

April 2024

In the first quarter of 2024, global economic activity experienced a notable uptick, with various indicators signaling a broad-based recovery that is gaining momentum (see *Figure 1*). Manufacturing output rebounded, consumer spending remained resilient, and business investment showed signs of revival in many regions. Encouragingly, the positive momentum was not confined to specific geographical areas but was observed across major economies, including Europe and emerging markets.

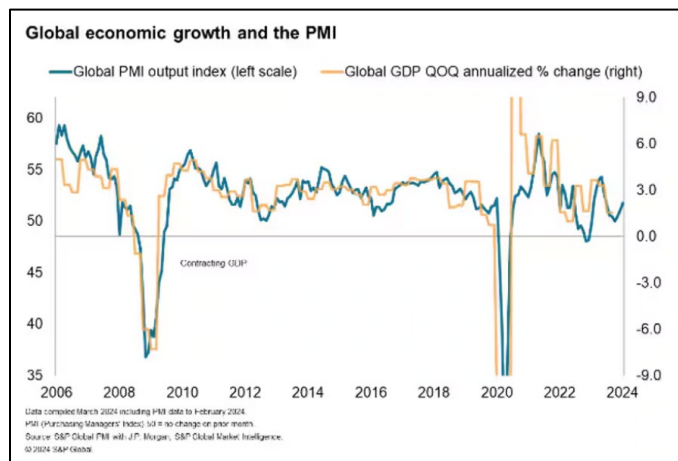


Figure 1: Global economic growth and the PMI, S&P Global
 Source: <https://www.spglobal.com/marketintelligence/en/mi/research-analysis/monthly-pmi-bulletin-march-2024.html>

Market activity in Q1 2024 was largely influenced by the continuation of the liquidity cycle and accommodative policies pursued by central banks worldwide. Investor positioning and sentiment during the first quarter of 2024 reached extreme levels of optimism, driving valuations for equities to levels we have witnessed only a handful of times across the last several decades. Additionally, equity positioning amongst investors remains extremely elevated. While valuations are not a catalyst for shorter-term moves in the market, corrections of 5-10% should be expected over the course of a year, even within strong bull markets.

Despite the overall positive outlook, signs of inflation picking up in recent months introduce an element of uncertainty that may continue to linger heading into the second half of the year. Commodity prices have rebounded and accelerated in March. The Federal Reserve's 2% inflation target may be questioned should these pressures persist. The recent inflation report for March reinforced this theme, with core inflation rising

0.4% over the last month and 3.8% over the last year. This was driven largely by higher gas prices and increases in vehicle insurance and medical/personal care.

We look forward to discussing any upcoming changes that may impact your 2024 tax and cash flow planning. Some items to consider include, but are not limited to, the following:

- Sale of a business or asset
- New income source
- Retirement
- Strategic business planning & self-employment income
- Equity compensation
- Family changes (i.e., new child, education, inheritance, gifting)
- Charitable giving (i.e., Donor advised funds, qualified charitable distributions from IRAs, and outright stock gifts)

We pride ourselves on partnering with industry leaders for technology, support, and security. MoneyGuidePro® is a widely respected financial planning software. Since 2015, our firm has used MoneyGuidePro® to create and dynamically present customized financial goal plans to clients. MoneyGuidePro® recently expanded its software offerings with the release of Wealth Studios.

In February, Micah and Victoria attended the Wealth Studios training session in Boston to learn how this software can complement our existing financial planning tools. For families with complex cash-flow situations, the software generates a more holistic view of annual income sources and the impact of expenses. The software's legacy planning feature allows us to customize a 'family tree' to convey asset transfer strategies to start conversations about transitioning wealth to future generations. Micah and Victoria will be spending time with the team in the upcoming months to share what they have learned and how it can be best applied in complex situations. We look forward to communicating with you further individually on how this new tool adds to our services.

We appreciate the trust you place in us, and as we continue to grow, we remain thankful for the new relationships formed through your referrals. We look forward to connecting in the coming months and hope you enjoy the spring season.

- Jason, Micah, Matt, Tim, & Victoria