

RETIREMENT COACH NEWS

April 2008

Volume 5, Issue 4

The monthly newsletter for seniors who want to stay on top of their game and make their retirement the very best it can be.

Still No Recession



For the past three or four months the mainstream media has been beating the drum about the U.S. economy slipping into a recession, yet the numbers just don't support that contention. While there is no doubt the economy has been slowing down of late, many of the nation's top economists have continued to insist that we have not yet slipped into an actual recession (usually defined as two consecutive quarters of negative growth.) Just yesterday, I received the following commentary from Brian Wesbury, one of the nation's leading economic forecasters:

"When we add up almost all the components of GDP – consumption, business investment, home building, trade, and government – we get a great big goose-egg (0%) for the first quarter of 2008. Consumption, business investment, and trade add to GDP, while weakness in housing and government fully offset these gains. However, the one component we left out – inventories – looks like it rebounded strongly in Q1, after a large decline in Q4. As a result, we expect the first report on Q1 real GDP to show a growth rate of 1.5%, which is near the high end of what economists are forecasting.

At this point, we are forecasting 0.5% growth in Q2, with a sharp rebound in the second half of 2008 to real growth rates near 4%. The weakness we expect in Q2 is primarily due to inventories, with the other components of GDP (such as consumption) generally rebounding. With our forecasts in Q1 and Q2 driven largely by an inventory cycle – and inventories being the

continued on page 2

visit many of the children being sponsored by the staff at Hallmark and many of our clients.



If you are sponsoring a child in Niger through World Vision and you would like to send a small gift to your child, please call Katherine at 303-756-8900 and we will make arrangements to take your gift to Niger. I expect the June issue of Retirement Coach News to be filled with many wonderful pictures and happy stories. To all of you who supported this fresh water well project with your generous contributions: One more time, let me say Thank You!

continued on page 2

INSIDE THIS ISSUE:

- Still No Recession 1
- The Coach's Corner 1
- More on Indexed Annuity Abuses 2
- Fred of the Month 3
- Client Event Updates 4
- Can Blueberries Prevent Memory Loss 4

The Coach's Corner - by Don Hartmann, CSA, ChFC



Off to Africa!

On May 23rd, I will be joining Heidi Morgan and three other members of a World Vision team on a ten day journey to visit the villages where we drilled fresh water wells in Niger this past October. We will meet the leaders of these villages and have an opportunity to witness how having fresh water has transformed these villages and dramatically improved their quality of life and health. We will also have an opportunity to

Key Rates

Money Market Accts.	2.31%
Money Market Funds	2.20%
6-mo. CD	2.774%
1-yr CD	2.90%
5-YR CD	3.31%
30-YR Mortgage	5.68%

Source: Bankrate.com and Bloomberg

This Month

No Recession — continued from Page 1

part of GDP where the government generates the least timely data – we think it’s best to look at our forecast for these two quarters in tandem. So if real GDP ends up being lower than our forecast in Q1, it’s likely to grow faster than 0.5% in Q2.

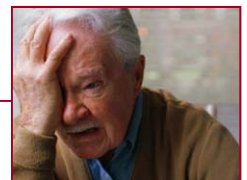
In our view, the economy has been slow in the first half of 2008 due to an almost irrational level of fear and risk-aversion. This risk aversion can be seen in very rapid growth in money market mutual fund assets – from \$2.4 trillion a year ago to roughly \$3.5 trillion today. Fed rate cuts, which are likely to end this week, have temporarily created a self-fulfilling prophecy of economic slowness, as some businesses and consumers postpone activity until they are confident rates have hit bottom. But that scenario makes us confident in a sharp rebound in the second half of the year. With rates days away from their bottom, the full force of the Fed’s loose monetary policy is about to be unleashed. Faster growth is just around the corner.”

Next month I will share with you excerpts from Brian Wesbury’s recent Wall Street Journal article on the solution to runaway food and oil prices. If only the Fed would listen to him!

Brian Wesbury received an M.B.A. from Northwestern University Kellogg Graduate School of Management, and a B.A. in Economics from the University of Montana. He is a contributor to the editorial page at The Wall Street Journal, and is a regular co-host on CNBC’s Squawk Box. The Wall Street Journal ranked him the nation’s #1 U.S. economic forecaster in 2001 and USA Today ranked him as one of the nation’s top 10 forecasters in 2004.

“In our view, the economy has been slow in the first half of 2008 due to an almost irrational level of fear and risk-aversion.”

Brian Wesbury



Dateline NBC’s Commentary on Equity Indexed Annuity Abuses: Following my article on [More Abuses by Indexed Annuity Companies](#) in last month’s newsletter, Dateline NBC recently ran a special on the very abuses I mentioned. NBC got hidden cameras into training sessions where agents were being taught how to use scare tactics to convince seniors to invest in indexed annuities with very limited upside earnings potential and very steep withdrawal penalties that lasted as long as 18 to 20 years. They then set up a sting operation in a personal residence and caught agents using those same scare tactics and consistently avoiding direct questions about the length and severity of withdrawal penalties. Hopefully, the Insurance Commissioner of Colorado was watching the program!

The Coach’s Corner continued from page 1

Africa Coming to Denver

Shortly after we return from Africa, World Vision is bringing a piece of Africa to the Denver area. From July 6th through July 15th, the World Vision AIDS Experience will be open for visitors in the Atrium at Cherry Hills Community Church in Highlands Ranch. Requiring a minimum of 3,000 square feet of space, Cherry Hills Community Church agreed to host this interactive exhibit for World Vision. Recently the World Vision AIDS Experience drew thousands of visitors when it was set up in Grand Central Station in NYC.

“Yours Truly” is co-chairing the corporate activities committee to coordinate off-site “Kit Builds” at several major corporate headquarters in the south metro area. A “Kit Build” allows volunteers to actually fill a small plastic case with all the materials an AIDS Support Staffer will need to help treat people suffering from this horrible pandemic. You also get to fill out a card offering your own personal note of encouragement for the staff person who will be using the kit.

So why has World Vision taken on this enormous project that will be visiting dozens of major cities across the nation this year? Primarily because World Vision cares deeply about the **thirty million children** in Africa who have already been orphaned by the AIDS pandemic. This AIDS Experience here in Highlands Ranch is expected to draw up to 10,000 visitors from throughout the Denver area. Hundreds of volunteers will be needed to staff the event at Cherry Hills, so if you or an organization you belong to would like to get involved, please call Judy at 303-756-8900 and we will get additional information to you.

Thirty million children in Africa have already been orphaned by the AIDS Pandemic. World Vision has been working with these orphans for the past 17 years.



The

Fred of the Month

This column is based on Mark Sanborn's best selling book, *The Fred Factor*, wherein he explains that a *Fred* (named after his mailman) is someone who has demonstrated a passion in their work and life that can turn even the most ordinary of things into something extraordinary.

There is no doubt in my mind that many of college football's greatest coaches are *Freds*. Not only do these coaches consistently accomplish the extraordinary, they often succeed because of their unique ability to get a bunch of young athletes to accomplish the extraordinary as well. Perhaps no coach better exemplifies this than Lou Holtz, the former Arkansas, Notre Dame and South Carolina coach - and the unusual chain of events that led up to the 1978 Orange Bowl victory over Oklahoma.



It takes remarkable strength of conviction and courage to send home your top two running backs and your top wide receiver two days before you are scheduled to play in a major bowl game, but that is exactly what Lou Holtz did in 1978. He felt that football was a team sport and no individual athlete, regardless of how talented, was above the team. So when these three athletes broke the team rules, Lou didn't hesitate to send them home. And the national media didn't hesitate to make Arkansas a sudden four touch-down underdog in the Orange Bowl. But Lou wasn't concerned about odds, he had a plan.

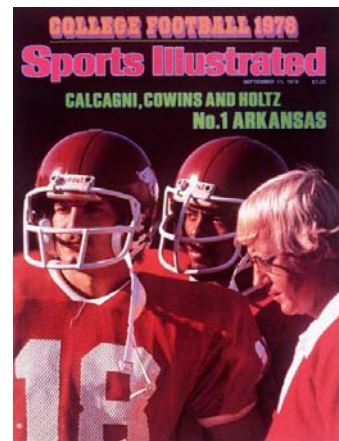
The afternoon of the big game, Coach Holtz gathered his team in the locker room and told them about a remarkable book his life insurance agent had given him. The title of the book was "Family Time" and the theme of the book was how to restore quality time amongst America's families who were spending entirely too much time in front of the TV and not enough time with each other. So Lou took an exercise recommended in the book and challenged his team to make it

work for them. He invited each team member to say something they admired about another member of the team or a member of the coaching staff.

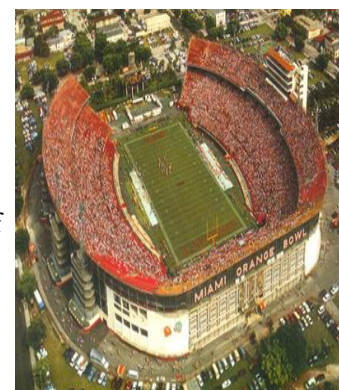
When it was time for the third string tailback, who had been thrust into the starting role that evening because of the last minute suspensions, the young man asked: "Coach, can I speak about a group, instead of just one person?" "Of course" answered Lou and the young running back then went on to say how much he admired the entire offensive line because they were the number one offensive line in the country and without them, Arkansas wouldn't be playing in the Orange Bowl. Then he got a little choked up and said "I not only admire you guys, I love everything about your work ethic, your dedication and your commitment to this team - and I am sorry that after all your hard work to get us here, you have to block for me tonight—you deserve better."

So how did the offensive line respond? As Lou Holtz told this story to over 6,000 life insurance agents at the Million Dollar Round Table conference in Chicago, a 70mm screen came to life behind him on the stage and there in all its glory was the Arkansas offensive line in the 1978 Orange Bowl blowing the Oklahoma defensive linemen off the line of scrimmage and opening up holes big enough for a pick-up truck to drive through. That evening, a young running back named Roland Sales—who had hardly carried the ball all season—rushed for over 200 yards, while Arkansas went on to defeat Oklahoma by a score of 31 to 6!

I always get a little choked up when I tell this story and to this day, I have an enormous amount of respect and admiration for Coach Lou Holtz. I had the good fortune of spending 20 minutes on the phone with Lou in 1999, when I tried to recruit him as the keynote speaker for a philanthropic consultants conference in Chicago. He was very gracious and unselfish with his time that evening, and he confirmed what I had already suspected - Lou Holtz is indeed a *Fred!*



As a result of their remarkable Orange Bowl victory in January, Lou Holtz and the Arkansas Razorbacks were tabbed the No. 1 team in the nation by Sports Illustrated in September 1978.



Orange Bowl in Miami



**HALLMARK
CONSULTING
GROUP, INC.**

Hallmark Consulting Group, Inc
9110 E. Nichols Avenue
Suite 305
Centennial, CO 80112

Phone: 303-756-8900
Fax: 303-758-7077
www.hallmarkconsulting.com

May Retirement Workshops:

“Protect Your Retirement”

See the web site - www.hallmarkconsulting.com -
for locations and reservations or call 303-756-8900.



Another Will Rogers favorite:

“Some people try to turn back their odometers. Not me, I want people to know “why” I look this way. I’ve traveled a long way and some of the roads weren’t paved.”

Canadian Fishing Trip Update:

We can accommodate up to four more fishermen (or women) for the 2008 trip to Bolton Lake in Northern Manitoba. You can expect to catch over 100 fish (just you) over four days, while enjoying a wonderful breakfast and dinner in the lodge everyday, plus four fabulous shore lunches cooked by the guides. Join us in July and I promise you will never forget your time at Bolton Lake!

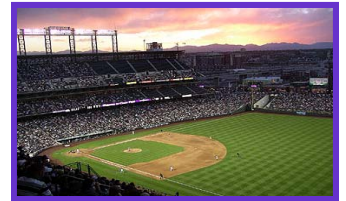


We will leave Denver on July 19th and return on July 24th. Total cost is \$1,995 per person, not including airfare to and from Winnipeg. For a brochure and DVD of Bolton Lake,

call **Judy or Katherine at 303-756-8900.**

Friday Nights at the Ballpark

On Friday night, May 23rd, we will host the first of four special appreciation nights for those clients who have helped us grow our firm by referring their friends, co-workers or relatives to Hallmark. These fun evenings are



being sponsored by some of our preferred asset managers and include a private suite at Coors Field, free pizza, hot dogs, sandwiches, ice cream and beverages—plus a special parking pass. Additional nights at the ballpark are scheduled for June, August and September.

Blueberries Reverse Age-related Memory Problems

If you are getting forgetful as you get older, then research from the University of Reading and the Peninsula Medical School in the south west of England may have good news for you.



They have found that photochemical-rich foods, such as blueberries, are effective at reversing age-related deficits in memory, according to a study soon to be published in the science journal, “Free Radical Biology and Medicine.” The researchers working at the Schools of Food Biosciences and Psychology in Reading and the Institute of Biomedical and Clinical Sciences at the Peninsula Medical School in Exeter supplemented a regular diet with blueberries over a 12-week period, and found that improvements in spatial working memory tasks emerged within three weeks and continued throughout the period of the study.

Blueberries are a major source of flavonoids. Although the precise mechanisms by which these plant-derived molecules affect the brain are unknown, they have been shown to cross the blood brain barrier after dietary intake. It is believed that they exert their effects on learning and memory by enhancing existing neuronal (brain cell) connections,

improving cellular communications and stimulating neuronal regeneration.

The enhancement of both short-term and long-term memory is controlled at the molecular level in neurons. The research team was able to show that the ability of flavonoids to induce memory improvements are mediated by the activation of signaling proteins via a specific pathway in the hippocampus, the part of the brain that controls learning and memory.

This innovative research was conducted by a multidisciplinary research team led by Dr. Jeremy Spencer, a lecturer in Molecular Nutrition at the University of Reading, and Dr. Matt Whiteman, with the Institute of Biomedical and Clinical Science, Peninsula Medical School.



Dr. Whiteman added “This study not only adds science to the claim that blueberries are good for you, it also provides support to a diet-based approach that could potentially be used to increase memory capacity and performance in the future.” Indeed, Dr. Spencer’s research team plan on extending these findings further by investigating the effects of diets rich in flavonoids on individuals suffering from cognitive impairment and Alzheimer’s disease.”