http://westfaironline.com/64599/column-earning-a-million-is-no-game/

Note: This article appeared on the following four web site and in print in the *Fairfield County Business Journa*l – with a Page 1 teaser.

Column: Earning a million is no game

BY JOSEPH MATTHEWS

In 1999, Hamden native John Carpenter became the nation's first winner of "Who Wants to be a Millionaire," a blockbuster television game show that originated in Britain and awarded huge cash prizes for correctly answering a series of multiple-choice questions of increasing difficulty.

To the final question, "Which U.S. president appeared on the TV show 'Laugh-In?'" Carpenter responded, "Richard Nixon," and walked away with the million-dollar jackpot.

Now, Connecticut is anticipating a fresh crop of millionaires. Gov. Dannel Malloy's office recently announced that the popular game show has relocated to Stamford and will now tape at the Connecticut Film Center.

Joseph Matthews

While only a lucky few will have a chance to participate in the game show and take a shot at becoming an instant millionaire, the rest of us can follow an alternate route that might eventually land us in an equally good financial position.

Connecticut actually has an increasing number of millionaires, according to recent news reports, millionaires that did not appear on game shows.

In 2013, Connecticut had 100,754 millionaire residents, up from 99,235 in 2012, comprising 7.32 percent of the state's 1.4 million households.

Connecticut ranked third in the U.S. in millionaires per-capita. Maryland ranked in first place using the per-capita measurement and New Jersey placed second. Connecticut was ranked fourth in 2012, but since has moved past Hawaii.

But it is interesting to note that Connecticut's millionaires are not necessarily the flashy, wad-of-cash carrying movie caricatures. Instead, they are people who have significant sums of investable wealth, in equities, mutual funds, retirement accounts and other similar assets.

And it bears pointing out that most millionaires got their money by hard work and prudent long-term investments, not by quick-hit lotteries, gambling wins or television game shows … or, they inherited wealth from hard-working relatives.

Considering that our state has been through an extended economic downturn, we are fortunate to have a high percentage of millionaires contributing to the tax base. And if the economy is indeed rebounding, even slowly, there are some good opportunities available for building your own portfolio.

To be successful over the long run, investors should spread their wealth over a range of sectors that are likely to be productive for years to come, both from a growth and dividends perspective. All "eggs" in a single basket, in my opinion, is just too risky.

Some analysts believe — and I agree — that we have possible target for the Standard & Poor's index of 2050 points for this year, although we are likely moving away from "bullish" of the past 18 months to more balanced markets in the months ahead. The market may trend higher but without the kind of momentum we've had over the past 18 months.

For the second half of the year we like growth stocks, small caps and, at the sector level, we think health care has been our biggest bet for two year, both medical distribution and pharma.

That said, it is also worth reiterating that the best investor response to world events, such as the Malaysian airliner crash, is calm. While the VIX index — a measure of market volatility that's sometimes called the "Fear Gauge" — may spike as a result of world events, the best action to take may very well be no action. A wait-and-see attitude may be called for.

World affairs can quickly affect supply and demand of critical commodities, and can create new opportunities overnight. But, then again, the market can stabilize overnight. The savvy investor will wait and see, continuing to maintain a balanced portfolio, adjusting where needed and taking advantage of new opportunities as they may arise.

Joseph Matthews is branch manager, first vice president, financial adviser and senior investment management consultant with the Global Wealth Management Division of Morgan Stanley Wealth Management, Fairfield, 203-319-5165.