

BEALL

Financial Planning • Wealth Management

Summer 2009

Important Dates!

Anniversaries:

August 10th: Holst & Vida.

August 18th: Jim & Ann.

September 9th: Betty & Don

Birthdays:

August 31st - Joshua will be 2.

September 13th - Liam will be 2.

Visit us on our website

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You can also find us on [Facebook](#). Just search for *Beall Financial Planning* and become a fan!

Life at the Beach

I took a real vacation this year. It had been awhile. I was looking forward to not having to think about what the markets would do or what the government was going to do to mess up the economy. The kids were looking forward to maybe seeing Miley Cyrus (Hanna Montana) filming a movie on Tybee. We were all looking forward to spending the week at the beach with our friends and celebrating a birthday. It was a blast. Everyone had a great time and my mind got a rest and I



Back: Mary James, Joshua Beall, Joyce Evelyn Beall, Mary Lin Beall, Middle: Katie James. Front Adam James and Nan James. Enjoying a bit of shade at Fort Pulaski.

came back to work focused and refreshed. The past 18 months had been stressful to say the least but very educational. Once again I look forward to what the future holds in store for us.

New Rules: Roth IRA

Starting in 2010 the income limit for funding your Roth IRA is eliminated. This means that anyone whose adjusted gross income exceeds \$100,000 will now be

able to contribute to a Roth IRA. Another change to the Roth IRA rules that went unnoticed by many is that as of 2008 you can transfer your 401k balances to your

Roth IRA. Taxes will have to be paid on the amount transferred but you will have the benefit of not being taxed on withdrawals from your Roth IRA.

Special Promotion from Schwab Institutional

New clients who open accounts with us and agree to move their assets to Schwab Institutional will for

a limited time receive **commission free** electronic equity trades and a reimbursement of transfer of account

fees. If you know of someone who might be interested in our services please let us know.



It is hard to imagine anyone happier than Joshua relaxing at the beach.

Luxury is out as a lifestyle statement and frugality is in.

Generational Change

This Global Recession is once again causing a generational change much like the Great Depression. The differences is the speed at which change occurs. We have had two major bubbles bursting (2001, 2008) just as the Baby Boomers realized that they needed to save for retirement. The twenty plus years of con-

sumer led growth from the 1980s on meant whole generations did not have to live within their means. We are having to undergo a fundamental re-ordering of the way things used to work to the way we think they will work going forward. For now Frugality is leading the charge as people deleverage going from borrowers to sav-

ers. Eventually the change will happen where the consumer is once again taking risks but like the Depression Generation they will not be over extending themselves again. They can't afford to anymore. Just about everyone has had to change their plans and put off their retirement and work a few more years.

Sleep

We have all had problems sleeping at some point in our lives. Here are things you might not know: **One of the predictors of insomnia later in life is development of bad habits from young children disturbing your sleep.** REM sleep may help developing brains ma-

ture. **To drop off we must cool down; body temperature and the brain's sleep-wake cycle are linked.** Snoring occurs only in non-REM sleep. **Studies suggest women many need an hour more of sleep than men.** Before the electric light bulb, diaries show that people

slept 9-10 hours a night. **The brain uses 20% of the body's supply of glucose and sleep improves uptake of glucose.** Consistent lack of sleep may lead to weight gain. **Sleep helps you absorb new information and consolidate memories.**

Economic Outlook

The Global Recession continued for another quarter.

What had appeared to be green shoots withered as the few positive reports have been overwhelmed by the negative reports.

The consumer is the key to this recession and while the

Chinese consumer appears to be shopping the rest of the world is paying down its debts and only shopping for the necessities.

Luxury is out as a lifestyle statement and frugality is in. This will have profound impacts not only on retail

and entertainment stocks but on every sector where discretionary spending choices are made. This is also extremely price deflationary as supply exceeds demand on most consumer goods.

With 70% of economic ac-

tivity based upon the consumer, until they start shopping again the economy won't stabilize and begin to recover. So continue to pay off your debts and spend wisely. The deals are there if you need anything.