$60 per issue. Published 4 times per year: March, June, September and December.	# Indexing Advice by Robert Gephart	1912 Cambridge Drive Saint Charles, IL 60174 630-492-0720 rob@robertgephart.com http://robertgephart.com/indexing-advice/

For a comfortable retirement, spend less than you earn and invest the difference.

DJIA: 28,992	S&P 500: 3338	NASDAQ: 9577	10-yr Treasury: 1.40%	March 2020

If you are looking for someone to manage your portfolio, please call to discuss options for investable assets above $200,000.

Indexing Advice is a newsletter that recommends how to diversify your investments across different market sectors based on current market news and trends. It does so by recommending that you invest a specific percentage of your assets in specific market sector funds (see the table below for current recommendations). This allows you to apply this advice in your company retirement plan or in your own brokerage account. If timed properly, this approach will likely achieve above average returns while mitigating risk with diversified holdings. This newsletter is published 4 times per year. It is recommended that you re-balance your portfolio to the current recommended percentages at least annually (if not more frequently) in order to take advantage of changing market conditions. If the preferred ETFs are not available in your retirement plan/401k, select the closest match available. If you have any questions about your specific plan or any other financial matter, do not hesitate to call me at the number listed above.

Sector:	Prev.	Current	Preferred Exchange Traded-Fund (ETF) Name	Symbol
Large Cap Stocks	30%	20%	Vanguard S&P 500 ETF	VOO
Small Cap Stocks	30%	20%	Vanguard Russell 2000 ETF	VTWO
Emerging Markets	30%	10%	Vanguard FTSE Emerging Markets ETF	VWO
Intermediate Corp Bonds	10%	50%	Vanguard Intermediate-Term Corporate Bond ETF	VCIT

Economic Outlook:

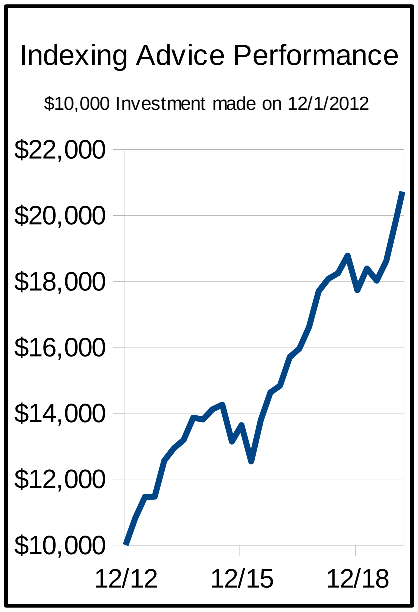
I am publishing this issue a few days early and changing the allocations, reducing risk, due to the spread of the COVID-19 virus. Even with the market drop Monday morning (Feb 24), stock markets are still close to all time highs. And even though I am changing the allocations to reduce risk, I am still recommending to keep 50% of your assets in equities. You should never be completely out of the market.

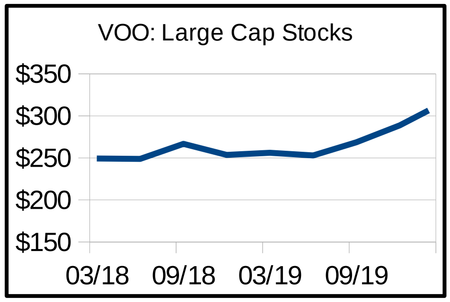
Going into the new year, economies around the world were starting to pick up steam. It looked like Europe and China were about to get their groove back. The U.S. Economy was in Goldilocks mode, low unemployment and low inflation. This means that even though the global economy is going to take a step back due to the COVID-19 coronavirus, central bankers are standing by, ready to help their economies weather the crisis.

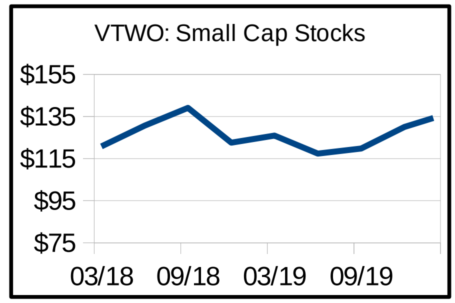
U.S. equities had a great run in 2019. The S&P 500 was up almost 29%! The markets have been ripe for a pullback. COVID-19 is an ideal reason for this pullback. The virus is creating supply chain issues, canceling festivities, reducing tourism, etc. While some of these purchases will never be made up (when you cancel your vacation you may never take that vacation), most purchases will resume once the crisis is over. This will create a temporary gap in global growth which should be recoverable once the crisis has abated. Since this is only expected to be a temporary headwind, the risk of a recession (two quarters of negative GDP) is still low.

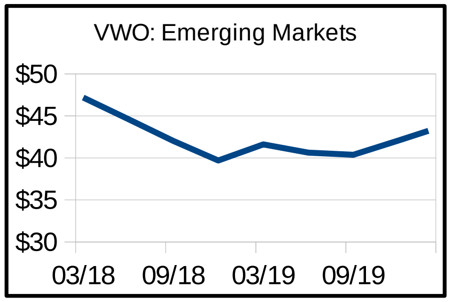
There are a lot of unknowns surrounding COVID-19. As the virus continues to spread, it is likely that the market sell-off will continue. However when the virus is contained, the markets should rebound quickly. Feel free to jump back into equities once that happens.

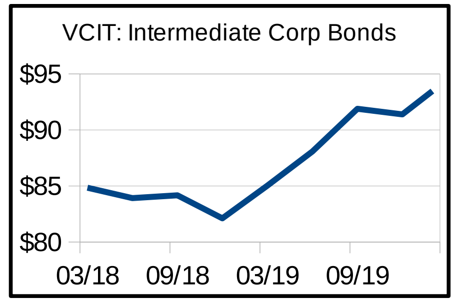
Yours truly, Robert Gephart, CFP®











Learn Something New: What is a Pandemic?

A pandemic is the worldwide spread of a new disease. The Center for Disease Control (CDC) considers the spread of a new disease as a pandemic when the disease has spread over several countries or continents, affecting a large number of people.

The current coronavirus (now named COVID-19) spreading from China is a pandemic. The lack of immunity combined with the ease of transmission from people who are not exhibiting symptoms means that this disease will continue to spread. Currently, there are outbreaks in China, South Korea, Japan, Iran and Italy.

The measures being taken in China (quarantines of entire regions) will most likely not be followed in other countries. Expect the focus to shift toward methods of warning people how to reduce their risk of catching the disease. This effort will focus on the elderly and people with weak immune systems, instructing them to wash their hands and avoid public places.

The shift in strategy is for two reasons. First, it is believed that the number of infected individuals has been widely under-reported due to most healthy people having only mild symptoms and dealing with it like a normal flu bug. With this reasoning, the currently reported 2% death rate is likely much lower, making COVID-19 not as dangerous as people believe it is.

Second, it is expected that COVID-19 will behave similar to other influenza-type viruses and not survive in the warmer weather. As winter continues to wane in the northern hemisphere, it is expected that COVID-19 will become less transmissible and pose less of a threat.

This isn't to say that the disease isn't going to dominate the headlines for the next few weeks. You can expect the virus to continue to spread. COVID-19 is going to make waves, but it isn't going to be the end of the world.