



## Economic and Market Update

By: The Investment Committee

### THE NUMBERS

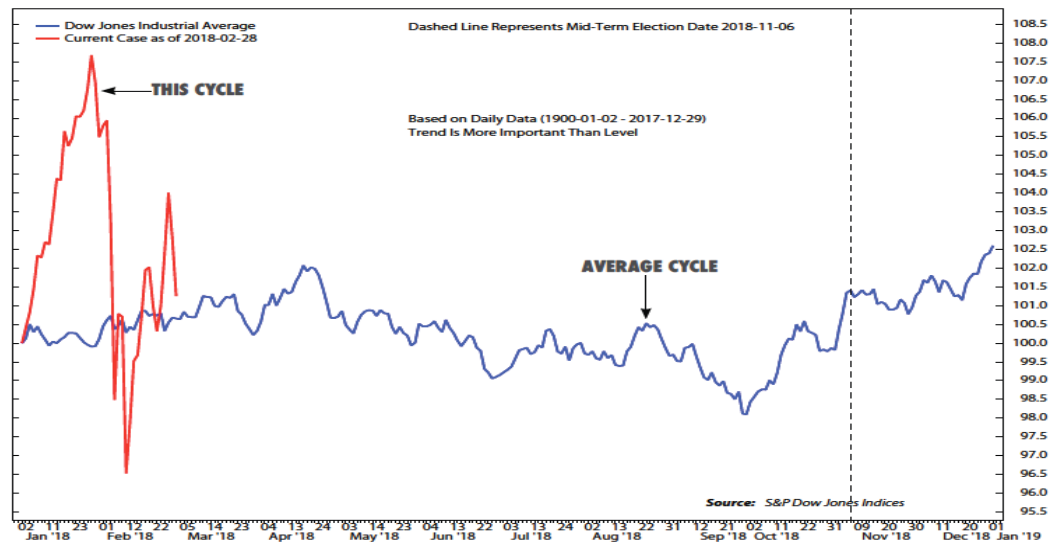


MARKET WRAP	3/27/18
S&P 500	-2.8%
S&P Small Cap	-1.1%
MSCI EAFE Int'l	-2.5%
U.S. Aggregate Bond	-2.0%
U.S. TREASURY YIELDS	3/27/18
91-day T-Bill	1.8%
5-Year	2.6%
10-Year	2.8%
MORTGAGE RATES	3/26/18
15-Year Fixed	3.9%
30-Year Fixed	4.5%
OIL (per barrel)	\$65.55
GOLD (per ounce)	\$1,345
UNEMPLOYMENT	
FEB. 2018	4.1%
4TH QUARTER	
GROSS DOMESTIC PRODUCT	2.5%

As we predicted, market volatility has increased thus far in 2018. Despite the hourly market swings from green to red (and back again), our emotionless investment approach continues to pay off, and our practice of buying on short-term sell-offs continues to perform. The JNBA Investment Committee expects volatility to continue as we approach this year's mid-term elections.

As displayed in the chart below, we see a couple important indicators, including: a) volatility is significantly higher YTD than the average cycle, and b) the spring and summer months have tended to be a bit more difficult for the equity markets leading up to election day, yet subsequently rallying in the fall to end the year with positive total returns.

#### Dow Jones Industrial Average Performance During Mid-Term Election Year



The current political environment is a bit "unique" and history is likely to be a poor indicator of things to come in 2018. The usual equity beneficiaries during mid terms (value, quality, and dividend payers) may take a headline backseat to the fixed income markets as the anticipated number of fed rate hikes and inflationary concerns take center stage.

As a result, the JNBA Investment Committee will be seeking additional alternative fixed income products for inclusion in appropriate portfolios. Also, with regards to overall positioning, we are fairly neutral on risk/return profiles of most asset classes and are typically plus or minus each strategy's targeted benchmark allocations with no real overweight or underweights to speak of. Rest assured that the JNBA Investment Committee will be quick and diligent to alter positioning if a clear trend in the market (and resultantly in our research/models) begins to exert itself either on the upside (opportunistic) or the downside (defensive).



## 2018 TAX UPDATE WEBINAR

By: Financial Planning Committee

In case you missed it, the 2018 JNBA Tax Update webinar is now live at [JNBA.com/blog](http://JNBA.com/blog).

The webinar includes helpful information for individuals, families, and business owners in understanding the new tax laws and planning considerations for 2018.



## 2018 Tax Reminders

By: Financial Planning Committee

Please note that due to the Emancipation Day holiday on Monday, April 16, this year's tax filing deadline has been moved to Tuesday, April 17.

### 1099 Delivery Reminders

As a reminder, realized gain/loss (cost basis) as well as management fee information is included on your 1099 coming directly from TD Ameritrade. Please provide your 1099s to your tax professional for preparing your 2017 return.



Please see our February 23rd blog post at [JNBA.com/blog](http://JNBA.com/blog) for additional information on key tax considerations including tax returns, IRA contributions, Social Security tax, Long-Term Care Insurance, and more.

## DID YOU KNOW



Social Security - leaving money on the table?

48% of women and 42% of men begin taking their monthly Social Security retirement benefits at age 62, the earliest age possible.

Just 4% of women and just 2% of men delay taking their Social Security retirement benefits at age 70 or later.

Source: Social Security Administration

## MEET OUR NEWEST TEAM MEMBER

Elise Huston - Advisor Associate

With more than six years of steady career progression within the financial services industry, Elise takes tremendous pride in contributing to her clients' success. This is demonstrated by her dedication to develop trusting relationships through consistent competence and integrity when creating holistic plans to help clients achieve their goals. Elise also enjoys collaboration and being part of a team that celebrates each other's unique skill set.

Before graduating with a Bachelor of Science in finance and marketing from Iowa State University, Elise was captain of the Iowa State Dance Team, a member of Kappa Kappa Gamma, and studied abroad at Lorenzo de Medici. A Certified Financial Planner™ (CFP®), Elise is a current member of the Financial Planning Association of Minnesota.

Elise enjoys spending time with her friends and family, trying new restaurants downtown, and going on walks with her husband Rob and their Maltipoo, Arya.





## EXECUTIVE CORNER

By: Kim Brown

It has been said that in the pursuit of excellence one must:

- Care beyond what others think is wise
- Envision more than most feel is practical
- Chance beyond what others see as safe, and
- Anticipate more than others think is possible.

I've always loved this and in fact, it is a plaque in my office. It's my constant reminder, because excellence is important to me. It's also a reminder that excellence is a journey, not a destination. And that excellence can rarely be achieved alone, but rather is a collaboration of the best kind.

I am both proud and thrilled to share with you, that on March 12, 2018, JNBA and our Chairman and CEO Richard S. Brown were ranked by Barron's as Minnesota's top financial advisor, as well as the top Registered Investment Advisor (RIA) in Minnesota. This also marks the ninth consecutive year that JNBA has been named to Barron's list of the 1,200 top advisors in the country.

There's no doubt this recognition is the culmination of many things, but it is clearly driven by our pursuit of excellence. And in that pursuit, we have prioritized learning in order to be better every day. We learn through feedback from our clients and our client advisory board. We learn from the mistakes of our industry, we learn from our strategic partners, we learn from our failures and successes, and we learn from each other. And, through that learning comes improvement and we take another step on our journey.

I speak for our entire team when I say that we are beyond grateful for this recognition. I also speak for our entire team when I say that we do not take this recognition and ranking lightly. We understand that it raises the bar, and we are ready for the challenge.

In fact we are almost giddy about the next step on our journey where we envision taking the notion of continuous, comprehensive, and coordinated wealth management to entirely new heights. But make no mistake, on our journey to excellence our eyes are clearly focused on one thing – you, our valued clients. You are what matters most. You are what makes our journey fun, sometimes challenging, but always worth it. The privilege of working with you and walking with you through some of life's most important decisions is by far our greatest reward. Thank you!

Think spring...I know I am.

## JUST ANNOUNCED

### Change to 2018 Health Savings Account Maximum Contribution Amount

The 2018 HSA maximum contribution for families was decreased by the IRS from \$6,900 to \$6,850 (a decrease of \$50). The individual maximum contribution amount remains the same at \$3,450.

## TIME TO GO DIGITAL!

Visit the link below and sign-up to have statements, newsletters, and other elements delivered digitally.

[www.jnba.com/godigital](http://www.jnba.com/godigital)

## CONGRATULATIONS!

To the entire JNBA Team  
On earning the #1 nod  
from Barron's.



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DULUTH OFFICE | 218-249-0044  
324 WEST SUPERIOR STREET  
SUITE 200 | DULUTH, MN 55802

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**SAVE THE  
DATE!**

**JNBA  
SHREDDING  
EVENT**

**SATURDAY,  
MAY 19**

**9AM – 11:30AM**

▲

## Featured Investment Corner

By: The Investment Committee

This feature profiles a new investment each quarter that the JNBA Investment Committee has chosen to reflect the strategies of many portfolios at our firm. Our hope is to provide additional insight behind the strategies implemented by our Investment Committee. If you have any questions about the featured investment or the specifics of your own portfolio, please contact your Advisor.

### AMERICAN BEACON INTERNATIONAL EQUITY (AAIPX/AAIEX)



**Objective:** A multi-manager fund (Causeway, Lazard, and Templeton) seeking long-term capital appreciation primarily through investments in equity securities of issuers based outside the U.S.

**Role in JNBA Portfolios:** Core International Holdings

**Estimated Duration:** 1 and 3 years

**One- and three-year total return:** 19.85% / 5.21%

**Current yield as of 3/12/18:** 1.33%

\*As seen in the 2/22/10, 2/21/11, 2/20/12, 2/18/13, 2/24/14, 2/23/15, 3/7/16, 3/6/17, & 3/12/18 issues of *Barron's* magazine. Rankings and/or recognition by unaffiliated rating services and/or publications should not be construed by a client or prospective client as a guarantee that he/she will experience a certain level of results if JNBA Financial Advisors, Inc. is engaged, or continues to be engaged, to provide investment advisory services, nor should it be construed as a current or past endorsement of JNBA Financial Advisors, Inc. by any of its clients. Rankings published by magazines, and others, generally base their selections exclusively on information prepared and/or submitted by the recognized advisor. Rankings are generally limited to participating advisors. JNBA's Chief Compliance Officer remains available to address any questions regarding rankings and/or recognitions, including providing the criteria used for any referenced ranking. Please see [www.JNBA.com/disclosure](http://www.JNBA.com/disclosure) for more information.

Please remember that past performance may not be indicative of future results. Different types of investments involve varying degrees of risk, and there can be no assurance that the future performance of any specific investment, investment strategy, or product (including the investments and/or investment strategies recommended or undertaken by JNBA Financial Advisors, Inc.), or any non-investment related content, made reference to directly or indirectly in this newsletter will be profitable, equal any corresponding indicated historical performance level(s), be suitable for your portfolio or individual situation, or prove successful. Due to various factors, including changing market conditions and/or applicable laws, the content may no longer be reflective of current opinions or positions. Moreover, you should not assume that any discussion or information contained in this newsletter serves as the receipt of, or as a substitute for, personalized investment advice from JNBA Financial Advisors, Inc. To the extent that a reader has any questions regarding the applicability of any specific issue discussed above to his/her individual situation, he/she is encouraged to consult with the personal advisor of his/her choosing. JNBA Financial Advisors, Inc. is neither a law firm nor a certified public accounting firm and no portion of the newsletter content should be construed as legal or accounting advice. A copy of the JNBA Financial Advisors, Inc.'s current written disclosure statement discussing our advisory services and fees is available for review upon request.