

Are you Secure?

The world has become a global society of universal connectivity, where people expect to have instant access to data and services across a variety of interconnected devices. It's all in the name of making things much easier, but it's also creating a treasure chest of valuable information, goods, and computing resources for cybercriminals to extract, exploit, and exploit. Between ransomware attacks, remote mobile phone hacks, and massive consumer data breaches, it's very difficult to name a part of our created technological framework that is not under attack. It seems like today's cybercriminal is organized, motivated, and in some cases well-funded. The pendulum has officially swung. According to cybersecurity experts, hackers are out spending consumers by roughly 2 to 1 when it comes to

adapting to the latest advances in technology. This is allowing them to stay one step ahead.

The imminent risks we face will require a coordinated effort of both human and machine intelligence to combat them. The root of the breaches seems to be the same today as it was at the origins of the Internet: a fundamental failure to practice good cybersecurity hygiene such as poor passwords and improper permissions. These practices continue to open the door to an unacceptable number of opportunistic attacks. As cumbersome as it may be, passwords need to be changed religiously. Furthermore, they must be different than the last five to six passwords to help prevent the cycling of commonly used passwords. I am very happy to see some websites instituting this policy and forcing consumers to change their passwords every month. Improper permissions

tend to happen more on the organizational level. Organizations must continue to dedicate themselves to finding ways to purge and shut down insecure devices they may have floating out in the work force.

Having said all this, there seems to not be an iron clad way of shutting down the cyber-criminal. The past was dedicated to being more reactive to threats. The present and the future need to be dedicated to being and staying more proactive to possible threats before they have a chance to materialize and spread. Considered individually and collectively, the scope and severity of the threat landscape underscores the need for continued new approaches. There is no shortage of monitors, alarms, workarounds and procedures to help protect our information. What we need now is a more active and coordinated way to unify them at *speed* and *scale* as a cohesive security fabric. Much easier said than done from where I'm sitting.

Allen Minassian

Risky Business

What is your risk number? Many of us have heard the commercial advertising the sleep number bed. The company claims that some people like a soft bed and some prefer a hard surface for sleeping. They encourage you to determine a sleep number so the setting on your bed will be customized to your preferred com-

Investing without an eye on volatility is risky business

fort level.

When it comes to your investment portfolio you have probably heard advisors use terms like "moderate" or "aggressive" when determining

your risk tolerance as an investor. We encourage you to take



a more objective, measurable approach to portfolio risk management.

We have recently partnered with a risk management company to help us determine your number by using a customized questionnaire. We can then import your current holdings to determine

your current risk score. Using statistical modeling based on historical data, the system projects the maximum gain and/or loss of any portfolio (with 95% degree of confidence) over any six-month period. Illustrating your maximum gain and loss, we believe, better communicates the overall risk of your investment portfolio.

Another feature of this program illustrates a portfolio income simulation. We can model the statistical likelihood of achieving your retirement income target. Additionally, because the program is dynamic the numbers are updated daily. By better matching your risk tolerance with your portfolio, we believe we can better help you achieve your long term financial goals.

Doug Lagerstrom

Accessing Your Accounts

A big thank you to our clients for all their patience, understanding, and support through our recent transition. Along with the changes we have added two new access web portals for our clients to access their account information.

To view all of your accounts in one place we have our Morningstar Portal <https://fp.morningstar.com> to view your TD Ameritrade accounts, you can

go to <https://www.advisorclient.com>.

Both sites allow you the control of creating your own passwords and managing contact information such as addresses and phone numbers. Of course, we ask that when updating any information that you please let our office know as well, so that we may update that same information in our data base and for any accounts held outside of or "away" from these sites.

On our Private Wealth Solutions website, the "Client Login" box on our "Organizing Your Finances" page will direct you to the Morningstar site. We have updated the security language for the Morningstar site as well.

If you have any questions or need assistance gaining access to these sites, please do not hesitate to contact me. I am happy to instruct you as well as obtain any technical support you may need.

Andrea Baird

Lynn's Prescription for High Drug Prices

I have found and use a great **FREE** mobile phone prescription application which can save you big dollars on your prescription drugs, in some cases up to 80%!

As you know Drug prices vary between pharmacies. GoodRx finds the lowest prices in your area. They collect and compare prices for

every FDA-approved prescription drug. Just input the drug name



and it shows the lowest price of that drug at each pharmacy near you. GoodRx will also include free coupons for you to use at the pharmacy. You may use this even

if you have Insurance or Medicare.

I recently used this application and was amazed at the huge price differences among pharmacies. You can even use this application for your Pet Medications! You can download the "GoodRx" FREE mobile application on your iPhone or Android smartphones. No personal information is required.

I am always looking at ways to save money and pass along any deals to my family and friends.

Lynn Hillyard

selling and the rout was on. Because the fundamentals of the economy hadn't changed, much of the correction was recouped within the next six trading days. The stock market is now seeking to determine a new valuation for earnings given the current economic cycle.

There is some debate about the effect the stock market correction will have on the underlying economy. Some believe that the dramatic decline can lead consumers and business to scale back plans to spend and invest. I tend to believe

the effect will be minimal. The effect of the recent tax cuts, and repatriation of cash overseas (not to mention the infrastructure spending bill stimulus). Combine this with a global economic recovery and you have a recipe for a strong economy.

This recovery is perhaps a bit long in the tooth, going on almost 9 years now. What are the risks to derail the expansion? A trade war, higher rates which would encourage saving, an exploding budget deficit just to name a few. In summary, the stock market has a history of climbing a wall of worry. Ironically, when there is nothing to worry about, you should be worried!



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Client Corner

Our transition to RIA is nearly complete. We would like to highlight two areas of technology we have rolled out in the past three months.

1. **Personal Morningstar Web portal:** Please make sure you register for this complementary service. All your investments are listed and updated daily.
2. **Riskalayze:** Our newest technology partner can help us determine the risk your currently have in your portfolio and the risk you are willing to take. Take advantage of this client benefit as well.

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PRIVATE WEALTH SOLUTIONS

Generational Wealth Management



Economic Outlook

Is good news for the economy now, bad news for the stock market? It certainly looked that way in early February when a better than expected wage report led to concerns of rising interest rates and triggered massive stock market volatility and a roughly 10% selloff in the major stock indices. Let me break that down for you. One would think that higher wages

were seen as an indication the economy may be too strong, leading to a more significant increase in interest rates (to help slow the velocity of money and cool the economy) than previously thought. These higher interest rates could attract some stock investor's capital who see the better rates as more attractive than a stock market that is at all-time highs.

This sell off was exacerbated by leveraged hedge funds who were betting that the low volatility in the stock market would continue. When they began to sell

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would lead to greater consumer spending and stronger economic growth. This higher economic growth would lead to greater corporate profits and higher stock prices. It didn't quite work that way. Instead, the higher wages

to meet margin calls and pay down debt, key technical levels in the stock market (200 and 50 day moving average) were breached. This lead computerized driven stock market models to indiscriminately sell. This selling begat

Random Thoughts

A recent survey from Redfin found 35% of home buyers did not even visit the property before putting in a bid. In Los Angeles, 57% of buyers bid on a home without visiting it. -Bloomberg, February 26, 2018

A California Girl Scout managed to sell a staggering 300 boxes of Girl Scout Cookies in only six hours, by positioning herself outside a San Diego marijuana dispensary. -USA Today, February 7, 2018

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