

TRIO WEALTH TOUCHPOINT

03 MARCH 2025

Falling markets and drastic headlines can tempt individuals to abandon their long-term investing plans. As we have discussed in our Quarterly Newsletters, maintaining portfolio discipline is the hallmark of a successful investment plan. Trio Wealth has worked closely with you to create risk-managed portfolios appropriate to your financial plans and goals.

Before we dig into Trio's portfolio construction and risk management practices, you may find it helpful to keep a few historical statistics in mind. The S&P 500 index (our broad stock benchmark) typically experiences a 5% decline 3-4x per year, a 10% correction roughly 1x per year and 20%+ bear market once every 6 years. Over the past 45 years, the index experiences a 14.1% drop on average. In 34 of those 45 years the year-end returns were positive. What we have experienced thus far in 2025 is par for the course in terms of the range of market returns.

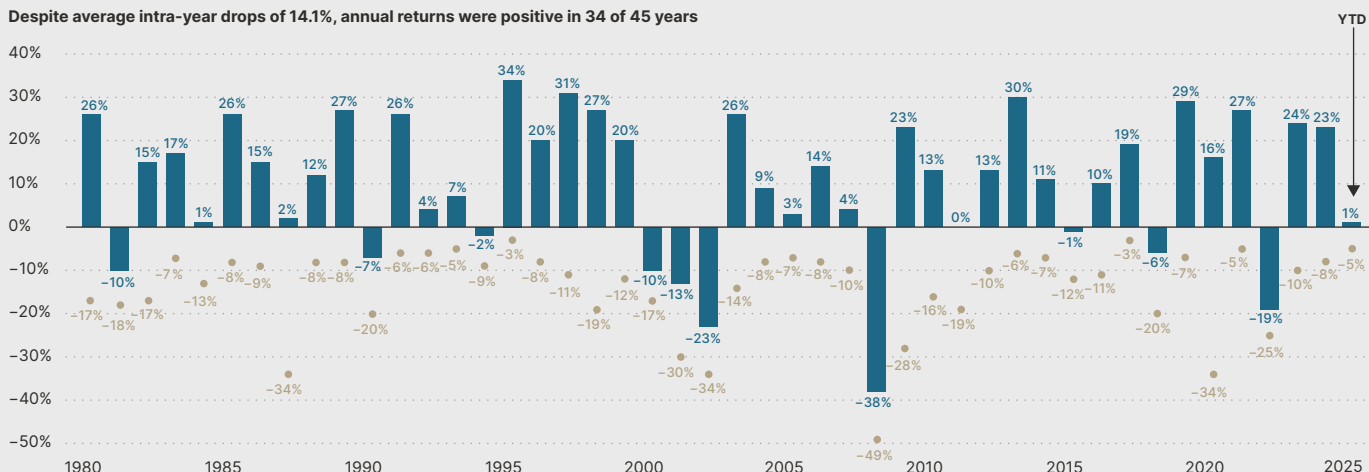
Trio Wealth has constructed our portfolio models to take a disciplined, risk-controlled approach by seeking broad diversification across market capitalization, investment style (value & growth), and geography while striving to keep investment costs low. We do not try to outguess the market, avoid market timing and focus on what we can control (risk). Where applicable, we utilize individual bonds and market participation funds that hedge the overall exposure.

Most importantly, your portfolio and allocation are developed after having created your financial plan. As we meet throughout 2025, decisions regarding your portfolio will be made from the lens of your financial plan.

In the words of Jack Bogle, "The stock market is a giant distraction from the business of investing." A good exercise when focused on current events and markets over the last week is to ZOOM out. The S&P 500 was at a low of 667 in March of 2009 and today it is just over 5,600. During that 15-year period, there were at least 45 world events where you may have had a "reason to sell."

S&P Intra-year Declines vs. Calendar Year R returns

Despite average intra-year drops of 14.1%, annual returns were positive in 34 of 45 years



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