mark matson

UNCATEGORIZED

UNDERSTANDING MILLENNIALS AND INVESTING

AUGUST 25, 2017 | LEAVE A COMMENT

Millennials are an interesting group of people that are not always portrayed kindly in the media. This group of people is greatly different from the group that birthed them, the baby boomers. Even though millennials are typically much different than baby boomers, both groups likely want the same things, especially financial security.

Millennials do want help. They are probably thinking about their future financially, not just the next day or simply paying the bills. They may be wondering how they can get their first jobs, how they can help the world, and how they can pay off their college debt. Many millennials go into debt to attend school and then wind up back in their parents' basements.

Most millennials don't budget appropriately, don't manage their money, don't look at their finances, hope they can pay the bills and that's about it. Many millennials also don't work with financial advisors, which is something that should change when they start planning for retirement.

One thing that is known for sure is that most millennials love technology and their mobile phones. Many have tried investing using mobile apps, or robo-advisors, but technology doesn't necessarily make it easier to invest. Even if you start here, there is no discipline involved. These apps and sites do not stop human behavior. A computer won't stop the millennial from panicking.

Advisors should to meet millennials where they are. They should go to them to help them. Most millennials are all over social media. Advisors should consider using social media as a platform to reach millennials when it comes to helping them put together a budget and invest prudently.

BLOG

THINGS TO LOOK OUT FOR WHEN DIVERSIFYING PORTFOLIOS

DECEMBER 16, 2014 | LEAVE A COMMENT

Diversification is a risk management technique that mixes together a wide range of investments within a portfolio. Portfolio diversification is not intended to boost performance. Rather, it is used to lower the inherent risks associated with investing. In layman's terms, diversification aims to smooth out risk events so that the potential negative performance of some investments balances the potential positive performance of other investments. It is often used as a hedge against risk. However, some may take the concept too far by using multiple money managers rather than paying close attention to the goal of achieving a diversified portfolio.

Vice President of Matson Money, Zack Shepard, weighs in on some of the common pitfalls diversification could lead to when using multiple money managers. Some points to consider:

1. Multiple managers can make it more difficult to re-balance funds.

2. Multiple managers may invest your portfolio in the some of the same securities, causing your portfolio to be over-weight in particular stocks, industries or countries, which can negatively impact diversification.

2. Moving money to managers that have a good performance "track record" tends to be an emotional, short-term decision that could lead to more hassles later.

3. Using multiple money managers can , increase the chance that you could accidentally hire a scammer, because it is hard to thoroughly research some managers. It is much easier to perform a full due diligence background review of one money manager.

With the New Year on the horizon, some investors may look at their portfolios and contemplate switching gears. Keep in mind that a single manager could benefit your portfolio diversification more than multiple managers, because it simplifies your research and allows you to focus on what the manager recommends for your portfolio rather than focusing on the managers themselves.

Additionally, a common piece of advice Matson Money gives to clients when it comes to a diversified portfolio is to focus on long term investments, instead of what's hot and trending in the market. Predicting the way the market will go is impossible, but building a diversified portfolio with one manager could yield potential benefits. However, investors should not expect their outcomes to match managers' track records or the performance of other investors' accounts.

DIVERSIFYING PORTFOLIOS MATSON MONEY MONEY MANAGERS

BLOG

CHOOSING A FINANCIAL COACH

NOVEMBER 20, 2014 | LEAVE A COMMENT

Often times investors come across TV programming that airs all types of financial advisors and coaches offering investment strategies, financial game plans and more. Some of the most well-recognized "Investainment" personalities include Suze Orman and Jim Cramer, who can provide you with some insight when it comes to your financial strategy. However, these types of shows, internet blogs and other mediums are unlikely to assist the average investor in the long run. They typically cater to general advice or what is trending in the market, not what is best for the viewer at home.

It can take time to build and develop your portfolio. Making investment decisions based on "Investainment" advice can be a poor choice, because the audience for this advice is very broad and is not tailored to your needs. Perhaps you are just starting to invest and the information on the TV just is not helpful. Enlisting help from a reputable financial coach is a better way to obtain advice, financial planning and education. Choosing someone who isn't worried about TV ratings and who can cater to your current financial goals with your best interest in mind is the route to go. Having real face time with an experienced investment professional can go a lot further than "talking heads" on a TV screen.

Matson Money, Inc. believes that a coach can provide you with the resources and information you need to make solid long-term financial decisions. Since the advent of TV financial "gurus", investors have seen dozens of famous faces give broad, general advice that is rarely useful on a personal level If you want to know more, it is highly unlikely that you can contact those on-air personalities for specific guidance, making it hard to create and implement a personal financial plan. The average investor should seek out and establish a relationship with a coach that can provide a customized approach to giving you the financial insight you need.

FINANCIAL ADVICE FINANCIAL COACH INVESTORS

BLOG

TAXES AND THE ECONOMY

SEPTEMBER 16, 2014 | LEAVE A COMMENT

The US is producing way below where it should be producing. We're off trend by about $4.5 trillion, our employment is down from 62.8 percent of total population employed to now 59 percent. It's not falling anymore but there's been no improvement for the last 5 or 6 years according to a report by the Bureau of Labor Statistics. But what we really need is a change in policies to get America growing again. So many things will fall into line once we get economic growth, and in my opinion, I can suggest how we could get economic growth – Low rate, broad based, flat taxes. That's that.

Spending restraint. Sound money. There's nothing that can bring an economy to its knees quicker than a weak currency, high interest rates and inflation. Free trade, I mean we make some things better than foreigners do and they make some things better than we do. We and they would be foolish in the extreme if we didn't sell them those things that we make better than they do and they sell us those things they make better than we do. It's a win-win philosophy by David Ricardo who pioneered gains from trades.

And lastly, regulations. Everyone knows you have to have regulations but what you want to make sure is those regulations don't go beyond the specific purpose at hand and create collateral damage to the overall economy. In my opinion, we are way over-regulating our economy. My view is that you're going to see a big change in the politics this year, the senate's going to go republican – pro-growth, and then what you're going to see is a big election in 2016. And my best guess is today is almost exactly 1978 – and we've got a Reagan-style president and a bull market ahead of us for maybe the next 20 years because of the implementing really good pro-growth economics and that will inure to the benefit of our foreign policy as well, which is much of what I'm going to talk about today.

We're in a redistribution society today, where we tax people who do work and pay people who don't work and surprise, surprise we've got a lot of people not working. In my view, once we get to a growth agenda with a low rate, broad based, flat tax, spending restraint and all those things, once we get that, the economy will start firing up and then once you do that, you can't have a strong country without a strong economy. Economics is the number 1, 2, 3, 4, 5, 6, 7…23rd, but that's what you need to do, is bring back really good economic strength.

ECONOMY EMPLOYMENT TAXES

BLOG

ARE INVESTORS BEING ADVISED BY FRAUDSTERS?

SEPTEMBER 11, 2014 | LEAVE A COMMENT

Fraudsters blame the investor, when something goes wrong. Madoff is a great example of this. He blamed the people, the victims, that he stole money from, indicating that they should have known better. Fraudsters also try to get people to feel sorry for them, you know, like they're the victim. Another thing is that they typically use very convoluted and complex language and generally promise you something that's really too good to be true. You know, either I can pick all the best stocks and beat the market every year or I have some magical tool or strategy to get in and out the market at the right time or, in the case of Madoff, we're going to make 10% every year no matter what the market does. Very, very dangerous situation.

I mean it's amazing how much money, you know, trillions of dollars are in RIA firms and nobody actually knows what their numbers are. So one of the things that we look for is, you have to verify your numbers, you should have third party verification returns using GIPS standards. So you need to see real people with verified returns.

You might notice the dearth of the mountain charts over the last 20 years, and I think it's because a lot of companies don't have the records to support the returns they show their clients. And the other thing is, you have to verify the company itself, their financials, because a company that has bad financials, bad balance sheets, lots of debt, that kind of person running that company is going to have a lot more probability of stealing your money to, you know, help themselves financially, so you got to do your due diligence on these people.

The only way to beat fraudsters is to get away from them. You can't change them, you can't modify them, you can't have a real relationship with them because they look at you, they look at an investor as just an object like a chair or a cell phone. They don't really interact with their emotions or feelings, so the only way to get out is to get away.

ADVISORS FRAUDSTERS INVESTORS
