



Financial*freedom*[™]

WEALTH MANAGEMENT GROUP, LLC



QUARTERLY UPDATE **SPRING 2024**

Spring Cleaning Your Finances

The signs of Spring are well underway: daffodils have bloomed, days are growing longer, and temperatures are rising. For us, this time of year feels full of hope and possibility. Fresh energy. Fresh plans. Fresh action. But to make the most of this time, we encourage a little financial Spring cleaning.

What does financial Spring cleaning look like for you? Maybe it means evaluating your portfolio or working with a financial coach to build a financial plan of action. Or maybe it means creating a new seasonal savings goal (A Mediterranean cruise anyone?). Whatever your Spring may bring, we hope it's filled with the freshness of intention and momentum.

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NEW TEAM MEMBERS

MARKET UPDATE



Christa Carlson – Executive Assistant

Christa contributes toward the efficiency of our Executive Team. In her role as an Executive Assistant, she also provides support to our clients and team members. With her background in banking and administrative roles, she brings knowledge and care to our company. Christa is an Oregon native who loves rooting for her favorite sports teams (Go Beavs!), kayaking, spending time with her fur babies, and playing card games with her fiancé.

Alethea Burn – Business Operations Assistant

Alethea provides administrative care to clients and team members. She has an extensive and varied background in customer service and enjoys working diligently to help others feel supported and valued. Alethea is a native Idahoan but has called the coast of Oregon home for over three decades. When not at work, she enjoys spending time with family, riding her horse, and cooking.



John Bernardio – Client Services Associate

As a Client Services Associate, John thrives in assisting our clients and supporting the Financial Freedom team. Originally from a small island in the Pacific known as Saipan, John gained extensive experience in the hospitality and tourism industry. This provided him with opportunities to interact with and assist people from all around the world. John received his Bachelor's degree in Psychology from Western Oregon University and looks for ways he can better delight and serve our clients on the journey toward their financial goals.

Outside of work, you can find him planning his next international trip, spending time with friends and family, or attending his favorite artist's live concerts.



The 2023 rally continued in the first quarter of 2024 as a positive combination of stable economic growth, falling inflation, impending Fed rate cuts, and ever-growing enthusiasm towards artificial intelligence (AI) propelled stocks higher, as the S&P 500 rose above 5,000 for the first time and hit new all-time highs.

First Quarter Performance Review

The first quarter of 2024 reflected a much more evenly distributed rally compared to the fourth quarter of 2023, where tech and tech-aligned sectors outperformed the rest of the markets. However, while the rally in stocks did broaden out in the first quarter, that did not benefit small caps as they were some of the notable laggards.

From an investment style standpoint, growth once again outperformed value but the margin was much closer than last year, as both investment styles logged strong quarterly returns. Continued heightened AI enthusiasm was the main reason for the modest growth outperformance over the past three months.

On a sector level, 10 of the 11 sectors in the S&P 500 finished the first quarter with a positive return. The best-performing sectors in the market this quarter were communication services, financials, energy, and



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industrials. The only S&P 500 sector to log a negative return was the real estate sector, as it continues to be weighed down by concerns about the health of the commercial real estate market. Consumer discretionary also lagged and registered only a slightly positive return as numerous retailers warned about a potential slowing of consumer spending.

US Equity Indexes	Q1 Return
S&P 500	10.56%
DJ Industrial Average	6.14%
NASDAQ 100	8.72%
S&P MidCap 400	9.95%
Russell 2000	5.18%

Source: YCharts

Internationally, foreign markets posted solid gains but still underperformed the S&P 500. Looking deeper, foreign developed markets outperformed emerging markets thanks to better-than-expected economic data. Also, expectations rose for early summer rate cuts from the European Central Bank and Bank of England. Emerging markets, meanwhile, logged only slightly positive returns and greatly underperformed the S&P 500 due to slow consumer spending,

accompanied by increased industrial production in the Chinese economy.

In the fixed income (bond) market, longer-duration bonds underperformed those with shorter durations. That performance gap was due to the slower-than-expected decline in inflation, because while it won't materially delay the start of Fed rate cuts, it does threaten to keep rates "higher for longer," which is a bigger negative for longer-dated debt.

Second Quarter Market Outlook

We begin the second quarter in a positive macroeconomic environment as growth appears stable, the Fed will likely deliver the first rate cut in four years, and AI enthusiasm may keep earnings high. While we are pleased with the market

performance thus far, we remain focused on managing both reward and risk in portfolios, because despite the strong performance, this market remains vulnerable.

Specifically, while it's true that economic growth has remained resilient in the face of higher rates, some data is pointing to a loss of momentum. Retail sales missed expectations in January and February while the unemployment rate increased during the first quarter. Neither number warrants concern about the economy right now, but both serve as a reminder to watch data closely as a continued economic expansion is not guaranteed.

As we conclude this market update, remember that staying patient and committed to your long-term investment strategy is key. While markets may fluctuate, a well-diversified approach that is aligned with your goals remains supreme.

Thank you for partnering with us on your financial journey!

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NEW BOOK BY JULIA CARLSON

Have you heard CEO and Founder Julia Carlson wrote a new book?

Introducing *Money Loves You*.

“Over the past 25 years, I discovered the wealth building journey isn’t just external, it’s internal. That’s why I’ve

chosen to write this book to help people transform their relationship with money and grow their wealth – from the inside out.”

Celebrate with the author!



Money Loves You
is now available
on **amazon**

(ISBN: 978-1961098381)

AN EVENING WITH AUTHOR **JULIA M. CARLSON**

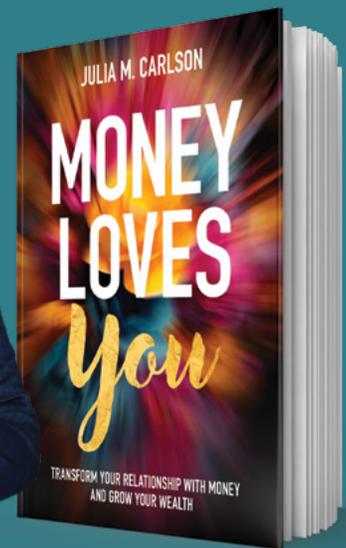
Join us at the Newport Performing Arts Center on **May 15th at 6:00 p.m.** for a discussion with author Julia M. Carlson in honor of her new book, *Money Loves You*.

Stay after the talk for a celebratory champagne toast, light refreshments, and book signing.

If you’re in the area, we’d love to have you join us!

This is a complimentary event, open to all, and tickets are not required.

RSVP at [financialfreedomwmg.com/events](https://www.financialfreedomwmg.com/events)



Julia M. Carlson
CEO and Founder



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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