The summer season is upon us, ushering in warmer weather, outdoor activities, and perhaps some vacation time. As you enjoy these experiences, remember that we are here to help you meet today’s needs and stay on track toward achieving tomorrow’s goals.

Thank you for the high degree of trust and confidence you place in your Janney Financial Advisors

Understanding our clients’ entire experience with us is essential to our business success. By listening to you, we are able to provide tailored financial guidance and convenient services to help you meet your goals and be satisfied with the advice and service we provide. We recently conducted a survey of a segment of Janney clients in order to better understand your expectations for the advice and service we provide. We were very proud to learn that over 90% of our clients reported excellent or very good satisfaction levels with their Janney Financial Advisors.

In addition to this positive response, we learned about some areas to improve, and we intend to incorporate your feedback into our continued efforts to enhance our advice, services, and capabilities to meet your financial needs. Please know that we always welcome your feedback—do not hesitate to contact your advisor at any time to express how we might continually improve the advice and service we provide to you.

Be confident in your retirement

As we learned in our survey, a comfortable retirement continues to be a primary goal of most clients. Whether you are saving for retirement, on the cusp of transitioning into retirement, or already living in retirement, you deserve to have full confidence in achieving your plan for life in retirement.

Even if retirement seems like a distant dream, creating a financial plan for how you wish to live later in life can help you take steps now to make those dreams become a reality. Your Janney Financial Advisor can conduct a personal retirement analysis to determine your expectations for the lifestyle you want to live in retirement, estimate your income sources and needs, and assess your current retirement strategy to help ensure your assets will last through your lifetime.

Expansion of Capital Markets Expertise: Community Bank Sector

As part of our commitment to meeting your needs and enhancing our capabilities, we proactively seek opportunities to add experienced and talented individuals, teams, and firms to our Janney team. On that note, I am pleased to announce that Janney has expanded its Capital Markets Group with the acquisition of FIG Partners LLC, the leading investment banking and research firm specializing in community banks.

Our expanded Financial Institutions expertise now provides leading research and coverage of banks and thrifts, expanding the breadth of advice we can provide to you. As a reminder, Janney’s Capital Markets Group provides investment banking, equity, and fixed income expertise in the business services, financial institutions, health care, infrastructure, and real estate sectors.

As always, thank you for your valued trust and continued business. We are grateful for the opportunity to work together with you today and every day toward reaching your financial goals.

Sincerely,

— Timothy C. Scheve
President & Chief Executive Officer

Contact your advisor for a personal retirement analysis.
The stretch of positive, domestic economic growth will eclipse the previous record for an expansion on the first day of July. Recent data continue to signal that conditions in the U.S., while slowing from last year’s pace, should extend out the threat of a recession well into next year, if not beyond.

**Positive Impacts of a Thriving Job Market**

Job creation continues to occur at a pace sufficient to keep unemployment near 50-year lows, which is also helping to boost wages. After years of deleveraging, consumers are in a position to maintain healthy levels of spending. Meanwhile, businesses expect the need to hire and increase compensation will continue. Capital expenditures are growing, helping to boost productivity while keeping unit labor costs tame. Improved output efficiency will keep business margins intact and lend support to further profit growth as the economy continues to expand. All together, we expect the positive momentum in the consumer and corporate sector to guard against the risk that a trade skirmish or other geopolitical mishap undermines the extension of this cycle.

**Geopolitical Relationship Implications**

A de-escalation of trade tensions with China would help to narrow the confidence interval for assessing the odds and impact of alternative outcomes. Another concern is Iran’s potential reaction to the sanctions applied by the Trump administration to catalyze their denuclearization. Among the biggest worries are the threat of a retaliatory response by way of a proxy war raged in the Gulf peninsula or an attempted closure of the Strait of Hormuz, through which 20% of the world’s daily oil supply travels. Some have even begun to question whether the monetary setting applied by the Federal Reserve is too restrictive—another potential cause for economic activity to slow, even in the absence of the activation of one of the aforementioned risks. Bond yields have declined quite dramatically of recent, essentially forecasting several rate cuts before year-end. So far, policymakers have declared vigilance in lieu of action as the appropriate course, but investors are making anticipatory decisions about rates and equity levels that could be offside if monetary officials do not share the same urgency.

**Encouraged for the Long-Term**

This leads us to expect further volatility over the coming weeks, as heightened uncertainty can breed wide swings in market participant behavior. Beyond the near term, however, we believe the geopolitical motivations vest in enough common ground to resolve without incurring undue economic harm. That should be positive for global equities and other risk assets at the expense of safe haven securities. While today we recommend that risk-budgets not be over-allotted, the second half of this year may look more promising.
OUTLOOK: MID-YEAR UPDATE
SEEING THE PICTURE WHEN THE VIEW IS LESS THAN CLEAR

Janney’s top investment strategists take a look back at market performance from the first half of 2019. They compare original expectations to the current market conditions, and also offer useful insights on the direction of the economy and markets for the remainder of the year. Visit www.janney.com to read or download the Outlook, or contact your financial advisor for a copy.

SELLING YOUR BUSINESS: WHY YOU MAY BE WAITING TOO LONG

Stephen Gaines, Managing Director, Head of Business Services, Investment Banking

Stephen possesses over 25 years of financial experience covering the full range of advisory services including mergers, acquisitions, divestitures, financings, strategic assessments, board advisory assignments, restructurings, valuations, and dispute services.

If you are a business owner, you likely spend much of your time immersed in the details of your business—meeting with customers and prospects, running the day-to-day operations, managing employees, and developing strategies for the next phase of growth. Like many business owners, however, your end game might be the successful sale of your business.

If so, selling your business is one of the most, if not the most, important financial decisions you will make in your life. It is not only a financial decision, but a very personal one, and the outcome typically impacts a large number of people.

Many factors will influence a business owner’s decision to sell, but one factor above all may be the most important factor to consider—the timing of the sale. This, of course, begs the question: When is the right time to sell your business?

Timing Matters

Many business owners plan the timing of the sale around reaching key performance metrics (i.e., revenue or profits) or as a result of personal or subjective influences (i.e., the desire of a spouse to spend more time together in retirement).

What Determines The Value Of A Business

The value of a business for sale is driven by three factors:

1. Company Performance
2. Current Economic Environment and Industry Dynamics
3. Current Capital Markets Conditions

So What Does This Mean For Business Owners?

Waiting to sell may be the wrong answer if the then current economic, industry, and capital markets conditions support high valuations. Are you paying attention to the most important factors that are impacting value even though you can’t control them? Are you missing out on a seller’s market?

Establishing Your Exit Plan

Understanding and paying attention to each of the three value drivers that can align to create a seller’s market will allow you to identify the most attractive time to sell your business.

Don’t risk waiting too long to sell your business because you think the business “isn’t ready.” By understanding all the factors that influence the value of your business, you can more confidently select the “right” time to sell. We are here to help. Contact us today for advice and guidance in determining your company’s value and an effective succession plan to fit your needs and goals.

Visit www.janney.com to read the full article or contact your Janney Financial Advisor for a copy.

This is for informative purposes only and in no event should be construed as a representation by us or as an offer to sell, or solicitation of an offer to buy, any securities. The factual information given herein is taken from sources that we believe to be reliable, but is not guaranteed by us as to accuracy or completeness. Opinions expressed are subject to change without notice and do not take into account the particular investment objectives, financial situation, or needs of individual investors. Employees of Janney Montgomery Scott LLC or its affiliates may, at times, release written or oral commentary, technical analysis, or trading strategies that differ from the opinions expressed within.
Janney has expanded its Capital Markets Group with the acquisition of FIG Partners LLC, the leading investment banking and research firm specializing in community banks. As a result of the integration of FIG Partners, Janney’s Capital Markets leadership team now includes executives from FIG Partners, and its Financial Institutions Group has been expanded to include a Banks & Thrifts sector, which will cover more than 125 small and mid-size banks.

“With our leadership team today, the addition of all FIG Partners associates to Janney, and the expansion of our Financial Institutions Group to include banks and thrifts expertise, we have set the stage for continued growth by enhancing our capabilities for clients and investors,” said Joseph Culley, Head of the Capital Markets Group. “Janney is now poised to deliver unmatched investment banking and research solutions that encompass the entire financial services ecosystem.”

Janney’s Capital Markets Group provides investment banking, equity, and fixed income expertise in the business services, financial institutions, health care, infrastructure, and real estate sectors.

A NEW, SIMPLIFIED HOUSEHOLD SERVICE FEE POLICY

At Janney, we strive to keep our clients’ needs at the center of everything we do. As announced in January, Janney eliminated most account service fees and implemented a new Household Service Fee to simplify our fee structure, increase transparency, and provide you with choice.

Please note if your account was assessed the Household Service Fee of $100, it will appear on your June 2019 statement. The assessment of this annual fee is dependent upon your overall relationship with Janney, based on the criteria outlined in the January 2019 and March 2019 editions of this Janney Update newsletter.

For more information about the Household Service Fee, please refer to the Schedule of Account Services by visiting www.janney.com/service-fees or contact your Janney Financial Advisor.

FINRA Rule 2267 Investor Education and Protection
Brokers and other investment professionals have an obligation to the investing public to be knowledgeable about the products they sell. This obligation includes knowledge of the capabilities and limitations of prospective products, the risks associated with them, and the impact on the client’s investment strategy. To help ensure this knowledge, FINRA has rules that require firms to provide access to educational resources to their customers

Payment for Order Flow
Janney receives compensation or other consideration for directing customer orders to various market centers or broker-dealers. Janney monitors these orders for best execution. The source and nature of any compensation received in connection with a particular transaction will be furnished upon written request. Further information is available at www.janney.com.

Annual Disclosure Statement Regarding Partially Called Bonds
Janney is providing this disclosure to inform you of the basic processing applied by Janney regarding the impartial lottery process for callable bonds. When you purchase bonds that are callable in part (i.e., less than the full amount of outstanding bonds may be called), per FINRA Rule 4340 (Securities Callable in Part), Janney is required to run an impartial lottery that calls bonds from client accounts on a randomly selected basis, and holds them until the applicable redemption date. The process by which client accounts are randomly selected can be found on the Janney website at https://www.janney.com/individuals--families/resources--education/investment-disclosure.

For more information on partially called bonds, there are several websites with valuable information, including:
  - Financial Industry Regulatory Authority: www.finra.org
  - FINRA Rule 4340: www.finra.org/industry/regulation/notices/2014/p443192

Janney Montgomery Scott LLC
1717 Arch Street, Philadelphia, PA 19103  |  1.800.JANNEYS  |  www.janney.com

This is for informative purposes only and in no event should be construed as a representation by us or as an offer to sell or solicitation of an offer to buy any securities. Neither Janney Montgomery Scott LLC nor its Financial Advisors are tax advisors. Please consult your tax advisor before implementing any tax-related strategies mentioned in this publication. The information given herein is taken from sources that we believe to be reliable, but is not guaranteed by us as to accuracy or completeness. Opinions expressed are subject to change without notice and do not take into account the particular investment objectives, financial situation, or needs of individual investors.