



Managing Your Money

STAN'S WORLD — SPRING CLEANING

When my mother died, she left behind a few collections of porcelain objects. (Think lots of Hummels, lots of Lladro, and lots and lots of birds.) My girls each took one for memory's sake, and each grandchild selected an item or two. Other than a remembrance, nobody wanted my mother's collections, which meant I had to figure out what to do with dozens and dozens of items. Eventually, most were donated to thrift stores.

The experience with cleaning out my mother's apartment led me to conclude nobody will want my collections either. (Of course, my 'collections' include lots of paper, which is only considered a collectible at the recycling center.) While the experience with my mother's apartment led me to conclude I have far more junk than valuables, I haven't done much about it. And I'm not getting any younger. (To quote my mother: "I'm nearer than further.")

I can start by pointing to a four-drawer file cabinet in the basement, stuffed with very important papers. It holds, for example, tax returns dating back to the late 1960s or early 1970s. I believe it's now safe for me to assume those returns are no longer subject to audit, and that no one in my family is curious how much I was paid by my first employer: the US Army. But they remain, nonetheless. (Yes, I'm aware I can scan them, but I haven't done so. Did I fail to mention they're important papers?) I also believe my father's will is in that cabinet. Since he died a mere 26 years ago, I'll go out on a limb and suggest probate in Florida is no longer an issue.

Aside from the file cabinet, there are cartons that have remained unopened since we moved from our last house, which was only 20 years ago. And on, and on, it goes. (As an aside, collecting stuff for emotional and other reasons is not an issue for Pearl. In fact, Pearl would toss a refund check from the IRS if it sat on the kitchen counter for more than two days.)

Assuming we all have wills that tell our heirs where our money and assets go, what about the other stuff? Where is that going? And most importantly, does anyone but you care about it?



STAN'S WORLD – SPRING CLEANING (CONT'D)

At this point, let me acknowledge what a number of clients and friends have shared with me. When they die, their kids can take care of whatever is left; it's no longer their problem. Let me just say that having been one of those kids when my mom died, it's time-consuming, and it's not fun. And it took a lot of hours to resolve.

Over the years, I've probably started clean-out projects on 10 different occasions, only to be sidelined because I either found interesting things to read or wasted valuable time pondering uses for randomly sized pieces of scrap wood. Finally, however, I think I may have found a breakthrough, a plan that might finally help me to toss in bulk. And I'm really going to try. And you can hold me to it by questioning how far I've gotten. (You all have my email address.)

I'm motivated due to a terrific article I read in the AARP Bulletin titled: "30 Days To A De-cluttered Home."¹ The premise of the article: "Stay motivated by dividing your spring-cleaning project into achievable tasks." (NOTE: Strictly observe the time limits so you stay on task and stop before getting distracted.)

Week 1 – Bathrooms, Entryways, and Cars: 20 minutes a day.

"We start with these spots for a reason: The things here don't usually tug at your emotions, so they're perfect for getting quick wins."

The instructions are simple and logical. Start in the bathrooms and throw out old medications, old makeup, etc. And donate clothes in the hall closet you haven't worn in more than a year. It's so easy, why not start?

Week 2 – Kitchen and Pantry: 30 minutes a day.

Look for duplicates to toss. If you no longer host big family events, start donating all the extra dishes and serving plates.

Week 3 – Bedrooms, Closets, and Personal Spaces: No daily time limits.

"Do what feels good. If you are making progress and want to keep going, go for it." Pearl and I recently went on vacation, and I tried on the three dozen sweaters I had in my closet, many of which I haven't worn in years. In the end, all but one were donated. While I purchased three new sweaters for the trip, having a total of 4 vs 36 greatly reduced my closet clutter.

Week 4 – Living Areas, Papers, and Memory Items: No more than one hour at a time.

You can probably safely scan most papers, throw out old manuals, shred outdated files, and toss old mail. "When you get to photos and keepsakes, slow down. This isn't about cleaning everything out. It's about choosing intentionally...What do you want your loved ones to inherit – boxes or stories?" The author of the article suggests "...choosing a small number of truly meaningful items...and letting the rest go."



STAN'S WORLD — SPRING CLEANING (CONT'D)

Week 5, or later – Attics, Basements, and Garages: No more than two hours at a time.

“Attics and basements are where we often need help and an additional body for heavy lifting. These storage spaces are also where we stash emotionally charged items to deal with another time. Well, now is another time.”

If you're paying money for a storage unit that's holding stuff you'll never use, the author refers to that as “a colossal waste of money.” And if you're saving possessions for someone else, like your kids, why not ask them now if they want it? If the answer is NO, but you keep it anyway, all you're doing is creating future work for a loved one.

I plead guilty to shuffling and restacking when I should have been decluttering. I can't wait to clean out the drawer in the bathroom vanity where I keep prescriptions. I bet I find some eye drops from when Obama was President.

(Footnote: For an early, easy win, I hit the file cabinet in the basement. In minutes, I removed a stack of papers about half a foot tall. Some of the stack got shredded; most got recycled; and a few papers got scanned. The immediate goal: one drawer. And then on to the Obama-era eye drops...)

FUN WITH CHARTS

If you're wondering why (and how) the stock market keeps going up during a war with Iran that has caused oil prices to spike, you're not alone. It seems the Wall Street Journal² can't write enough articles about why the market is up or down, and what it may or may not do next. Spend time reading all of them, and the result will be two Advil for your headache.

All we can report is that stock prices are driven by profits. They always have been, and it's likely they always will be. If a company produces widgets and increases its widget profits each year, history tells us that the company's stock price will increase over time.

If the widget company introduces a new line of widgets that will generate much more revenue in the future, the stock price will probably increase substantially. And if a larger company decides to buy the widget maker, then it's also likely that there will be a further increase in the stock price. (Of course, the reverse would happen if the widget maker were to lose money.) In the simplest of terms, that's how the stock market works.

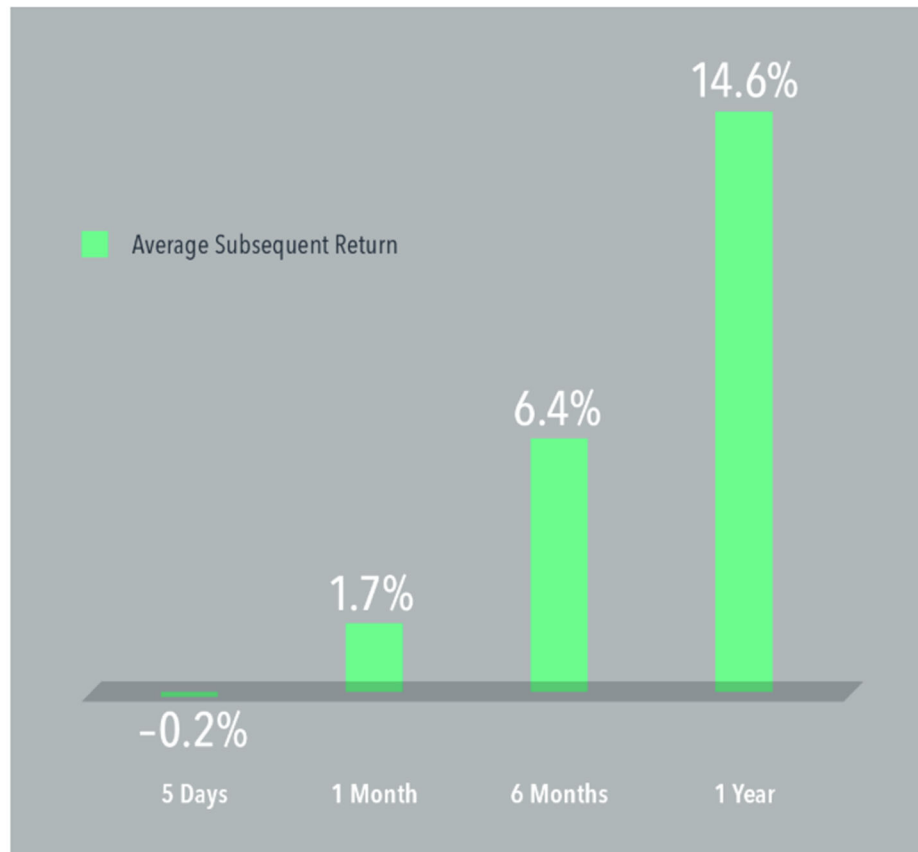
Even in the midst of a war, if investors believe companies will grow their profits, they will invest in future growth. And that may be what's happening now.



FUN WITH CHARTS (CONT'D)

But even if that interpretation is wrong, the chart below shows that markets perform well when major geopolitical events, such as a war, end. As we've said so many times, investing is a marathon, and disruptions along the way are to be expected. They should not, however, get in the way of the long-term goal: to grow assets over time.

Average US Stock Market Returns Following Major Geopolitical Events
1990-2025



Past performance is not a guarantee of future results. Actual investment returns may be lower.

In terms of how the stock market performed when the war started, the S&P 500 “peaked on Jan 27, and then fell 9.1% through March 30th. By April 15, a mere 16 days later, the market had returned to a new high...Kevin Khang, senior global economist at Vanguard, examined every market decline of at least 9 percent since 1950. There were 32 of them...and the recent Iran war rebound has been the fastest of all. For these rebounds, the median length – the point in the middle – was 107 days. The average rebound took much longer, 309 days. The stock market’s recovery this time occurred in the comparative blink of an eye.”³



FUN WITH CHARTS (CONT'D)

Investors in the bond market, however, focus on interest rates and companies' ability to make timely payments on their debt. This year, the bond market sees things a little differently than the stock market.

As you may recall, when interest rates rise, bond prices generally fall. Let's say you paid \$1,000 for a 5-year bond with a 4% coupon. If interest rates go up and you can now get 4½% on a similar bond, nobody will pay you \$1,000 for your bond. To get your \$1000 back, you would have to wait until the bond matures. If you were to sell it early, you would lose money.

The chart below shows how the Bloomberg US Aggregate Bond Total Return Index - a common index to assess the bond market's performance - has done year-to-date through May 8th. Yes, the underlying bonds are still paying interest, but the market is cautiously waiting to decide whether interest rates will rise or fall in response to the war, oil prices, and inflation.





A SCAM IS JUST A PHONE CALL AWAY

We used to warn our clients about the ‘run-of-the-mill’ phone scams, such as calls from ‘agents’ pretending to work for Social Security, or desperate phone calls from ‘grandchildren.’ Then there were the ‘Oh no, your computer has been compromised’ pop-ups that seemed to target all of us. (Hopefully, you all now have McAfee, or a similar virus protection software. Don’t you?) It may be hard to believe, but those calls and scams were from the good old days, because scams have gotten a lot harder to detect.

Thanks to AI (artificial intelligence), the voice at the other end of the phone line may really be your grandchild, or child. Unfortunately, the words they say may not be coming from their mouths. When you receive an urgent, desperate call from a loved one, and you’re sure it’s their voice, how much time will you have to confirm that? They most likely need money, and they need it NOW. To make sure you’re not scammed by high-end technology, and to protect your checkbook, it’s time to introduce the code word.

Does the family have a favorite pet? Favorite memory from a beach? Favorite restaurant? Favorite color? Let an unforgettable word become the family code word, a word that everyone in the family can use when either making a desperate call, or when receiving one.

Let’s say grandpa always had a blue cap, and he wore it everywhere, and everyone in the family always joked about his blue cap. There’s your code phrase. When the phone rings, and your grandson Owen is on the line crying that he’s in jail and needs bail money, ask him about grandpa’s favorite article of clothing. Even if the ‘caller’ guesses hat (rather than cap), it’s less likely the guess will be blue hat. If those words don’t come out of Owen’s mouth in the intended order, hang up. It’s a scam.

(Of course, if Owen is in a fraternity away at college, it’s likely he’s too drunk to remember how to even spell Owen, so the idea of remembering the code word or phrase is probably a far reach. Thus, you may actually hang up on your grandson. But if he’s really at a police station, they’re likely to let him call you later. On the other hand, a night’s rest in a police station might be a very good lesson for Owen. And it will be a great story to tell when he’s head of Mergers & Acquisitions for a major bank.)

If a phrase like ‘blue cap’ seems too easy for your family code word, go to two-factor authentication. “Owen, listen to me! What did you and grandpa share the night we went on the dinner cruise? If Owen can’t remember ‘ice cream sundae,’ leave him in jail. (And then take his name off his 529 plan and give the funds to the granddaughter who, unlike Owen, never cheated while playing Scrabble with you.)

Share a code word or phrase with your entire family. Somewhere, sometime, it will save someone a lot of money, and a lot of aggravation.



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Managing Your Money is compiled entirely by Stanley F. Ehrlich and John Zeltmann.

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1 Paxton, Matt. "30 Days to a Decluttered Home." AARP, 17 Mar. 2026.

2 Crill, Wes. "Market returns during past geopolitical conflicts," Dimensional.com, May 5, 2026.

3 Sommer, Jeff. "Stocks Are Exuberant. Bonds Are Subdued. Why the Divergence?" The New York Times, 8 May 2026.



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