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FUN FACTS TO KNOW AND TELL

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Happy 40th Birthday Vanguard 500 Index Fund!

The Vanguard Group First Index Investment Trust (now the Vanguard 500 Index Fund) launched on August 31, 1976 with only \$11.3 million in assets, far short of the goal of \$150 million. According to the The Wall Street Journal, critics called the fund “un-American” and a sure path to mediocrity. Going back further in history, in 1963 legendary financial analyst Benjamin Graham had advocated for the creation of an index fund. In 1971, a division of Wells Fargo launched a \$6 million indexed portfolio of New York Stock Exchange stocks for the pension fund of luggage manufacturer Samsonite. In June 1975, American National Bank in Chicago was running about \$300 million in several index funds and one of the investment officers was Rex Sinquefeld, who went on to be one of two co-founders of Dimensional Fund Advisors (DFA Funds). Today the Vanguard 500 Index Fund holds more than \$252 billion (with a “b”) in assets and index mutual funds and exchange traded funds tout nearly \$5 trillion in assets.

Did you know that September is Life Insurance Awareness Month? Insurance, in the form of auto/home/liability, health, disability, life and long term care, is the foundation of a financial plan and a pillar of financial security. Let’s face it, most people don’t like insurance companies and insurance agents. (News flash, right?) Nonetheless, life insurance is important and a well-defined, well thought out strategy is essential. Feel free to contact us to review your life insurance plan.

Speaking of insurance, fall is also open enrollment season for many employer benefit plans and Medicare. Again, take the time to evaluate your needs and goals and the various options available. Make sure employer life insurance beneficiary designations are accurate and include a primary and secondary or contingent beneficiary. We are not experts in Medicare Supplements but can make referrals if you need assistance.

Finally, one and only one comment on the Presidential election: we have had good and bad economies and stock markets with both Democrat or Republican Presidents over the years. The President is only one person and doesn’t control the economy or stock market. Don’t put too much emphasis on what may happen with a new President.

Enjoy these final summer and early fall days! As always, please contact us with any questions or news or comments.