

Senior Advice: Broker's notions probably won't make her richer

by *Doug_Mayberry*

Q: My husband was stock market wise and I never had to worry about our investment plans. I have substantial money and worry about keeping it for my family. Now my son, who is not knowledgeable about money, says my stockbroker is making too many trades and lost a lot of money in my account last year. Now my broker wants me to sell everything and stay in cash until the market gets better. What are your recommendations?

A: I disagree with your broker's decision. Few brokers know the answer. Historically, except during worldwide depressions, your best defense to avoid losses is to maintain a balance in your investments. Putting all of assets in a single basket exposes you to possible major risks. Your basket should be structured based on your age, health, the degree of risk you are willing to assume, tax issues, inheritance goals, and your need for income plus any special needs in your family.

Depending on your total assets, you should consider the broad categories of both soft and hard assets such as cash, stocks and bonds, real estate, cash, gold and insurance. By choosing a variety package, should one investment lose value another may rise. Another major factor to be considered is what your gut feeling tells you about which direction inflation or deflation is headed. Currently, it appears to me, based on our government's budgeting, our currency's printing presses are being utilized to print as many dollar bills as needed. This causes the dollar to decline in value.

As we grow older, each of us learns what our comfort zone is. I recommend you find a qualified estate planner whose broad experience in multiple investment opportunities offers you the protection you need.

Q: I have a major secret, which I have not told my husband even after 23 years of marriage. In my previous marriage I had a son and gave him up for adoption because I was young and my husband divorced me. My parents thought it was my best solution. My husband knows I was married but does not know about my son. We were never able to have a child. However, now that I am nearing 60, I am driven to find my son. I believe I know where he lives, but I am afraid to tell my husband and begin my search. We love each other, but in telling him the truth how will it affect his feelings for me?

A: To spring the news on him now will be quite a shock. However, being happily married, your son has apparently had little impact on this marriage. Hopefully, because of your passion to re-connect with your son your husband will realize and understand how important it is for you to find him.

You are also aware of how finding your son will be a shock to him, too. Does he know he was adopted? Will his adopted parents graciously accept you as his mother or will they reject you? Do you have unknown grandchildren whom you would like to know? Having another grandmother will be complete surprise to them. Learning where your son is, how his life has been, along your husband's reaction to the news will be a dramatic blockbuster. Coming out of the woodwork at this time will be a wake-up call for your "new" family. After telling your husband, move patiently into your search for your son. Hopefully, discovering your son will lead to a loving expansion of your family, which you wouldn't want to miss.

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