the year and 20% since pre-pandemic levels (February 2020). These indicators suggest that companies anticipate robust future demand, opposing the notion of an impending recession.

The housing market data reinforces this positive outlook. Single-family construction rebounded, with housing starts rising nearly 7% in July and 22% since November. Building permits, indicating future supply, has risen by 24% since December. Strong retail sales, manufacturing rebound, housing market recovery, and positive GDP growth forecasts allude to a robust economic outlook. Here is to an even higher market by year-end!

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