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As we step into 2025, I want to take a moment to reflect on the journey we've shared over the past year. Your trust and collaboration have been instrumental in helping us navigate an ever-changing financial landscape. We are truly grateful for your continued support and partnership.

The New Year offers a fresh slate and the promise of new beginnings. It's an opportune time to revisit and refine your financial goals, strategies, and plans. Whether you're looking to grow your investments, save for a major milestone, or ensure a comfortable retirement, we are here to help provide guidance and customized solutions.

Thank you for your unwavering confidence and trust. Together, let's make 2025 a year of growth, achievement, and financial well-being. Wishing you and your loved ones a joyful and prosperous New Year!

January 2025

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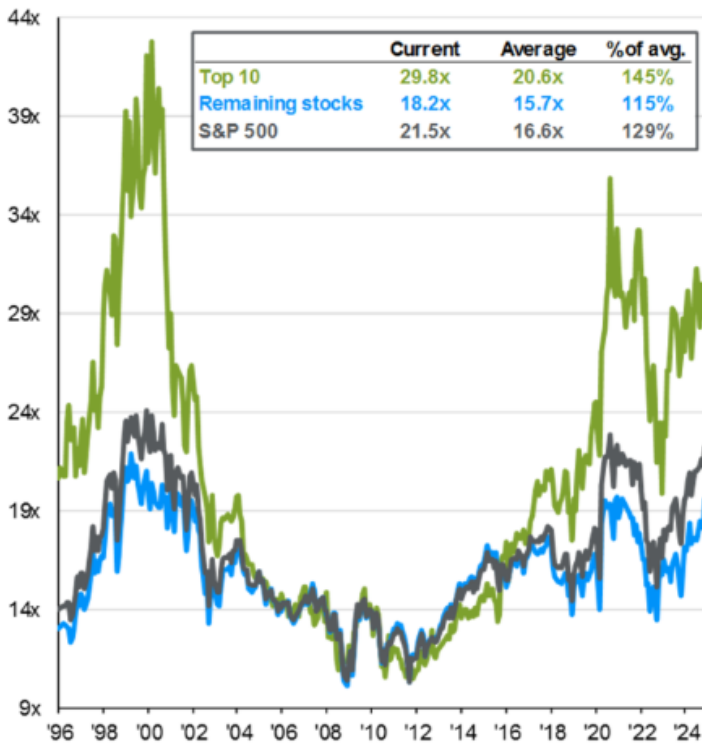
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S&P 500: INDEX CONCENTRATION, VALUATIONS AND EARNINGS

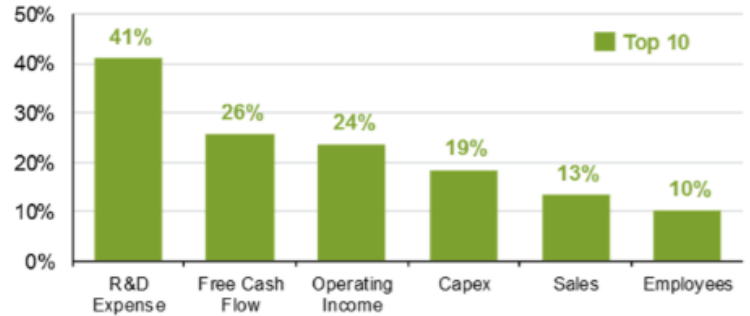
P/E ratio of the top 10 and remaining stocks in the S&P 500
Next 12 months, 1996 - present



Weight of the top 10 stocks in the S&P 500
% of market capitalization of the S&P 500



Economic concentration in the S&P 500
% of S&P 500 metric, 3Q24



S&P 500: Index concentration, valuations and earnings: The chart on the left shows the valuations of the top 10 and the remaining stocks in the S&P 500 in addition to the index itself. History shows that the top 10 stocks have not always been more expensive than the rest of the index. The dispersion has widened over the past five years as mega cap tech companies have continued to dominate. Consequently, as you can see on the top right, their share of S&P 500 market cap has been increasing as well. The bottom right, however, shows that this is not without reason. The top 10 companies also constitute a significant portion of the market's free cash flow and operating income. They also spend by far the most on R&D, suggesting their strong competitive moats may not erode for awhile.

Source: FactSet, Standard & Poor's, J.P. Morgan Asset Management. The top 10 S&P 500 companies are based on the 10 largest index constituents at the beginning of each quarter. As of 12/31/2024, the top 10 companies in the index were AAPL (7.6%), NVDA (6.6%), MSFT (6.3%), AMZN (4.1%), GOOGL/GOOG (4.0%), META (2.6%), TSLA (2.3%), AVGO (2.2%), BRK.B (1.7%) and JPM (1.4%). The remaining stocks represent the rest of the 492 companies in the S&P 500.

Guide to the Markets – U.S. Data are as of December 31, 2024.



CATCHING UP WITH: FRAN DONNELLY

As the newest member of the Abrahamson Wealth Management team, Fran brings with her a diverse background in service and wellness. A native of Des Moines, Iowa and graduate of Roosevelt High School, Fran returned to the metro after graduating from the University of Hawaii.



What are some of your hobbies or interests outside of work? I

love yoga, lifting weights, and anything crafty. Scrap booking, gift giving, and gift wrapping are my hidden talents. I love an opportunity to make anything handmade. My puppies and boyfriend, Michael, are my main focus when I'm not at work.

You're from Des Moines originally. What brought you back after college?

My appreciation for Midwest values is what ultimately brought me home. I have so many fond memories growing up in Des Moines, from Iowa Hawkeye tailgates to my first job at Palmer's Deli. The city's bigger and there feels like there's more to do than when I left for school.

Where might we run into you around the metro? You're most likely to find me at a Crunch or Lifetime fitness, fitting in a workout or steam session. You might also find me at some of my favorite restaurants, including Jesse's Embers, Cool Basil, or Monterrey for a date night. Or, you could find me at Hobby Lobby or Yankee Candle, picking up some scrapbooking and gift wrapping supplies!



NEW YEAR CHECK-IN

Can you recall the last time you confirmed the beneficiary arrangement on your workplace retirement plan? When was the last time you pulled out your will to review? With the start of the new year, now is a great time to check in on a handful of items that could have an outsized impact on your goals and wishes.



REVIEW YOUR BENEFICIARIES: Were you aware that a named beneficiary on a retirement plan or life insurance policy will supersede any arrangements made in your last will & testament? We recommend reviewing your employer sponsored retirement plans, IRAs and Roth IRAs, insurance and annuity policies, and transfer on death (TOD) arrangements at least annually to ensure they align with your overall wishes.

ASSESS YOUR WILLS AND TRUSTS: Hand in hand with reviewing your beneficiary arrangements on investment accounts and insurance policies is looking over your will and any trust agreements you might have in place. Do you need to update any executor instructions? Does any trust language need to be updated or amended? It's good to review these documents at least every 3-5 years, or as often as a major life change occurs.

EVALUATE YOUR FINANCIAL GOALS: If it's been a while since you last thought about your short and long-term financial goals, take some time to reflect on what's important to you. This could include setting new savings targets, planning for major expenses, or reassessing investment strategies to ensure they align with your long-term objectives.



AWM SERVICES



On occasion, we like to remind clients about some of the services our team offer, and we encourage you to contact us with any questions you might have in relation to your financial well-being.

- **Retirement Income Planning:** Helping you develop a reliable income stream in retirement, while factoring in potential tax implications from distributions.
- **Retirement Planning:** We use advanced software and conduct a thorough review of your assets and savings goals to help develop a customized plan for you.
- **Estate Planning:** In coordination with resources available to us at Raymond James, we can help review estate planning documents and highlight considerations based on your goals.
- **Tax Bracket Management:** Strategize withdrawals to minimize tax impact, by taking into consideration the timing and amount of withdrawals to stay within lower tax brackets, when possible, and explore tax-efficient investment options.
- **Risk Management Planning:** A regular review of your insurance needs, ranging from life to long-term care to umbrella, helping to highlight potential risks in your overall financial plan.

If you would like to schedule a time to discuss any of these services in greater detail, [please contact us](#) and we can help set an appointment for a review.

NEXT MONTH

- In our next edition, we'll dive deeper into our CAP process: Customized planning. Adaptive investing. Personalized service.
- We'll sit down with team member Colby Spann to learn a bit more about him and his wife, Abby.
- We would love to hear from you! If there's an item or topic you'd like for us to discuss in greater detail, [drop us a note](#) and we'll be sure to address it in future editions of the newsletter. Our goal is to make this publication educational, while providing entertaining material for all to enjoy.



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