Financialfreedom™
WEALTH MANAGEMENT GROUP, LLC

QUARTERLY UPDATE
SPRING 2025

Now is the Time to Cultivate Your Financial Future

Spring is a season of renewal—the perfect time to refresh your financial goals. Like a well-tended garden, your wealth flourishes with care and planning. Are your investments positioned for growth? Do your financial strategies align with your long-term vision?

As the saying goes, “The best time to plant a tree was 20 years ago. The second-best time is now.” Now is the time to act, nurture your financial future, and embrace new opportunities.

This season, let’s continue to take proactive steps toward financial freedom!

WELCOME!

Jaron Bos – *Client Services Associate*

Jaron is a dedicated Client Services Associate with a passion for delighting our clients. He thrives on engaging with a diverse clientele and strives to meet their needs with precision and care. With a Bachelor's in Business Administration from OSU-Cascades, Jaron brings a solid foundation in business principles to his role. His background in the hospitality and tourism industry enriches his ability to provide exceptional service, fostering strong relationships and trust with clients.

Outside of work, Jaron enjoys concerts, camping, and fishing in Oregon's beautiful wilderness, as well as spending quality time with loved ones.

Jessica Beasley – *Executive Assistant*

Jessica Beasley serves as an Executive Assistant where she plays a pivotal role in supporting the CEO. Her dedication to this role helps ensure the team and our clients are fully supported. She has a Bachelor's Degree in Business Administration with a minor in Psychology from Rogers State University. With a background that includes experience in administrative support and client relations, Jessica brings a wealth of knowledge to her position.

Outside of her professional endeavors, Jessica enjoys spending time with her family, live music performances, and traveling to new places. She is passionate about sharing the meditative practice of sound healing through the playing of her quartz crystal sound bowls.

MARKET UPDATE

Volatility gripped markets in the first quarter of 2025 and the major stock indices saw moderate declines as U.S. trade and tariff policies caused a steep plunge in business and consumer confidence, which raised concerns that economic growth would slow and corporate earnings growth would disappoint. In this quarter, we saw investor optimism for a pro-growth agenda and tax cuts being replaced by rising concerns about a new global trade war and a slowing U.S. economy, as policy uncertainty crushed investor and consumer confidence. Now, let's see if we can find any good news as we look back and look ahead.

First Quarter Performance Review

Market internals revealed that while the S&P 500 logged a moderately negative return for the quarter, the declines in the index were mostly due to sharp drops in widely held technology and consumer stocks, as other parts of the market proved resilient.

To that point, on a sector level, only four of the 11 S&P 500 sectors finished the quarter with a negative return. The consumer discretionary sector was the worst performer as it was hit by intense weakness in Tesla, one of the largest consumer stocks. The technology sector was the other substantially negative performer as tech stocks fell following the debut of the Chinese AI program, DeepSeek, which challenged assumptions about the future economic benefit of AI for major tech firms.

On a positive note, energy was the top-performing sector, thanks to rising demand expectations of other developed countries' commitment to increasing debt to fund economic growth. The healthcare, utilities, and consumer staples sectors logged modest gains, as those traditionally defensive sectors were viewed as more insulated from any new trade wars and tend to be more resilient in the face of an economic slowdown.

Value companies significantly outperformed growth companies, again due to growth companies being largely weighted toward tech and consumer discretionary stocks. Value strategies logged a slightly positive return over the past three months and benefited from exposure to a broader array of sectors that traded at lower valuations and were not as impacted by the negative headlines in the first quarter.

Small companies declined sharply this past quarter and lagged large companies, thanks to a combination of rising worries about economic growth and still high interest rates. Large company indices also declined in the first quarter, yet those losses were comparatively more modest.

Internationally, foreign markets massively outperformed the S&P 500 and finished the quarter with a substantially positive return. Foreign developed markets saw the largest gains and outperformed emerging markets after Germany and other EU countries signaled a willingness to increase deficit spending to boost economic growth and defense. Emerging markets logged more modest gains – but still gains – thanks to Chinese economic data that was more positive than expected.

US Equity Indexes	Q1 Return
S&P 500	-4.27%
DJ Industrial Average	-0.87%
NASDAQ 100	-8.07%
S&P MidCap 400	-6.10%
Russell 2000	-9.48%

Source: YCharts

For the fixed income markets, the leading benchmark for bonds (Bloomberg Barclays US Aggregate Bond Index) realized a modestly positive return for the quarter. Better-than-expected inflation readings and general concerns about economic growth boosted bonds broadly and helped longer-duration bonds to outperform shorter-duration investments.

Looking specifically at the corporate bond market, both investment-grade and high-yield corporate bonds finished the first quarter with modest gains, reflecting a still present sense of economic optimism from bond investors.

If future policy decisions and an economic slowdown aren't as bad as we've feared, it could cause a substantial market rebound in the coming months, if not sooner.

Second Quarter Market Outlook

Stocks begin the second quarter of 2025 following the worst quarterly performance in nearly three years in the face of policy uncertainty and potentially slowing economic growth. However, while markets are facing legitimate opposition, it's important to note that stocks fell in the first quarter mostly based on fears of what might happen in the economy, not because of a market crisis. In other words, if future policy decisions and an economic slowdown aren't as bad as we've feared, it could cause a substantial market rebound in the coming months, if not sooner.

While fears of a slowdown surged in the first quarter, economic data stayed mostly resilient. Jobless claims remained subdued, measures of manufacturing and service activity showed continued expansion, and the unemployment rate remained historically low, close to 4%. Based on this, there is not much in the actual data from last quarter to imply that the economy is weakening. If economic data stays solid throughout the second quarter, recession fears could weaken and help fuel a rebound in the stock markets.

At Financial Freedom Wealth Management Group, we have experienced these types of markets many times in our near quarter-century-history, and we are committed to helping you effectively navigate this challenging investment environment. Successful investing is a marathon, not a sprint, and through both bull and bear markets, we will remain focused on the diversified approach set up for our clients to meet their investment goals.

We remain vigilant toward risks to your portfolio and the economy, and we thank you for your ongoing confidence and trust. Our entire team is dedicated to serving you in all market environments and assisting you on your financial journey. **Please contact us with any questions, concerns, or to schedule a time to review your personal situation.**

TIDE OF GRATITUDE: CLIENT APPRECIATION EVENT

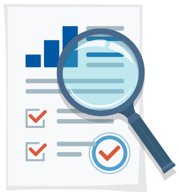
Join us at the stunning Beverly Beach in Newport, Oregon, for a relaxed and joyful gathering. Enjoy delicious food, refreshing drinks, an education portion, and fun activities for all ages—including beach games for the kids (and the young at heart!). This day is all about showing our appreciation for you.

We can't wait to celebrate together!

When: July 22, 2025 from 3:00-6:00 p.m.
Where: Beverly Beach Yurt Meeting Hall
& Beach Picnic Area
198 NE 123rd St, Newport, OR 97365

Visit tinyurl.com/ffwmg-beach to RSVP.

Or scan the QR code



Complimentary Consultation!

If you are not a client with us yet, we would like to offer you a one-hour, complimentary, private consultation with one of our Wealth Advisors. To schedule, please call us at 458.777.4458 and someone from our team will be happy to assist you!

There is no guarantee that a diversified portfolio will enhance overall returns or outperform a non-diversified portfolio. Diversification does not protect against market risk.

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