



Soundings

What's New - May 2026

Quote of the month:

“Release the past to mercy, the future to providence, and rest your attention in the present.” Unknown

Mindfulness is about living in the present moment, being aware of and experiencing what's going on without judgement. It usually begins with a focus on your breath, the unconscious act that gives us life. There is an ever-growing body of research that's found conclusive benefits with as little as five minutes per day of mindful meditation. Benefits like reduced stress and anxiety, improved focus and clarity, and better sleep to name a few. For more details, check out this discussion on one of my favorite podcasts, Huberman Labs at <https://www.youtube.com/watch?v=hlOA8ObQIXo>

April showed us just how sensitive markets can be to a small number of powerful forces: energy prices, inflation and geopolitical risk. The conflict in the Middle East dominated headlines, a ceasefire helped to steady markets even as energy prices remained elevated. The stage could be set for further gains if disruptions to key shipping routes are ultimately resolved. Consumers remain resilient and labor markets stable despite the global uncertainty. Inflation remains a thorn in the side of the economy, but it has yet to meaningfully destabilize growth as Federal Reserve policymakers stay on the sidelines for now and keep a close eye on supply pressures.

One of the questions most asked from folks about to retire is, “When should I start collecting Social Security?” Our reply, “Tell us when you're going to die, and we'll give you the mathematically perfect date.” Of course, that's an unknown but even so, we have tools that can help you make the best decision given your individual situation. In this month's *Market & Economic Commentary*, I've placed a piece that dispels many of the common myths about the program's solvency. It's a good read, well worth your time. First, the numbers...

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Market Update - Year to Date Returns

<u>Major Indexes</u>	<u>As of May 1st</u>
Dow Jones Industrials	3.3%
S&P 500 Index	5.3%
NASDAQ	7.1%
MSCI EAFE (International)	3.7%
Russell 2000 (small cap index)	12.8%
Bloomberg Capital Aggregate Index (Bonds)	-0.1%
XAU (gold/silver)	4.7%

D.A.L.I. Signals - 5/01/2026

International Equities	Domestic Equities	Commodities	Cash	Currencies	Fixed Income
289	281	206	125	100	86
26.6%	25.9%	19.0%	11.5%	9.2%	7.9%

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 investor's 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

We are told that Social Security is running out of money, facing bankruptcy, going broke. That language is figurative and imprecise, but many Americans take it literally. Nearly two-thirds of us believe that when the much-feared Social Security shortfall arrives, around 2032, benefit payments will cease. That finding comes from a paper by researchers at UCLA and Cornell University, published in the April issue of the Journal of Experimental Psychology.

Social Security faces a looming fiscal cliff. More money is going out than coming in, and a once-plentiful cash reserve is dwindling. When the reserve runs out, if nothing is done, the federal agency will have sufficient funds to pay only about 81% of full benefits, according to an estimate from AARP. There's a big difference between 81% and zero, but many Americans don't see it. The new research explores the fundamental misunderstanding about the fate of America's retirement trust fund. Suzanne Shu, one of the authors, is a professor at Cornell University's College of Business. Whenever Shu talked about Social Security with rank-and-file Americans, she said, people "would say things like, 'Social Security is going bankrupt; it's not going to be around.'" She and her colleagues wondered, "Is there something happening in the messaging here?" Their research found that many Americans assume Social Security is "going broke" because of how the shortfall is framed in public discourse.

Here's a quick overview of how Social Security works. Part of your income goes into a pair of Social Security trust funds: one for retirement, the other for disability. Benefits are paid from those funds. Social Security is known as a "pay-as-you-go" program. Benefits paid to today's retirees are mostly collected from current workers. The benefit you receive is not money you earned. (another common misconception.) Through most of its history, Social Security collected more money than it paid out, yielding a reserve that totaled \$2.7 trillion at the end of 2024. Yet, as America ages, the reserve is dwindling. The latest projections show it running dry by 2032.

When Americans read about the Social Security shortfall, the discussion usually centers on that dwindling reserve. In the new research, when study participants focused on a graph that showed the reserve dropping to zero, 64% believed their benefits would disappear entirely. That belief ignores a basic fact about Social Security: New revenue comes in every year. That's why, even when the reserve is depleted, the program will still pay a large share of current benefits. When study participants saw a graph that showed money flowing into and out of the Social Security program, the share who believed they would reap no benefits at all dropped to 56%, still a majority. An even better way to frame the Social Security shortfall, the researchers found, is to remind Americans of the payroll taxes that fund the system. "Think about it as a worker," Shu said. "Do you think the government is going to stop collecting Social Security out of people's paychecks? The next question is, where do you think that money's going to go?" When study participants thought about the taxes that continue to fund Social Security, the share who expected no benefits dropped to about 40%.

Social Security fears prompt bad decisions. The study reaffirms that many Americans fear Social Security won't be there when they retire. A Bankrate survey in the fall of 2025 found that 77% of Americans were concerned the promised benefits "won't be paid" upon their retirement. That fear has prompted many Americans to claim Social Security early, on the theory that they should collect their checks for as long as they last. In a 2025 AARP survey, roughly one-quarter of Americans ages 62 to 66 said they had decided within the past year to claim Social Security early, or expected to do so. For many retirees, claiming Social Security early is a mistake. You can claim as early as 62, but your monthly check gets bigger every year you wait, maxing out at 70. Based on average human longevity, economists say, most people are better off waiting. When Shu talked to working Americans about the benefits of claiming Social Security later, she said, "A lot of the feedback I would get would be people saying, 'I don't think Social Security will be there that long, so why should I wait?'" **Daniel D. Vise, "Most Americans think Social Security is going broke. Is it?", *Financial Advisor*, 04/09/2026**

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On a Personal Note

Return of the Killer Bees. Back in the day, Kathleen, Cathy & Terry, whose surnames all began with B, swarmed the halls of Sacred Heart hospital's ultrasound department. They were a force of nature until Cathy left the hive for her home state of Mississippi. She'd soon meet Jeff and start a beautiful family, but happily for us, visit regularly. Their son Jeffrey, and daughter Mary Catherine, were close in age to our two boys, and Mary Catherine became a sort of "proxy" daughter to me. We had a special relationship which featured regular "dance offs", pitting my "moves" against her cheer-leading skills. A sight to behold. We recently hosted Cathy, who'd come down for the party noted below. Somewhere on the planet, there could be a sweeter, more funny, down-to Earth human being - but I haven't met her yet. Needless to say, the road down memory lane was full of joy and laughter.

Zero hour in 2 weeks, Collin's local aunts and uncles threw him and his bride-to-be a pre-wedding party at the Pensacola Beach vacation home of Aunt Karen and Uncle Matt. The hosts missed the event due to a prior commitment, the 5th Annual New Orleans Hot Dog Safari...yes, we're a special family. All who made it had a blast, with perfect Springtime weather, and an excellent spread, organized by our favorite HBIC, Aunt Carrie. Mixed amongst the happiness and celebration was some sadness. Cousin Kerrie's mom had tragically passed earlier in the week. A massive heart attack took her at the much-too-young age of 70. But that tragedy brought a blessing. Kerrie's husband Jack, a First Mate in the Merchant Marine, got emergency leave and was able to come home from deployment a bit early after the ship's Captain stepped up to assume his duties on deck. Other guests included a solid group of bride-to-be Jackie's family, all of whom we adore. I spent some time getting to know Grandpa Bill more deeply. The family Patriarch was born in Cuba, and an Air Force veteran with more than 30 years of service. He told fascinating stories of his travels throughout Europe and Africa. My favorite was how he met his future wife while overseas in Spain. It was love at first sight. How he won over her father, a highly decorated veteran of WWII was a testament to his character. Cousin Derrick wasn't able to attend. He's an Air Force Crew Chief who keeps F-22 Raptors in the air and has been a bit busy lately, but we did get an update from his beautiful bride, Sarah. Spent some time with Uncle Bob, who several years back, almost left us as well. With no previous symptoms, he stared down the Grim Reaper after a "widow-maker" heart attack. Lucky for us all "Death" blinked. Recovered, he went all in on lifestyle and his current workout routine would wear out a 20 year old. We had a wonderful time and are so grateful to those who made it happen. Such a tapestry of people, histories, and stories, woven together with love and all the stuff, both good and challenging, that makes life so worth sticking around for.

From Collin:

Insurance is a touchy subject for most people. Premiums and deductibles keep rising, and best case scenario you never file a claim and you've "wasted your money". That's what I expected for the pet insurance that Jackie and I got for our dog Birdie a few years ago. As I've shared before, Jackie and Birdie were a family before me, and by the time I entered the picture the two of them had bonded in a way that I sometimes am jealous of myself. Because of that, I think now they share emotional telepathy - when Jackie broke her leg two years ago, Birdie limped around the house in solidarity. So when Jackie took off for her bachelorette trip a few weekends ago and left me and Birdie to hold down the fort, my main goal was to keep that telepathy line clear. Jackie trusted me to take care of her so she could be fully present with her friends on her special weekend. I was confident I was going to be able to make that a reality. That confidence lasted all of two hours, when Birdie yelped and stopped putting weight on her back leg. Now was the fun part. How do I take care of Birdie's injury while keeping Jackie in the dark so she can enjoy her bachelorette weekend? Pictures and videos she asked for of Birdie were staged to where her leg wasn't visible, I turned our living room furbo (like a ring camera for pets) off, and made sure the vet didn't send any follow-up notes to her phone or email. I felt like Jason Bourne, until one of our neighbors tipped Jackie off and I spilled the beans late Saturday night. The good news is we finally get to recoup some of our premiums paid to our pet insurer! Birdie truly is a Kagan now that she has injured herself.

Until next month, with warmest regards, *Jon, Collin, Kelly, & Noah*

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