

the SGROI FINANCIAL

NEWSLETTER

Teacher Classroom Giveaway

Giving back to the hard working teachers of WNY

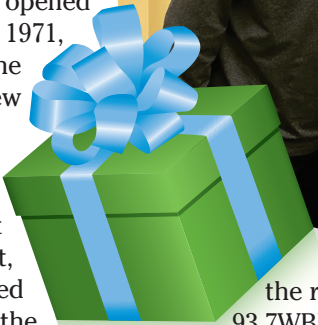
Clay Moden spent a morning with Mrs. Cook's kindergarten class reading to them



towards improving the experience of their classrooms. To help us with this promotion, we teamed up with Townsquare Media and Clay Moden, the morning show host for Buffalo's number one country music station WYRK. With Townsquare media, we were able to promote across



When Joe Sgroi opened the business in 1971, he started by helping the teachers of Western New York build for their retirement. It began with helping his sister, who was a teacher at Buffalo School District, but he quickly realized more teachers needed the support and guidance to reach their retirement goals. Fast-forward to today and Sgroi Financial is still a proud local supporter of teachers and have helped over 3,000 clients with their 403(b) plans.



Prior to the 2018 school year, we announced a new promotion called the Teacher Classroom Giveaway; awarding 3 teachers \$750 each to use

the radio stations 92.9 JackFM, 93.7WBLK, Mix96 and 106.5WYRK. In less than 2 weeks we received over 400 entries from well deserving teachers. With a random selection, we announced the 3 winners as: Jodi Cook from Benjamin Franklin Elementary, Elizabeth Ziegler from D'Youville Porter Elementary and Kelsey Letten from Starpoint Middle School.

Each teacher was able to use the funds however they thought would be



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Mrs. Cook decided to purchase school supplies and share them with her colleagues.



best for their students. Mrs. Leitten purchased iPads for her classroom; "The iPads allow for collaboration with peers, engagement, and motivation in the classroom," said Leitten. "The games teach students teamwork, problem solving, and higher order thinking skills. My students and I are thankful for the generous gift you have given us."

Mrs. Ziegler, who is a first grade teacher, used the funds to improve her STEM program. "Science, Technology, Engineering and Mathematics is so important," she said. "I purchased materials such as interlocking magnets, magnetic gear sets, legos and building blocks to use to problem solve. All the students love these materials and language development and problem solving skills are uti-

lized when we work together."

At Benjamin Franklin Elementary, Mrs. Cook decided to spread around her funds. She purchased school supplies and shared them with her other colleagues in need of additional materials. From tissues to crayons to backpacks, the supplies she provided were much appreciated from her fellow teachers. For her generosity, we set up a classroom visit from Clay Moden. Clay spent a morning with Mrs. Cook's kindergarten class reading to them and answering questions about life as a radio show host. The students even showed off their singing skills when Clay asked if anyone knew the song "Baby Shark" – for any parents of younger kids, you've probably heard this song a few hundred times!



Our appreciation goes to the winners for making their classroom experience a better place for their students. And to all the dedicated teachers of Western New York, thank you for all you do for our community. 🌍



Season's Greetings



The holiday season allows us a chance to come together and reflect on the year we've had and look ahead with anticipation of what's to come in the new year. At Sgroi Financial we are completing our 47th year and it's hard for me to believe that I have been here for 27 of those years. I always keep my Dad in mind and all of us honor the guiding principles that he established back in 1971 when he founded the company. To always do what's right for our clients and also to be a positive influence in our community.

The world around us continues to change rapidly. Looking forward to 2019, we will continue to look for ways to improve our client experience. We have a number of things that we are working on but helping you to reach your financial goals remains our number one priority.

We are glad you're with us and we will never take your loyalty and dedication for granted. We look forward to many more wonderful years ahead. Thank you for giving us the opportunity to work with you and your family this year.

From our family to yours we wish you a wonderful holiday season and a successful 2019!



Patrick Sgroi,
President

Improving the Client Experience with Tech

As 2018 draws to a close, Pat & I look back with a great deal of pride in what we accomplished this year. As summarized in Pat's letter, 2018 was a year of change at Sgroi Financial and we wouldn't have been able to do it without our excellent staff and the responsiveness of our clients.



As anyone can clearly see, our world continues to change on an almost daily basis. Technology continues to disrupt many industries at a rapid pace. All one has to do is look at how companies like Amazon continue to disrupt various industries through the use of technology. You have seen how Uber & Lyft have dramatically changed how people get around. You can now order food and groceries using your computer or smart phone and have them delivered to your door. One thing all of these have in common is the use of technology to make people's lives easier.

Unlike many other industries, the Financial Services industry has been late to the party. We have not yet seen the impact experienced from improved technology. We don't see that continuing however. As such, we feel it is imperative to continue to stay ahead of our competitors and improve in the technology that we offer our clients. We want to provide an easier experience and offer innovative solutions for our clients who want them. So stay tuned for some exciting improvements coming in the new year! In the meantime, we wish you a blessed holiday season and the best of luck in 2019!



John Clouden
Sr. Vice President



Jennifer Jurek

New Year's Resolution Planning

Improve your finances in 2019

It's time to ring in the new year and as the saying goes "new year, new you"! The beginning of a new year is the most popular time to get refocused and set goals to better your lifestyle. Creating resolutions are quite common among the topics of eating healthy, exercising and even financial planning. However, did you know that only 9% of resolutions are followed through? The main reason for the lack of success is due to not setting specific enough goals and not seeing immediate results. But that's why you have Sgroi Financial here to help you and keep you on the path to reaching your financial goals. Here are a couple ideas to help get you started with your financial resolutions.

Start with a Plan

In order to accomplish your financial goals, you need to first identify what they are. By creating a clear, concise list, you will be more likely to see success. A goal is best when it is specific and measurable. It isn't good enough to say "I want more money in my savings account


this year." Instead put in writing that you want to increase your savings account from \$2,000 to \$10,000 by the end of the year. Then break the goal down into smaller pieces into either a weekly or monthly amount that you need to save to reach your goal. Next be sure to track your progress. This will allow you to stay invested in your goals and identify any tweaks needed in your habits to stay on track.

Save More, Consistently

The most common new year's resolution is "I want to save more money." But let's get specific in just how much you should be saving for retirement. The golden rule is 15% of your gross income. So if you're making \$50,000 a year you should be saving \$7,500 towards retirement. That 15% can be spread across pre-tax accounts, such as a 401(k), or after-tax accounts like a Roth IRA. If the 15% is too big of a number to save, it's okay to start at a smaller number and work your way up to 15%. Try to increase your savings by 1% each

year or every time you get a raise. However, if you're working a job that offers a retirement match, we highly encourage you to invest enough to receive the full match amount. An additional tip to reaching your goals is to set up automatic monthly payments. This will get you in a good habit of investing without even have to think about it.

Pay down Debt

Setting a goal to get rid of all your debt at once maybe a lofty goal; so it is important to be specific about which debt you want to eliminate the most. We recommend the snowball effect which is focusing on eliminating the smallest debts first then working your way up to the largest. Paying off your debt is like climbing a mountain, it's going to take time and strategy but the only way you'll get to the top is to start climbing. As you eliminate your debt you want to also identify the bad habits that put you in trouble in the first place. This will keep you out of debt for the future. 

2019



Summer M. McKellar

Year End Market Update

Ending with a Bang



A quarter to remember: midterm elections, trade wars, continued dollar strengthening, yield curve “inversion”, government shutdown, and the never welcomed change of dialogue to bear market territory. Up until recently, we have had an environment of historically low volatility and positive returns for the last decade and investing has been generally stress-free. Many investors have had a nice ride and it’s easy to take on risk when the market is going up, but that leads to unnecessary discomfort when the markets experience times of higher volatility. With the potential headwinds that will continue into 2019, it is an ideal time to ensure you are in the correct portfolio for your risk tolerance.

All eyes will be on the Federal Reserve and headlines out of the White House for the next few quarters. The President has expressed his criticism of Fed Chair Powell and his recent interest rate hikes, specifically the most recent in December that pushed the US markets down over that 20% mark from all-time highs, signifying Bear Market Territory. If the Fed continues to raise

rates when the economy is not as able and willing to operate with the higher levels, it could be the definite end of the rally. We have said this before, a bull market does not die of old age, there must be a catalyst – a Federal Reserve misstep can definitely be that culprit.

With so much uncertainty in today’s political and economic landscape, investors are having a hard time finding conviction. There is one thing that is clear - volatility is here to stay. 85% of all trades are done by algorithms and computer trading programs. This means that when the markets trade based on new information, trade deals, political headlines, etc. it’s done quickly and aggressively; leading to stocks being oversold in times of weakness and overbought in rallies. Aligning your portfolio with your risk tolerance is key in this environment. Understanding the upside and downside risks associated with your investments will make the roller-coaster ride more bearable. Now is the time to re-evaluate what ride you want to be on. Trying to time the market is a losing battle. The basis of successful investing is

founded on correct asset allocation aligning with your investment timeline.

Looking ahead, if substantial trade agreements come to fruition, we could see pockets of exponential growth, especially in emerging market areas. With that being said, the current landscape justifies a more cautious footing. We will have a clearer direction for US stocks as 4th Quarter earnings reports are announced in January. We have and will continue to adjust the risk budgets in our managed portfolios to reflect our views of the changing market climate. Thank you for your continued trust and we hope you had a wonderful holiday season. 🌍

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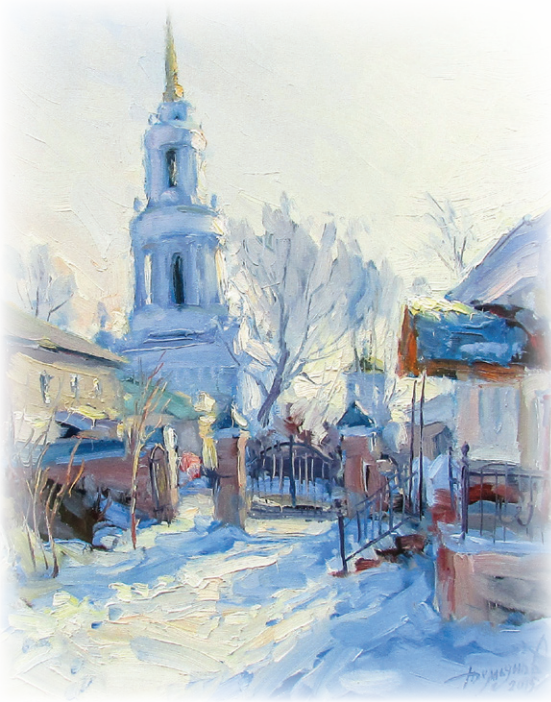
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“Happy New Year from your Sgroi Financial team”



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