EDGE CAPITAL GROUP

IN FOCUS

2024 Q4 Outlook

Topics of Discussion

- Highlights of Q3 Performance
- Key Themes Driving Q4
- Key Wealth Strategy Reminders Q4
- Disclosures

STAYING FOCUSED

Equity markets climbed higher in the 3rd quarter as investors became convinced that central banks could steer the economy towards a "soft landing." In the U.S., inflation has come in meaningfully from peak levels and the Federal Reserve has finally begun cutting rates. Impressively, the Federal Reserve was able to cut rates by an aggressive 50 basis points without causing market participants to panic. While many economists were surprised by the size of the move, the futures market had already priced it in, so investors shrugged.

Our takeaway is to focus on the message from the market. For a few months prior to the Fed easing, the short end of the Treasury market interest rate curve was signaling interest rate cuts from the Fed. The Treasury market continues to signal further easing. Part of the reason why is that the labor market has showed some signs of softening. Federal Reserve Chairman Jerome Powell has in turn shifted his focus from inflation to unemployment. Other economic indicators have also signaled an economy softening and the Fed has taken notice. We believe investors should pay attention to these signals as well. Within our last Outlook, we discussed broadening the opportunity set from widely owned large cap technology equities to small and mid-cap securities, and sectors outside of technology that would benefit from a shift in the interest rate outlook. During the 3rd quarter, we saw sectors such as utilities and real estate outperform. While market valuation is still elevated at the broad index level, we continue to see value in several parts of the market and are encouraged by the broadening out of performance during the quarter.

In the subsequent charts and analysis, we highlight accelerating earnings growth outside of technology and expect the growth differential to narrow over the coming quarters. If we were to consider an additional adjustment, we believe a renewed focus on attractively valued earnings quality may benefit investors at this point in the cycle. The market has run up meaningfully ahead of an uncertain election outcome and some turbulence should therefore be expected. Volatility also tends to increase once the Fed begins an easing cycle and growth prospects become more uncertain.

We are laser focused on how this election outcome may change the calculus for taxable investors and stand ready to adjust accordingly. However, any shift in investment strategy solely predicated on an election outcome has rarely been a good investment strategy. As you will see in the subsequent pages, time in the market matters more than timing the market.

FOCUS ON THE BIG PICTURE

ECONOMY

Economy showing growth, but weakness in certain indicators bears watching.

Inflation moderating, although history shows subsequent spikes can occur.

FED

Easing cycle has begun, with investors expecting more cuts by end of year.

Fed has recently shifted their focus from inflation to unemployment.

EARNINGS

Earnings growth expected to broaden out beyond the Mag 7.

While Mag 7 growth is decelerating from high levels, it remains strong.

ELECTION

Volatility tends to increase ahead of the election, creating investment opportunities.

Investors typically benefit from staying invested, regardless of election outcome.

INTERNATIONAL

Attractive dividend yields and valuations exist outside of the U.S.

Policy uncertainty should create attractive entry points.

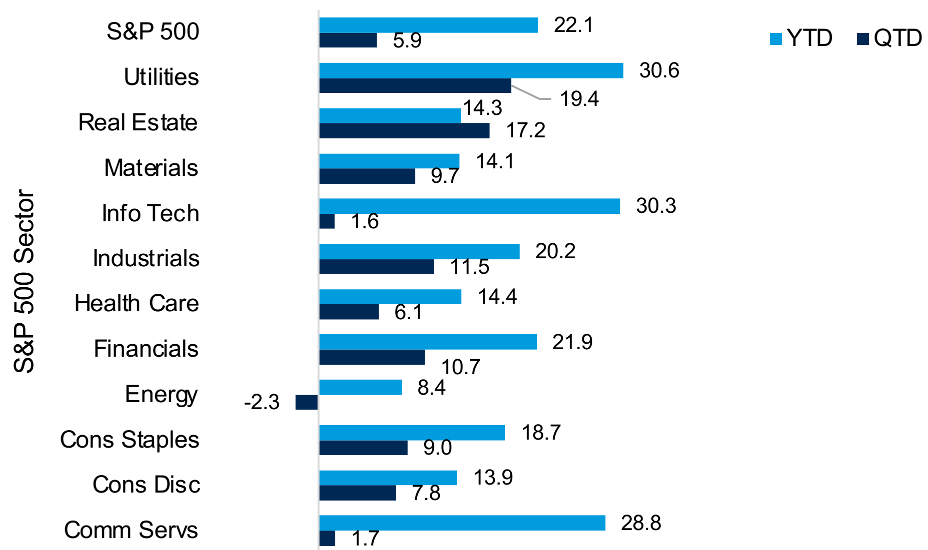
U.S. EQUITY – Q3 & YEAR TO DATE PERFORMANCE

S&P 500 performance broadened out in the 3rd quarter. Utilities and Real Estate led the way, with 3rd quarter performance for these sectors registering +19.4% and +17.2%, respectively, vs. +5.9% for the S&P 500. Interest rate sensitive sectors received a tailwind from expectations of Federal Reserve monetary easing.

Returns were more broadly distributed among sectors, with enthusiasm for AI cooling off during the quarter.

Interest Rate Sensitive Sectors Benefitted from the Prospect of Lower Rates

U.S. Equities – Return by Sector (3rd Quarter and YTD 2024)

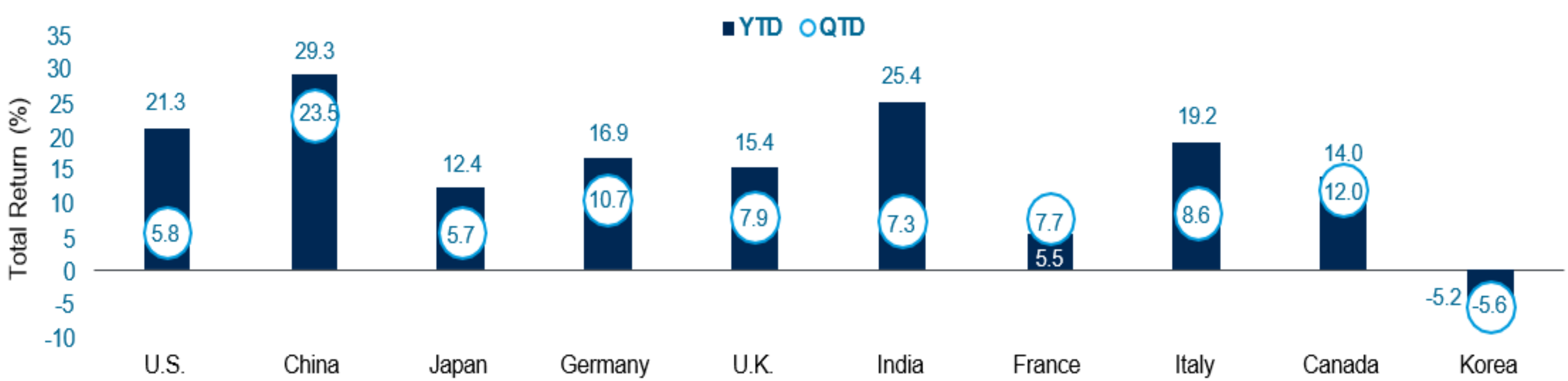


Sources: Strategas, Morningstar Direct. As of September 30, 2024. Please refer to Important Disclosures for additional information.

GLOBAL EQUITY- Q3 & YEAR TO DATE PERFORMANCE

Many of the largest economies had positive gains during the third quarter. China was among the top performing countries due to optimism surrounding the economic stimulus package being implemented. Interest rates moved lower in Europe as well, and policy rate cuts from the ECB and the Bank of England provided a tailwind for the regions.

Select Country Returns – In U.S. Dollars %

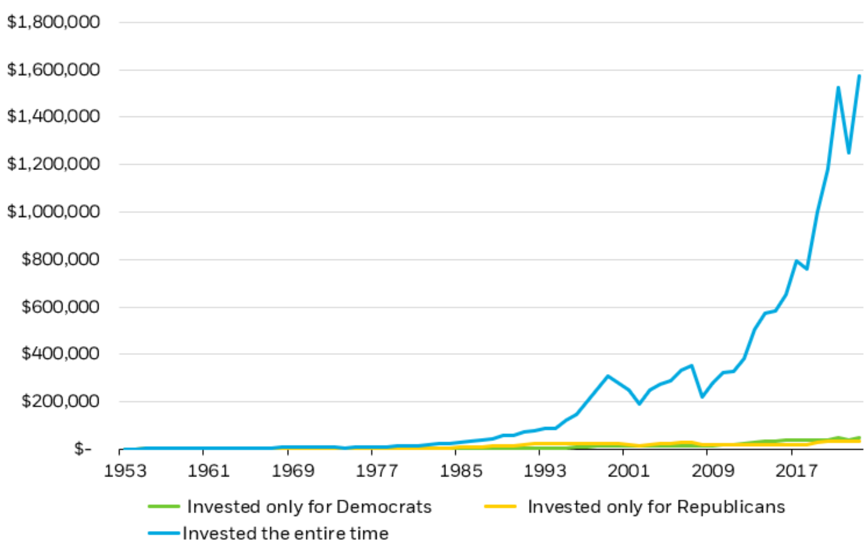


Sources: Morningstar Direct. As of September 30, 2024. Please refer to Important Disclosures for additional information.

STAYING INVESTED

Staying invested regardless of who becomes President has historically been the best strategy. History suggests fundamentals and valuation, as opposed to Presidential election outcome, are the more significant drivers of long-term returns.

Cumulative Historical Return of Staying Invested



Sources: BlackRock, Morningstar, as of December 31, 2023. Party presidency period determined by party presidency inauguration to next opposing party presidency inauguration. Stock market represented by the S&P 500 Index from 1/1/54 to 12/31/23.

S&P 500 Annualized Total Return by Presidential Election Term*

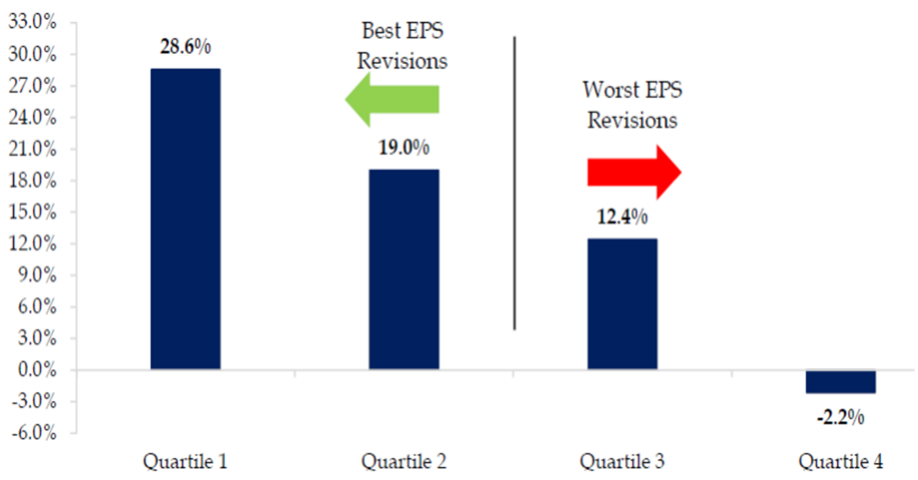
President	Return
Carter	12.0%
Reagan	15.1%
Bush 1	14.6%
Clinton	17.5%
Bush 2	-4.5%
Obama	16.3%
Trump	16.3%
Biden**	12.9%

Sources: Richard Bernstein Advisors LLC, Bloomberg Finance L.P. * Presidential Term measured by Inauguration dates. ** Biden returns are calculated through 8/31/2024.

EARNINGS MOMENTUM

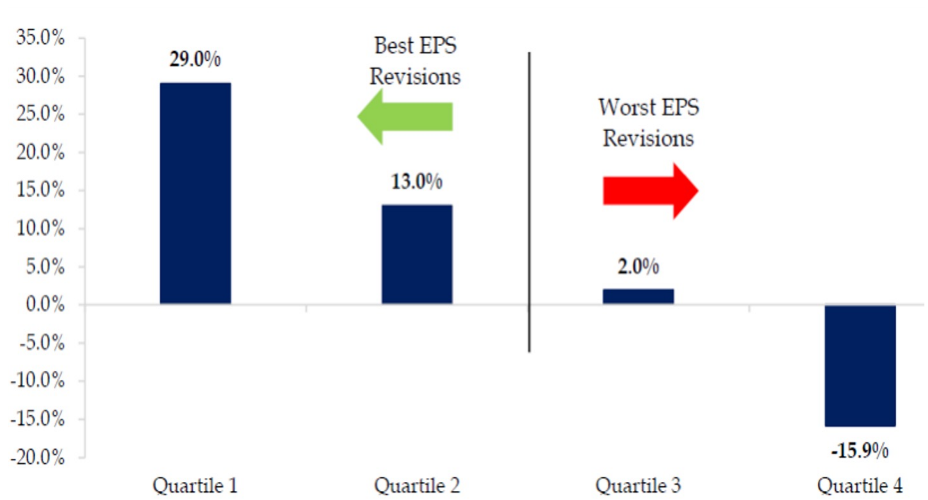
Breaking down the S&P 500 by earnings momentum quartiles shows a strong correlation between returns and earnings growth. On average, the companies with the best EPS revisions have seen the strongest returns YTD and vice versa. This trend is even more pronounced for smaller capitalization stocks. As you can see in the chart below, the S&P 600, an index of small cap stocks, has seen the strongest performance from companies with the best earnings revisions.

S&P 500 - YTD Total Return By % Change in 2024 EPS Revisions



Sources: Strategas Calculations, FactSet, Ex-Financials & Real Estate EPS Revisions = % Change in CY'24 EPS estimates from -6 month through 09/30/24.

S&P 600 - YTD Total Return By % Change in 2024 EPS Revisions



Sources: Strategas Calculations, FactSet, Ex-Financials & Real Estate EPS Revisions = % Change in CY'24 EPS estimates from -6 month through 09/30/24.

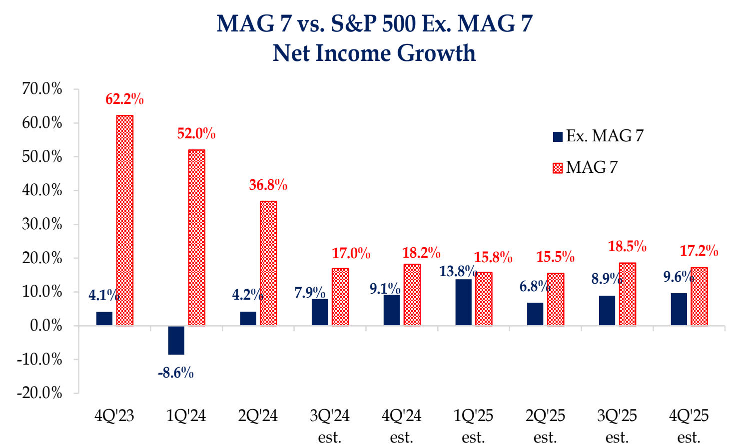
DIFFICULT TO FADE THE MAGNIFICENT 7

STILL STRONG

While the earnings growth differential between the Magnificent 7 and the rest of the market has narrowed, the 7 companies combined are still expected to grow earnings by double digits.

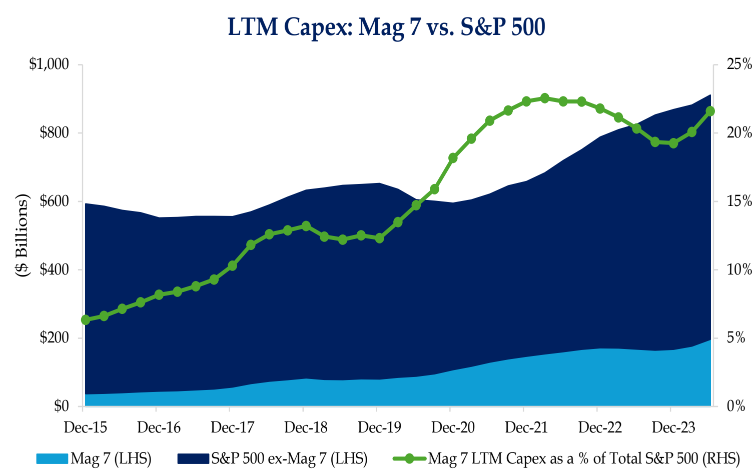
These 7 companies are able to ramp up their long-term investment at a faster rate given their substantial free cash flow and efficient access to capital markets.

Net Income Growth Remains Strong for the Magnificent 7



Source: Strategas, FactSet, As of 10/7/24

The Magnificent 7 Becoming a Greater Proportion of Long-Term Investment



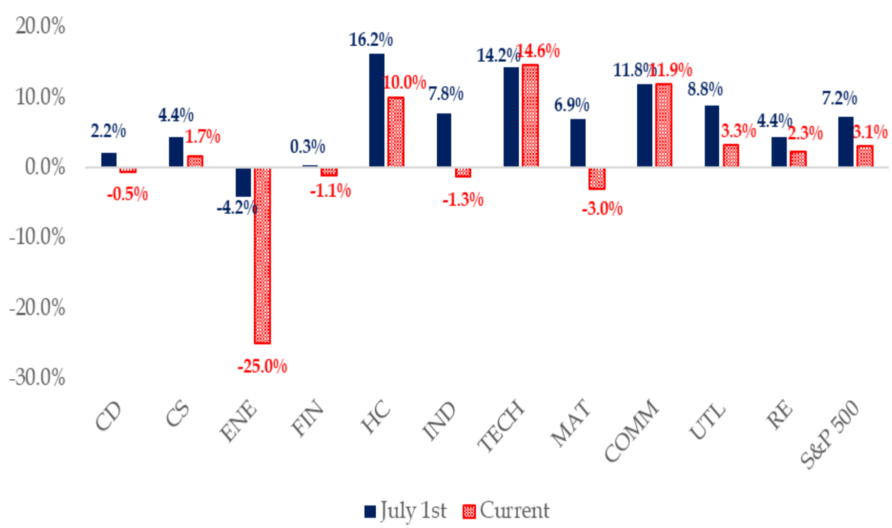
Source: Strategas, FactSet, Data as of 9/30/24

EARNINGS GROWTH ESTIMATES REVISED

We typically see earnings growth decelerate at the beginning of a Fed easing cycle. The Fed will begin cutting rates as it shifts its focus from inflation to slowing economic growth and slack in the labor market. 2025 earnings growth estimates are still at 15% year over year. We've seen a slight tick down in recent months. There is a risk that this estimate moves down further.

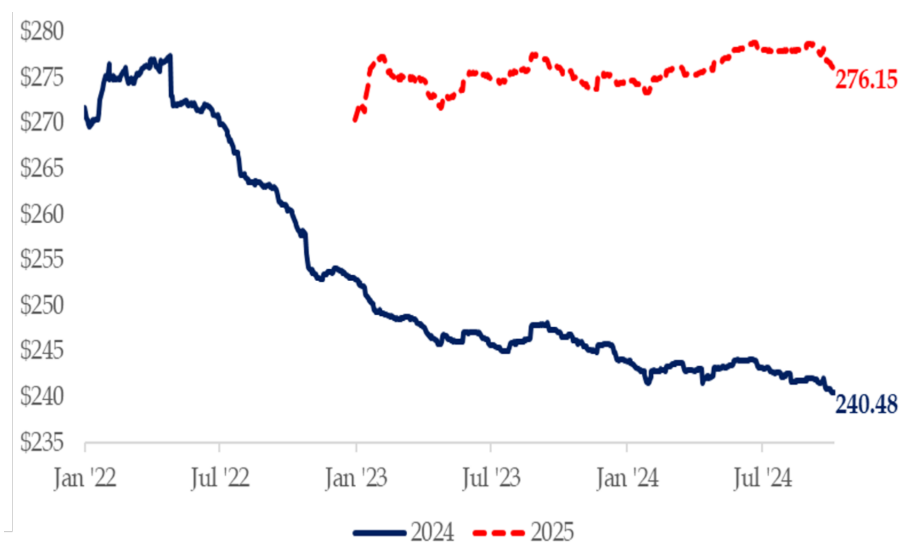
Q3 Earnings Growth Estimates Revised Downward

S&P 500 Q3 EPS Growth (July 1st vs Today)



2025 Earnings Growth Estimates Down from Prior Months

2024 & 2025 S&P 500 EPS Progression



Sources: FactSet, Strategas. Please refer to Important Disclosures for additional information.

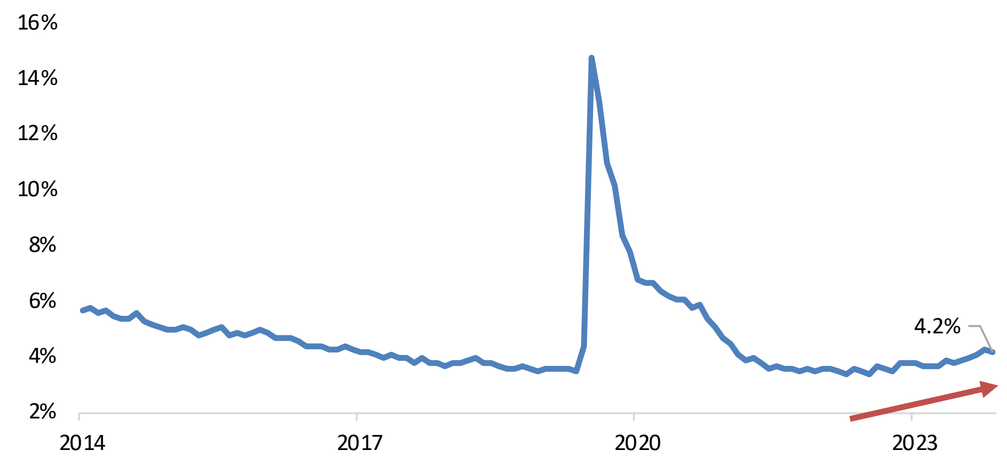
ECONOMY GROWING, WHILE SOME INDICATORS SOFTEN

ECONOMIC UPDATE

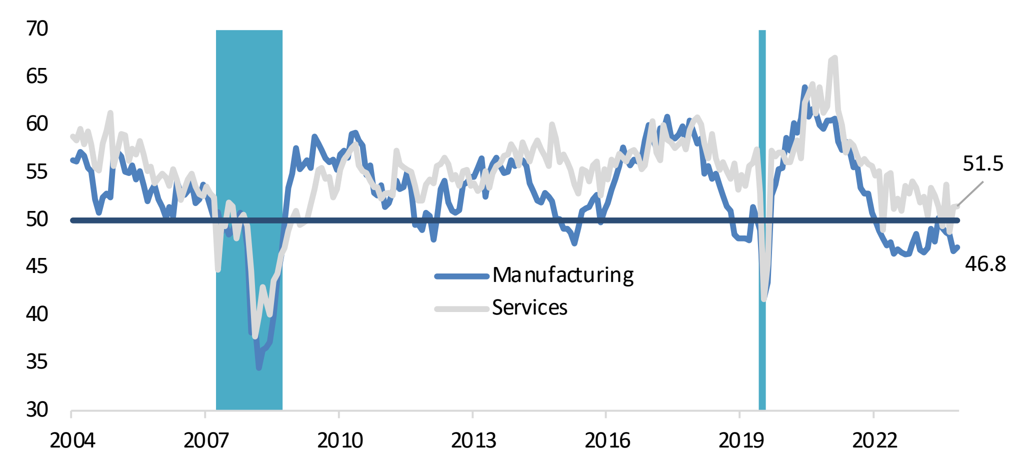
The labor market is still strong, but unemployment increased to 4.2% with the latest print. The Federal Reserve noted their concerns on unemployment in their recent decision to cut interest rates by 50 basis points.

The U.S. economy has remained resilient, but cracks are beginning to surface. The Manufacturing PMI level dipped below 50 while the Services PMI is just above it. Levels below 50 have historically been associated with economic weakness.

U.S. Unemployment Rate



U.S. Services and Manufacturing – PMI Levels



Sources: FactSet, ISM, ECRI. As of September 30, 2024. Blue bars indicate recession period. A level over 50 indicates expansion. Please refer to Important Disclosures for additional information.

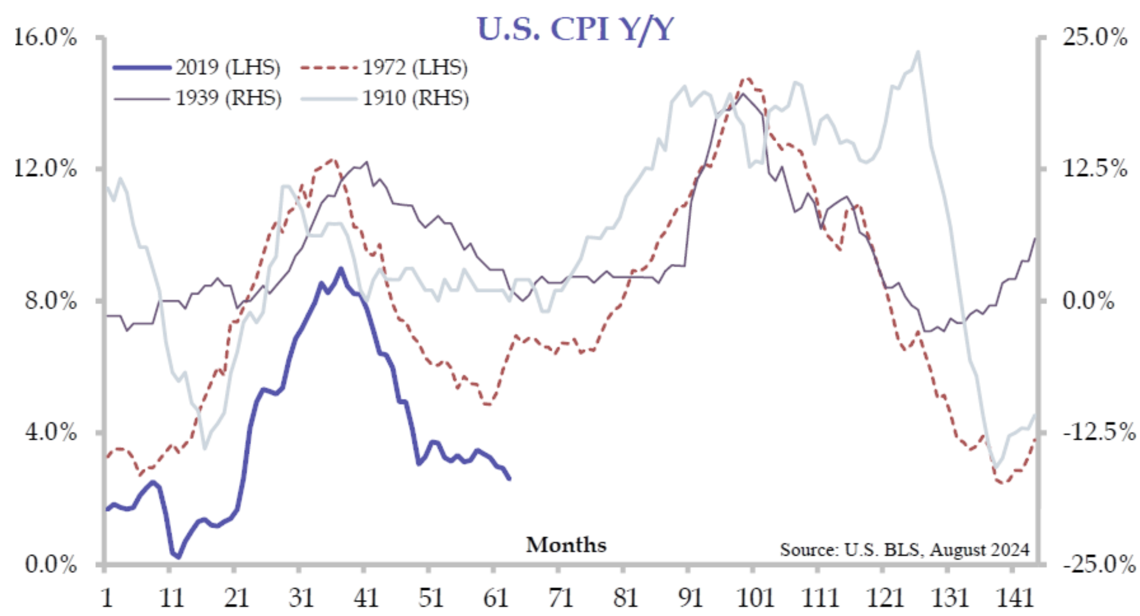
INFLATION HAS HISTORICALLY COME IN WAVES

INFLATION AN OUTLIER RISK

We have historically seen subsequent spikes in inflation once the initial inflation wave has subsided. The dark blue line in the chart to the right represents the most recent period of inflation.

While the Fed may have successfully stomped out inflation in the near term, they are not out of the woods yet.

Most Recent Inflation Trend Compared With Prior Episodes



Source: Strategas. Please refer to Important Disclosures for additional information.

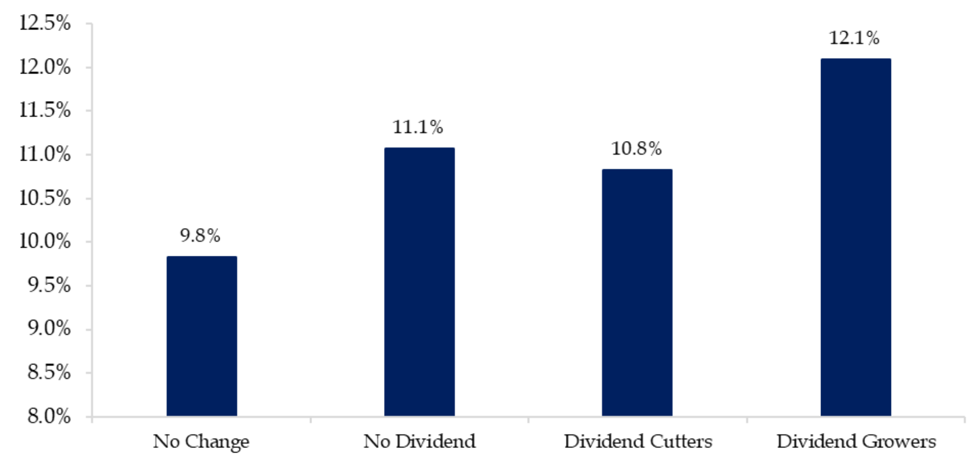
HISTORICAL RETURN & RISK OF DIVIDEND GROWERS

DIVIDEND GROWTH

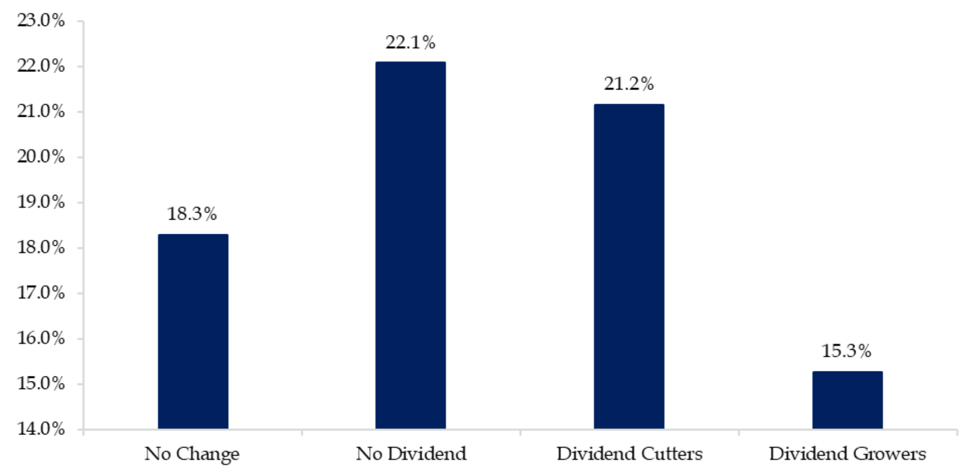
One way to be more selective in a market trading at a premium valuation is to lean in towards companies trading at a discount that are also able to grow their dividends over time.

Dividend growers have shown reduced volatility, as measured by standard deviation, over long-term time periods.

Annualized Return (January 1990-September 2024)



Standard Deviation (January 1990-September 2024)



Source: Strategas. Please refer to Important Disclosures for additional information.

UTILITIES NOW A GROWTH STORY

POWER DEMAND INCREASING

Utilities, a traditionally defensive sector, are becoming a secular growth story.

After seeing very little growth from 2015 – 2019, power demand from data centers is expected to more than triple through 2030.

The projected increase in AI electricity demand is roughly equivalent to adding 24 million homes, or 16% of the total housing stock, to the grid.

Reasonable valuations and lower rates are likely to provide further tailwinds.

Trends in electricity generation

Rolling 12 Month Total Net Electricity Generation
(thousand megawatt hours)

Sources: KKR, Masanet et al. (2020), Cisco, IEA, Goldman Sachs, Strategas. Please refer to Important Disclosures for additional information.

EXPECT VOLATILITY AFTER THE FIRST FED RATE CUT

FED CUTS PORTEND VOLATILITY

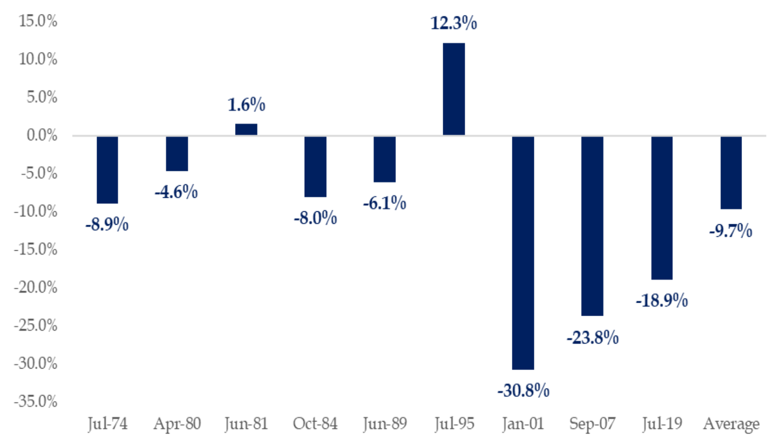
Historically, markets have seen volatility as the Fed begins cutting rates.

Earnings have exhibited declines in the 12 months after the first cut.

S&P 500 Performance 65 Days Before and After the First Rate Cut

First Cut Date	-65 Days	+ 65 Days
7/1/1974	-8.1%	-25.4%
4/1/1980	-3.5%	16.6%
6/1/1981	3.4%	-5.9%
10/2/1984	8.0%	1.2%
6/5/1989	12.1%	9.3%
7/6/1995	11.2%	5.8%
1/3/2001	-5.9%	-16.0%
9/18/2007	-0.4%	-3.9%
7/31/2019	0.8%	4.4%
Average	**2.0%**	**-1.5%**

Earnings Growth Has Typically Declined in the First 12 Months After the First Fed Rate Cut



Source: Strategas. Please refer to Important Disclosures for additional information.

MID-CAP EQUITY AFTER THE FED EASING

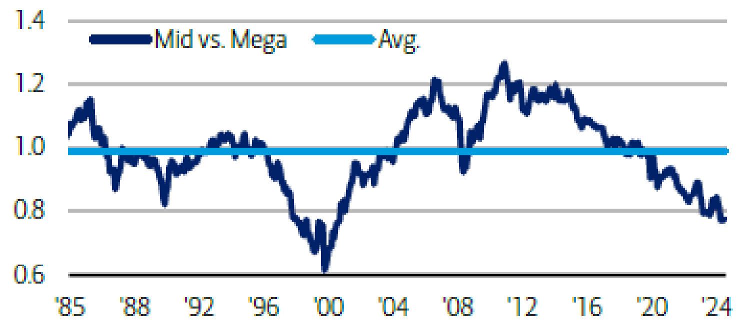
MID-CAP EQUITY

Valuation for mid-caps, as measured by the forward P/E ratio, is relatively attractive when compared to mega-cap companies.

Mid-caps have performed relatively well after the first Fed rate cut when comparing historical returns to both the S&P 500 and Russell 2000 indices.

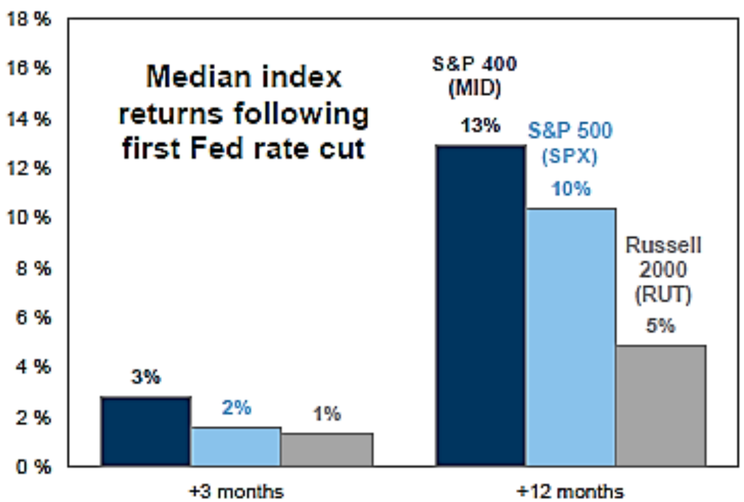
Balance sheet strength and earnings stability, in addition to attractive relative valuation, may bode well for mid-caps in the near term.

Relative Forward P/E of the Russell Midcap vs. the Russell Top 200



Sources: BofA U.S. Equity and Quant Strategy, FactSet.

Return Comparison After the First Fed Rate Cut



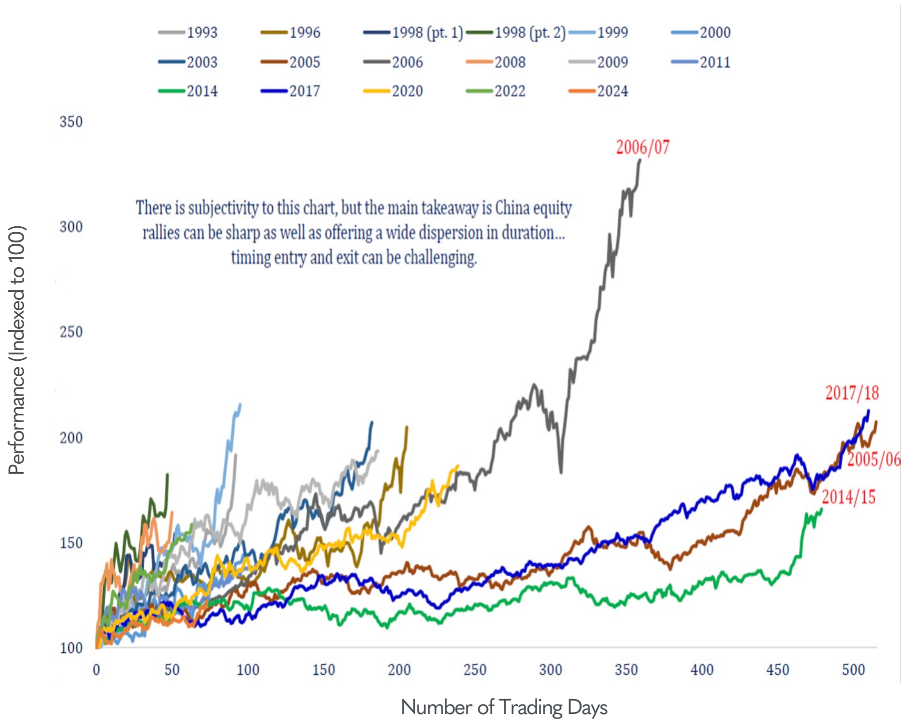
Sources: FactSet, Goldman Sachs – 8 episodes since 1984.

CHINA RALLIES ARE SHARP

While we are encouraged by the recent series of measures announced by the China central bank, we would need to see structural reforms and fiscal policy measures to pull China out of its balance sheet recession. Recent real estate data has continued to show weakness. We would keep an eye on the bond yields in China. We believe bonds will be a better indicator than equities to determine when China is finally recovering from its economic malaise.

Historical MSCI China Index Rallies

(data since 1993)



Global Equity Performance

(since 12/31/1992, in dollars)

	MSCI China	MSCI EAFE	S&P 500
Annualized Return	0.5%	6.5%	10.5%
# of Intra-Year 20% Corrections	22	10	6
# of Intra-Year 30% Corrections	14	4	3
# of Intra-Year 40% Corrections	6	1	1
Average Intra-Year Correction	-20.9%	-17.3%	-14.5%

Source: Strategas. Please refer to Important Disclosures for additional information.

PRIVATE REAL ESTATE DEBT OPPORTUNITY

PRIVATE REAL ESTATE

3 of the 4 largest bank failures occurred in 2023.

70% of all outstanding commercial real estate debt is held by small/regional banks.

There is a low probability that small/regional banks can or will be able to lend on commercial real estate to the same degree over the next 5 years.

An attractive investment opportunity has opened up for non-bank lenders as a result of traditional banks' tightening of underwriting standards and reductions in leverage.

"This is a problem we'll be working on for years more, I'm sure. There will be bank failures," – March 7, 2024, Jerome Powell, during a recent hearing.

2024-2025 CRE Loan Maturities Held at Banks

Property Type	Amount ($Bn)	% of Total
Office	263.0	30%
Multifamily	208.4	24%
Retail	152.6	18%
Other	93.8	11%
Lodging	76.8	9%
Industrial	74.3	9%
Total	$868.8	

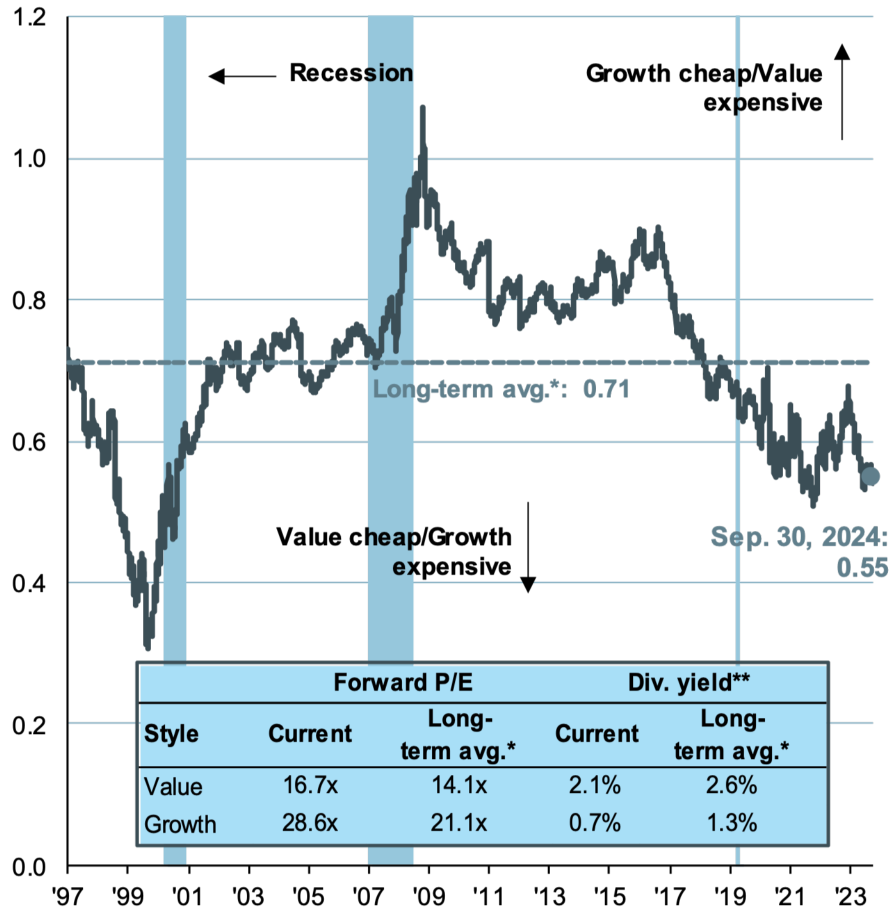
Recent Bank Stress Should Open Up Opportunities for Private Lenders

4 Largest U.S. Bank Failures[1]		
Bank	Year of Failure	Total Assets ($Bn)
Washington Mutual Bank	2008	307.0
First Republic Bank	2023	229.1
Silicon Valley Bank	2023	209.0
Signature Bank	2023	110.4
Total		$855.5

Source: Benefit Street Partners, Related. Please refer to Important Disclosures for additional information.

VALUE VS GROWTH

Value vs Growth – Relative Valuations
Relative Forward P/E Ratio of Value vs Growth, 1997- Present



	Forward P/E		Div. yield**	
Style	Current	Long-term avg.*	Current	Long-term avg.*
Value	16.7x	14.1x	2.1%	2.6%
Growth	28.6x	21.1x	0.7%	1.3%

Sources: FactSet, FTSE Russell, NBER, J.P. Morgan Asset Management. Growth is represented by the Russell 1000 Growth Index and Value is represented by the Russell 1000 Value Index. (Left) *Long-term averages are calculated monthly since December 1997. **Dividend yield is calculated as the next 12-month consensus dividend divided by most recent price. (Right) Returns are calculated by annualizing the average monthly performance during each interest rate range. Guide to the Markets – U.S. Data are as of September 30, 2024. Please refer to Important Disclosures for additional information.

INTERNATIONAL VALUATIONS

International: Price-to-earnings Discount vs. U.S.

MSCI All Country World ex-U.S. minus S&P 500, next 12 months

International: Difference in Dividend Yields vs. U.S.

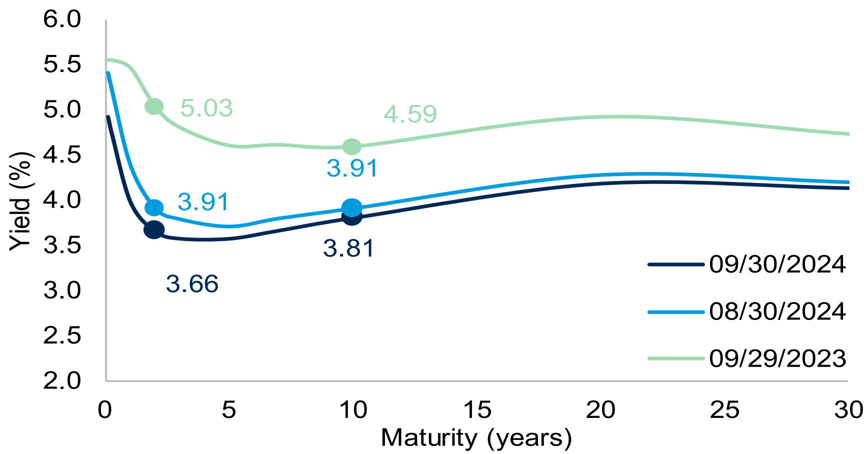
MSCI All Country World ex-U.S. minus S&P 500, next 12 months

Sources: FactSet, MSCI, Standard & Poor's, J.P. Morgan Asset Management. Guide to the Markets – U.S. Data as of September 30, 2024.

BOND MARKET HIGHLIGHTS

Yields have moved down since last year, as the labor market shows signs of weakness and inflation has come in below expectations.

U.S. Treasury Yield Curve



Treasury Curve Levels and the 2-10 Spread

Treasury Curve Levels (%) and Change (bps)	3M	1Y	2Y	5Y	10Y	2-10 Spread
9/30/2024	*4.73%*	*3.98%*	*3.66%*	*3.58%*	*3.81%*	*0.15%*
MTD Change	-48	-40	-25	-13	-10	15
YTD Change	-67	-81	-57	-26	-7	50
1-Year Change	-82	-148	-137	-102	-78	59

MORE FAVORABLE LONG-TERM RETURN OUTLOOK

The starting point for the U.S. 10-Year Treasury yield tends to be a good indicator of subsequent 10-year returns. Prospects for higher long-term returns within the Barclays Aggregate Bond index have improved meaningfully from the past few years.

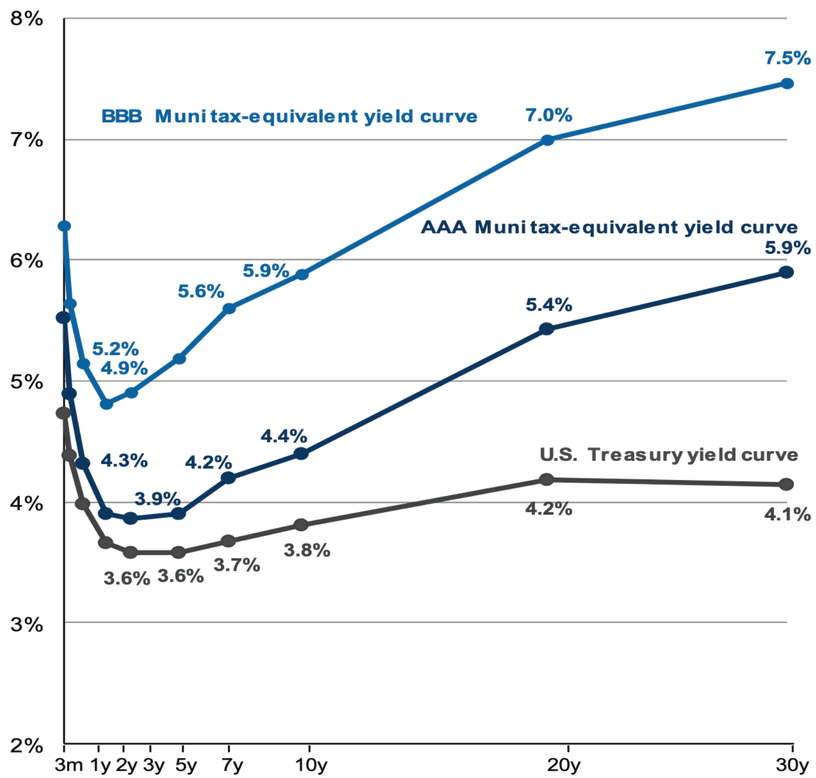
Treasury Yields and Subsequent Fixed Income Performance

Sources: FactSet, Morningstar Direct, Fiducient Advisors. For the period 1/1/76 to 9/30/24. Please refer to Important Disclosures for additional information.

MUNICIPAL BOND ANALYSIS

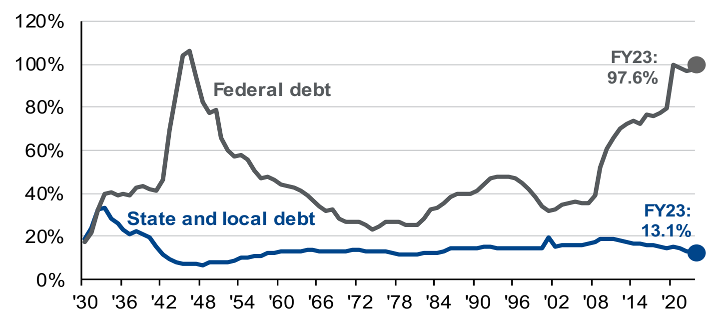
Municipal Bonds present relative yield advantages on a tax equivalent basis. State and local debt are at reasonable levels vs. federal net debt as a % of GDP.

Muni Tax-Equivalent and U.S. Treasury Yield Curves



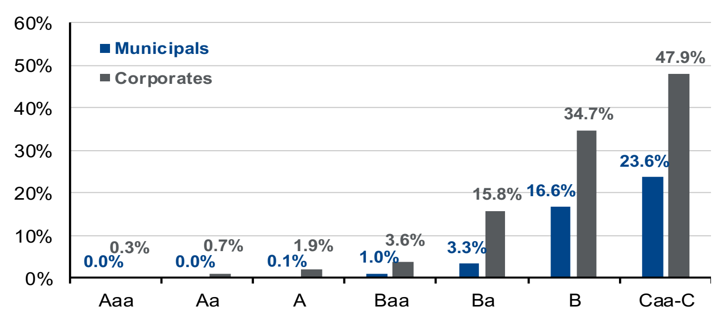
State, Local, and Federal Net Debt

% of GDP, 1930-2023, end of fiscal year



Muni and Corporate Default Rates

% of issuers defaulting within 10 years, 1970-2022

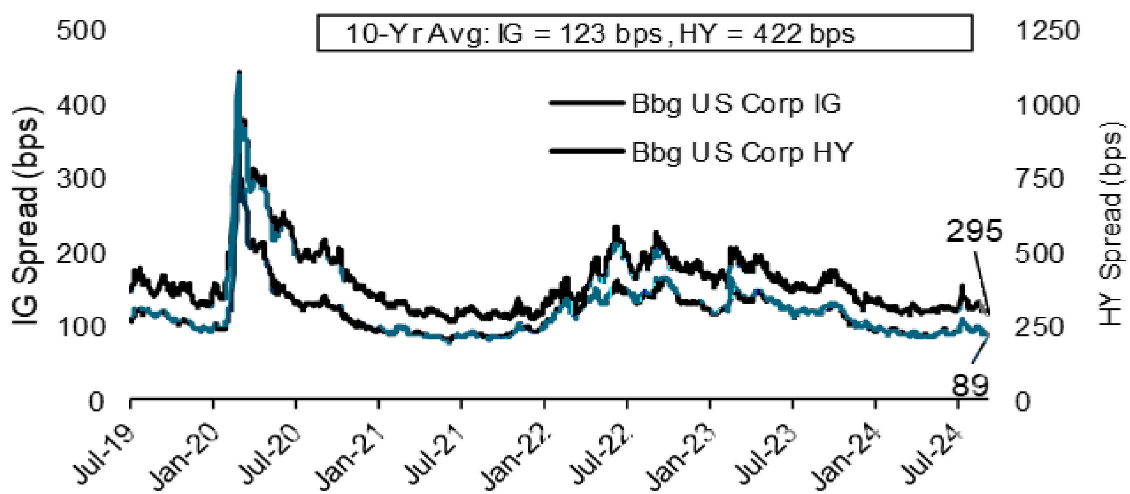


Sources: J.P. Morgan Asset Management; (Left) Bloomberg, FactSet, Federal Reserve, S&P Global; (Top right) Census Bureau, Congressional Budget Office (CBO); (Bottom right) Moody's U.S. Public Finance: U.S. municipal bond defaults and recoveries, 1970 to 2022. Municipal tax-equivalent yields are calculated based on municipal bond curves for each credit rating according to S&P Global and assume a top-income tax bracket rate of 37% plus a Medicare tax rate of 3.8% for a total tax rate of 40.8%. State and local debt are based on the Census Bureau's Annual Survey of State and Local Government Finances. Municipal and corporate default rates are the average cumulative default rate over a 10-year horizon as calculated by Moody's using data from issuances through 2013. Guide to the Markets – U.S. Data are as of September 30, 2024.

CORPORATE BOND SPREAD ANALYSIS

Valuations remain elevated (tighter spreads) within the corporate credit market. Continued demand, favorable fundamentals and increasing optimism around a soft-landing scenario have provided a tailwind.

Corporate Market Spreads —Trailing 5 Years[1]



Source: FactSet. As of September 30, 2024.

Source: FactSet. Fiducient Advisors. [1]Data as of September 30, 2024. Please refer to Important Disclosures for additional information.

EQUITY ASSET CLASSES

U.S. LARGE CAP
NEUTRAL

RATIONALE Sector rotation was prevalent in the third quarter, as investors anticipated Fed easing and interest rate sensitive stocks rallied. We discussed some of these sectors in our prior Outlook and would now tilt our attention to other areas of the market, including cyclical companies that have high earnings quality with tailwinds from onshoring or the AI infrastructure build out. While the market at the index level continues to trade at a premium, valuations are more reasonable underneath the surface. Stocks outside of the top 10 largest in the index are trading at 18x. Sectors such as utilities can play a dual role as secular growers, due to increasing power demand from AI, and defensive plays, given their predictable revenue streams.

RISK The top-heavy S&P 500 is trading at a relatively high forward earnings multiple. If the economy weakens and/or corporate earnings come in lighter than expected, stocks could sell off. If inflation sticks around and the Fed reiterates the higher for longer narrative, frothy mega-cap stocks could struggle.

U.S. MID & SMALL CAP
NEUTRAL

RATIONALE The lagged effect of high interest rates combined with slowing economic momentum will be a headwind for smaller companies reliant on floating rate debt to drive growth. While valuations remain attractive relative to large-cap equities, the quality of earnings remains a weak spot. Mid-cap securities may offer the best of both worlds, with valuations selling at a discount vs. large-cap and earnings higher in quality vs. small-cap. Earnings estimates have held up better for mid-cap vs. small-cap equity, and the opportunity set isn't as susceptible to a spike in interest rates. We believe selectivity is key. We would become more constructive on this asset class if the economy reaccelerates and earnings momentum picks up steam.

RISK Valuation can be an inaccurate mechanism for gauging near-term market performance, so small and mid-cap stocks could revert to stock market laggards if rates remain high and earnings don't materialize. If rates stay higher for longer, some companies face the prospect of issuing more debt in a higher rate environment.

INTERNATIONAL
FAVORABLE

RATIONALE Global markets have put a premium on U.S. technology companies driving innovation and new artificial intelligence capabilities. We would remind investors the adopters of this innovation also stand to benefit. An eventual erosion on the premium placed on technology innovators may also shift relative performance globally. Regarding fundamentals and valuation, high dividend yields tied to high quality earnings can be had at a discount in markets such as the U.K. Japan continues to press for more friendly shareholder policies, while several companies in Japan are trading below long-term price to book metrics. Further corporate governance reforms, buyback activity, and positive trends in profit margins continue to bode well for Japan.

RISK If inflation sticks in the U.S. and rates don't go down as much as anticipated, the U.S. dollar could pivot and start to rise again, hurting overseas equities. Increased geopolitical uncertainty and its effect on commodity prices may have an outsized impact on the Eurozone.

EMERGING MARKETS
UNFAVORABLE

RATIONALE Recent announcements by the China central bank to jump start the economy have led to outperformance by the broader emerging markets index. We continue to believe a "wait and see" approach to China makes sense. While the timing and comprehensiveness of the announced stimulus plans may indicate a policy bottom, we remind ourselves that action speaks louder than words. We've seen China equities rally many times before, only to give back gains after a few short months once follow through action underwhelms. Structural reforms and fiscal stimulus targeted towards stimulating demand are needed to stem the ongoing economic malaise. Outside of China, countries in Emerging Asia should benefit from supply chain diversification efforts by both China and the U.S.

RISK If the dollar weakens, EM stocks should benefit. Second, China is a large portion of the index, so how the economy and markets perform there continues to have outsized impact on the asset class.

Source: Bloomberg. Please refer to Important Disclosures for additional information.

FIXED INCOME ASSET CLASSES

CORE FIXED INCOME
FAVORABLE

RATIONALE Investors have been rewarded by leaning into the short end of the Treasury curve, earning yields greater than 5%. We would extend duration to lock in higher yields. Economic weakness may portend lower rates, creating total return opportunities within intermediate duration bond strategies. We believe return outcomes are skewed in a positive fashion – securities with intermediate maturities have downside protection given current yields, with positive upside potential in the case of falling rates.

RISK This much excitement around Fed rate cuts introduces increased volatility and the opportunity for markets to quickly move away from investors in a scenario where the Fed maintains rates higher for longer. Longer duration bonds are more vulnerable in this scenario. Risk is also found on the individual corporate bond level. Spreads have come in meaningfully over treasuries. Ratings downgrades have increased broadly and may serve as a signal for investors to continue to pursue issues with cash rich balance sheets.

OPPORTUNISTIC CREDIT
UNFAVORABLE

RATIONALE We acknowledge that a soft-landing scenario is positive for opportunistic credit, although we believe yield spreads and bank loan discount margins largely reflect this scenario. High yield bond issuers face the prospect of having to refinance at higher rates after taking advantage of a much lower rate environment in prior years. Even with a Fed that's easing, issuers may have to refinance at higher rates, especially if credit spreads widen.

High yield corporate bond spreads are tighter relative to historical averages vs. bank loan discount margins. This is partly due to expectations of higher defaults for bank loans relative to high yield bonds. Floating rate borrowers will get some relief from lower reference rates, although we believe the resilience of earnings will ultimately drive outcomes.

Dislocation funds that can be tactical around any sudden rise in yield spreads are one way to approach an environment that's pricing in a soft landing with volatility and policy uncertainty expected to rise. For more liquid structures, we would continue to tilt towards higher rated issuers and senior positions in the capital structure.

RISK An economic scenario where inflation comes down and earnings growth surprises to the upside would likely lead to further spread narrowing and continued strength within opportunistic credit.

Source: Bloomberg. Please refer to Important Disclosures for additional information.

NON-CORE ASSET CLASSES

REAL ASSETS & INFRASTRUCTURE
FAVORABLE

RATIONALE Fiscal spending designed to spur investment into infrastructure could be a boon to real assets. If inflation is harder to stomp than the market currently expects, this could give way to a secular shift in pricing. Targeted cost controls and supportive funding provides optimism for infrastructure related securities.

The data center infrastructure market is expected to grow in the mid-teens over the next few years. Utilities and Industrials have strong tailwinds from government investment into renewable energy and climate related initiatives. This asset class may serve not only as a buffer against inflation, but also as a way to play accelerating growth. The Inflation Reduction Act and insatiable demand for AI should serve as tailwinds to this growth. Private markets can be one way to add real assets and infrastructure exposure. We expect real assets to play a greater role in achieving absolute returns and diversifying portfolios.

RISK Key risk considerations for this asset class rely on the Fed's ability to secure the soft-landing or no-landing scenario. In a recessionary or deflationary scenario, hard assets could be vulnerable. Within REITs, if financial conditions remain tight, certain borrowers could struggle to refinance maturing debt, especially in stressed areas like commercial office. However, if rates come down while economic growth remains, it should present the conditions necessary for both publicly traded real estate securities and private real estate to rebound.

ALTERNATIVES
FAVORABLE

RATIONALE As we head into election day, our expectation is for an uptick in volatility and return dispersion, as investment managers try to position for greater uncertainty surrounding the future course of monetary and fiscal policy. An outlier risk that the market seems to be underestimating is a second wave of inflation. Historically, when monetary and fiscal policy are out of sync and consumers are still digesting recent price hikes, renewed bouts of inflation can ensue. We believe staying hedged during heightened policy risk makes sense. Increased volatility should lead to investors becoming more discerning in their security selection, creating opportunities to profit from price declines. Relative value strategies – e.g. strategies that are able to go long and short across the capital structure - should benefit from increased dispersion across markets.

RISK The risk to macro or long/short alternative strategies is illuminated by a Federal Reserve that is frequently adjusting their assessment of where inflation and rates should be in the future, and therefore, prone to changing course. The risk of government policy error is high, so hedging strategies should take this into account in overall positioning.

Source: Bloomberg. Please refer to Important Disclosures for additional information.

KEY WEALTH STRATEGY REMINDERS Q4

Another year is winding down and let's be honest, the landscape ahead is anything but simple.

You may feel the weight of "planning fatigue" as reminders of what needs to be tackled before the end of 2025 (or even sooner) continue to fill your inbox. It's easy to feel overwhelmed by the weight of expectations and deadlines.

We would like to share another perspective. Important and impactful moments often come in small packages. Don't overlook the little things.

With that in mind, we'd like to share some simple year-end reminders on the following page.

Please remember, your Edge Advisors are always ready to help you navigate planning complexities. If you need us, we're here for you..

Projected in 2025

Projected unified estate and gift tax exclusion per person in 2025	$13,990,000 ($13,610,000 in 2024)
Projected gift tax annual exclusion per person in 2025	$19,000 ($18,000 in 2024)

Sources: Thomsonreuters.com. Please refer to Important Disclosures for additional firm information.

KEY WEALTH STRATEGY REMINDERS Q4

Tax Management

Keep up with estimated tax payments. The clock is ticking on penalties and the interest rate is historically high (8%).

Share your 2024 tax budget & 2023 return with your Edge team to enable more tax-efficient portfolio management, including rebalancing & tax-loss harvesting.

Your tax budget includes information on realized gain & losses for the year, estimated annual income, and/or any unused loss carryovers etc.

If you are experiencing an unusual taxable income year, consider ways to defer or accelerate income or deductions.

Retirement Planning

Remember to consider all retirement investments when calculating your annual Required Minimum Distribution (RMD) to avoid unnecessary penalties.

In most cases an annual distribution is required or advisable for Beneficiary IRAs.

Review your Medicare drug coverage annually.

Maximize your employer plan contributions or make a "back door" Roth contribution.

A two for one: manage taxes *and* plan for retirement with a partial or full Roth conversion.

Charitable Giving

Charitable donations can be made in cash. However, donate the equivalent value of low basis stock to avoid capital gains tax.

"Gift Bunching" is relatively easy with a Donor Advised Fund (DAF). A donation to a DAF is eligible for an immediate tax deduction, but flexibility is allowed for timing and selection of gifts to charity.

You can name your DAF "Family Foundation" without establishing an actual family foundation..

A two for one: handle your annual RMD and give to charity with a Qualified Charitable Distribution.

Estate and Family Planning

The annual gift tax exclusion per giftee is $18,000 in 2024. This can be doubled when gift splitting with your spouse is elected.

Annual gifting can be "supercharged" with a 5-year gift to a 529 plan.

Direct payments to medical or educational institutions on behalf of another individual are not considered taxable gifts.

A three for one: maximize your contribution to your Healthcare Savings Account (HSA) for a tax deduction, resource for medical expenses, and additional retirement funding resource.

Sources: IRS.gov; Fiducient. Please refer to Important Disclosures for additional firm information.

DISCLOSURES

Investments carry the risk of loss, including the potential loss of capital invested, which clients should be prepared to bear. Past performance may not be indicative of future results.

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Since each portfolio will be tailored to the specific client's unique investment objectives and tolerance for risk, a client's actual portfolio and investment objective(s) for accounts managed by Edge may look significantly different from this or other models, as appropriate.

Index information reflects the reinvestment of dividends and is included merely to show the general trend in the equity markets for the periods indicated. It is impossible to invest directly in an index.

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The external data presented in this report have been obtained from independent sources (as noted) and are believed to be accurate, but no independent verification hzqas been made and accuracy is not guaranteed.

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When referencing asset class returns or statistics, the following indices are used to represent those asset classes. Each index is unmanaged and investors can not actually invest directly into an index: Cash - Citigroup 90 Day T-Bill; TIPS - Bloomberg Barclays US Treasury; TIPS; Municipals - Bloomberg Barclays Muni Bond 5-Year; High Yield Municipals - Bloomberg Barclays High Yield Muni Bond; Aggregate Bond - Bloomberg Barclays US Aggregate Bond Index; High Yield - Bloomberg Barclays US Corporate High Yield; Foreign Bond - Bloomberg Barclays Global Aggregate Ex USD; Emerging Debt - JPMorgan GBI-EM Global Diversified Unhedged Index; Large Value - Russell 1000 Value; Large Blend - S&P 500; Large Growth - Russell 1000 Growth; Small Value - Russell 2000 Value; Small Blend - Russell 2000; Small Growth - Russell 2000 Growth; International - MSCI EAFE; Emerging Markets - MSCI EM; Domestic REITs - FTSE NAREIT Equity REITs; Global REITS - S&P Developed World Property; Commodities - Bloomberg Commodity Index; MLP - Alerian MLP; Hedge Funds - HFRI Fund of Funds Composite Index; Balanced^ - 3% Bloomberg Barclays US Treasury TIPS, 31% Bloomberg Barclays US Aggregate Bond Index, 1.5% Bloomberg Barclays Global Aggregate Ex USD, 1.5% Bloomberg Barclays Global Aggregate Ex SD (Hedged), 4% Bloomberg Barclays US Corporate High Yield, 2% JPMorgan GBI-EM Global Diversified Unhedged Index, 17% S&P 500, 6% Russell 2000, 15% MSCI EAFE, 7% MSCI EM, 3% FTSE NAREIT Equity REITs, 2% Bloomberg Commodity Index, 5% Alerian MLP, 2% Citigroup 3 Month T-Bill