



INVESTMENT  
SERVICES Est. 1996

## M3 FINANCIAL PULSE DECEMBER 2019

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### THE MONTH IN BRIEF

The S&P 500 rose 3.4% in November and attained a series of record closes in the process. Earnings results helped stocks, as did intermittent signals that the first stage of a U.S.-China trade agreement might be near at hand. Job creation improved, and consumer spending lived up to market expectations; consumer confidence and business activity, not so much. Housing indicators communicated good news, and the rally in stocks made the commodity sector look less attractive.

Source: [money.cnn.com/data/markets/sandp/](https://money.cnn.com/data/markets/sandp/) [11/29/19]



### FACT OF THE MONTH

**The contribution limit for employees** who participate in 401(k), 403(b), most 457 plans, and the federal government's Thrift Savings Plan is increased from **\$19,000 to \$19,500** for 2020.

Source: [IRS.gov](https://www.irs.gov)

S&P 500 Index is an index of 500 of the largest exchange-traded stocks in the US from a broad range of industries whose collective performance mirrors the overall stock market. Investors cannot invest directly in an index. Past performance is no guarantee of future results.

The Federal Reserve System is the central banking system of the United States and controls the Federal Funds Rate, an important benchmark in financial markets used to influence the supply of money in the U.S. economy. Gross Domestic Product (GDP) is a measure of output from U.S. factories and related consumption in the United States. It does not include products made by U.S. companies in foreign markets. Inflation is the rise in the prices of goods and services, as happens when spending increases relative to the supply of goods on the market. Moderate inflation is a common result of economic growth.

## 5 COMMON BUDGETING MISTAKES YOU SHOULD AVOID



When you think about it, budgeting seems like a really good idea, but a lot of people tend to give up when they can't seem to make their budget work. In order to get control of your money, it's important to understand what some of the most common mistakes and misconceptions about budgeting are and how to avoid them...

- 1. NOT HAVING A BUDGET.** The biggest budgeting mistake is not having one! If you don't have a budget, it makes it very difficult to know where your finances stand.
- 2. ESTIMATING YOUR MONTHLY COSTS.** When creating a budget, you might not know how much money to allocate to the different categories in your budget. Look at the past three months to get an average spending amount for each category, then you can cut back on spending gradually if needed.
- 3. NOT TRACKING YOUR SPENDING.** If you do not know what you are spending, how can you know when you have reached your limit? Once you track your spending for each category, you can really start assessing your budget.
- 4. NO EMERGENCY FUND.** If you set aside money in your emergency fund, then you will be able to handle the unexpected when the time comes.
- 5. NO BUDGET FOR SPLURGING.** There's nothing wrong with spending money on fun, but you need to plan accordingly. Put it into your budget each month and be sure not to overspend.

Speak with a Financial Professional today to review your financial planning strategy.



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