



Financial *focus*

Semi-Annual Newsletter

INSIDE THIS ISSUE

Women: An Emerging Financial Power

Educating America's Youth on Personal Finance

Personal Notes

Quick Tips to Go Green

Retire with Confidence

News & Events

Bernake Warns Against Hitting the Brakes Too Soon

Contact Our Team Members



A Look Back and a Glimpse Ahead

At Timothy Herbert Financial Group, we want to continue to provide all of our clients with superior service and a top-notch experience. As part of that commitment to you, we are pleased to provide you with our 5th semi-annual newsletter, filled with personal notes from the staff, educational articles, great photos from past events and much more. On behalf of the entire team, we wish each of you a wonderful and financially fulfilling read!

Women: An Emerging Financial Power

The amount of wealth influenced by women and the rate at which it has been increasing are remarkable. Women are responsible for approximately \$18.4 trillion in consumer spending and hold approximately 30 percent of global wealth.

They are the sole financial decision-makers for one-third of households in the United States, and 95 percent are involved in their households' financial decisions. American women start 70 percent of all businesses, have a lower unemployment rate than men, dominate nine of the 10 fastest growing occupations, and benefit from improving wage equality.

Prudential Research study said, "Despite becoming a powerful financial presence in the United States and around the world,

many women are more confident about financial decisions when they consult with an advisor. Currently, women are looking to financial representatives for assistance with:

Wealth recovery: Women's financial priorities include having enough money to provide a comfortable retirement. In response to the financial crisis and recession, almost one-half reported they plan to save more and retire later.

Financial planning: Additional financial priorities include accumulating assets, protecting wealth, and generating retirement income. However, just one-third of women have taken the time to develop and implement a financial plan.

Investment strategies: Women say they are familiar with savings accounts, life insurance, workplace retirement plans, and IRAs. They are less knowledgeable and would like to learn more about the potential cost of long-term care and strategies for generating retirement income.

The above material was prepared by Peak Advisor Alliance.

TIPS FOR A LONGER, HEALTHIER LIFE

Tea off in the morning

Hot tea can slash your risk of kidney cancer by 15 percent, according to a review in the International Journal of Cancer. Try pu-erh tea, which is better than green or black tea at preventing DNA damage.

Lean back

Parking your torso at a 90-degree angle strains your spine, say Scottish and Canadian researchers. Instead, give your chair the La-Z-Boy treatment and recline the seat back slightly. The ideal angle is 45 degrees off vertical.

Stretch it out

Genes in your body linked to heart disease, diabetes, and obesity can be "turned on" if you sit for hours on end, reports a study in Diabetes. Hit the "off" button by taking hourly laps during TV, book, and Web sessions.

Steam your broccoli

Italian researchers recently discovered that steaming broccoli increases its concentration of glucosinolates (compounds found to fight cancer) by 30 percent. Boiling actually lowers the levels.

Amazing & Wacky Inventions

Water-purifying billboards

The University of Engineering and Technology in Lima, Peru, commissioned a billboard that converts humid air into drinking water. The secret is reverse osmosis. In just a few months of operation, it has generated thousands of gallons of potable water.

4-D Printing

If you haven't yet wrapped your mind around the idea of a 3-D printer (one that prints three dimensional shapes), you may not be ready for the 4-D printer. It prints a strand of multiple materials that can fold into various shapes depending on how the materials are placed. Someday skyscrapers may erect themselves!

SUMMER SNACKING

Pina Colada Smoothie!



Ingredients

- 1 cup fresh pineapple chunks
- 1 cup unsweetened coconut milk
- 1 banana
- ¼ cup ice cubes
- 2 teaspoons honey (optional)
- Pineapple wedges for garnish

Directions

In a blender, combine the pineapple chunks, coconut milk, banana, ice and honey. Puree until smooth. Pour into 2 large glasses. Garnish each serving with a pineapple wedge.

Recipe from FoodNetwork.com

Educating America's Youth on Personal Finance

It can be amazing how we require students to take math, English, history, and other classes to graduate high school, but we ignore essential subjects, such as personal finance. Understanding personal finance is crucial to this country's success, and it will affect every student throughout his or her life. It's time we made personal finance a part of our core curriculum.

How bad is the problem?

In the news, you constantly hear about how awful the savings rate of the average American is or how the youth of this country have serious financial problems. Here are some alarming statistics:

- America's personal savings rate fell to 4 percent in May 2012.
- One-third of working Americans have less than \$1,000 saved; 60 percent have less than \$25,000.
- Two out of three college graduates owe \$24,000 or more in student loans.
- Credit card debt for 25- to 34-year-olds has increased 81 percent during the last two decades.

Finding a solution

The problem in America is education. Personal finance is simply not being taught at home or in our school systems. In fact, according to the Council for Economic Education, only 13 states require a personal finance course be taken in order to graduate high school. Only 14 states require personal finance courses to be offered in the curriculum. Some of the states where classes are not required are Colorado, Connecticut, Delaware, Iowa, Kansas, Maine, Nebraska, Ohio, Vermont, and Washington, among others.

We can make a difference

Teaching young people financial basics is common sense as it is important for everyone in our country to have a good understanding of economics. We have to make better financial decisions both on personal and governmental levels, and we can begin making a difference by making our voices heard. Start by talking to your school board and congressional leaders about bringing personal finance courses to the classroom.

At the very least, make sure you teach your children how to be financially responsible.

The above material was prepared by Peak Advisor Alliance.

Vitamin N: *Recommended daily for everyone*

Vitamin N (as in Nature) is important for older people. It may be even more important for children and grandchildren who tend to be immersed in technology rather than nature. Child advocates suggest that spending time outdoors may reduce childhood anxiety and depression, as well as help manage attention deficit disorder. Next time you're looking for a family activity or a way to connect with your grandchildren, consider options that incorporate the great outdoors. You could:

- **Plant, weed, or harvest a garden:** Not only does working in the garden put children in nature, it also helps teach important lessons about food and culture.
- **Observe a natural setting:** Lie under a willow tree and see what flies in and out or watch an age-appropriate documentary about nature – sharks, storms, or volcanoes may capture a child's imagination.
- **Start a hiking club:** Ask families at school or in your neighborhood to join your family for a hike through a park and a picnic afterwards. If the park has a playground or a pond for frog chasing, that's even better.

Connecting with nature is vital to psychological and physical health, regardless of age. If observing, exercising, or playing in nature isn't part of your daily routine, it may be time to change things up.

PERSONAL NOTES

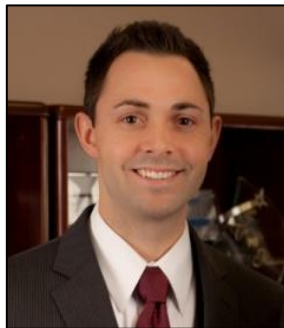
TIMOTHY HERBERT

Tim and his wife Evy recently celebrated their 25th wedding anniversary! Their oldest daughter Kara is in her second year at Michigan State University and already has junior status. She was accepted into the Eli Broad School of Business. Maddie, their youngest daughter just got her driver's license and plays soccer on Vardar's elite national soccer team and for Clarkston High School.



SCOTT TOROSIAN

Both of Scott's sons, Noah and Luke, will be in pre-school together this fall! Also, Scott and his wife Christine welcomed their new baby girl, Grace Danielle Torosian, into the world this May. The entire family is overjoyed with the birth of their new daughter. Scott is looking forward to bonding with his three kids this summer and of course playing golf (maybe)!



DEANNA HARLESS

Deanna and her husband John are having a great year and really enjoying their growing family. They added to their family in December by adopting a kitten named Lucy and in January of this year their first son John Jeremiah II was born. Deanna's favorite activity is cuddling with her precious baby boy and her three kitties, Leo, Leia and Lucy!



NEW FACES



BERNARD MCCONNELL joined Timothy Herbert Financial Group in November of 2012. He is a graduate of Oakland University and has a Bachelor's degree in Finance. He handles appointment preparation, new account paperwork, and assists with client services. Bernard just moved to Royal Oak and in his spare time he enjoys spending time with friends and family, mountain biking, snowboarding and spending time on the lake.



Quick Tips to Go Green

COOK YOUR WAY TO GREEN GOODNESS!

Creative & eco-conscious cooks bring your water to a bubbling boil and prepare for an exciting and environmental lesson in “green” cuisine! While lettuce, broccoli and cucumbers technically fit the greens category of cooking, we are talking about engaging in food preparation methods that are conducive to promoting eco-awareness!

1. Opt for local produce from farmers markets. They are a great alternative to the standard supermarket and can be a superb source of local, organically grown products. Plus, their products do not need to be shipped, which reduces gas usage. In addition, you are supporting the local Michigan economy! Check out the [Birmingham Farmer's Market](#).
2. Start your own organic garden. Purchase seeds and some soil and you are on your way to having healthy produce in your own backyard! Check out [Green Thumb](#), a local Michigan store specializing in organic gardening products!
3. Keep your refrigerator door closed. How many times have you been quickly trying to prepare dinner and you leave the fridge door open to keep getting ingredients? Instead, make a list before you begin cooking so that you only open the fridge door once. Make sure and check off the items as you go!
4. Utilize eco-friendly cookware and kitchen utensils, like [Cusinart's Greenware](#) cooking collection.

GO GREEN WITH YOUR FINANCES!

The time has come to go green with your financial statements! Instead of having them mailed to your home, why not have them electronically delivered to your email and reduce paper waste? Follow these quick tips to finally feel financially green!

1. Go to your fund company's website and on the homepage there should be an area that says “Go Green” or “Go Paperless.” Click that area and follow the directions from there!
2. If you are unable to locate the paperless statement option from the fund company's website, go to Google Search and type in the fund company's name and the word “paperless.” For example you could search “Jackson National Paperless” and the link should come up taking you directly to the page.

Maintain Your Brain

Use it or lose it. If you embraced the idea that we have fewer brain cells as we age, it's time to think again. While some parts of the brain are likely to deteriorate over time, research shows that there is not much difference in the size of a 25-year-old brain and a 75-year-old brain. So, why don't older people have the same cognitive ability as their youthful counterparts? Research indicates the primary reason is lack of use. Here are three challenges that may help keep your wits about you. The answers can be found at the bottom of the newsletter.

Exercise 1: Read the pair of words. See if you can think of a third word that is associated or connected with the pair. For example, the words BED and PAPER are associated with SHEETS. In some cases, there may be more than one right answer.

1. LOCK – PIANO
2. SHIP – CARD
3. TREE – CAR
4. SCHOOL – EYE
5. PILLOW – COURT



Exercise 2: A blind beggar had a brother who died. What relation was the blind beggar to the brother who died?

Exercise 3: One hundred people are at a party. Ninety speak English, 80 speak Spanish, and 75 speak Mandarin Chinese. At least how many speak all three languages?

Both physical and mental exercise can improve cognitive function and positively affect memory and coordination. Mental exercise is not hard to find. Just surf the Web to find brain fitness challenges.

To Retire With Confidence, Have a Plan...

"As you near retirement age or even within a decade or so, it is time to start doing some serious financial planning," said Larry Stein, CFA, author of *Peace of Mind Investing*. "Retiring with confidence is to develop a plan that makes sense, executing it, and reviewing it at least every five years to make sure you're on track."

Stein addresses a number of risks we need to consider – those we know and don't know. This includes increased longevity, inflation, family responsibilities (such as caring for parents), healthcare, and interest rates. All could have a major affect on finances and lifestyles.

Stein says a couple with both spouses at age 65 today has a 50 percent chance one of them will live past 92, and a 25 percent chance one will live to 97, in which challenges can arise. Unless you have serious health risks or unfortunate heredity, basing your financial planning on a 95-year lifespan makes sense.

Peace of Mind Investing is built on a single premise that's been time-tested through the Great Depression, two World Wars, and multiple other major events – yet is incredibly simple. The grand premise: stock prices rise over time. Stein's book boils down to the following key points.

First, set return goals that make sense for your personal situation.

The only benchmark that would make sense is to achieve your personal goals over a time horizon that fits your specific situation. Your performance goals should be the rate of return you need to live comfortably through retirement. The true measure of investment performance is your return through a full market cycle, up and down. "Beating the S&P 500 or any other such nonsense is pure noise and distraction," says Stein.

Second, manage risk through asset allocation and rebalancing.

Third, trim risk during euphoria and overvaluation; buy during times of fear and undervaluation.

Stein says retirees and pre-retirees must manage risk vigilantly. Withdrawals from a portfolio that sustains significant declines can accelerate the loss in value. Risk management is imperative.

(No strategy can assure success or protect against loss. Investing in the market is subject to possible loss of principal. Please seek the advice of your Financial Advisor regarding your personal situation.)

The above material was prepared by Peak Advisor Alliance.

HOURLY
DETROIT

Congratulations TIMOTHY HERBERT FINANCIAL GROUP – AGAIN!

For the 4th year in a row, Timothy Herbert Financial Group was named as a FIVE STAR Wealth Manager by Hour Detroit Magazine!

PERSONAL NOTES

BRIAN HERBERT

Brian is looking forward to this summer so he can start waterskiing, running outside, golfing and playing tennis. In his spare time, Brian enjoys working out. He has one son, Wade, in ninth grade and his oldest son Austin graduated high school this year. Both of Brian's daughters are registered nurses.



DANIELLE BOYER

Danielle is looking forward to summer and the warmer weather so she can begin preparation for her herb garden. Danielle recently graduated from Oakland University with a finance degree and a minor in communications. In her spare time, Danielle enjoys traveling, shopping and spending time with her family.



LIZ KAADOU

Liz became an Aunt for the first time! She spends as much time as she can with her new baby nephew, John Anthony. Liz is looking forward to the summer months so she can spend time on the lake and traveling. As a proud graduate of the University of Michigan, Liz is looking forward to the start of football season so she can cheer on her Wolverines!



NEW FACES



KARA HERBERT was our college intern last summer and is excited to have returned this summer to join her father in his business. She is going into her junior year at Michigan State University as a finance major with a Spanish minor. Her extracurricular activities at school include Finance Association, Student Investment Association, DECA, and Kappa Alpha Theta. She assists with client preparation and additional projects around the office. In her free time, she enjoys tennis, yoga, and spending time with family and friends on the lake.

NEWS & EVENTS



2013 Cystic Fibrosis GREAT STRIDES Walk

For the 5th year in a row, Timothy Herbert Financial Group sponsored and participated in the 2013 Cystic Fibrosis Walk. The event took place on May 18th, 2013 and our team was able to raise over \$4,000 for the foundation! Finding a cure for this genetic disease is a cause close to the heart of Timothy Herbert. Kate, the daughter of one of Tim's longtime clients and friends was tragically diagnosed with Cystic Fibrosis at birth. After seeing the debilitating effects this disease had on Kate and her family, Tim knew he had to join the fight to find a cure. For more information about this foundation please the Timothy Herbert Gives Back page on our website www.timothyherbert.com.

Juvenile Diabetes Research Foundation (JDRF)

Timothy Herbert's younger brother is one of the millions suffering from Juvenile Diabetes and has been living with the disease for years. Tim sees firsthand the struggles of living with Type 1 Diabetes and the trials and tribulations his brother must cope with each and every day to survive. Tim has chosen to partner with this amazing organization not only to support his brother, but to support the millions of children affected by this incurable disease. This will be our second year sponsoring the Walk to Cure Diabetes and last year our team raised \$4,705 for JDRF. The 2013 event is taking place on September 29th and we are very excited to put on our walking shoes for this amazing cause! For more information about this foundation please the Timothy Herbert Gives Back page on our website www.timothyherbert.com.



The Timothy Herbert Scholarship

Timothy Herbert Financial Group is proud to announce their partnership with Northern Michigan University for the launch of a new scholarship. The *Timothy Herbert Scholarship* awards \$2500 to qualifying students enrolled in the College of Business at Northern Michigan University. Please join us in congratulating our 2013 scholarship winner, Sean Coykendall. He is a senior majoring in Finance with a minor in Mathematics. Ever the ambitious student, this will be Sean's eighth semester partaking in various internships, including one in Kansas City this summer for a wholesale insurance broker. Beyond his academic drive, Sean began Gamma Iota Sigma, a fraternity for finance and risk management students. He said he started this as his way of giving back and providing incoming students with a wider range of networking opportunities to help further their budding careers. To learn more about this scholarship please visit the Timothy Herbert Scholarship page on our website www.timothyherbert.com

TIMOTHY HERBERT In The News

Timothy Herbert Financial Group has been highlighted in a number of media publications. Below are just a few of the wonderful publications we are honored to be featured in:

Detroit Free Press

The Detroit News

THE OAKLAND PRESS

COMMUNITY LIFESTYLES

To browse through all of the feature news articles, please visit our "Newsroom/Press Releases page on our website www.timothyherbert.com

Bernake Warns Against Hitting the Brakes Too Soon

"A premature tightening of monetary policy could lead interest rates to rise temporarily, but would also carry a substantial risk of slowing or ending the economic recovery and causing inflation to fall further," the Federal Reserve Chairman told the U.S. congressional Joint Economic Committee.

The Federal Reserve has kept its key short-term interest rate near zero since December 2008, and expects it to stay there for a "considerable time" as the recovery strengthens, Bernanke said.

The central bank is also engaged in a controversial stimulus policy known as quantitative easing, in which it buys \$85 billion a month in mortgage-backed securities and Treasury bonds. The policy is intended to reduce long-term interest rates, and thereby stimulate the economy through various channels. Low mortgage rates, for instance, have played a key role in the housing recovery, allowing some homeowners to refinance and giving buyers an incentive to purchase a home, Bernanke said.

The housing recovery has also boosted construction and real estate jobs, he noted. Since 2011, those two industries have added about 416,000 jobs, according to the Bureau of Labor Statistics.

It's unclear, though, how effective the policy has been in healing the job market overall. The economy lost 8.7 million jobs in the aftermath of the financial crisis, and has since gained only about 6.2 million jobs back. As of April, the unemployment rate was 7.5% -- an improvement from its high of 10% during the financial crisis, but still well above its pre-recession level. Just six years ago, the unemployment rate was at 4.5%.

Bernanke cited his concerns about not just unemployment, but also *underemployment*.

The U.S. economy is on stronger footing than a year ago, but Ben Bernanke wants to be careful not to squelch the recovery now.

About 8 million people are working part-time even though they would prefer full-time work. "High rates of unemployment and underemployment are extraordinarily costly," Bernanke said.

Meanwhile, quantitative easing is credited for stoking stocks to record highs. Some critics, including hawkish members of the Fed, also blame it for fueling bubbles in other assets, including junk bonds and farmland. Bernanke reiterated Wednesday that the Fed is closely watching for indications of financial instability, including signs that low interest rates may spur investors to "reach for yield" and turn to riskier assets.

The Fed is aiming to keep short-term interest rates near zero until the unemployment rate falls to 6.5% or inflation exceeds 2.5% a year. By the Fed's own forecasts, that scenario is not likely to happen until at least 2015.

The Fed expects to wind down quantitative easing before then, but the timing is not yet clear. Fed watchers have recently been parsing every word out of officials' mouths for hints. Bernanke offered few clues in his testimony Wednesday, but Fed minutes released later in the afternoon mentioned that some members would like to start tapering QE as soon as next month.

"A number of participants expressed willingness to adjust the flow of purchases downward as early as the June meeting," the minutes from the April 30-May 1 meeting said.

The minutes also showed that central bank officials are re-evaluating their strategy to eventually wind down the entire stimulus program, just as Bernanke and New York Fed President William Dudley have suggested. That time still appears to "be well into the future," the minutes said.

Source:
<http://money.cnn.com/2013/05/22/news/economy/bernanke-premature-tightening/index.html>

We've Gone **SOCIAL!**

You can find Timothy Herbert Financial Group on the various social media platforms below. We are constantly updating our social media pages with relevant and helpful information. We would be thrilled if you joined our realm of social media!



[CLICK HERE TO LIKE US ON FACEBOOK!](#)



FOLLOW US ON TWITTER [@TimothyHerbert1](#)



<http://www.linkedin.com/in/timothyherbert1>



CONTACT OUR TEAM MEMBERS

REGISTERED REPRESENTATIVES

Timothy Herbert
248-648-8598 x 134
therbert@cfiemail.com

Scott Torosian
248-648-8598 x 103
storosian@cfiemail.com

TEAM LEADER

Deanna Harless
248-648-8598 x 106
dharless@cfiemail.com

MARKETING ASSOCIATE

Brian Herbert
248-648-8598 x 135
bherbert@cfiemail.com

OPERATIONS ASSOCIATE

Bernard McConnell
248-648-8598 x 104
bmccconnell@cfiemail.com

OPERATIONS LEADER

Danielle Boyer
248-648-8598 x136
dboyer@cfiemail.com

DIRECTOR OF FIRST IMPRESSIONS

Vicki Lift
248-648-8598

DIRECTOR OF MARKETING

Liz Kaadou
248-648-8598 x 113
ekaadou@cfiemail.com

ASSOCIATES

Associated Tax Planners, LLC

Stephen Hayes, CPA
25240 Lahser Road, Ste 3
Southfield, MI 48033
Tel: 248-353-9353
Fax: 248-416-1187
email: steve@taxplantoday.com

Estate Planning Associate

Thomas Mohan
248-267-3298
mohant@millercanfield.com



Brain Teaser Answers:

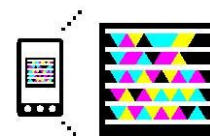
Exercise 1:

1. LOCK – PIANO = Key
2. SHIP – CARD = Deck
3. TREE – CAR = Trunk
4. SCHOOL – EYE = Pupil, private, or exam
5. PILLOW – COURT = Case

Exercise 2: She was his sister.

Exercise 3: Ten people do not speak English, 20 do not speak Spanish, and 25 do not speak Mandarin. Since 55 people do not speak one language or another, at least 45 speak all three.

2701 Cambridge Court, Suite 525
Auburn Hills, MI 48326
Main: 248-648-8598
Fax: 248-648-8599
therbert@cfiemail.com
www.timothyherbert.com



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