GREENLEAF® TRUST

Perspectives
A Greenleaf Trust Newsletter

MAY 2025 VOLUME 34, ISSUE 5

Michael F. Odar, CFA®
President
Chief Executive Officer

Economic Commentary 3

Burial or Cremation –
Who Decides After You Die? 5

Navigating Care – Stay in the
Driver's Seat as You Age 7

What is the Point of Money? 9

U.S. Retirement System:
Friend or Foe? 12

The Future Is Now: AI's Growing Role in Wealth Management

Artificial intelligence (AI) is transforming nearly every industry, and wealth management is no exception. Once limited to rudimentary automation tools, AI has evolved into a sophisticated asset that now drives efficiency, personalization, and deeper insights across the investment landscape.

Current Applications of AI in Wealth Management

Today, AI is primarily used in wealth management to streamline operations and improve client experience. Roboadvisors—automated digital platforms offering financial advice—have become mainstream, using algorithms to create and manage portfolios based on clients' goals and risk profiles. These systems are continuously learning from market data and user behavior, enabling more precise and adaptive investment strategies.

AI also plays a vital role in risk assessment and compliance. Machine learning models analyze vast datasets to detect anomalies and flag potential regulatory issues. This reduces the likelihood of human oversight and enhances overall governance.

Perhaps most impactful is AI's capacity for personalization. By analyzing transaction data, communication patterns, and life events, AI tools can anticipate client needs and deliver customized advice at scale. Natural language processing (NLP) and sentiment analysis are also being deployed to extract insights from financial news, earnings calls, and even social media—giving advisors and investors a real-time edge.

Looking Ahead: AI's Expanding Capabilities

Looking to the future, AI is poised to become a strategic partner in decision-making. Generative AI, such as large language models, will

211 SOUTH ROSE STREET, KALAMAZOO, MI 49007 269.388.9800

increasingly assist advisors with real-time research synthesis, report generation, and client communication. This will allow professionals to spend more time on high-value, relationship-driven tasks while AI handles complex but repetitive analysis.

Another promising area is predictive analytics. By integrating AI with alternative data sources—like satellite imagery, climate trends, or supply chain disruptions—wealth managers will gain forward-looking insights into economic and market developments. This could enhance both asset allocation and thematic investment strategies.

> "By integrating AI with alternative data sources... wealth managers will gain forward-looking insights into economic and market developments."

As AI becomes more embedded in wealth platforms, ethical considerations will also take center stage. Transparency, data privacy, and algorithmic accountability will be crucial to maintaining client trust and meeting regulatory standards.

Conclusion

AI is not a future trend—it's a current force reshaping wealth management. For investors, this presents both an opportunity and a challenge: embracing AI-enhanced strategies can lead to better-informed decisions, but it also requires a thoughtful understanding of the technology's capabilities and limitations. As the industry evolves, those who adopt a balanced, informed approach to AI will be best positioned to thrive.

In full transparency, I have never used artificial intelligence (AI) to write a newsletter article...until now. The paragraphs above this one were all created solely by ChatGPT and artificial intelligence. Could you tell?

I recently attended a board governance conference that included a couple of sessions on the current state and future of AI in healthcare. Intrigued, I thought about the same for our industry. Within a minute of asking ChatGPT the same question about the wealth management industry, the above article was produced. Nothing was edited. I was amazed at the compelling headline, prose, and message of the article that ended with a thoughtful conclusion and a call to action that I agree with. I was so amazed; I wanted to share with you. We seek that balance. Alongside our human belief in the importance of relationships we continue to implement platforms that utilize embedded AI as well as explore new ways that AI can help us Serve Clients More.

Economic Commentary

Nicholas A. Juhle, CFA®
Chief Investment Officer

Market volatility has surged following the announcement and rapid modifications of sweeping U.S. tariff policies that were rolled out in early April. Tariffs are complex, intersecting economics, politics, and global supply chains in ways that challenge intuition. This article seeks to outline the policy shifts, market reactions, economic forecasts, and the path forward. We will begin where it all started: Liberation Day.

Policy Shifts:

On April 2, citing trade deficits as a national emergency, the White House invoked the International Emergency Economic Powers Act (IEEPA) for major tariff changes. The initial plan included a 10% baseline tariff on most imports (effective April 5) and higher "reciprocal" tariffs (up to 50%+) on ~60 countries (effective April 9).

The situation escalated quickly. China retaliated, prompting the U.S. to repeatedly increase tariffs on Chinese goods, reaching an effective rate of 145% by April 10. China matched with 125% duties. As of this writing, there are talks that the rate may go as high as 245% on some Chinese goods.

Facing market turmoil, on April 9, the administration announced a 90-day "pause" on the higher reciprocal tariffs for most nations (excluding China), reverting them to the 10% baseline until July 9 to allow for negotiations. The EU mirrored this pause. Subsequently, certain electronics were provided exemption from reciprocal tariffs, though they remain subject to other levies such as the 20% IEEPA tariff on China and potential future sector-specific tariffs. The 25% tariffs on steel, aluminum, and autos also remain in effect.

> "This rapid sequence creates significant operational challenges for countries and companies alike."

This rapid sequence creates significant operational challenges for countries and companies alike. While the 90-day pause offers temporary relief and opens doors for negotiations (reportedly sought by ~70 countries), fundamental uncertainty remains, especially regarding the US-China trade relationship.

Additional tariff announcements are possible as well as the President has initiated investigations into the potential for industry-specific tariffs for pharmaceuticals and semiconductors, citing national security concerns.

Market Tremors:

Financial markets reacted intensely to the Liberation Day announcements. The S&P 500 plunged 10.5% post-announcement, then experienced a swift rally on April 9, the day the pause was announced.

Economic Commentary, continued

Tensions between the US and China have continued to weigh on returns. Volatility remains high across global asset classes.

Domestically, the impacts are beginning to come to light. The auto sector faces disruption, as do tech firms who are grappling with supply chain risks despite temporary electronics exemptions. Pharmaceutical and MedTech companies anticipate higher costs as a significant portion of their manufacturing is currently international. Retailers brace for higher prices, and the "De Minimis" loophole closure challenges online models. Reorienting supply chains is costly, time consuming, and difficult to enact – not to mention an inefficient use of capital.

"Domestically, the impacts are beginning to come to light."

Revising the Economic Outlook:

As a result of the tariff announcements, economists swiftly downgraded their growth forecasts. Inflation projections rose, potentially adding 1.0%-2.3% to consumer prices. US GDP growth forecasts for the year were cut by 0.5-0.9 percentage points, with long-run output reduced. Recession probabilities surged under the assumption that tariff rates would remain elevated. The IMF projected tariffs would weaken global growth and trigger inflation, though did not go so far as to predict a global recession.

While tariffs are often aimed at reducing trade deficits, many economists argue they are ineffective, as deficits fundamentally reflect national saving minus investment (S - I = CA). Persistent US deficits are linked to low national saving, partly due to government budget deficits funding consumption. Tariffs primarily raise prices and distort trade, not the underlying saving/investment balance.

This presents a potential stagflationary shock, which is an economic environment plagued by higher inflation and lower growth. Fed Chair Powell signaled caution, but bond markets priced in additional rate cuts, expecting growth concerns to supersede consideration of inflation.

Adding to uncertainty, President Trump intensified public criticism of Fed Chair Jerome Powell, lamenting slow rate cuts. Powell asserted the Fed's independence, stating Chairs are removable only "for cause," not policy disagreements. While the legal grounds are debated, investors are reacting to the potential for political uncertainty to impact monetary policy, the implication of which could be a weakening of the US Dollar's dominant global role.

Bipartisan legislation is being drafted to require congressional approval for new tariffs. It faces a White House veto threat but there have been signs of growing congressional support. Business groups and the state of California are challenging the use of IEEPA in court, arguing that trade deficits do not meet the standard of a national emergency. These legal

battles may take years to adjudicate but if nothing else they are a sign of growing concern among lawmakers and businesses.

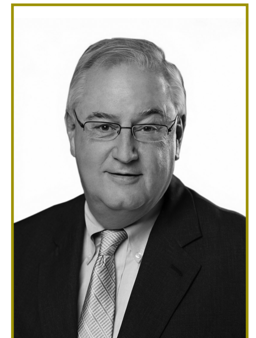
The Path Forward:

The current market environment is one defined by "fatter tails" – a higher probability of extreme outcomes than typically assumed. This is reflected in the elevated volatility experienced throughout capital markets. Forward fundamentals suggest headwinds for US equities as analysts and corporate executives have revised down earnings expectations in light of the ongoing tariff battle. Bonds benefit from being a less-risky option for investors seeking to avoid equity volatility, however there is notable uncertainty about the path of inflation and credit quality should corporate earnings deteriorate.

Amidst heightened uncertainty, discipline is key for long-term investors. As avid readers of this newsletter know, adhering to a diversified portfolio aligned with long-term goals is crucial. While forecasts suggest headwinds like higher inflation and slower growth, and debates continue regarding tariff effectiveness, the ultimate outcome is uncertain. Investment discipline is paramount. Resisting emotional reactions and maintaining focus on long-term objectives with a diversified strategy is the most reliable approach. We will continue to closely monitor the situation and are grateful for the opportunity to serve on your behalf.

"As avid readers of this newsletter know, adhering to a diversified portfolio aligned with long-term goals is crucial."

Burial or Cremation – Who Decides After You Die?



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

Nine years ago, Michigan adopted a Funeral Representative statute. Under that statute an individual can name a Funeral Representative in his or her Will, Patient Advocate designation, or in any other writing that makes that designation. A Funeral Representative serves in the capacity as a fiduciary to assure that he or she conducts the deceased's instructions, if any [MCL 700.3206]. Yet that assumes directions for the disposition of the decedent's bodily remains were provided to be followed. If there are no directions, then the Funeral Representative gets to decide what is done

Burial or Cremation – Who Decides After You Die?, continued

with the decedent's remains. With Baby Boomers now heading towards the hereafter, will their children see the value in a $10,000 funeral that does not have meaning for them?

In the absence of specific directions, a Funeral Representative is given the right and power under the statute to make decisions about funeral arrangements, and the handling, disposition, or disinterment of a decedent's body, including and not limited to, decisions about cremation and the right to receive from the funeral establishment and possess the decedent's cremated remains immediately after cremation. The handling, disposition or disinterment of the decedent's body must, however, be under the supervision of a person licensed to practice mortuary science in Michigan.

If an individual names a Funeral Representative, but does not provide specific instructions with respect to the disposition of the individual's bodily remains, does the Funeral Representative get to make that decision on their own, guided by their own values? Probably. This then raises the question what options are available to a Funeral Representative who is left with the decision what to do with the decedent's bodily remains? Some interesting 'trends' now exist across the country, and many new ones are appearing.

"Some interesting 'trends' now exist across the country, and many new ones are appearing."

Fifty years ago, only 5% of decedents (or their families) opted to have their bodily remains cremated; most decedents (or their family members) opted for burial. Yet by 2015 the cremation rate had surpassed the burial rate. By 2022 the cremation rate was 59.3% and the burial rate was only 35.7% according to the National Funeral Directors Association NFDA Cremation and Burial Report 7 (July 2022). This same Funeral Director Association also predicts that by 2040, almost 80% of the United States population will be cremated and only about 16% will be buried. Between the two that is not 100%. But other options also exist.

To steal the phrase of the late TV promoter, Ron Popiel (the father of the infamous 'pocket fisherman') that's not all, folks! With trend towards cremation, there are now new ways to 'dispose' of the cremains. The creator of Star Trek, Gene Roddenberry had his remains sent into space. Others have had the cremains used to make family mementos like cups or plates, beyond just sitting in an urn on the mantle.

Some disposal options are a bit 'down to earth' like green burials, which are intended to limit the environmental effects of burying a body (along with being more frugal). Other decedents may direct to have their body buried quickly and without embalming fluids, out of a concern for the environment, or the use of more environmentally friendly embalming fluids instead of formaldehyde.

More controversial is the growing method of water cremation, or

acquamation. This method of disposal has the decedent's body placed in a stainless-steel tube along with 'lye' and water, which is then heated. The body is effectively dissolved and the resulting affluent is then disposed down the sewer. In 2021, Nobel prize winner Desmond Tutu's chose acquamation for his own cadaver. While this sounds gristly, to put this bodily disposition method in perspective, twenty-eight states have now legalized water cremation, including Michigan! However, it should be noted that the U.S. Catholic Conference of Bishops' Committee on Doctrine announced that Catholics cannot use water cremation as it 'does not show respect for the human body.'

"...There are many more bodily disposition options than just cremation or burial."

And then there is the State of Washington which in 2019 legalized human composting, which is a method of disposal that is now legal in ten states. [It should come as no surprise that the Catholic Bishops' Committee also opposes human composting.]

In sum, there are many more bodily disposition options than just cremation or burial. The point is, do you want to leave this decision to your Funeral Representative? That person, if a family member or heir, may not want to spend much money out of the probate estate for a fancy funeral and expensive burial casket which simply depletes their inheritance. Or, that person might carry a grudge postmortem and use their power to dispose of the cadaver to 'get even' or with a perverse or sick sense of humor.

It is your body, and it should be your choice how your cadaver should be disposed of on your death.

Navigating Care – Stay in the Driver's Seat as You Age

Kathryn Gadbois Schafer, JD, CTFA
Trust Relationship Officer

As one ages, it is important to think about and plan for the future including a situation where you may not be able to remain fully independent. This is not a fun "what if" scenario, in terms of planning, but it is one deserving your attention. If you have children, you may think you are off the hook because they will care for you or figure it out if you are unable to. Wisdom gleaned from those who have been through it before; however, dictates you should

Navigating Care – Stay in the Driver's Seat as You Age, continued

take the opposite approach – spend the time thinking about what you'd like to happen and the steps to help you get there. Planning ahead will help ensure your wishes are followed and you are not inadvertently putting a huge responsibility, and possibly stress (financial or emotional), on your children.

Playing it by ear is not recommended when it comes to planning for our needs as we age. If you don't know where to start, you can begin by having discussions with your client centric team at Greenleaf Trust or your estate planning attorney. We help clients navigate these decisions and we are here to help. We have also seen how difficult it can be to find exactly what you are looking for if something unexpected happens and your need becomes immediate. We've all heard the saying "beggars can't be choosers" and when it comes to finding in-home care, independent living, or assisted-living facilities it is not uncommon for wait times to be over two years, so your options may be very limited.

Proactive planning for your future allows you to remain in the driver's seat. You will have the luxury of time because you are in the planning and exploring phase versus the "oh no, we need something right now" emergency phase. You will be able to research the options available and schedule tours if you'd like to visit various communities in person, if you are considering eventually making a move.

There is beauty in planning not only for yourself but also to protect your children from suddenly being responsible to figure everything out if you are unable to participate in a meaningful way. When you actively plan for your future rather than relying solely on your adult children to ensure your future comfort, dignity and care in later life, you can stay in the driver's seat (albeit, maybe only figuratively).

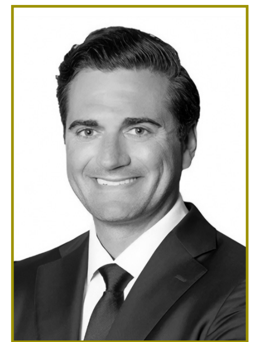
"...you can begin by having discussions with your client centric team at Greenleaf Trust..."

While it is natural for families to support one another, the role reversal of the child being responsible for a parent's care very often results in unnecessary stress for the adult child. Where there was once a societal norm/assumption that adult children would care for their aging parents, now exists the understanding that adult children have their own lives and responsibilities. While some may voluntarily step into the caregiver role, it is not feasible for everyone. Unexpectedly having to be the sole caregiver for aging parents could create tension for an adult child in a variety of ways: it could take them away from caring for their children, they may have to miss work, they may spend less time on things they enjoy, they may potentially feel guilt or shame for not doing enough. Most parents naturally want to help our children, not be the source of strain or pressure in their everyday life. By continuing to plan for your future, you will allow your adult child to maintain their autonomy and be able to provide support in other ways, with their focus being on your relationship instead of the logistics of your care.

Your thoughtful preparation demonstrates care for the entire family's

well-being, fosters open communication, and helps preserve the parent-child relationship based on love and respect rather than obligation and emergent need. Ultimately, this planning empowers you to maintain control over your life while providing peace of mind to your loved ones.

What is the Point of Money?



Mike Laske
Wealth Management Advisor

Money touches nearly every part of our lives, yet it remains one of the most misunderstood tools we have ever created. Somewhere along the way, its true purpose often gets buried beneath ambition, pressure and expectations. But when we take a step back and really understand what money represents, it can change the way we approach life, work and relationships. Let's take a closer look at the real essence of money and how it can serve what matters most.

During the holidays last year, I took my five-year-old daughter, Ella, to the store to buy a gift for her mom. She proudly carried $10 with her, mostly coins she had collected from her piggy bank and a recent visit from the tooth fairy. After visiting a few stores, Ella found the perfect gift! Neon retro sunglasses.

After telling her, "no, honey, you don't want that," I realized something important. What was the point of encouraging her to save money if she couldn't enjoy it and buy what she wanted? Many of us are caught in the same cycle with our finances, saving diligently, yet uncertain about how or when to enjoy the fruits of our labor. What, truly, is the point of money?

> "Many of us are caught in the same cycle with our finances, saving diligently, yet uncertain about how or when to enjoy the fruits of our labor."

Money as a Store of Value

At its core, money is simply a way to hold the value of your time, energy and talents. Every time you work, you're offering something valuable to the world, and money is how that contribution is captured and shared. It's easy to forget, though, that money isn't the value itself, it's just a symbol of the trust and appreciation others place in what you've given. Mistaking money for the goal is like mistaking a map for the journey. It can guide you, but it's not the destination.

211 SOUTH ROSE STREET, KALAMAZOO, MI 49007 269.388.9800

What is the Point of Money?, continued

Money as Freedom

The real power of money isn't in what it can buy, it's in the freedom it gives you. It provides the peace of mind that your basic needs, like a home, food, healthcare and education are covered, even when life feels uncertain. But beyond security, money offers choice – how you spend your time, where you live and who you surround yourself with. It gives you the ability to walk away from what doesn't align with your values and toward what does. That's why true financial independence matters. It's not about having more for the sake of it, it's about living with purpose, clarity and ease. With thoughtful planning, money becomes less of a burden and more of a bridge to the life you want to live.

Once you have that freedom, the next question becomes how do you use it wisely to create even more opportunities, not just for yourself, but for others too?

"What we leave behind is the life we lived, not the money we saved."

Money as Leverage

When used wisely, money has the power to be so much more than a safety net. It becomes a force that can open new doors, spark new opportunities and make a lasting impact beyond your own life. But when used carelessly, it can just as quickly magnify risks and create bigger problems. That's why understanding how to use money well, and how to leverage it, is so important. Financial success isn't just about how much you earn, it's about how thoughtfully you put what you have to work. The real question to ask yourself is simple, yet powerful. Am I using my money to create more freedom, more opportunity and more joy, not just for myself, but for the people and causes I care about too?

Money and Happiness

One of the biggest myths about money is that having more of it will automatically make you happier. While money can certainly ease hardships and bring comfort when life feels uncertain, its power to add real happiness fades after a certain point. Just like our bodies need the right balance of nutrients to stay healthy, our financial lives need the right balance of saving and spending to truly thrive. Planning for tomorrow and enjoying today are both important, but they need to work hand-in-hand, guided by a clear sense of purpose. Once your basic needs and a modest sense of security are met, piling on more wealth rarely brings deeper joy. What truly fills a life are the things money can only support, not buy, meaningful work, strong relationships and a sense of peace within yourself. Money can open doors to those things, but it can never be a substitute for them. And if we chase wealth at the cost of what really matters, we often find ourselves feeling empty instead of fulfilled. The future isn't promised to any of us, and when all is said

and done, we don't get to take our wealth with us. What we leave behind is the life we lived, not the money we saved.

> "When you see money for what it really is, you realize the goal isn't just to have more, it's to allow you to focus on the people, experiences and dreams that matter most."

Money as a Reflection of You

How you earn, spend and view money quietly reveals what you value most. Constantly chasing more may point to hidden fears, hoarding money can signal a scarcity mindset, and spending recklessly might reflect a search for something deeper. Even good instincts, when stretched too far, can lose their balance. Mastering money isn't about perfection, it's about making choices that reflect who you truly are. When you align your spending and investing with what matters most, money becomes a way to live with greater purpose and impact. It's not just about building wealth, it's about building a life you're proud of.

The Final Truth about Money

At the end of the day, money is just a tool, nothing more, nothing less. Studies show that most people will spend about 80% of their lifetime earnings over the course of their lives, reminding us that money is meant to move, not to be clutched tightly. It's neutral by nature, not good, not bad. Its role is to serve you, not to define you. The moment money starts shaping your identity or sense of self-worth, it's easy to lose sight of what truly matters. The real purpose of money is freedom – the freedom to live by your values, to chase your passions and to make choices without fear holding you back. When you see money for what it really is, you realize the goal isn't just to have more, it's to allow you to focus on the people, experiences and dreams that matter most.

At Greenleaf Trust, we sit alongside our clients to help bring clarity, confidence and purpose to their financial lives. Together, we craft thoughtful plans that reflect what truly matters, plans grounded in numbers, but guided by values. Financial stewardship isn't about chasing more or holding back out of fear. It's about aligning your resources with your values, so your money supports the life you actually want to live. And if enjoying what you've built feels hard, having a trusted partner can offer the perspective you may need. At the end of the day, money isn't the destination, it's the vehicle. What matters most is making sure it takes you exactly where you want to go.

Lisa A. Hojnacki
Participant Services Specialist - Team Lead

U.S. Retirement System: Friend or Foe?

The U.S. retirement system is a complex blend of Social Security benefits, private employer-sponsored benefit plans like 401(k)s and 403(b)s, and individual investment accounts like Individual Retirement Accounts (IRA)s. This complexity often leads to scrutiny and criticism, which begs the question: Is the criticism based on fact or fiction?

The media and academia often present the U.S. retirement system through a lens of misunderstanding regarding both its historical context and its current state. These misperceptions can lead to a skewed evaluation of the system. Furthermore, financial issues tend to be emotionally charged, which can complicate objective analysis even more.

> "The U.S. retirement system is a complex blend...This complexity often leads to scrutiny and criticism"

The golden age of pensions

Many people believe there was a "golden age" of pensions in the past. Pension plans, also known as defined-benefit (DB) plans, are often viewed through the lens of the benefits they can provide rather than the actual benefits received. There is a common perception that once upon a time everyone had a pension and that a flaw of defined contribution (DC) plans, like 401(k)s, is that they are not widely available to everyone. According to various sources, about 38% of private sector workers had access to a pension plan in 1979, compared to approximately 72% of workers today who are reported to have access to defined contribution plans, like 401(k)s.

It is also important to understand the accrual formulas when evaluating the value of pension benefits. A common myth is that everyone receives full pension benefits, when it fact, the formula is based off factors such as years of service and average pay. Prior to the mid-1980s, 10-year cliff vesting schedules were common for DB plans, meaning if you worked for an employer for less than 10 years you would be entitled to receive $0 in benefits.

In conclusion, it is important to consider the facts about the replacement of pension plans being a reason retiree's outcomes are considered by some less favorable today. One should ask themselves, is today's outcome from my 401(k) indeed less favorable?

The good ole' days of Social Security benefits are over

Social security has been a consistent source of income replacement in retirement since its inception into law by Franklin Roosevelt in 1935. The Social Security Act was born out of response to the needs of the

aged brought about by the cataclysmic events of the Great Depression but was never intended to be a complete income replacement for older Americans retiring from the workforce. When signing the Social Security Bill into law, President Roosevelt noted that "This law, too, represents a cornerstone in a structure which is being built but is by no means complete."

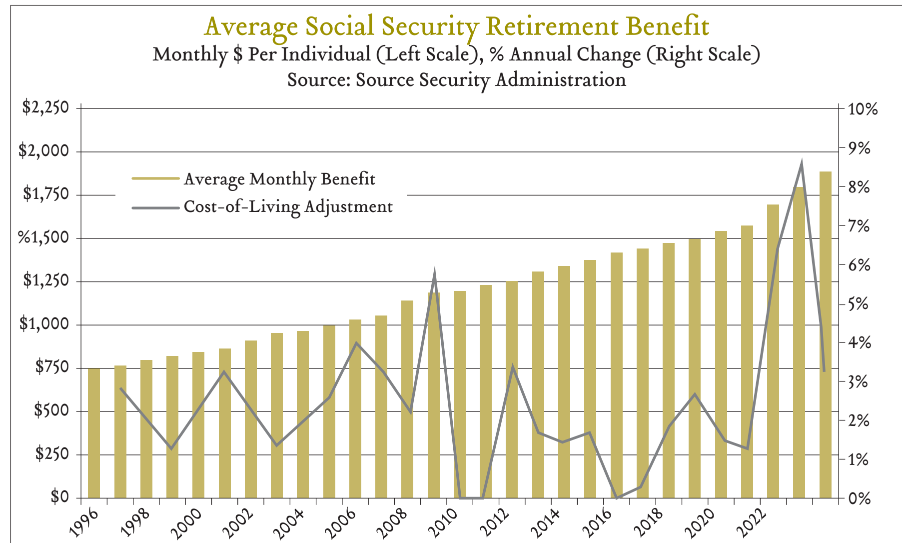
Following the conclusion of World War II, the number of Americans receiving benefits grew significantly from 222,000 at the end of 1940 to over three million in 1949. However, average monthly benefits grew only slightly during that time, and less than the rate of inflation. In 1972, Congress approved legislation that established automatic cost-of-living adjustments (COLAs) in benefits based on price increases as measured by the Consumer Price Index.

The Social Security benefit system has continued to be evaluated and subject to many amendments since it began. The amendments have consistently expanded the program to be more inclusive, keep up with changing economic factors such as cost of goods, and changes to retiree demographics and life expectancy. A common misconception is that Americans must work significantly longer now than they did when Social Security began and that benefit payments haven't adjusted over time when in fact, even back in 1940 the average benefit claiming age was 68 and the benefit amount now is adjusted for cost-of-living today.

According to the Social Security Administration, about 51.8 million retired workers receive benefits today averaging $2,000/month, representing 40-45% of income replacement. Many would argue that those who are in a lower income range pre-retirement are well served by the Social Security benefit structure, as the benefit was intended to do. For those who desire to maintain a higher income level in retirement, employer benefit plans or individual retirement accounts are designed to be easily accessible to allow for individuals to do that.

"The Social Security benefit system has continued to be evaluated and subject to many amendments since it began."

U.S. Retirement System: Friend or Foe?, continued



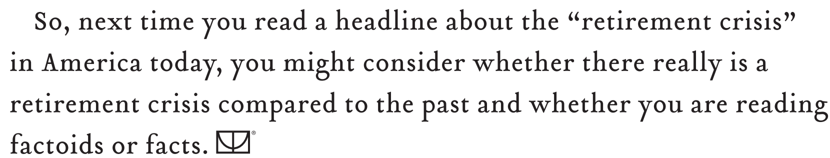
"These plans are typically designed to be easily set up, administered, and maintained with the outcome being less turnover and higher employee satisfaction."

Taking advantage of defined-contribution plans and IRAs

Defined contribution plans, like 401(k)s, 403(b)s and 457(b)s are a great way for employers to attract and retain a motivated, productive workforce. Partnering with the right fiduciary can alleviate the administrative burden of these plans. These plans are typically designed to be easily set up, administered, and maintained with the outcome being less turnover and higher employee satisfaction. While this is an advantage to employers, there are also many significant advantages for employees such as:

- Convenient contributions through payroll deferrals. Adjustments are typically allowed at any time, making the benefit very flexible.
- Contribution limits are much higher than individual retirement accounts and Roth contributions are not subject to income limits, like a Roth IRA.
- Employers often make matching or profit-sharing contributions to employee's accounts to help them save for retirement.
- Contributions can be made tax-deferred, avoiding income taxes now until retirement when income need is lower.
- Investment options in employer benefit plans are well-researched and highly regulated options, making them a good choice for investors.
- Defined contribution plans are sheltered from creditors so even if an individual is experiencing financial strife their 401(k) balance is a secure place to maintain funds for the future.

In addition to employer benefit plans, individual retirement accounts are widely available in today's marketplace. Individuals can contribute to a Traditional or Roth IRA if they don't have an employer benefit or in addition to their employer's retirement plan. While it is important to consider aspects like investment options and IRA fees, these accounts are a great choice for those seeking to invest and compound their money outside of a DC plan.



So, next time you read a headline about the "retirement crisis" in America today, you might consider whether there really is a retirement crisis compared to the past and whether you are reading factoids or facts.

"In addition to employer benefit plans, individual retirement accounts are widely available in today's marketplace."

Stock Market Pulse

Index	4/30/2025	Total Return Since 12/31/2024
S&P 1500	1,250.12	-5.30%
Dow Jones Industrials	40,669.36	-3.92%
NASDAQ	17,446.34	-9.47%
S&P 500	5,569.06	-4.93%
S&P 400	2,851.60	-8.22%
S&P 600	1,222.38	-12.75%
NYSE Composite	19,114.23	0.82%
Dow Jones Utilities	1,032.82	6.12%
Barclays Aggregate Bond	2,258.75	3.18%

P/E Multiples	4/30/2025
S&P 1500	23.2x
Dow Jones Industrials	21.4x
NASDAQ	32.6x
S&P 500	23.8x
S&P 400	17.2x
S&P 600	17.4x

Key Rates

Fed Funds Rate	5.25% to 5.50%
T Bill 90 Days	4.18%
T Bond 30 Yr	4.68%
Prime Rate	7.50%

Current Valuations

Index	Aggregate	P/E	Div. Yield
S&P 1500	1,250.12	23.2x	1.40%
S&P 500	5,569.06	23.8x	1.37%
Dow Jones Industrials	40,669.36	21.4x	1.76%
Dow Jones Utilities	1,032.82	20.7x	3.29%

Spread Between 30 Year Government Yields and Market Dividend Yields: 3.28%

e-mail: trust@greenleaftrust.com greenleaftrust.com

KALAMAZOO OFFICE:
211 South Rose Street
Kalamazoo, MI 49007
office: 269.388.9800
toll free: 800.416.4555

GRAND RAPIDS OFFICE:
25 Ottawa Avenue SW, Ste 110
Grand Rapids, MI 49503
office: 616.888.3210

BAY HARBOR OFFICE:
4000 Main Street, Ste 200
Bay Harbor, MI 49770
office: 231.439.5016

GREENLEAF TRUST DELAWARE:
20 Montchanin Road, Ste 160
Greenville, DE 19807
office: 302.317.2163

TRAVERSE CITY OFFICE:
160 E State St., Ste 200
Traverse City, MI 49684
office: 231.922.1428

BIRMINGHAM OFFICE:
34977 Woodward Ave., Ste 200
Birmingham, MI 48009
office: 248.530.6202

MIDLAND OFFICE:
117 East Main Street
Midland, MI 48640
office: 989.495.2033

This newsletter is prepared by Greenleaf Trust and is intended as general information. The contents of this newsletter should not be acted upon without seeking professional advice. Before applying information in this newsletter to your own personal or business situation, please contact Greenleaf Trust. We will be happy to assist you.

Greenleaf Trust Delaware, a Delaware limited purpose trust company, is regulated by the Office of the Delaware State Bank Commissioner. Greenleaf Trust Delaware is wholly owned by Greenleaf Financial Holding Company, a Delaware corporation. Greenleaf Financial Holding Company is also the sole owner of Greenleaf Trust, a Michigan non-depository trust bank regulated by the Michigan Department of Insurance and Financial Services. Both Greenleaf Trust and Greenleaf Trust Delaware provide various fiduciary and non-fiduciary services, including trustee, custodial, agency, investment management and other non-depository services. Greenleaf Trust and Greenleaf Trust Delaware offer personal trust, retirement plan and family office services to families and entities.

Greenleaf Financial Holding Company and its subsidiaries do not provide legal, tax or accounting advice. Please consult your legal, tax or accounting advisors to determine how this information may apply to your own situation.