

QUARTERLY NEWSLETTER

FOURTH QUARTER 2025

In this Q4 newsletter, we discuss market performance, year-end financial planning opportunities and Trio Wealth’s second anniversary.

Year-to-Date Asset Class Returns (1/1/2025 through 09/30/2025)

Equity Indices	Asset Class	3rd Quarter	2025
S&P 500 Index	U.S. Large Capitalization	8.12%	14.83%
S&P MidCap 400 Index	U.S. Medium Capitalization	5.55%	5.76%
S&P SmallCap 600 Index	U.S. Small Capitalization	9.11%	4.24%
Russell 3000 Index	U.S. Equity	8.18%	14.40%
MSCI Europe, Asia & Far East	International - Developed	4.83%	15.58%
MSCI Emerging Markets	International - Emerging	10.95%	18.17%
Fixed Income Indices			
Bloomberg US Agg Float Adj. Index	U.S. Bond Market	1.99%	6.08%
Current Yields		Yield - Quarter End	
Treasury 1 Year	U.S. Treasury	3.68%	
Treasury 5 Year	U.S. Treasury	3.74%	
Treasury 10 Year	U.S. Treasury	4.16%	

“In bear markets, stocks return to their rightful owners.” — J.P. Morgan

If you listen to capital market ‘experts’ across the media spectrum, you can be assured those ‘experts’ at any given moment are taking the weeks’ top headlines to promulgate their theory that because X happened (geo-political, societal, interest rates), Y is going to happen (markets will go up or down) so investors should do Z (go to cash, increase stock %, etc.). Six months ago the markets were encroaching into bear market territory with the S&P 500 experiencing an intra-year drop of 19% (a bear market is defined as drop of 20%). Leading up to and through April, business media

was awash with theoretical impacts and forecasts. These headlines (tariff threats, international relations) along with uncertainty (not the market’s friend) resulted in increased volatility.

Over the past six months, we learned the anticipation was worse than the economic reality. Those who remained invested were rewarded. From down 19% YTD at one point, the S&P 500 recovered significantly to being up 14% through September 30th. Through the 3rd quarter, all asset classes posted positive returns with small cap stocks leading the way. International stocks continue to be the leading asset class posting returns of 15.58% for developed countries and 18.17% for emerging markets.

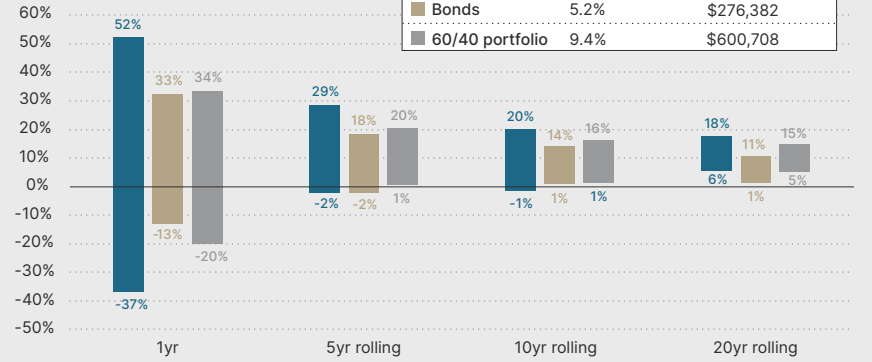
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As faithful readers of the Trio Wealth quarterly newsletter have come to know – remaining disciplined to objectives and being ‘rightful owners’ of their portfolio assets will be rewarded over the long-term. The events and markets of 2025 is a microcosm of this long-term philosophy. While markets will eventually have a bad day, week, month or even year, history suggests that investors are less likely to suffer losses over long periods. J.P. Morgan Asset Management research shows that a blend of stock and bonds has not suffered a negative return over any rolling 5-year period in the past 70 years.

Staying Invested Matters

Range of stock, bond and blended total returns

Annual total returns, 1950 - 2024



	Annual avg. total return	Growth of \$100,000 over 20 years
Stocks	11.6%	\$895,754
Bonds	5.2%	\$276,382
60/40 portfolio	9.4%	\$600,708

2025 Year-End Tax Planning Tips*

Please check with your CPA and Trio Wealth Advisor if you have any questions.

529 Plans	Make 529 contributions by year-end to take advantage of State Tax Deductions where applicable.	Unusually Low-Income Year	If you had an unusually low-income year, consider a Roth Conversion and/or realizing gains in your taxable account by year-end 2025.
Annual Gifting	If utilizing the annual gift tax exclusion, complete the gift by year-end (checks written must be cashed by year-end).	Medicare	Enrollment is open until December 7th – compare plan costs which may have changed due to the Inflation Reduction Act which modified existing coverage (new out of pocket cap on covered Part D drugs).
401k Contributions	Check salary deferrals YTD to determine if you need to increase deferrals for the last few paychecks of the year.	Tax-loss Harvesting	Trio will review all taxable accounts for tax-loss harvesting opportunities and reach out to you individually.
401k – ages 60-63	In 2025, there is a “super catch-up” deferral option for 401k participants in this age range of an additional \$3,750 above the regular catch-up for age 50+. Check with your plan administrator.	Required Minimum Distributions (RMDs) & Qualified Charitable Distributions (QCDs)	Trio monitors Required Minimum Distributions (RMDs) and Qualified Charitable Distributions (QCDs) for all client managed accounts and those will be completed by year-end.
Health Savings Accounts (HSAs)	Check contributions YTD to determine if you need to increase contributions prior to year-end.	CPA Retention	If you have not identified a CPA for your 2025 taxes, make efforts now. Once the 2025 tax season begins (Jan-April 2026), CPAs have less bandwidth to take on new clients.
Flexible Spending Accounts (FSAs)	If you have an FSA, the funds must be spent by year-end (some exceptions may apply). Check with your plan administrator.		
IRA & Roth IRA Contributions	You have until April 15, 2026, to make IRA and Roth IRA Contributions for 2025.		
Unusually High-Income Year	If you had an unusually high-income year, consider front loading your 2026 charitable giving into 2025 to take advantage of a larger tax deduction. Also, a Donor Advised Fund (DAF) may be appropriate.		

**The information provided herein is for informational purposes only and should not be considered individual tax or financial advice. You should talk to your CPA or Financial Adviser to discuss how these strategies may or may not benefit your specific situation.*

Until next time....

In November, we will be celebrating Trio Wealth’s second anniversary. We want to extend a sincere thank you for your trust. Clients like you are the heartbeat of our business, and we are so grateful for your support over the last two years. We have been honored by the referrals to your family and friends. We look forward to continued collaboration over the many years to come and remain committed to supporting your financial Clarity, Confidence and Control in the quality service environment you have come to expect. Cheers to two years!

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