GREENLEAF® TRUST

Perspectives

A Greenleaf Trust Newsletter

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Michael F. Odar, CFA®
President
Chief Executive Officer

Succession Planning and Recognition

In order to achieve our goal of serving clients from generation to generation, we need to ensure we not only have the financial strength and stability to do so, but equally critical is making sure we have the right talent in the right roles. That is why as we have matured and grown over the last 25 years, so has our focus on thoughtful succession planning.

Proper succession planning ensures business continuity. Our board of directors approves our formal plan for the Chair, Vice Chair, and President/CEO. Our planning efforts, though, go well beyond executive leadership to include everyone in our company. They involve both a position and person perspective. From the person perspective, they start when new teammates join the company and begin working with their coaches on their specific path and development plans. Since our preference is to promote from within, talent development is an important part of the planning process. Purposeful development of talent, open communication, and continuous review of individual succession plans allows us to better anticipate and accommodate future transitions that can be either known or unknown.

Our succession plan is being put to use this year with the following announcements. In each case, thoughtful succession plans have been implemented. Please join me in congratulating and thanking three of our valued team members who will be retiring at the end of 2023.

Doug Bajor joined Greenleaf Trust four years ago as a senior wealth management advisor in our Birmingham, Michigan office. Doug specializes in the development of comprehensive wealth management plans, execution of goals-based planning strategies, and management of client investment portfolios. He is a Chartered Financial Analyst, a Certified Public Accountant, and a Certified Financial Planner™ professional. Doug will now have more time for running (he has completed over 60 marathons across several different countries), going to Tigers games, and spending time with his wife and their beloved adopted greyhound, Gracie.

Succession Planning and Recognition, continued

"We wish Doug Bajor, Mary Schiffhauer, and Jennie Billings the best."

Mary Schiffhauer joined Greenleaf Trust 13 years ago and currently serves clients as a senior trust operations specialist, client accounts. In our Operations Division, Mary has worn many hats and made an impact wearing each of them. Her current primary responsibilities include document preparation, account opening and maintenance, and assisting the client centric team with the administration of their accounts. Mary has worked remotely for us in Florida for over five years and has been a consistent supportive leader, mentor, and teammate. She is looking forward to fully enjoying all Florida has to offer and more time with her new grandson.

Jennifer Billings has been with Greenleaf Trust ever since we opened our doors 25 years ago. She was instrumental in the establishment of our bank and has served as our director of operations, director of compliance, and valued member of our executive leadership team over that timeframe. Currently, Jennie is responsible for the coordination of internal and independent audits, oversight of compliance, implementation of regulations and internal training and process improvement. I know she is also excited to spend more time with family, especially her grandchildren.

We wish Doug, Mary, and Jennie the best. They will always be part of the Greenleaf Trust family.

Economic Commentary

Nicholas A. Juhle, CFA®
Chief Investment Officer

The fourth quarter is underway and somehow the end of the year is in sight. While economic momentum remained robust in the third quarter, the markets, forward looking as they are, began pricing for a new set of risks as the fourth quarter approached. Softness continued in October with the S&P 500 stock index down about 2% and core bonds down roughly 1% amid rapidly rising interest rates. Despite the recent weakness, it is important to note that the S&P 500 is up 10% and core bonds are up 1% over the last year as 2023 continues to trend quite favorably compared to 2022.

Throughout most of 2023, the outlook for real US GDP growth has steadily improved. Economists' forecasts for GDP growth rose solidly throughout the third quarter. As we head into the fourth quarter, a confluence of potential headwinds complicates the outlook.

Entering Q3, the median economist forecasted 0% growth for Q3 and a 0.5% decline for Q4. Today, we know that the economy actually expanded 4.9% in Q3 with 0.8% growth forecast in Q4 (all figures are presented as quarter-over-quarter seasonally adjusted annualized growth rates). Based on current projections, the first quarter of 2024 is now forecast to mark the near-term "low" point in the cycle with growth of 0.2%. Over the last several months, the economic "valley" has gotten shallower and pushed further into the future.

> "Throughout most of 2023, the outlook for real US GDP growth has steadily improved."

As the fourth quarter unfolds, we continue to monitor four converging risks that threaten continued growth. These risks include the implications of:

1. Rising oil and gas prices
2. A potential government shutdown
3. Resumption of student loan repayments
4. United Auto Workers' strike

These concerns have the potential to hamper fourth quarter growth and the outlook for 2024 by a little, or a lot, depending on the extent of the combined fallout.

RISING OIL AND GAS PRICES: Oil prices rose sharply during the third quarter from approximately $70 per barrel in June to a peak of nearly $94 per barrel in September. In October, prices remained volatile, but moderated to around $81 a barrel in spite of the outbreak of war in Israel. Of course rising oil prices correlate highly with higher prices at the pump which peaked around $4.00 per gallon (national average) before retreating to around $3.65 in October. Higher oil and gas prices threaten consumer spending in discretionary categories and contribute to inflation, particularly food inflation, as higher transportation costs are passed on to consumers.

Economic Commentary, continued

POTENTIAL GOVERNMENT SHUTDOWN: Just hours before a shutdown scheduled for October 1, House Republicans and Democrats struck a surprise deal to fund the government for another 45 days. While not a permanent solution, the deal allows the House and Senate to work on a more comprehensive funding plan. Unfortunately, the House was mostly inactive from October 3 through October 25 when the office of Speaker of the House stood vacant. Now that a new speaker has been elected, lawmakers must work toward a comprehensive funding plan against a fast-approaching November 17 deadline.

RESUMPTION OF STUDENT LOAN REPAYMENTS: The potential impact of resuming student loan repayments is perhaps the easiest risk to quantify. Average monthly student loan payments are estimated at $200-$350 per month per borrower, which equates to total additional collections of $5B-$6B per month, or $60B-$70B per year. If we assume that every dollar used to repay student loans would have otherwise been spent (not saved, not invested) then we might see a 0.4%-0.5% reduction in annual personal consumption expenditures. This reduction would have a direct impact on the 68% of the US economy driven by consumer spending. We should get a first glimpse into the drag created by student loan repayments with October retail sales figures due out in November.

> "The United Auto Workers' (UAW) strike against the Big Three automakers appears to be nearing resolution..."

UNITED AUTO WORKERS' STRIKE: The United Auto Workers' (UAW) strike against the Big Three automakers appears to be nearing resolution, which is good news considering the severity of its impact should depend on how protracted the demonstration becomes. Without resolution, impacts to the economy could potentially include reduced spending by striking workers who aren't receiving paychecks as well as an inflationary effect on new and used vehicle prices.

Our analysis suggests that, collectively, these four events could negatively impact fourth quarter growth by anywhere from 0.25% to 1.5%. Current forecasts call for quarter over quarter deceleration of about 4.0%, but it is not clear how much of the anticipated slowdown is attributable to these or other factors. Fortunately, the labor market remains strong, the consumer remains on reasonably solid footing, and inflation is well off of peak levels.

US hiring unexpectedly surged in September by the most since January, highlighting continued resiliency of the labor market. The US economy added 336K jobs in September, nearly doubling expectations of +170K, accelerating from +227K in August (revised up from 187K originally reported) and +157K in July. US employment has grown by an average of 259K jobs per month in 2023, moderating from an average of 400K per month in 2022. Wage growth decelerated marginally with average hourly earnings up 4.2% over the last year (compared to 4.3% in

August) and 0.2% month-over-month (in line with August and below expectations of +0.3%).

The most recent retail sales report from the month of September came in better than expected as well, underscoring the resiliency of consumer demand exiting the third quarter. Adjusted for inflation, retail spending increased 0.3% compared to August and 0.1% year-over-year. The advance showcases a gainfully employed American consumer that continues to spend money in spite of rising interest rates and stubborn inflation. Investors and economists will pay close attention to the October retail sales report, set to be released in November, looking for any indications that the restart of student loan payments is having a negative impact on consumer demand.

Turning to inflation, September data reported in October showed the Consumer Price Index (CPI) rose at 3.7% (year-over-year) for a second straight month. While the result is much improved from the June 2022 peak of 9.1%, it also marks a bump up from a recent low of 3.0% in June 2023. At +7.2% year-over-year, shelter costs decelerated slightly from +7.3% in August and a peak of 8.2% in March 2023. We continue to keep a close eye on shelter costs, which represent nearly one third of the CPI basket and tend to impact the index with a lag.

The crosscurrents affecting the US economy make the monetary policy-making environment exceptionally tenuous. In their efforts to facilitate a soft landing, Fed officials must continue to pursue a 2% inflation target, possibly keeping interest rates higher for an extended period, while considering external headwinds owing to higher oil prices, a potential government shutdown, student loan repayments and the UAW strike. On November 1, policymakers maintained the Federal Funds Rate target at 5.25%-5.50%, as expected. As it stands, the market is pricing in 25% odds of another hike in December with cuts priced in beginning with the May 2024 meeting.

We will continue to monitor headline events and economic health in the fourth quarter and look forward to sharing our perspective as the narrative evolves. As always, we encourage investors to lean on discipline and the benefit of a long time horizon during periods of uncertainty. On behalf of the entire team, thank you for allowing us to serve on your behalf.

"The most recent retail sales report from the month of September came in better than expected... underscoring the resiliency of consumer demand..."

George F. Bearup, J.D.
Senior Legal Trust Advisor

Surprise! Your Irrevocable Trust May Still Be Revocable

When an individual creates an irrevocable trust, often the drafting attorney will remind the trust's creator, "You understand, this is an irrevocable trust that cannot be changed, right?" That is often the impression left with the trust's creator — once their trust is signed and assets are transferred to it, it's "locked in place." Right or wrong, that conclusion may not entirely be accurate.

For a few decades now, the laws that govern trusts have evolved to permit the modification, and sometimes even the early termination, of an irrevocable trust. This evolution is reflected in Michigan's Trust Code, which contains several different sections that authorize the modification or termination of an irrevocable trust, either through probate court proceedings or, in a couple of situations, without the probate court's involvement. In recent years, Michigan also enacted another statute that permits the trustee to modify the terms of an irrevocable trust by decanting (i.e., transferring) the trust's assets to a new trust that is created by the trustee. A decanting requires only a simple notice to the existing trust beneficiaries of the trustee's intention to exercise its decanting authority.

"For a few decades now, the laws that govern trusts have evolved to permit the modification, and sometimes even the early termination, of an irrevocable trust."

This trend that authorizes the modification, or possibly early termination, of an irrevocable trust is a reflection that more trusts these days are of long duration intended to circumvent the federal transfer tax laws by "wrapping" inheritable assets in a long-term trust that beneficiaries may use and enjoy but never actually own, thus avoiding the imposition of federal estate taxes when a child or grandchild dies. However, with long-term trusts come the reality that tax laws and the circumstances of individual beneficiaries frequently do change, leading to the need to make the trust instrument flexible in order to adapt to those changes long into the future.

Michigan's laws that can be used to alter the terms of an irrevocable trust include:

<u>Trust Reformation — Mistakes:</u> The terms of a trust can be reformed, even if those terms are unambiguous, in order to make those terms consistent with the trust creator's intent, but only if there is clear and convincing evidence that both the creator's intent and the trust's terms were affected by a mistake of fact or law. If the evidentiary burden is met, a trust reformation has retroactive effect to the date when the trust was first created. A trust reformation is often used when the

goal is to achieve certain tax consequences with the trust, since a trust reformation will normally be binding on the IRS. In contrast, a trust modification normally does not have retroactive effect.

Inefficient Trust: If a trust consists of property that has a total value of less than $91,000 (in 2023, which is indexed annually for inflation), the trustee can terminate the trust if the trustee concludes that the value of the trust property is insufficient to justify the cost to continue to administer the trust. Alternatively, the probate court can modify or terminate the trust if the probate judge reaches the same conclusion.

Achieve Tax Objectives — Probable Intention: In order to achieve the trust creator's tax objectives, the probate court can also modify the terms of the trust in a manner that is not contrary to the creator's probable intention. The court may order that the trust's modification has retroactive effect, but that retroactive effect will not necessarily be binding on the IRS for tax purposes.

Unexpected Circumstance — Stated Purpose: The probate court can modify the trust's administrative provisions if the continuation of the trust on its existing term is impracticable, wasteful, or impairs the trust's administration. The court can also modify either the trust's administrative or dispositive provisions because of circumstances that were not anticipated by the trust's creator, so long as that modification or termination will further the creator's stated purpose, or if there is no stated purpose, the creator's probable intention. If the trust is terminated under this provision, the trustee must distribute the trust property in a manner as ordered by the probate court.

> "The probate court can modify the trust's administrative provisions if the continuation of the trust on its existing term is impracticable, wasteful, or impairs the trust's administration."

Trust Modification by Consent — Material Purposes: An irrevocable trust can also be modified or terminated by the probate court on the consent of the trustee and the qualified trust beneficiaries (current and remainder trust beneficiaries) if the court concludes that the proposed trust modification or termination is consistent with the trust's material purposes or that continuance of the trust is not necessary to achieve any trust material purpose. This option does not apply, however, to a trust that was irrevocable prior to April 1, 2010. To pursue a modification or termination requires notice to be given to the trust's creator, or to the creator's representative if the creator is incapacitated. However, a receipt of this required notice of an intent to modify or terminate the trust does not mean that the creator must also consent to the proposed trust modification or termination, just an opportunity to be heard. If

Surprise! Your Irrevocable Trust May Still Be Revocable, continued

the trust is terminated under this provision, the trustee must distribute the trust property as agreed to by the qualified trust beneficiaries, not how the probate judge directs.

Modification by Decanting — New Trust: If the trustee possesses discretion to make distributions to the trust's beneficiaries, within certain limits, the trustee can exercise its discretion to distribute assets to a trust that the trustee creates, i.e., decant the trust property, to another trust with new distribution provisions. While certain vested rights of existing trust beneficiaries cannot be altered with the trustee's decanting of the trust's assets, the interests of more remote trust beneficiaries can be altered or eliminated with the decanting. As noted earlier, the trust beneficiaries need not consent to the proposed decanting; rather, they must be given 63 days advance notice by the trustee and an opportunity to object in the probate court.

"All these opportunities to modify, or even terminate, an irrevocable trust might leave trust creators uncomfortable."

Nonjudicial Settlement Agreements — No Modifications: As the name implies, interested persons can enter a binding nonjudicial settlement agreement change the trust and without the approval of the probate judge, so long as that agreement does not violate the trust's material purposes and so long the agreement includes terms and conditions that could have been granted by the probate court. However, the nonjudicial settlement agreement cannot be used to modify or terminate the trust. Often such an agreement is used to resolve disputes about the interpretation or construction of the trust's terms.

All these opportunities to modify, or even terminate, an irrevocable trust might leave trust creators uncomfortable. Most individuals who create and fund an irrevocable trust give considerable thought to when, how, and to whom their assets will be distributed. That intent is then reflected in the trust's terms that the creator ultimately signs. If that discomfort is too great, or they are alarmed that their trust beneficiaries might be able to change their trust or terminate their trust early, there are some steps that the trust creator can take.

1. State in the body of the trust instrument that they do not want the trust modified or terminated in any way, despite the modification provisions of Michigan's Trust Code, but that step might be too limiting.
2. State their intent that the trustee does not hold the power to decant trust property to a new trust created by the trustee. This then would force a future modification to go before a probate judge who may find that the proposed modification is inconsistent

with the creator's stated or material purposes or probable intention.

3. State clearly in the terms of the trust instrument the creator's material purposes, since those material purposes will restrict the way the trust can be modified. This provision will preserve those purposes or prevent an early termination of the trust. Otherwise, without a clear statement of purpose, a probate judge will be left to search for what those intended purposes might otherwise be, in effect read between the line, or guess. The presence of a material purpose trust provision provides some flexibility to adapt to future changes in the law or a beneficiary's circumstances, but it maintains the creator's overarching purpose for the trust and its beneficiaries.

"State clearly in the terms of the trust instrument the creator's material purposes, since those material purposes will restrict the way the trust can be modified."

Lauree K. VanderVeen, CTFA
Vice President
Senior Trust Relationship Officer

Annual and Lifetime Gifts for 2023 and Beyond

With the holiday giving season and year-end quickly approaching, many clients are planning their gifting strategies for 2023. For those families with larger estates, it is not too early to talk with your trusted advisors to develop a plan to take advantage of the larger current lifetime gift tax exemption scheduled to sunset at the end of 2025.

There are many tax-efficient strategies to consider for reducing your current income and capital gains taxes as well as your potential estate, gift, and generation-skipping transfer (GST) taxes. In addition to saving on taxes, the gifts made now may improve the lives of your heirs, benefit charities and allow the gifted assets to appreciate outside of your estate. The following are a few very common strategies used to make gifts in the most appropriate and tax advantageous manner.

"There are many tax-efficient strategies to consider for reducing your current income and capital gains taxes as well as your potential estate, gift, and GST taxes."

ANNUAL GIFTS: The federal gift tax annual exclusion allows individuals to gift a certain amount annually without incurring a gift tax. For 2023, the annual exclusion is $17,000 for individuals or $34,000 for a married couple. In 2024, this amount will increase to $18,000 for individuals or $36,000 for married couples. Making regular annual gifts can add up over time providing a significant amount of wealth to be transferred free of gift tax to future generations. As an example, a married couple with two married children and four grandchildren (8 family members) could give $272,000 (8 x $34,000) in 2023 and another $288,000 (8 x $36,000) in 2024 without incurring gift tax or using any portion of the lifetime gift tax exemption. The assets are transferred out of your estate and all appreciation thereafter will avoid a gift tax, currently a rate of 40%.

GIFTING HIGHLY APPRECIATED ASSETS: Donating appreciated assets to a charity is a tax-efficient way of gifting. You may receive a charitable deduction based on the fair market value of the asset on the date of the gift and will avoid paying capital gains on the appreciation. The charity receives the full value of the asset and is not required to pay capital gains tax when the asset is sold. There are specific rules and varying deductibility limits depending on the type of charitable organization receiving the gift. It is important to coordinate with your tax or trusted advisors before making the gift.

QUALIFIED CHARITABLE DISTRIBUTIONS (QCD): Anyone over age 70½ required to take a Required Minimum Distribution (RMD) from an Individual Retirement Account (IRA) is eligible to make a QCD up to $100,000 to any qualified charity. A QCD cannot be gifted to a donor advised fund or private foundation. The RMD is reported as earned income on your income tax. By making a QCD, the qualified assets go directly to the charity and are not reported as taxable income on your income tax return.

DIRECT PAYMENTS TO MEDICAL AND EDUCATIONAL ORGANIZATIONS: Qualified transfers, as defined by Section 2503(e) of the Internal Revenue Code, made directly for medical care or payments made directly to an educational organization on behalf of a person are not treated as taxable gifts. By making the payments directly to the providers, the annual and lifetime exemption amounts are preserved.

TAKE ADVANTAGE OF THE HIGH LIFETIME EXEMPTION AMOUNT: Currently at $12.96 million for an individual or $25.92 million for a married couple, in 2024 these amounts are estimated to increase to $13.61 million and $27.22 million, respectively. The 2017 Tax Cut and Jobs Act (TCJA) doubled an individual's federal unified gift and estate tax exemption from $5.49 million to $11.18 million. This increase is only temporary and unless there is Congressional action, this exemption amount will sunset back to $5,000,000 (adjusted for inflation) in 2026. The estimate is the exemption will decrease to approximately $6.5 – $6.8 million. It is important to note no action is needed by Congress for this decrease to be implemented. If the lower exemption amounts begin in 2026, the federal estate tax revenues will start to increase again. With our significant national debt and increasing financial requests due to the foreign unrest in Ukraine and now Israel, Congress will likely be looking for additional revenue sources to meet our growing financial demands. Letting this regulation sunset may be a very simple way to increase tax revenues.

Finally, a note of caution for those with larger estates. The looming sunset date of December 31, 2025, may seem far away, but it is not too early to begin planning. There are likely enough attorneys to draft documents and properly process and report the lifetime gifts. However, the process for reporting these gifts requires a valuation of the fair market value. For cash, publicly traded assets, and other easy to value assets, the valuations process is straightforward. The challenge will be for those hard-to-value assets, such as closely held stock, real property, digital assets, gifts requiring discounted values, etc. The valuation process can be lengthy and there are far fewer firms specializing in preparing the valuations reports needed to accompany the Form 709 tax return (commonly known as the Gift Tax Return). This return must be filed no later than April 15th of the year after the gift is made. It is advisable not to wait until mid-2025 to begin working on a plan to take advantage of this large exemption.

Fortunately, a significant portion of your gifts will be exempt from gift tax and provide you with the opportunity to give assets tax-free. The amounts excluded from taxation change nearly every year, so it is important to revisit your plan annually. Your Greenleaf Trust client centric team stands ready to assist you in making your year-end gifts and beyond.

> "Qualified transfers… made directly for medical care or payments made directly to an educational organization on behalf of a person are not treated as taxable gifts."

Allison L. Birmingham, CWS®, CCPS®
Assistant Vice President
Senior Wealth Management Advisor

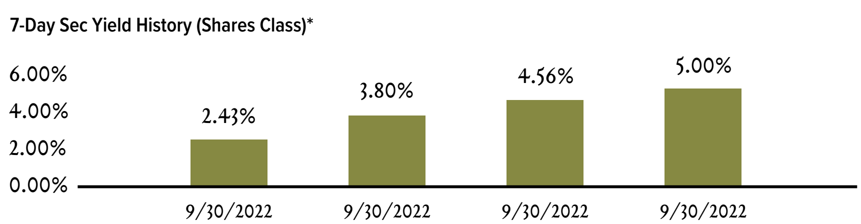
Temporary Landing Money Market Mutual Funds

As advisors, we continuously seek to understand the willingness and ability of each individual client's tolerance for investment risk. As we navigate through the four phases of financial management — accumulation, distribution, preservation, and legacy — alongside our clients, the willingness to accept risk often shifts. Feelings toward risk are often triggered by life events such as work or family changes. Alternatively, acceptability of risk is often tilted as a result of market conditions, news headlines or as simple as a friend's opinion. No matter the driver, it remains a priority to understand the drawbacks and benefits of risk, and the correlating asset classes within a portfolio, at any given time and setting expectations for such. During each market cycle, and cycles within cycles, our team strives to find the optimal alignment between each client's goals, willingness and ability to accept risk, and ultimately an appropriate asset allocation. For those risk-averse investors, business owners with accumulating cash reserves, individuals with a mid- or short-term time horizon, or simply liquidity which needs a temporary landing, market conditions have presented an attractive opportunity via a money market mutual fund.

> "Money market mutual funds are a type of mutual fund that invests in cash, cash equivalents and short-term debt securities."

Money market mutual funds are a type of mutual fund that invests in cash, cash equivalents and short-term debt securities. The exposure to this asset class serves as an important component to all Greenleaf Trust portfolios, which now carries a significant yield of 5.25% via our Treasury-backed vehicle, Northern Institutional Treasury Portfolio (NITXX).

Northern Institutional Treasury Portfolio



MONTH-END 7-DAY SEC YIELD%*	2022				2023							
	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
	2.43%	2.53%	3.32%	3.80%	4.07%	4.33%	4.56%	4.64%	4.98%	5.00%	5.17%	5.25%

A dramatic push, largely due to higher rates, into money market funds has led to an all-time high balance of $5.4 trillion. One recent cause for the acceleration and shift of money market flows was the Silicon Valley Bank failure, leading to broader investor concerns across the regional banking landscape. Additionally, the Federal Reserve's policy actions and rapid push of increasing short-term interest rates in an effort to combat inflation have largely driven money market yields higher. As money market securities are considered to have the lowest default risk, yields will consistently remain more attractive than interest rates on your standard bank savings account. Risky assets typically move in the opposite direction when money market yields are strong, such as dollars flowing out of risky assets for many of the reasons alluded to earlier and into money market instruments like Treasury bills, certificates of deposit, and commercial paper. This shift reduces demand for those volatile assets, which results in downward pressure on prices. High money market yields provide investors with a modestly safe alternative for dollars that would otherwise be unused on the sidelines. Part of the Fed's job to combat a rising inflation environment is to incentivize investors to migrate their funds out of some of the most sensitive, or volatile, assets. A shift of wealth is vital to a transition back to 2% inflation…someday.

It is obvious more investors are seeking attractive yields with very little risk when nerves are high, goals are near, or cash simply needs a temporary landing with little risk, high liquidity and a steady return. Exiting the stock market entirely is rarely ever the right answer. An investor's vision must remain focused on long-term goals as opportunities within risky asset classes remain present and long-term investing is important to financial success. But investors, and advisors alike, can now become more selective based on individual circumstances. It has been almost two decades since the market presented an opportunity to earn an attractive yield on a very low-risk investment like a money market mutual fund.

Our team continues to lead with conversations surrounding client goals and comfort with risk, to ensure alignment. When unique circumstances arise, however, a temporary landing within a money market mutual fund may just be the answer, as cash remains king.

"It has been almost two decades since the market presented an opportunity to earn an attractive yield on a very low-risk investment like a money market mutual fund."

Oliver E. Krings, CISSP, ABCP
Chief Information Officer

Beware of Holiday Scams: Protect Yourself During This Joyful Season!

During the holiday season, scammers prey on online shoppers, urgent delivery deadlines, and our generosity. The most prevalent scams are non-delivery and non-payment scams, where buyers pay for items or services online, but never receive them, or the seller is never paid for their goods or services.

"During the holiday season, scammers prey on online shoppers..."

You should also beware of these common scams:

1. Deceptive "Missed Delivery" Notes:
   Cybercriminals prey on the frustration of missing package deliveries. They leave fake delivery slips on doors, urging you to call a number for rescheduling. Be cautious! These calls might be riddled with intrusive questions aimed at stealing your identity. If you spot such notes, scrutinize them for discrepancies. Avoid calling any number provided, and instead, contact the delivery company directly through their official website.
2. Package Delivery Scam Alerts:
   Watch out for unexpected texts or emails pressing you to click a link with various reasons like delivery updates, payment details, or fabricated shipping fees. These scams prey on urgency, hurrying you into actions. If you receive such messages, always go to the official courier website and use a genuine tracking number to check your package's status.
3. Gift Card Scams:
   A frequent scam involves deceptive emails or texts, seemingly from someone familiar, urging you to buy gift cards. If you get an unexpected gift card request, especially during the holidays, always verify the request directly through a phone call.
4. Dubious Charity Requests:
   During the holidays, crises or natural disasters, fake charity scams spike. Scammers take advantage of people's generosity, luring them into giving money and personal details that might be used for identity theft. To safeguard yourself:
   - Verify the Charity: Always ask for complete details, including the charity's name, website, and address.

- Opt for Secure Payment: Refrain from using gift cards or wire transfers. Stick to credit cards or checks after confirming the charity's credibility.
- Don't Give in to Pressure: Genuine charities don't push for immediate donations. Always do your due diligence.
- Limit Information Sharing: Only give out sensitive information after you're sure of the charity's legitimacy.

To safeguard yourself from scams this holiday season, do your research, use secure payment methods, be wary of unsolicited requests for payment, and stay in the know about new scamming techniques.

"To safeguard yourself from scams this holiday season… stay in the know about scamming techniques."

Stock Market Pulse

Index	10/31/2023	Total Return Since 12/31/2022
S&P 1500	950.09	9.56%
Dow Jones Industrials	33,052.87	1.44%
NASDAQ	12,851.24	23.61%
S&P 500	4,193.80	10.68%
S&P 400	2,366.40	-1.33%
S&P 600	1,084.10	-5.03%
NYSE Composite	14,919.20	0.33%
Dow Jones Utilities	823.92	-12.40%
Barclays Aggregate Bond	1,992.08	-2.77%

P/E Multiples	10/31/2023
S&P 1500	20.0x
Dow Jones Industrials	19.3x
NASDAQ	35.3x
S&P 500	20.6x
S&P 400	14.7x
S&P 600	14.5x

Key Rates

Fed Funds Rate	5.25% to 5.50%
T Bill 90 Days	5.36%
T Bond 30 Yr	5.09%
Prime Rate	8.50%

Current Valuations

Index	Aggregate	P/E	Div. Yield
S&P 1500	950.09	20.0x	1.68%
S&P 500	4,193.80	20.6x	1.65%
Dow Jones Industrials	33,052.87	19.3x	2.19%
Dow Jones Utilities	823.92	17.5x	4.21%

Spread Between 30 Year Government Yields and Market Dividend Yields: 3.41%

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