Message from the President

The holiday season and new year are a traditional time to reflect and celebrate with family and friends. We encourage you to also set aside time to assess your financial goals for the upcoming year and consider a family conversation about your plans.

Janney is focused on improving our client experience, evolving our financial planning capabilities, and providing clients access to our leading industry experts. We invested in feature enhancements and increased security for Janney Online Access, our client portal. We delivered enhancements to our suite of comprehensive advice on a wide range of financial topics, many life-event driven, that go beyond investing. We also introduced a state-of-the-art planning platform that allows clients to have a more interactive and relevant planning experience with us. Our financial experts continued to provide guidance to clients both online and in person. We hope you take advantage of these services.

I’m happy to report that Janney closed the year strong and growing. For the upcoming year, we are committed to being your firm of choice for financial service and advice, and we will continue to provide the resources and support to help you reach your financial goals.

Janney is committed to delivering solutions that benefit you, your family, or your business, and that help you to reach your financial goals.

Economic Outlook

Janney’s Chief Investment Strategist, Mark Luschini, offers these thoughts on the market: “While we believe the successful passage of tax reform is likely, the economic boost may actually be modest. The economic cycle has reached a point where enough slack has been absorbed so that the multiplier effect of a fiscal stimulus is more muted than were it to have been initiated some years before.”

Mark noted: “For the stock market, however, the gains could be substantial, as corporate profits would be boosted by a statutory tax rate significantly lower than what exists today. In our judgment, the fundamental landscape is sturdy enough, regardless of the outcome, for positive economic growth to persist into the foreseeable future.”

I encourage you to read Mark’s full Economic Outlook included in this issue of Janney Update for more details.

The Value of Advice

The current market conditions may be a reason to evaluate your investment profile with your advisor. Questions to consider include: Has your risk tolerance changed? Do you need to review your asset allocation and possibly rebalance? As always, we encourage you to talk with your advisor about your investments with your entire financial picture and long-term goals in mind. Janney advisors are equipped with the knowledge, tools, and resources to provide guidance on comprehensive and complicated financial matters, such as investment and tax planning, how life events can affect investment strategies and goal setting, and the creation of a financial plan to help you reach your goals.

No matter what stage of life you are in, we take pride in providing personal advice that is tailored for you and delivered by your advisor. When you work closely with your Financial Advisor on comprehensive planning, you gain access to our in-house wealth management professionals and investment strategists. The wealth of knowledge represented by our in-house professionals helps your advisor provide for you reliable, personal, and relevant advice personalized to meet your specific needs.

(Continued on page 2)
An Update on Regulation
In November 2017, the Department of Labor (DOL) announced an 18-month extension for certain components of their fiduciary rule that affects all financial professionals who provide advice to retirement accounts. To date, Janney has met all rule requirements that are in effect and educated clients on any changes that may have needed to be made to their accounts.

Janney remains committed to delivering the highest standard of advice and service to our clients while meeting all regulatory obligations. As the DOL releases more information and updates are made available, we will communicate how these changes may impact client retirement account options at Janney. To learn more about the DOL fiduciary rule, visit www.janney.com/dol.

Thank you for your business and the continued trust you place in us each day. We wish you a happy, healthy, and prosperous year ahead.

Sincerely,

Timothy C. Scheve
President and Chief Executive Officer

Most people don’t balance their checkbook, let alone their portfolio.

Janney’s My Net Worth online feature helps you conveniently track your financial accounts, all in one place. Keep track of multiple investment, retirement, loan, and bank accounts and how they are working toward your goals.

Knowledge, simplicity, convenience, and security.

Go to www.janney.com, register for Online Access, and access My Net Worth today!

Expert Financial Insights
You’ve worked incredibly hard to build the nest egg that you’re heading into retirement with, so why not do what you can to help protect that nest egg from some of the largest retirement risks you’re likely to face—health care and long-term care expenditures.

Our Janney experts are dedicated to providing you with useful insight and information on a variety of financial issues and topics. Our latest commentary, “Don’t Let Health Care and Long-Term Care Costs Consume Your Retirement Savings,” provides insight on some reasons to consider alternatives to self-funding large one-time purchases, such as buying a home, in order to protect your retirement savings. You can read or download the full piece, as well as a library of other educational information and commentaries at www.janney.com, or you can speak with your Janney Financial Advisor.
Legislation is racing its way through Congress with implications that might alter the income tax landscape for corporations and individuals in a consequential way. Much ink has been spilled on its prospects and the various versions that have been made public, and maybe more, as yet to be seen iterations are likely to develop as negotiations begin between the House and Senate around where it will ultimately land. While we believe the successful passage of tax reform is likely, the economic boost may actually be modest. The economic cycle has reached a point where enough slack has been absorbed so that the multiplier effect of a fiscal stimulus is more muted than were it to have been initiated some years before. Still, any incremental benefit for an economy that only recently has been growing above trend should be welcome if it leads to better labor conditions, among other things. For the stock market, however, the gains could be substantial, as corporate profits would be boosted by a statutory tax rate significantly lower than what exists today. To be sure, a fair level of skepticism remains as to the proposal becoming law, let alone its market-impacting potential. In our judgment, the fundamental landscape is sturdy enough, regardless of the outcome, for positive economic growth to persist into the foreseeable future.

The synchronous global economic expansion that has been underway over the course of 2017 is likely to remain intact as well. Purchasing managers’ responses to surveys of manufacturing activity around the world point to expansionary conditions at levels last seen in 2011. Europe is growing above trend, Japan just posted its longest stretch of positive economic activity since 2001, and China continues to grow at an elevated rate. Add the U.S. to that group and, collectively, those four countries alone represent roughly two-thirds of global Gross Domestic Product (GDP). In addition, a non-threatening level of inflation is keeping the world’s central banks from shifting to a markedly tighter monetary stance. While some subtle and nuanced changes are occurring as policymakers no longer feel the need to support conditions with the emergency measures necessitated by 2008’s financial crisis, the movement toward less accommodation is glacial. That posture is likely to remain in place and be supportive for global economic activity for quite some time to come. Domestically, the self-sustaining growth underwritten by a healthy level of personal and business consumption is enabling the Federal Reserve to embark, albeit gingerly, on a tightening cycle. Even with three rate hikes since December 2015, when the Fed raised rates for the first time in almost ten years, monetary officials judge conditions to be strong enough to warrant further tightening, and at least several more are anticipated. While helping to increase yields on short-term cash equivalent instruments, bond market participants have mostly responded to low levels of inflation and de minimis global bond yields by keeping the U.S. bond market well bid. Bond yields have been largely range bound and still remain close to where they began the year. Low single-digit interest rates have helped to fuel investors’ appetite for stocks. Global equity bourses have posted handsome returns to date, with many non-U.S. stock markets demonstrating the most impressive gains. We remain cyclically bullish on global equities. The job growth and wage gains that have reinforced the economy’s positive momentum are now picking up the tailwind of businesses big to small whose leaders have improving confidence and are increasing spending after having their coffers bolstered by a lengthy period of outsized profit growth. While valuations have risen in response to investors’ enthusiasm for risk assets, they don’t impair the prospect for higher prices. Granted, it has been an unusually long period of time without a normal and customary pullback; however, should one develop, we think it is unlikely to derail this bull market given the strong underpinnings supporting the economy and markets.
### Tax Year 2017 Mailing Schedule and Information

In an effort to deliver the highest quality service, Janney encourages clients to visit our website at www.janney.com/taxes for the most current tax-related updates and information.

<table>
<thead>
<tr>
<th>Mailing Deadline</th>
<th>Mailing Type</th>
<th>Description of Contents</th>
</tr>
</thead>
<tbody>
<tr>
<td>January 31, 2018</td>
<td>Forms 1099-R and 1099-Q</td>
<td>Distributions from your IRA, Qualified Plan, or Education Savings Account (ESA).</td>
</tr>
<tr>
<td>February 15, 2018*</td>
<td>Form 1099 Consolidated</td>
<td>Includes 1099-INT, 1099-DIV, 1099-B, 1099-MISC, and 1099-OID (other than CMO/REMIC).</td>
</tr>
<tr>
<td>March 15, 2018</td>
<td>Form 1099-OID (REMIC)/WHFIT Statement for Mortgage Securities</td>
<td>OID and Interest Accruals from CMOs/REMICs. Income and Expenses Resulting from Pooled Mortgage Securities.</td>
</tr>
<tr>
<td>March 15, 2018</td>
<td>1042-S</td>
<td>Foreign Person’s U.S. Source Income Subject to Withholding.</td>
</tr>
<tr>
<td>March 15, 2018</td>
<td>Schedule K-1</td>
<td>Master Limited Partnership (MLP) Income, which will be mailed directly from the General Partner (not provided by Janney).</td>
</tr>
<tr>
<td>April 30, 2018</td>
<td>Form 5498-ESA</td>
<td>Reports contributions (including rollover contributions) to Coverdell ESAs.</td>
</tr>
<tr>
<td>May 31, 2018</td>
<td>Form 5498</td>
<td>Reports contributions (including rollover contributions) to any individual retirement arrangement (IRA), including SEP, SIMPLE, and Roth IRA; Roth conversions; IRA recharacterizations; and the fair market value (FMV) of the account.</td>
</tr>
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*The IRS changed the deadline for delivering most IRS 1099 Forms from January 31 to February 15. When a deadline falls on a weekend, the mailing deadline is moved to the next business day. As in the past, we expect to receive a 30-day extension from the IRS to March 15, 2018 based on this year’s February 15, 2018 deadline in order to assist our Holdback account clients.

### Janney Advantage® – Online Delivery of Expense Summary

The 2017 Janney Advantage® Account Annual Year-End Expense Summary is a great resource to help you prepare for tax season, budget, and distinguish business from personal expenses. Your summary is available through Janney Online Access, or by requesting a printed copy from your Financial Advisor. To register for Janney Online Access, go to www.janney.com, select the “Online Access” button, select “Sign Up for Online Access,” and follow the instructions. Your Janney Financial Advisor can also assist you with online registration if you have any questions.

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