

Market Update and Q&A

REDW Wealth LLC expertise.

April 10, 2020 Presented by:

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- Welcome
- Required Minimum Distributions
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- Federal Reserve
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REDW Wealth LLC Required Minimum Distributions

Required Minimum Distributions (RMDs) for the 2020 Calendar year are waived.

- RMDs for the 2019 calendar year, which were allowed to be deferred until 4/1/2020, are waived, as long as distribution was not made before 1/1/2020
- RMDs that meet the above waiver, but were processed before enactment of this legislation, will be eligible for rollover, but not direct rollover.
- Affected plans for the RMD waiver include qualified defined contribution plans (401(k), profit sharing, 403(b), 457(b) governmental, IRA)

If I have already taken my RMD, can I reverse it?

- We recommend waiting for IRS guidance.



REDW Wealth LLC Market Update

The Rebound – V, U, or W (2/19/20-4/9/20)

1d 5d 1m 3m 6m YTD 1y 3y 5y 10y Max Date Range 02/19/2020 to 04/09/2020

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The Rebound – V, U, or W (9/18/08-11/4/08)

1d 5d 1m 3m 6m YTD 1y 3y 5y 10y Max

Date Range 09/18/2008 to 11/04/2008

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The Rebound – V, U, or W (9/18/08-3/31/09)



Milestones to Consider

Near Term

- Lowering rates of infection and deaths
- Some restrictions are lessened
- Companies continue to adapt
- Vaccine or other treatment is developed

Intermediate Term

- Society accepts some aspects of social distancing
- Large social gatherings allowed
- Large social gatherings widely adopted

As We Look Back

Individual Risk

- Risk of Infection
- Risk of Death
- Long-term health impact for survivors

Societal Risk

- Number of lost jobs
- Number of lost employers
- Cost to taxpayers to support the economy

REDW Wealth LLC Federal Reserve

- **Up to \$2.3 Trillion in loans**
 - **\$600 Billion for main street lending program**
 - <10k employees or <2.5B revenues
 - 4 year loans issued by banks
 - 1 year deferral on payments
 - **\$850 Billion for credit flow**
 - TALF expansion
 - Primary and secondary markets
 - Extended to buy non-investment grade bonds
 - **\$500 Billion for state and local governments**
 - Purchase short term debt

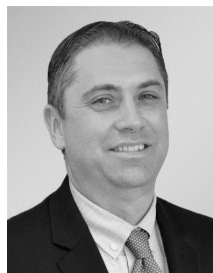
- **Monetary policy by Federal Reserve**
 - **Ease/stabilize financial conditions**
 - Banks and businesses benefit
 - **Cheap money with low interest rates**
 - Businesses can survive with lower rates
 - Creates incentive for investors to look for riskier assets
 - Increases spending by consumer
 - **Offsets/compliments fiscal policy**
 - The \$2 Trillion in stimulus by government was not enough
 - Fed has committed to unlimited purchases of government securities and is now helping main street



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