



Profit Pulse: Stay Informed, Invest Intelligently

Financial News

November, 2023

Adobe (Nasdaq:ADBE) released its online shopping forecast for the 2023 holiday season, covering the period from Nov. 1 through Dec. 31, 2023. Based on Adobe Analytics data, the analysis provides the most comprehensive view into U.S. e-commerce by analyzing commerce transactions online, covering over 1 trillion visits to U.S. retail sites, 100 million SKUs and 18 product categories. Adobe Analytics is part of Adobe Experience Cloud, relied upon by over 85% of the top 100 internet retailers in the U.S.* to deliver, measure and personalize shopping experiences online.

Adobe expects U.S. online holiday sales to hit \$221.8 billion this holiday shopping season (Nov. 1 to Dec. 31), representing 4.8% growth year-over-year (YoY). In the 2022 season, shoppers spent \$211.7 billion online, and saw 3.5% YoY growth. Never-before seen discounts, and the increased usage of the Buy Now, Pay Later (BNPL) flexible spending method, which is expected to drive \$17 billion in online spending (vs. \$14.5 billion in 2022, up 16.9%), will drive spending this season as consumers look to stretch their budgets when making purchases. Additionally, shopping on mobile devices is expected to hit a major milestone, surpassing desktop and driving over half (51.2%) of all online spending this season.

Cyber Week – the shopping period including Thanksgiving, Black Friday and Cyber Monday – is expected to drive \$37.2 billion in online spending, up 5.4% YoY and representing 16.8% of the holiday season. Adobe expects Cyber Monday will remain the season's and year's biggest shopping day, driving a record \$12 billion in spending, up 6.1% YoY. Black Friday online sales are set to grow by 5.7% YoY to \$9.6 billion, with Thanksgiving growing 5.5% YoY to \$5.6 billion. Driven by deep discounts, these big shopping days remain important anchor points for the season.

“Despite an unpredictable economic environment, where consumers face several challenges including rising interest rates, we expect strong e-commerce growth this season on account of record discounts and flexible payment methods,” said Patrick Brown, vice president of growth marketing at Adobe. “Buy Now, Pay Later in particular has become increasingly mainstream and will make it easier for shoppers to hit the buy button, especially on mobile devices where over half of online spending will take place.”

Business Wire
10/5/2023

Tip of the Month: Eat the Frog!

The “Eat That Frog!” method is a time management and productivity strategy coined by Brian Tracy in his book of the same name. This method is designed to help individuals overcome procrastination and increase their efficiency by tackling their most challenging and important tasks first, rather than postponing them. The name is derived from the idea that if the first thing you do each day is to “eat a live frog,” i.e., complete your most difficult task, everything else you do that day will be easier by comparison.

*Look at market
fluctuations as your friend
rather than your enemy;
profit from folly rather
than participate in it.
Warren Buffett*

Chart of the Month: Best Day to Buy By Category



Finance 101: Simplifying the Complex

RMD - What is it and how does it work?

An RMD, or Required Minimum Distribution, is the minimum dollar value that must be distributed from certain accounts at a predetermined age. This statement raises several additional questions, so let's work through those first.

What is the minimum dollar value and how is it calculated? The dollar value that must be distributed is different for everyone, and varies each year. To calculate an RMD, divide your year-end account value by the distribution period found in the IRS Uniform Lifetime Table. Due to account values changing year over year and the IRS Uniform Lifetime Table using a different distribution period each year, your RMDs will NOT be the same amount each year. An RMD must be re-calculated annually.

What accounts does this apply to? RMDs are only applicable on pre-tax retirement accounts such as a: Traditional IRA, 401(k), 457, 403(b), SEP IRA, SIMPLE IRA, and a Non-Spouse Inherited IRA. Roth IRAs do not have RMDs, unless you inherited it from anyone other than your spouse. RMDs are calculated based on the TOTAL value of your pre-tax retirement accounts, meaning you must add together all of your Traditional IRAs, 401(k), etc. to find your total year-end value.

What is the predetermined age that RMDs begin? Currently, the IRS requires RMDs to begin upon turning 72 years old. This number does change, but changes only apply to those who have not begun taking RMDs.

Let's take a look at an example. Mark is 74 years old and has a 401(k) worth \$500,000 and a Traditional IRA worth \$300,000 as of 12/31/2022. The IRS Uniform Lifetime Table shows a distribution period of 25.5 for a 74 year old.

$$\frac{(\$500,000 + \$300,000)}{25.5} = \$31,372.55$$

What does Mark have to do with this money? Does he have to spend it? No, the purpose of an RMD is to distribute money from an account that has grown for a long time without any annual taxes. The IRS requires the RMD to leave the pre-tax account but does not care where it goes after, meaning it can go into a Joint Account, bank account, CD, etc. Mark can choose to split the distribution between both his IRA and 401(k), or take it all from one of the accounts. This must be completed by December 31st of each year.



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Dates to Remember!!

- Nov. 2nd - National Men Make Dinner Day
- Nov. 5th - National Donut Day
- Nov. 5th - Daylight Savings Time Ends
- Nov. 11th - Veterans Day
- Nov. 23rd - Thanksgiving
- Nov. 25th - Small Business Saturday