



Financial*freedom*™

WEALTH MANAGEMENT GROUP, LLC



QUARTERLY UPDATE FALL 2025

Autumn Reflections and Financial Focus

As the vibrant colors of fall take hold and the days grow shorter, it's a natural time to pause and reflect. The season invites us to consider what's most important, both in life and in our finances. Just as we prepare our homes and schedules for the cooler months ahead, it's also a smart time to review your financial plans, anticipate year-end expenses, and revisit your long-term goals.

Whatever your priorities this season, we're here to help you make thoughtful, confident decisions. **May this fall bring warmth, joy, and a sense of readiness for what's next.**

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MEET THE TEAM

We'd like to introduce you to a few of our newest team members.



Susan Behr – Business Operations Assistant

Susan is a Business Operations Assistant with a background in healthcare administration, team leadership, and process improvement. She brings over five years of experience in fast-paced dental practices where she managed teams, streamlined inventory systems, and enhanced patient communication. Susan holds a Bachelor of Science in Cellular, Molecular, and Developmental Biology from Colorado Mesa University.

Known for her organization, adaptability, and collaborative spirit, Susan brings a strong analytical mindset and a service-driven approach to the business operations team.



Sam Lee – Client Services Associate

Sam is a Client Services Associate who supports both clients and advisors with a strong commitment to exceptional service. With a background in robotics, engineering, courthouse clerking, and fast-paced hospitality, he provides a dynamic blend of technical skill and people-first service.



Jamie Yeane – Client Services Associate

Jamie is a dedicated client services associate with a passion for empowering families and individuals to strive toward their financial dreams. She holds a Bachelor of Arts in Community Health Education and a Minor in Business from Western Oregon University. Her education, coupled with her experience as a Mortgage Advisor, brings a unique blend of expertise and empathy to the financial services industry.

MARKET UPDATE



Major stock indices extended their 2025 rally in the third quarter and reached new all-time highs as economic growth stayed resilient, tariffs proved less disruptive than feared, and the Federal Reserve began its long-awaited rate-cutting cycle.

Markets started July with momentum, driven by the passage of the One Big Beautiful Bill Act, which permanently extended the 2017 tax cuts and committed billions to U.S. industries. That fiscal boost, paired with stronger-than-expected second-quarter earnings, reassured investors that tariffs had not yet weighed heavily on corporate results. Adding to optimism, the U.S. reached trade agreements with the EU, Japan, and South Korea, while extending a tariff “truce” with China.

Early August brought a softer-than-expected jobs report which raised concerns about labor market momentum. But this weakness reinforced expectations for Fed rate cuts, and Fed Chair Powell confirmed that easing was likely. In September, the Fed delivered on those expectations, cutting rates and signaling additional cuts ahead. Strong AI-driven earnings from major tech companies, including Oracle and Broadcom, added fuel to the rally, sending indices to fresh all-time highs.

Third Quarter Performance Review

Lower interest rates, resilient earnings, and continued enthusiasm



for AI helped drive markets higher in the third quarter. Small caps outperformed large caps for the first time this year as investors rotated into more economically sensitive companies that historically benefit most from lower borrowing costs. Growth outpaced value thanks to strong AI-linked tech company earnings, extending a trend that began earlier in the year.

US Equity Indexes	Q3 Return	YTD
S&P 500	8.12%	14.83%
DJ Industrial Average	5.67%	10.47%
NASDAQ 100	9.01%	18.10%
S&P MidCap 400	5.55%	5.76%
Russell 2000	12.39%	10.39%

Source: YCharts

Ten of the eleven S&P 500 sectors finished the quarter with gains. Technology, consumer discretionary, and communications services were the top performers. The consumer staples sector underperformed due to pressure by tariff concerns and a shift away from defensive sectors.

International markets delivered mixed results for the quarter. Emerging markets outpaced U.S. stocks, supported by a weaker dollar, lower interest rates, and a rebound in Chinese growth. Developed markets posted positive returns but lagged behind the S&P 500 due to fiscal stress and slower growth in the United Kingdom.

As investors anticipated further rate cuts, longer-duration bonds

Lower interest rates, resilient earnings, and continued enthusiasm for AI helped drive markets higher in the third quarter.

outperformed shorter-duration bonds. Investment-grade corporate bonds edged out high-yield debt, reflecting a preference for higher credit quality amid concerns about labor market weakness.

Fourth Quarter Market Outlook

Stocks entered the final quarter of 2025 in a broadly positive environment. The Fed had begun cutting rates, tariffs had not yet caused significant disruption, economic growth remained steady, and enthusiasm for AI continued to support technology and related sectors.

That said, several risks remain. The labor market has shown signs of weakening, with slowing job growth and downward revisions to earlier reports. While not yet recessionary, a further rise in unemployment would likely increase concerns about overall U.S. growth. Inflation also remains elevated, with the Consumer Price Index near 3%, above the Fed's 2% target. If tariffs push prices higher in the coming months, the Fed could be forced to reconsider future rate cuts, which could spook the markets.

Trade policy also remains an ongoing source of uncertainty. The Supreme Court is expected to hear arguments regarding reciprocal

tariffs in November, and any ruling could cause volatility. Even if tariffs are struck down, the likelihood of further policy maneuvering means uncertainty will linger. Finally, valuations for AI-related technology stocks are historically high. While elevated valuations alone do not trigger declines, they leave little room for disappointment if AI adoption slows or corporate spending on AI fails to meet expectations.

In summary, the current backdrop remains supportive, with fiscal stimulus, Fed rate cuts, and continued strength in technology fueling optimism. However, risks tied to labor markets, inflation, trade policy, and valuations remind us that markets are never without uncertainty.

At Financial Freedom Wealth Management Group, we are committed to helping you navigate every investment environment. Successful investing is a marathon, not a sprint. We remain focused on providing you with the planning and investment approach to help you strive toward your financial goals.

Please contact us with any questions, concerns, or to schedule a time to review your personal situation.

FALL FINANCIAL FITNESS TEST

Check in on your financial health with these quick questions. Give yourself a point for each “Yes” answer and see how you score!

Scoring:

6–8: Financially Fit - You’re in great shape and ready for the season ahead.

4–5: Room to Grow - A few adjustments could strengthen your financial health.

0–3: Fall Back Plan Needed - Now’s the perfect time to review your finances and make a plan.

WHAT’S YOUR FINANCIAL FITNESS?

1 Budget Check: Have you reviewed your budget in the past 3 months and accounted for upcoming holiday or seasonal expenses?

2 Emergency Fund: Do you have 3–6 months of living expenses set aside in case of an unexpected event?

3 Debt Management: Are your high-interest debts under control or on a clear payoff plan?

4 Retirement Review: Have you checked your retirement contributions and adjusted them if needed this year?

5 Investment Alignment: Do your investments still match your long-term goals and risk tolerance?

6 Insurance Coverage: Is your insurance (health, home, auto, life) up to date for your current needs?

7 Year-End Planning: Have you considered tax strategies, charitable giving, or other year-end planning opportunities?

8 Financial Goals: Have you revisited your financial goals this year to ensure you’re on track?



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 Financial 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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