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WEALTH ADVISORS

Soundings

What's New – January 2026

Quote of the month:
"There are just four kinds of bets. Good bets, bad bets, bets that you win, and bets that you lose. Winning a bad bet can be the most dangerous outcome of all." **Larry Hite**

This month's quote came from a daily investment research piece but it has broad application. Life is all about choices. We make decisions by weighing the potential outcomes against our internal operating system, spiritual, philosophical, intellectual, emotional or most likely, a combination of all the above. Winning a bad bet, whether investment related, or a life choice, reinforces bad behavior, and what gets rewarded is often repeated. It's short-term win, but in the long-term, a better outcome would've been a little pain.

Happy New Year! It was quite a 2025 for the markets. If you had a safe full of gold, you were really happy. Not to fret if you didn't, you still made out just fine as you'll see when you turn to page 2. As always, the million $ question is, What's next? While that is unknowable, the trend is most definitely up. It's true that some areas are "expensive" (that's always the case), but looking under the hood from a technical perspective, we're seeing some healthy rotation into areas that have not participated in recent years. International stocks, emerging markets in particular, and small cap U.S. stocks are particularly interesting. There's talk of bubbles out there, fear gets clicks, but as J.C. Parets, CMT and founder of Trend Labs recently noted, " Focus on the data. Ignore the narratives." We couldn't agree more strongly.

One man's trash is another man's treasure. When it comes to our own "stuff", the reverse is often true. In this month's ***Market & Economic Commentary***, I've placed a piece from the journal Financial Planning titled, "When the inheritance is junk to heirs, advisors need a plan" It's an interesting read with some thoughtful considerations for the "hoarders" out there. First, the numbers…

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Market Update – Year to Date Returns

Major Indexes	As of January 1st
Dow Jones Industrials	13.0%
S&P 500 Index	16.4%
NASDAQ	20.4%
MSCI EAFE (International)	27.0%
Russell 2000 (small cap index)	11.3%
Bloomberg Capital Aggregate Index (Bonds)	7.3%
XAU (gold/silver)	149.5%

D.A.L.I. Signals - 1/01/2026

Domestic Equities	International Equities	Commodities	Cash	Currencies	Fixed Income
296 27.2%	**279** 25.6%	**227** 20.8%	**115** 10.6%	**94** 8.6%	**78** 7.2%

Source: Nasdaq Dorsey Wright

- Inclusion of these indexes is for illustrative purposes only. Keep in mind that individuals cannot invest directly in any index, and index performance does not include transaction costs or other fees, which will affect investment performance. Individual investors' results will vary. The Dow Jones Industrial Average (DJIA), commonly known as the "Dow", is an index representing 30 stocks of companies maintained and reviewed by the editors of the Wall Street Journal. The S&P 500 is an unmanaged index of 500 widely held stocks that's generally considered representative of the US stock market. The NASDAQ Composite is an unmanaged index of securities traded on the NASDAQ market. The MSCI EAFE (Europe, Australasia and Far East) index is an unmanaged index that is generally considered representative of the international stock market. The Russell 2000 index is an unmanaged index of small cap which generally involve greater risks. The Philadelphia Gold and Silver Index (XAU) is an index of sixteen precious metal mining companies that is traded on the Philadelphia Stock Exchange.
- The Bloomberg Barclays Capital Aggregate Index is a broad-based flagship benchmark that measures the investment grade, U.S. dollar-denominated, fixed-rate taxable bond market.
- DALI is a proprietary matrix created by Dorsey Wright & Associates, an independent 3rd party. It presents the relative strength relationship of six broad asset classes or "teams", domestic equities, international equities, commodities, fixed income, cash, and currencies. Each are represented by an equal number of ETFs. Each team play against each member of the other teams, with net victories tallied in an effort to rank each asset class team by order of overall strength. Raymond James is not affiliated with and does not authorize or sponsor any of the listed websites or their respective sponsors. Raymond James is not responsible for the content of any website or the collection or use of information regarding any website's users and/or members.
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Market & Economic Commentary

You've heard of the great wealth transfer. But many American are now dealing with the great stuff transfer — garages, attics and storage units packed with belongings that descendants must sort through. David Hurless, director of operations at self-storage company Stor-It, has lived this reality day in and day out for nearly two decades. "What your parents have in storage units is usually not the first thing on someone's mind," he said. "The children of deceased customers have to clear out these things, so I have had to open up units on their behalf." As a result, Hurless said he always encourages people to pare down their possessions sooner rather than later. "When you pass on a storage unit full of stuff, your last memories with your children will be stressful and sometimes angry," he said. That's why experts say advisors should insist on discussing what to do with such belongings as an essential part of estate planning conversations.

Part of the problem with "stuff" may be attributable to a difference in priorities between generations. As an attorney who has prepared hundreds of estate plans, Joe Maier said he has found baby boomers often have an affinity for cars, jewelry or collectibles. Meanwhile, their millennial children tend to place a higher value on experiences. "These differing values lead to hard feelings and hard conversations when mom and dad want their children to be excited about their inheritances, and the children are anything but," he said. These misalignments are why Steven Crane, founder of Financial Legacy Builders in Dayton, Ohio, said he tries to force these conversations early on. He has seen storage units full of military memorabilia, hundreds of boxes of collectibles, rooms full of antiques and garages stacked with "someday" projects. "Most parents discover their children want maybe one or two meaningful items," he said. "The rest is clutter to them." Clients can proactively work to reduce their possessions. For baby boomers, perhaps the best option is to work with a life planner or decluttering specialist, said Lindsey Young, founder of Quiet Wealth in Baltimore. "I will note, however, that in practice, this rarely happens unless there is a health crisis, disability or death, because the sentimentality of keeping items is too strong," she said.

Often, the real problem isn't that children don't care; it's that they may not know which items mattered most to their parents. When everything gets labeled as important, nothing truly is. Brett R. Polzin, a wealth advisor and founder of Eight Peaks Wealth Management in Parker, Colorado, said he encourages clients to focus on a small number of meaningful items and explain why those objects mattered. "A short note, a story, or even a casual conversation can make all the difference or help an heir feel comfortable letting something go without guilt," he said. Sometimes people equate their deceased loved one's possessions so closely with their loved one that getting rid of their junk is akin to a second loss, said Josh Strange, financial advisor, president and founder of Good Life Financial Advisors. "The only way I've been able to break through on this is to help the client see that it is just stuff and how much it is costing them to 'buy' it, meaning the cost of storage and a cramped house," he said.

Planning helps heirs carry the emotional weight. Bob McCarty, vice president and advisor at EP Wealth Advisors, said one client shared how difficult and bittersweet it was to sort through her mother's possessions. "Every item seemed to carry a memory, which made the process both emotional and overwhelming," he said. "She told me that the experience inspired her to spare her own children that burden someday." Another client discovered stacks of old magazines, their pages dog-eared with recipes his mother had planned to try, said McCarty. "In the attic, he also found his great-grandmother's dishes. None of his siblings wanted them, but he couldn't bring himself to give them away. So, for now, he's storing them in his attic, postponing what will eventually become someone else's difficult decision." In estate planning, Nick George, founder of ClearMind Capital, said it helps to add "avoid the mystery-box situation" to the list. "Small steps like labeling sentimental items, clarifying who gets what, making a list of meaningful objects or having an annual clean-out day together can create much smoother transitions for families," he said. Overall, McCarty said it's important to remind clients that loved ones will already be navigating the emotional weight of losing them. "You can give one final gift to them," he said. "Lightening the additional burden of sorting through decades of belongings is a meaningful act of care." ***Rob Burgess, "When the inheritance is junk to heirs, advisors need a plan", Financial Planning, 12/03/2025***

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On a Personal Note

Ladies & gentlemen, it is with joy in our hearts that we introduce you to the newest member of Team Soundside...Captain Noah Kagan. Noah is the middle son of my middle brother, a gem of a human with a servant's heart. I am supremely confident you'll love him as much as he's going to love you. The following are his words, in Army green for effect.

First and foremost, Hello! My Name is Noah Kagan, and I will be joining the firm in June of this year as a financial advisor in training. I am currently a Captain in the United States Army, stationed in Hawaii, and my time in uniform will come to an end in May of this year. So what led me to my 10 years in service? Honestly, I don't have a great answer for you, other than following a gut feeling.

It was the summer of 2015, during a family vacation on Cape Cod where the idea of enlisting in the Army sparked my interest, and quite frankly, I made up my mind right then and there. Following Highschool graduation in 2016, I left for basic training in Fort Benning, GA. Once I received my "blue chord" as an 11B Infantryman, I headed off to Fort Bliss, TX, where I would learn to follow, and see what good (and less-than-good) leadership looked like. I quickly began to desire more; I searched for an opportunity that would push me to grow, one that would force me to step outside my comfort zone. That opportunity began with the submission of my application to The United States Military Academy - West Point.

I received my acceptance to West Point in the winter of 2017, and before I knew it, I once again had a shaved head and was marching around the granite walls of West Point, memorizing how many lights there were in Cullum Hall (340), and how many gallons there were in Lusk Reservoir (78 Million), calling "minutes" and facilitating the upper classman's laundry. I will not bore you with the rather monotonous details of daily life at West Point, but my four years at the Academy were an experience I wouldn't trade for the world. When people ask me if I enjoyed my time, I typically respond with "West Point is a great place to be from, but a tough place to be at". Honestly, that's the way it should be. Nothing worthwhile comes easy.

Following my graduation from West Point in 2021, I would return to Fort Benning, Georgia for a multitude of Army schools. These included, Armor Basic Officer Leadership Course (ABOLC), Scout Leaders Course (SLC), Reconnaissance and Surveillance Leaders Course (RSLC), and Ranger School.

As much as I loved the heat and humidity of Georgia, I had a ticket with my name on it to Hawaii, where I would spend the remainder of my time in the Army. While in Hawaii, I served as a Scout Platoon Leader, Brigade Commander's Adjutant (Aide), and the Officer in Charge (OIC) of the United States Army Jungle School, formally known as The Jungle Operations Training Course.

I reflect back to my ~90th day in Ranger school, stepping off the Zodiac boat onto the sugar sands of Santa Rosa Island, where we would complete our final ambush of the course. Little did I know that four years down the road, I would find myself back in Santa Rosa County, only this time I would have a bit more food in my stomach, and a few more hours of sleep to draw from. It's quite mind blowing how a seemingly simple gut decision can shift the course of one's life. I could not be more excited to accompany Jon, Collin and Kelly at the firm, and I look forward to eventually meeting you all!

Until next month, with warmest regards,

Jon, Collin, Kelly, & Noah

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