



Herbert Financial Group

WELCOME TO:

# *A Night of Bond*

*Movie & Market  
Update Event*

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# ANNOUNCEMENT : NAME & LEGAL STRUCTURE CHANGES



**New Website Address**  
**[www.hfgllc.com](http://www.hfgllc.com)**

*We are proud to announce we have transitioned from “Timothy Herbert Financial Group” to simply HFG. This name change and logo rebrand aims to deliver our corporate mission of building meaningful, long-term relationships with our clients by providing them with a TEAM experience, thereby enhancing the overall level of service each of you receives.*

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# WHY WE MADE THESE CHANGES?



- *Continuity*
- *Growth*
- *Succession*



# MEET THE HFG TEAM



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# YOUR HERBERT FINANCIAL GROUP TEAM

*Providing exceptional knowledge, advice and service*



**Timothy Herbert**

Registered Representative

1-248-648-8598 Ext. 106

[therbert@cfiemail.com](mailto:therbert@cfiemail.com)

- Develops, services and delivers financial plans
- Manages your portfolio and wealth plan
- Monitors the market for potential impact on your investments
- Facilitates estate and tax planning with your attorney and CPA
- Reallocates your portfolio based on market changes or changes in objectives and investment goals



**Scott Torosian**

Registered Representative

1-248-648-8598 Ext. 103

[storosian@cfiemail.com](mailto:storosian@cfiemail.com)

- Develops, services and delivers financial plans
- Manages your portfolio and wealth plan
- Monitors the market for potential impact on your investments
- Facilitates estate and tax planning with your attorney and CPA
- Reallocates your portfolio based on market changes or changes in objectives and investment goals

Herbert Financial Group is committed to forming a meaningful and long-term relationship with each of our clients, using our expertise to assist you in making informed decisions to reach your wealth management objectives and obtain financial peace of mind.



**Danielle Boyer**

Director of Operations

1-248-648-8598 Ext. 117

[dboyer@cfiemail.com](mailto:dboyer@cfiemail.com)

- ❖ Oversees operations department
- ❖ Appointment preparation
- ❖ Prepares and processes paperwork for accounts



**Liz Kaadou**

Director of Marketing

1-248-648-8598 Ext. 113

[ekaadou@cfiemail.com](mailto:ekaadou@cfiemail.com)

- ❖ Oversees marketing department
- ❖ Coordinates client events
- ❖ Creates newsletters and press releases
- ❖ New client liaison



**Grant Pollack**

Operations Associate/  
Wealth Investment Analyst

1-248-648-8598 Ext. 136

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- ❖ Appointment preparation
- ❖ Prepares paperwork for accounts
- ❖ Completes investment and market research



**Brian Herbert**

Marketing Associate

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[bherbert@cfiemail.com](mailto:bherbert@cfiemail.com)

- ❖ Schedules client in-office and phone appointments
- ❖ Handles special communications
- ❖ Client services



**Caroline Chetosky**

Operations Associate

1-248-648-8598 Ext. 106

[cchetosky@cfiemail.com](mailto:cchetosky@cfiemail.com)

- ❖ Appointment preparation
- ❖ Prepares paperwork for accounts
- ❖ Client Services



**Deanna McHugh**

Operations Associate

1-248-648-8598 Ext. 104

[dmchugh@cfiemail.com](mailto:dmchugh@cfiemail.com)

- ❖ Appointment preparation
- ❖ Prepares paperwork for accounts






At Herbert Financial Group, we take pride in providing excellent and prompt customer service to all of our clients. Our team of professionals is ready to assist and support you every step of the way.



## Quick Reference Guide

Please contact the below team members for questions regarding the following topics:

-  **Account Access**.....Liz Kaadou 248-648-8598 ext. 113
-  **Password Reset**.....Liz Kaadou 248-648-8598 ext. 113
-  **Scheduling Appointments** .....Brian Herbert 248-648-8598 ext. 135
-  **Address Change**.....Caroline Chetosky 248-648-8598 ext. 106
-  **Account Questions**.....Caroline Chetosky 248-648-8598 ext. 106
-  **Beneficiaries**.....Caroline Chetosky 248-648-8598 ext. 106
-  **Client Events**.....Liz Kaadou 248-648-8598 ext. 113
-  **Client Referrals**.....Liz Kaadou 248-648-8598 ext. 113



**Website** [www.hfgllc.com](http://www.hfgllc.com)



**Office Phone Number** 1-248-648-8598



**Office Fax Number** 1-248-648-8599



**Mailing Address**

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[@TimothyHerbert1](https://twitter.com/TimothyHerbert1)



[in/TimothyHerbert1](https://www.linkedin.com/in/TimothyHerbert1)



# S&P Chart



**Dow Jones Industrial Average = -0.73%**

**S&P 500 = 0.82%**

**All Countries Excluding U.S. = -2.36%**

# S&P Declines 1975-2014

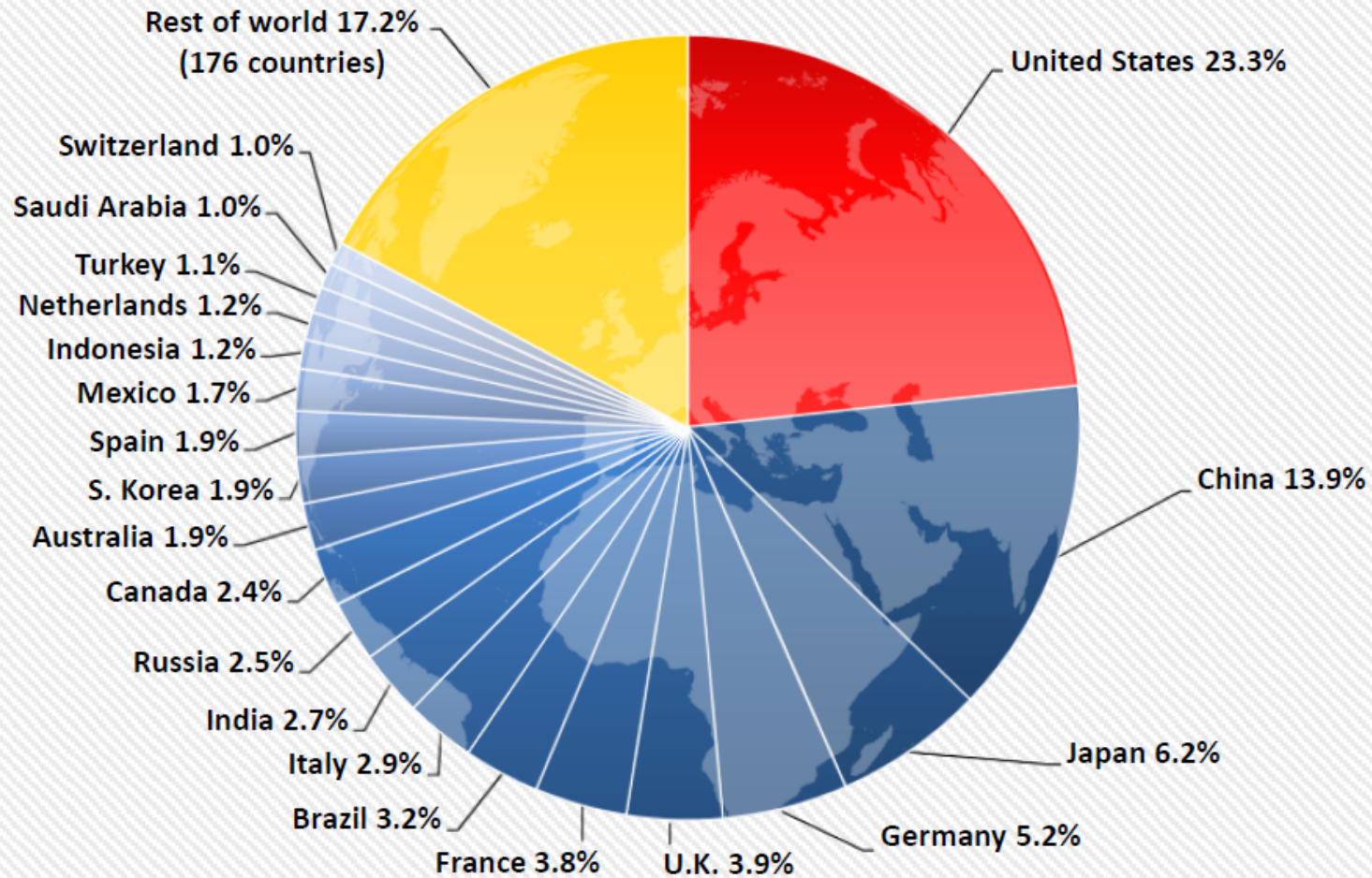


Type of Decline	Total Number	Average Frequency
-5% or more	120	About three times a year
-10% or more	31	About once every 1.3 years
-15% or more	11	About once every 3.6 years
-20% or more	5	About once every 8 years

Source: American Funds



# Share of Global GDP

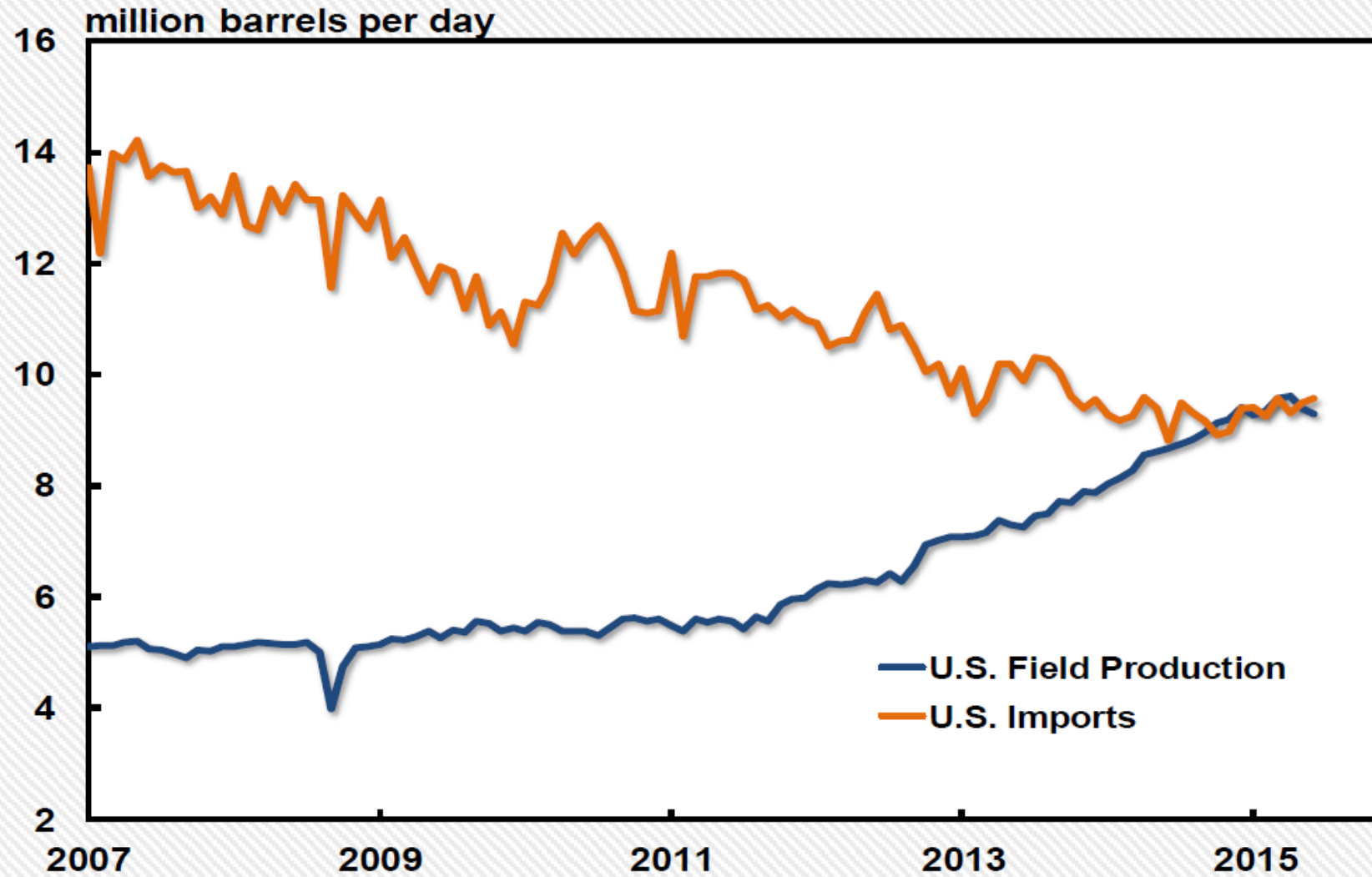


Source: IMF, FT Advisors. Data as of 2014.

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# US Crude Oil Production Vs Imports

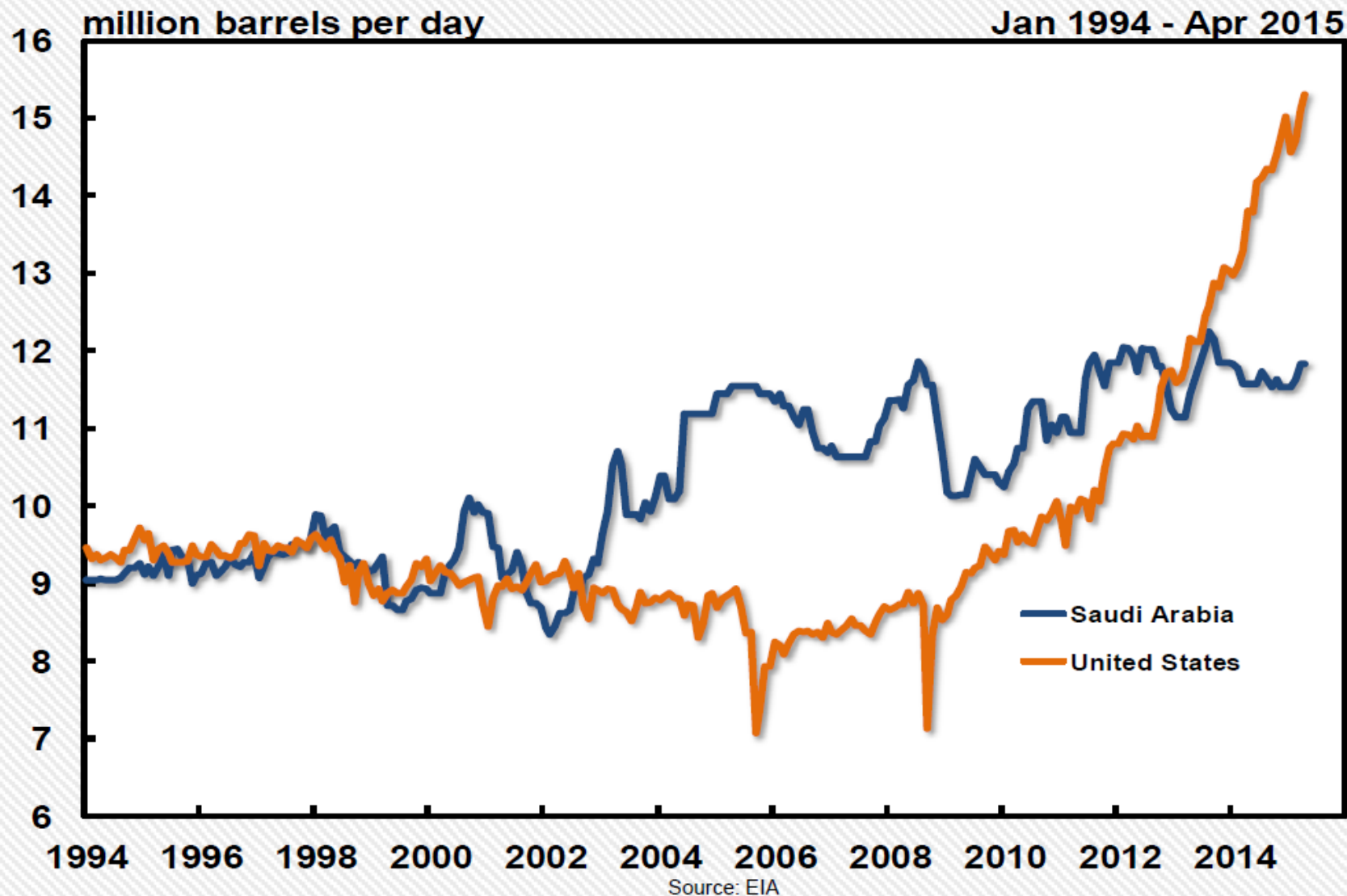


Source: U.S. Energy Information Administration, Data Jan '07 – Jun '15

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# Total Petroleum Production: Saudi Arabia vs US



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# Price of a Gallon?

Product	Cost Per Gallon
Gas	\$2.31
Pepsi	\$3.16
La Croix Sparkling Water	\$3.72
Darigold Milk	\$4.29
Smartwater	\$5.64
Tropicana Orange Juice	\$8.18
Breyers Ice Cream	\$12.56
Listerine Mouthwash	\$19.77
Red Bull Energy Drink	\$27.96
Pantene Pro-V Shampoo	\$53.03
Nyquil	\$259.20
Canon Printer Ink	\$1149.09

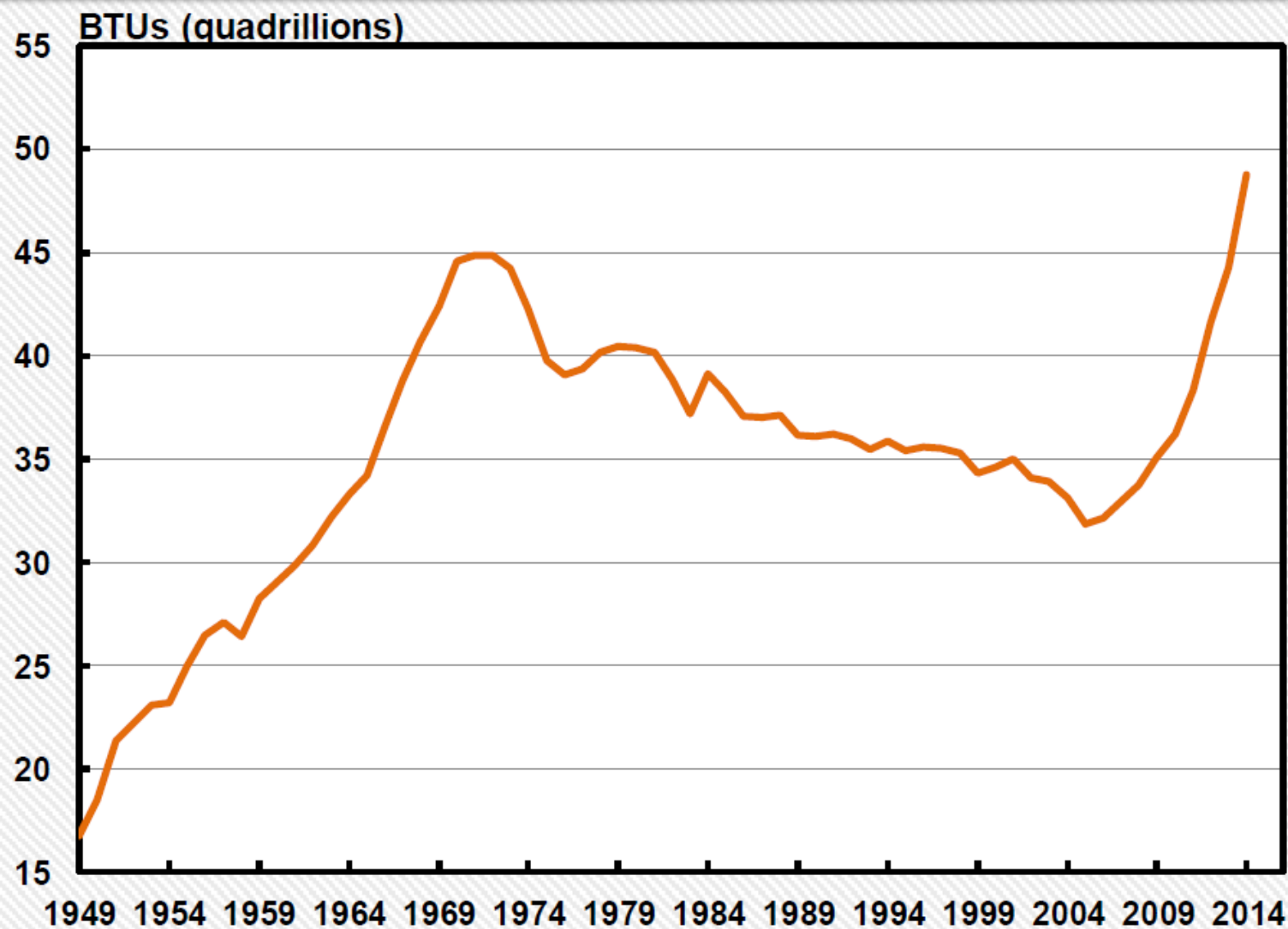
Source: Mark Perry, American Automobile Association, Amazon Fresh. Prices as of 9/15/2015



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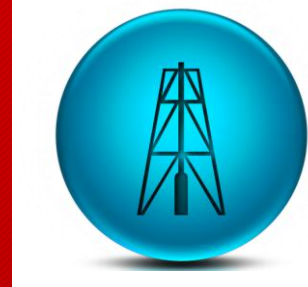


# U.S. Natural Gas and Crude Oil Production



Source: EIA, Data through 2014

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# Natural Gas UPS Vehicle



For illustrative purposes only. This should not be construed as an endorsement of UPS or a recommendation of any UPS securities by First Trust Portfolios L.P.

Source: Photo taken 9/14/2015 in Oklahoma City OK



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# Water Savings from Fuel Shift

For every gallon of water used to produce natural gas through hydraulic fracturing...



**Texas saved 33 gallons of water**  
by generating electricity with that  
natural gas instead of coal (in 2011)

Source: The University of Texas at Austin study, Dec 2013

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# Alcoa Micromill™

## Alcoa Micromill™ Innovating High Tech Metal

The fastest, most productive aluminum casting and rolling system in the world.



### Small and Powerful



### Fast and Flexible

Designed to meet growing demand for automotive aluminum sheet, flexible enough to shift product mix at the press of a button.



40%  
GREATER FORMABILITY



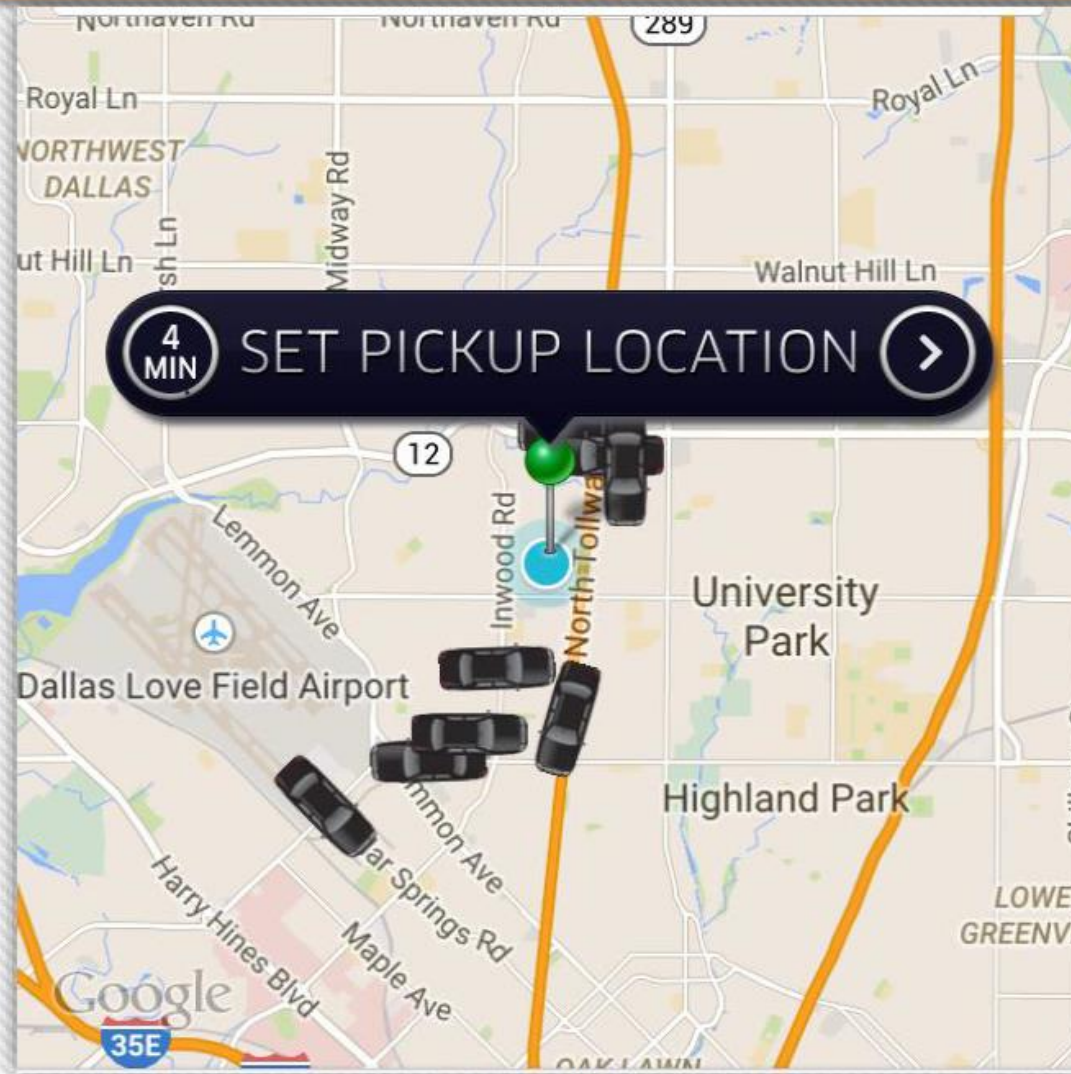
Source: Alcoa

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# MAGICAL



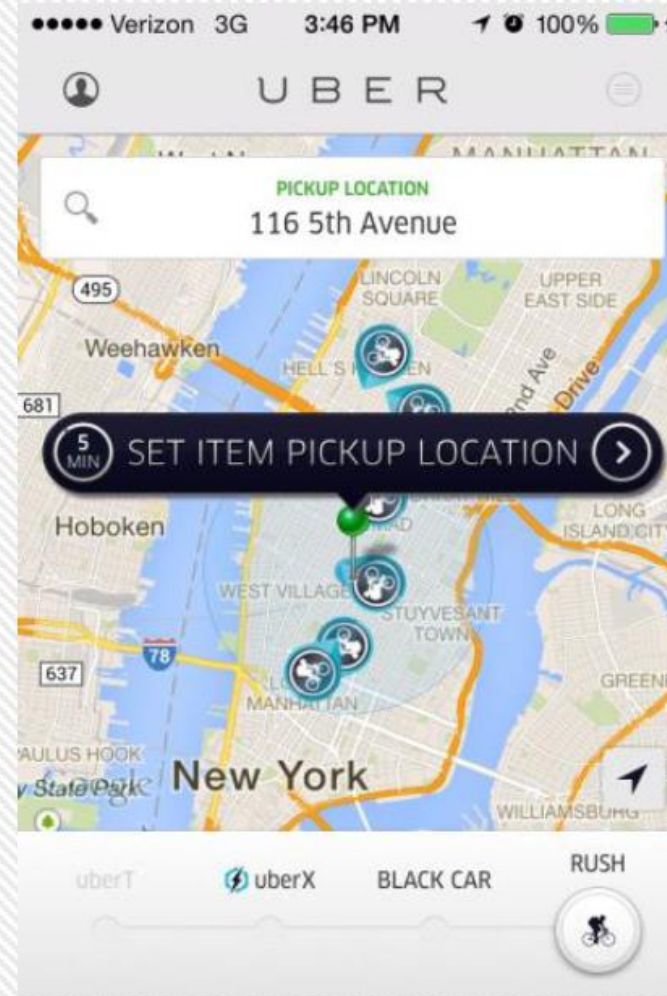
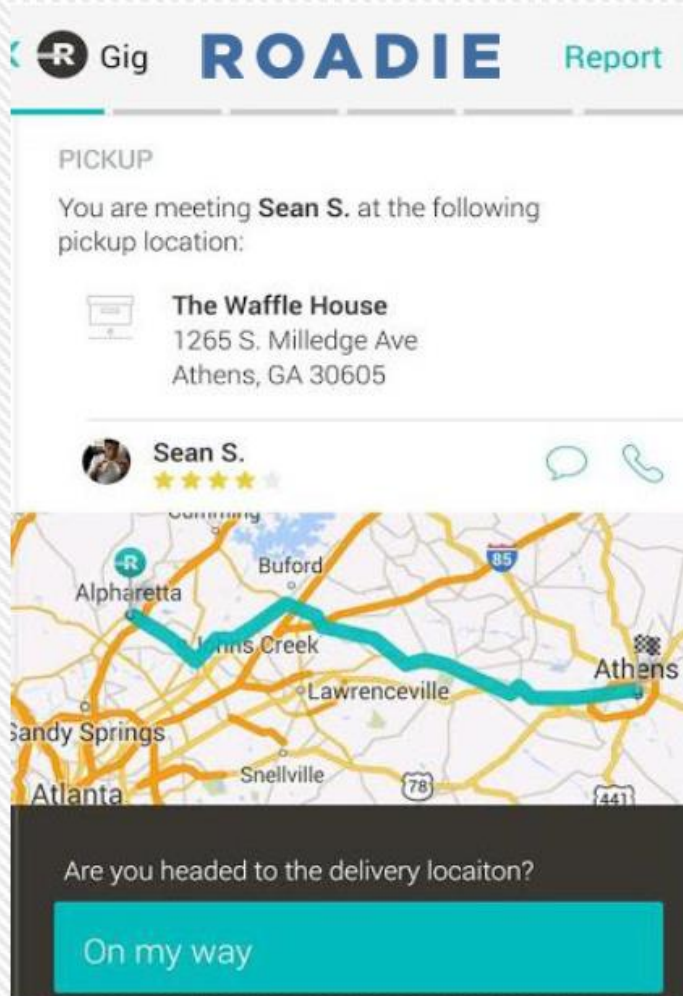
Source: UBER

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# Roadie & Uber

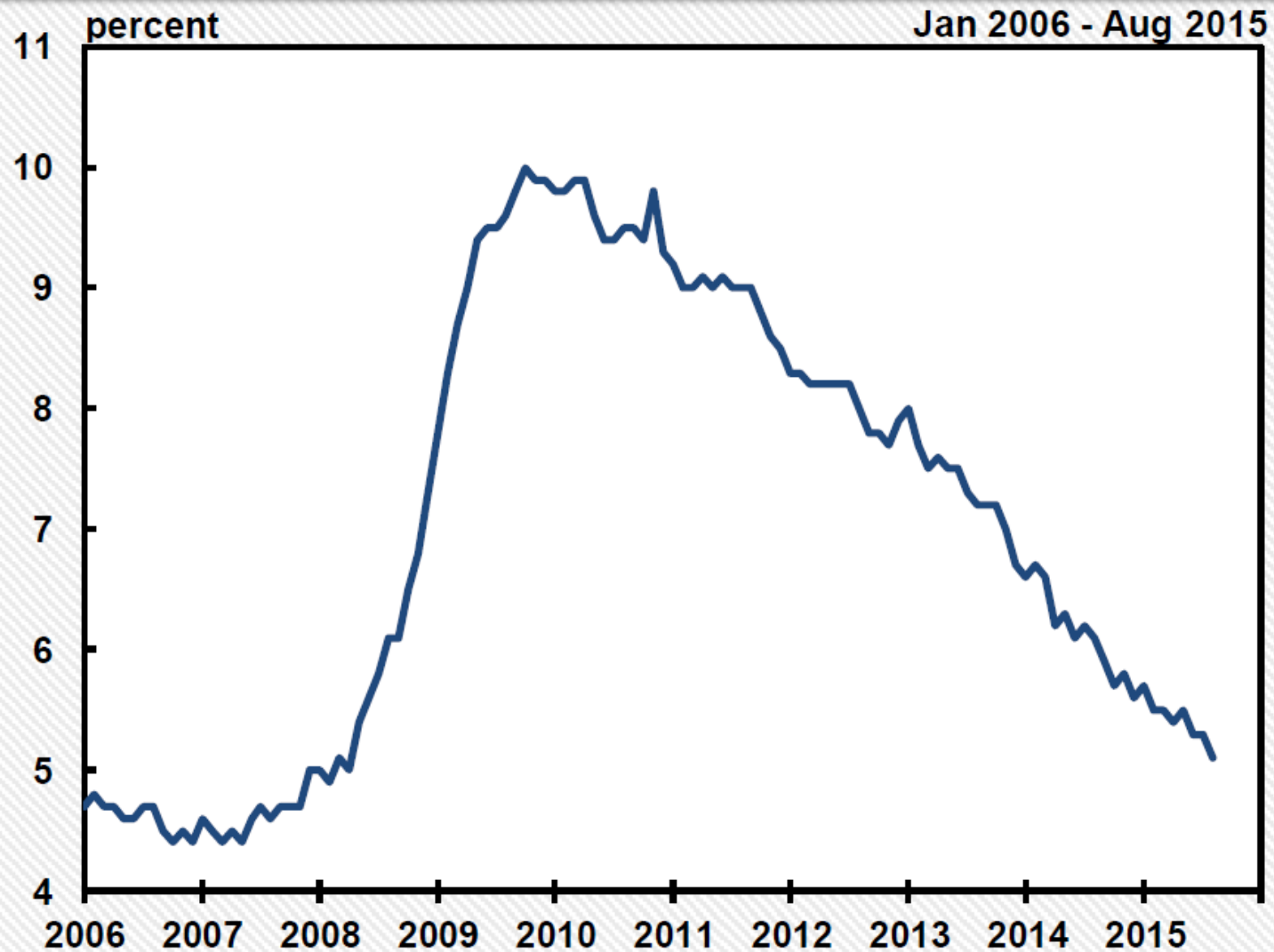


Source: UBER, Mobile Roadie. For illustrative purposes only. This is not a recommendation or endorsement by First Trust of Uber or Mobile Roadie.

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# Unemployment Rate



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**The average annual total return of the S&P 500 Index for the period shown below was 14.25%.**

The chart illustrates the S&P 500 index's performance from June 2009 to June 2015. The index begins at \$10,000 and ends at \$24,571. The chart is annotated with numerous major global and U.S. events, including the H1N1 virus, Obama's inauguration, the financial crisis, the Eurozone crisis, the Fukushima earthquake, the Arab Spring, the Ebola outbreak, and the U.S. Supreme Court decision on Obamacare. The index shows a general upward trend with significant volatility, including a sharp drop in late 2008 and a recovery followed by another dip in early 2015.

Date	Event
Jun-09	\$787 billion U.S. stimulus bill signed
Jun-09	H1N1 virus "global pandemic"
Jun-09	Obama sworn in as president of U.S.
Jun-09	Haiti earthquake
Jun-09	Greek debt cut to below investment grade
Jun-09	Flash Crash
Jun-09	End of QE 1
Jun-09	Obama signs healthcare bill
Jun-09	Deep Horizon Oil Spill
Jun-09	U.S. Debt Crisis Imminent
Jun-09	Obama signs Dodd-Frank law
Jun-09	EU and IMF bailout Ireland
Jun-09	Portugal receives bailout
Jun-09	Japan earthquake
Jun-09	End of QE 2
Jun-09	European sovereign debt crisis continues to spread
Jun-09	U.S. Real GDP growth in Q1 falls at a 2.1% annual rate
Jun-09	U.S. budget sequestration takes effect
Jun-09	With edge of Fiscal Cliff in sight, still no deal
Jun-09	Euro zone to impose tighter fiscal control over members
Jun-09	Eurozone finance ministers approve second bailout for Greece
Jun-09	U.S. Real GDP growth in Q1 falls at a 0.2% annual rate
Jun-09	U.S. Supreme Court affirms "Obamacare"
Jun-09	California has worst drought in history
Jun-09	Russia launches air strikes in Syria
Jun-09	Chinese stock market crashes
Jun-09	Oil price collapse begins
Jun-09	ISIS begins offensive in Iraq
Jun-09	Argentina defaults on its debts
Jun-09	Swiss de-peg from Euro
Jun-09	Russia moves troops into Crimea
Jun-09	QE 3 tapering begins
Jun-09	Partial U.S. federal government shutdown
Jun-09	QE 3 ends
Jun-09	Ebola Outbreak in West Africa
Jun-09	Detroit, Michigan files for bankruptcy
Jun-09	Boston Marathon Bombing
Jun-09	Hurricane Sandy hits New Jersey
Jun-09	N. Korea confirms successful testing of nuclear device
Jun-09	S&P downgrades U.S. debt rating to AA+
Jun-09	Meredith Whitney predicts muni bond troubles
Jun-09	Dubai credit crisis shakes global markets





# Staying the Course

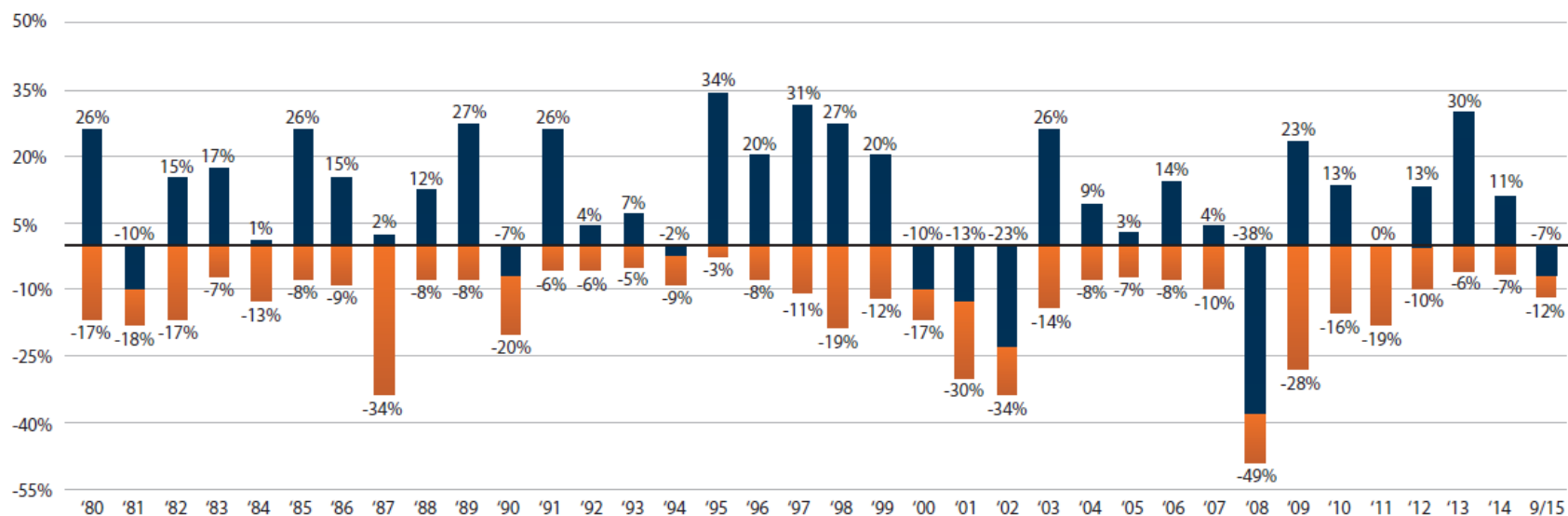
Investors tend to see short-term volatility as the enemy. Volatility may lead many investors to move money out of the market and “sit on the sidelines” until things “calm down.” Although this approach may appear to solve one problem, it creates several others:

- #1) When do you get back in? You must make two correct decisions back-to-back; when to get out and when to get back in.
- #2) By going to the sidelines you may be missing a potential rebound. This is not historically unprecedented; see chart below.
- #3) By going to the sidelines you could be not only missing a potential rebound, but all the potential growth on that money going forward.

We believe the wiser course of action is to review your plan with your advisor and from there, decide if any action is indeed necessary. This placates the natural desire to “do something,” but helps keep emotions in check.

## Intra-Year Declines vs. Calendar Year Returns

Volatility is not a recent phenomenon. Each year, one can expect the market to experience a significant correction, which over the last three decades has averaged approximately 14%. Although past performance is no guarantee of future results, history has shown that those who chose to stay in the game were rewarded for their patience more often than not.



Source: First Trust Advisors L.P., Bloomberg. Returns are YTD through 9/30/15. The benchmark used for the above chart is the S&P 500 Index. The S&P 500 Index is an unmanaged index of 500 stocks used to measure large-cap U.S. stock market performance. Investors cannot invest directly in an index. Index returns do not reflect any fees, expenses, or sales charges. Returns are based on price only and do not include dividends. This chart is for illustrative purposes only and not indicative of any actual investment. These returns were the result of certain market factors and events which may not be repeated in the future. Past performance is no guarantee of future results.

Not FDIC Insured • Not Bank Guaranteed • May Lose Value

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# STRATEGIES FOR VOLATILE MARKETS

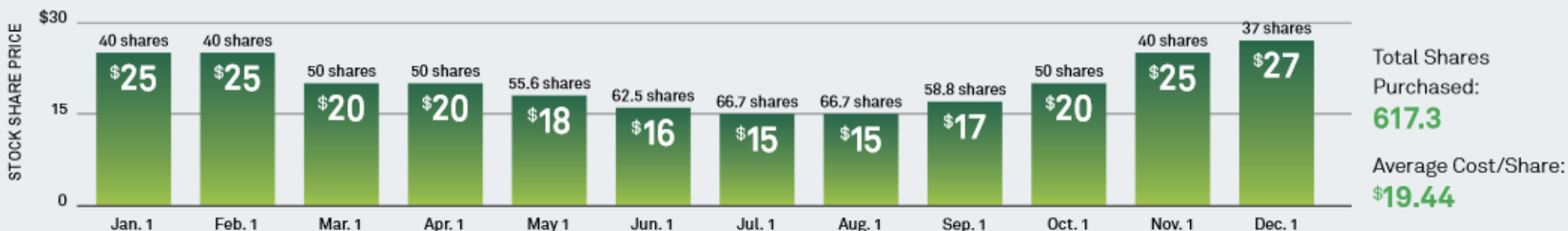
Use Dollar-Cost Averaging to Start Investing Now

BLACKROCK®

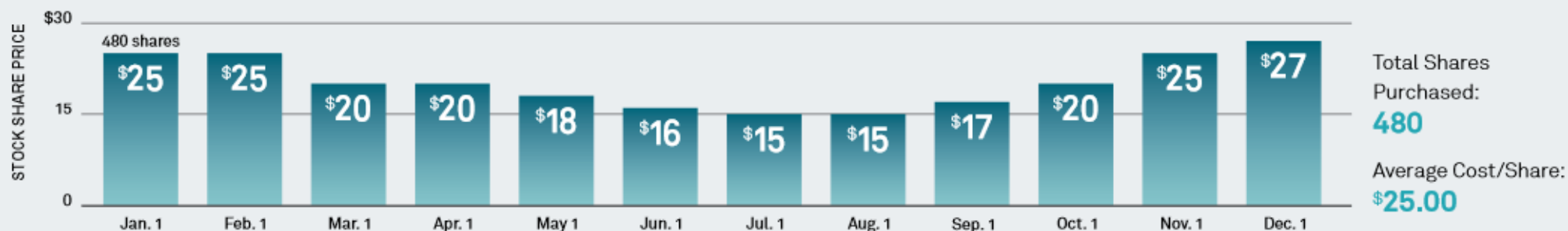


INVESTING SYSTEMATICALLY CAN HELP YOU ACHIEVE A BETTER OUTCOME WHEN MARKETS ARE VOLATILE

## Strategy 1: Systematically Invest \$1,000 Per Month Every Month for a Year Regardless of Share Price



## Strategy 2: Invest \$12,000 in a Lump Sum at the Beginning of the Year



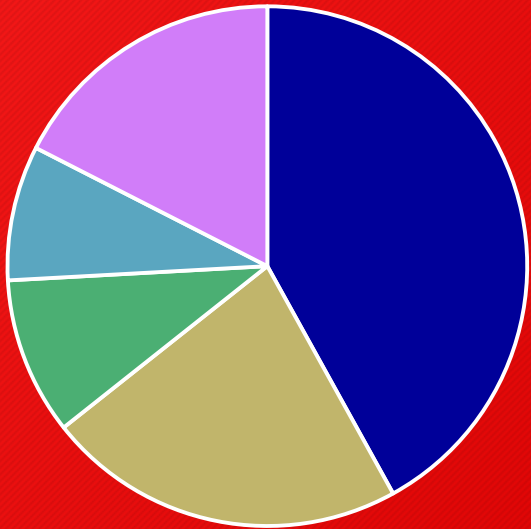
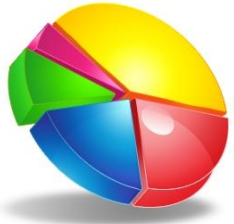
The information provided is for illustrative purposes only and is not meant to represent the performance of any particular investment. Systematic investing does not guarantee a profit and does not protect against loss in declining markets. Systematic investing involves continuous investing so investors should consider their ability to make periodic payments in all market environments. Investing involves risk including the loss of your entire principal.

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# A Diversified Portfolio is not the same as an Index



VS.

## Diversification helped limit losses and capture gains during the 2008 financial crisis

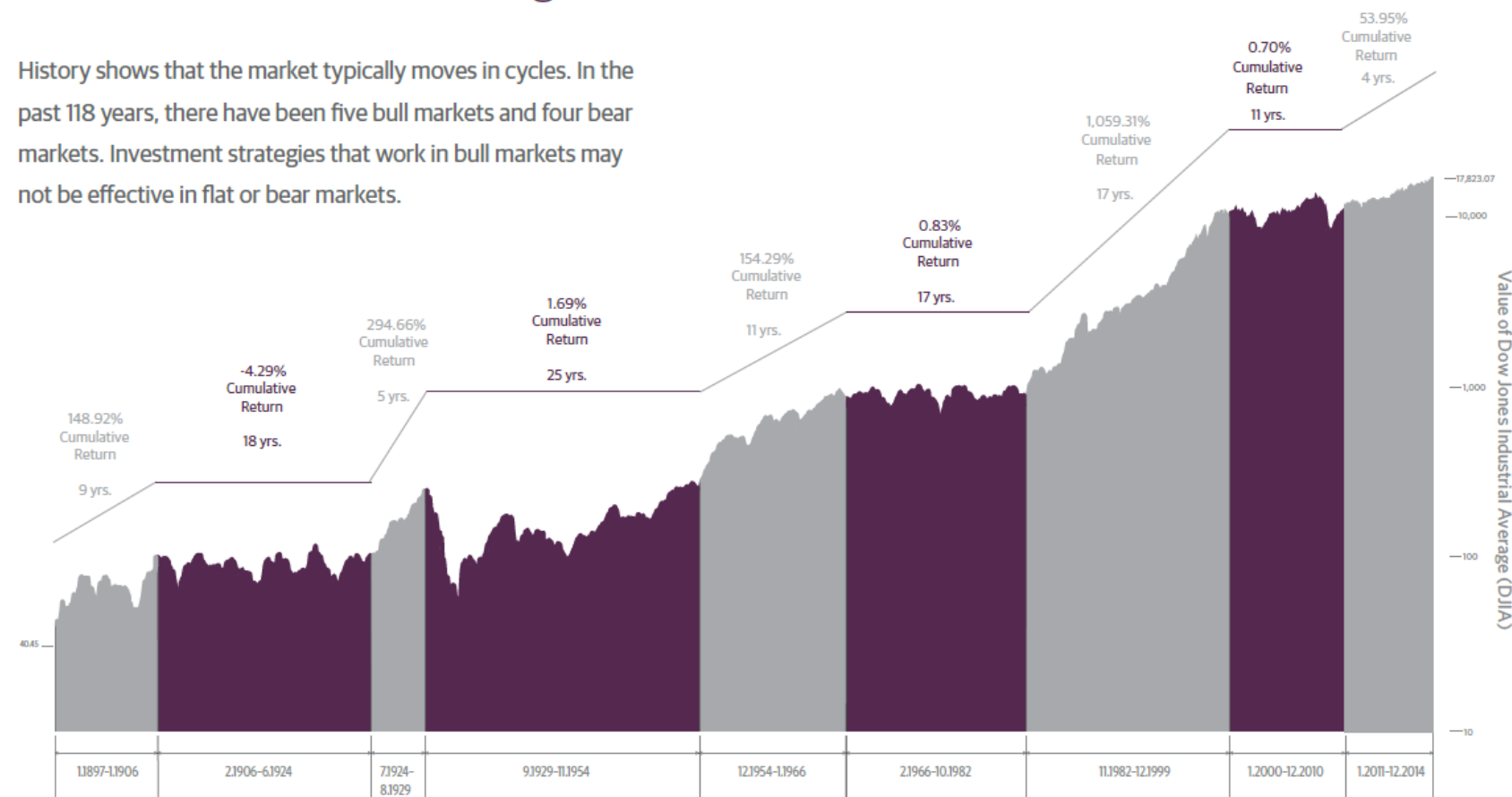
	Jan. 2008 through the market bottom, Feb. 2009.	Five years from the bottom: Mar. 2009–Feb. 2014	2008 to five years from bottom: Jan. 2008–Feb. 2014
All-cash portfolio	1.6%	0.3%	2.0%
Diversified portfolio	-35.0%	99.7%	29.9%
All-stock portfolio	-49.7%	162.3%	31.8%

Source: Strategic Advisers, Inc. Hypothetical value of assets held in untaxed accounts of \$100,000 in an all cash portfolio; a diversified growth portfolio of 49% U.S. stocks, 21% international stocks, 25% bonds, and 5% short-term investments; and all stock-portfolio of 70% U.S. stocks and 30% international stocks. This chart's hypothetical illustration uses historical monthly performance from January 2008 through February 2014 from Morningstar/Ibbotson Associates; stocks are represented by the S&P 500 and MSCI EAFE Indexes, bonds are represented by the Barclays U.S. Intermediate Government Treasury Bond Index, and short-term investments are represented by U.S. 30-day T-bills. Chart is for illustrative purposes only and is not indicative of any investment. **Past performance is no guarantee of future results.**



## Dow Jones Industrial Average **Historical Trends**

History shows that the market typically moves in cycles. In the past 118 years, there have been five bull markets and four bear markets. Investment strategies that work in bull markets may not be effective in flat or bear markets.



Source: Graph created by Guggenheim Investments using data from dowjones.com. Cumulative returns are calculated by Guggenheim Investments. Logarithmic graph of the Dow Jones Industrial Average from 1897 through 12.2014. Bull and bear markets illustrated are long-term secular periods and do not necessarily indicate all bull or bear market periods, which may differ based on methodology utilized. For this analysis, we considered the end of a bull market when the index drops below its peak and stays there for a significant period of time.

**Performance displayed represents past performance, which is no guarantee of future results.** For more information call 800.345.7999 or visit [guggenheiminvestments.com](http://guggenheiminvestments.com).

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## A Lost Decade?

Certain stock indexes lost money during the last 10 years, but some investment mixes have fared better than others. Below, four different investment situations using Vanguard index funds.

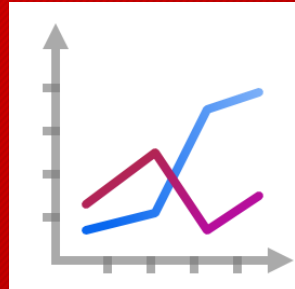
Value of \$100,000 invested on January 1, 2000

\$300,000



Source: Vanguard

Adjusted for inflation.





# BRIAN WESBURY – Chief Economist



- Chief Economist at First Trust Advisors L.P.
- MBA from Northwestern University's Kellogg School of Management
- BA in Economics from the University of Montana
- Member of the Academic Advisory Council of the Federal Reserve Bank of Chicago from 1999-2007
- Served as Chief Economist for the Joint Economic Committee of the U.S. Congress
- Named a Fellow of the George W. Bush Presidential Center
- Appears regularly on Fox, Bloomberg, CNBC, and BNN Canada TV
- The Wall Street Journal ranked Mr. Wesbury the nation's #1 U.S. economic forecaster in 2001
- USA Today ranked him as one of the nation's top 10 forecasters in 2004

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