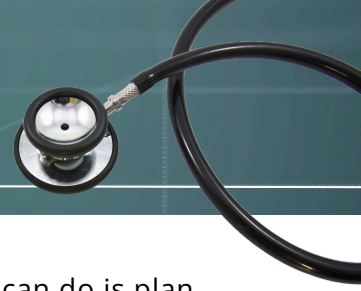


Plan Your Financial Future as You Do Your Health



Just as your health changes over time, markets change even faster

Ever hear the phrase, "your financial health?" A good way to appreciate planning your financial future is to see it as akin to maintaining your physical health. The parallels are instructive.

If you have a chance, read doctors Jerome Groopman and Pamela Hartzband's excellent book, *Your Medical Mind*. The similarities between physical and financial health are striking.

The authors make the (to some) surprising statement that medicine is actually not an exact science. Financial planning is likewise inexact, even though answers often come from formulas. But these formulas use assumptions that change all the time.

"Uncertainty pervades much of medical decision-making," the authors write. "And in situations where one cannot predict the outcome exactly, how the decision is made can be as important as what decision is made."

Investment is completely fraught with uncertainty. No matter what you read, no asset is totally safe, not even cash or U.S. Treasuries. This is why every investment product on the planet comes with the disclaimer that past performance is no guarantee of future returns. None of the financial cognoscenti can actually foretell the state of the markets. In medicine, you can't predict health or illness, nor can you determine your lifespan.

Why Planning Matters

There is a parallel between the probability of the person (longevity uncertainty) and the probability of the portfolio (market and economic uncertainty). It can take considerable finesse and prudent saving for a lifetime to manage the portfolio so that it has the potential to last at least as long as the person. Understanding those two probabilities— and their risks and benefits — are equally important in your financial decision-making.

In both spheres, all that you can do is plan, prepare and hope for the best. You need to be as informed as possible to make suitable choices. Your chances of financial confidence may increase when you have an experienced and well-trained professional in your corner to help you work towards an appropriate diagnosis and recommendation. Physicians, like financial professionals, give face-to-face advice, but of course, no professional service is perfect.

"As physicians, we've both found ourselves at times too quickly telling our patients which treatments we prefer, rather than working with them to understand their own thinking," they write. "Of course, patients want, and often ask, what their physicians think is best. But that should occur after information is presented in a neutral way."

Your Medical Mind also discusses believers and doubters, maximalists and minimalists and the range of attitudes in medicine. Just as you need a doctor who you can work with and whose beliefs match yours, you should strive to understand yourself and your financial professional. Is it a good match?

Your Financial Professional

A financial professional should spell everything out for you in ways that you understand. After all, it is your future that you are working on. If your doctor or financial professional shoos you out without explaining problems and solutions, you can find one that better suits your needs.

Decision-making in both areas changes with circumstances and can be managed with consistent, objective planning. Just as your health changes over time, markets and economies can change even faster.

The health of your financial future may depend on it.

Important Disclosures

The opinions voiced in this material are for general information only and are not intended to provide specific advice or recommendations for any individual. All information is believed to be from reliable sources; however LPL Financial makes no representation as to its completeness or accuracy.

This article was prepared by FMeX.

LPL Tracking #1-05211910