



Kirk Abrahamson  
Managing Director  
Abrahamson Wealth Management

## WE WANT TO HEAR FROM YOU!

To ensure our newsletter meets your needs and keeps your interest, we invite you to share your preferences!

- What topics would you like us to cover?
- Are there specific questions you'd like for us to address?
- Would you prefer a longer or shorter format?

Your feedback matters, and we're here to listen. Whether it's newsletter content to layout, we're all ears. Please [contact us](#) or give us a call—we're eager to tailor our newsletter to meet your interests!

July 2024

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## MARKET UPDATES & HEADLINES

SUMMARY - Having hit 31 record highs since January and up more than 15% year to date, the S&P 500 is off to its best start to the year since 2019 and the best start to an election year ever, driven by mega-cap tech stocks and artificial intelligence (AI) tailwinds. NVIDIA's meteoric gains and 10-for-1 stock split briefly propelled the company's market cap above \$3 trillion, surpassing Microsoft as the most valuable public company in the world.

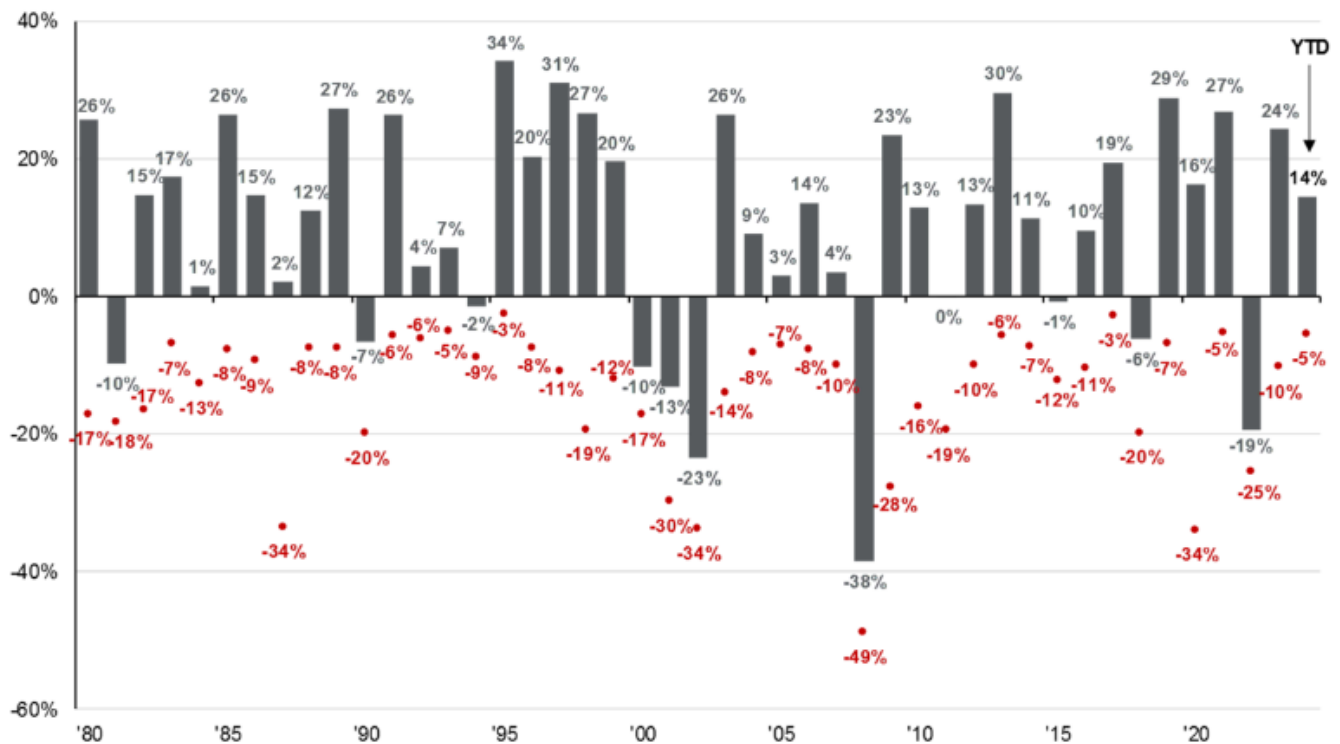
"Tech, Communication Services, and Consumer Discretionary remained center stage as market performance concentration continued – S&P 500 minus mega-cap tech was down," said Raymond James Chief Investment Officer Larry Adam. "The market continues to rally on weaker economic data but we caution that a slowing economy could dampen earnings growth and hamper the market in the near term."

Economic growth has moderated – a good sign to those looking to trust recent, improving inflation numbers. For fixed income, this has helped the Bloomberg U.S. Aggregate Bond Index claw back its year-to-date losses.

### Annual returns and intra-year declines

#### S&P intra-year declines vs. calendar year returns

Despite average intra-year drops of 14.2%, annual returns were positive in 33 of 44 years



**Annual returns and intra-year declines:** This chart shows intra-year stock market declines (red dot and number), as well as the market's return for the full year (gray bar). This chart makes clear that the market is capable of recovering from intra-year drops and finishing the year in positive territory, which should encourage investors to stay the course when markets get choppy.

Source: FactSet, Standard & Poor's, J.P. Morgan Asset Management. Returns are based on price index only and do not include dividends. Intra-year drops refers to the largest market drops from a peak to a trough during the year. For illustrative purposes only. Returns shown are calendar year returns from 1980 to 2023, over which time period the average annual return was 10.3%. Guide to the Markets – U.S. Data are as of June 30, 2024.



## RATE REPORT

### CERTIFICATES OF DEPOSIT

- 3 month: 5.15% - 5.30%
- 6 month: 5.00% - 5.20%
- 12 month: 4.90% - 4.95%
- 24 month: 4.60% - 4.75%

Annual percentage yields (APYs) as of 07/10/2024. Rates are subject to change and availability. Minimum quantity may apply.

### MONEY MARKET MUTUAL FUNDS

- Current 7-day average yields ranging 5.16% - 5.22% as of 06/28/2024. Call for specific fund information.

### CORPORATE BONDS

Rates on corporate bonds are typically higher than CDs but will vary based on credit quality and maturity.

### TAILORED SOLUTIONS

If you would like to discuss your cash management needs further, [contact us](#) for a private discussion so that we can tailor a strategy to help you meet your specifications.



## ONE-ON-ONE: PATRICK HALL

Patrick is a graduate of Iowa State, where he was also a student-athlete and part of the Iowa State men's golf team. He and his wife, Sarah, and their two daughters, Lennon and Marlie, now reside in Norwalk. We sat down with Patrick to learn more about him and his family.



**How did you and Sarah meet?** Sarah and I met right out of college at a small marketing agency in Des Moines. Fast forward 15 years, and we celebrated our 10th wedding anniversary last September and our family has grown to include two beautiful daughters: Lennon, who's 5 years old, and Marlie, our spirited 3-year-old.

**Can you tell us more about your girls?** Lennon is gearing up for kindergarten this fall in Norwalk. Our girls keep us on our toes with their dance classes, swim lessons, and even golf—yes, they're already showing interest in the sport!

**What do you and Sarah enjoy doing together?** Sarah and I love to travel together. As an event planner, Sarah's been fortunate to travel to many exciting places around the world – a few of which I've been blessed to join her. In the winter we enjoy skiing together and as summer arrives, we enjoy spending time at the pool or our family lake home.

**Where can we find you this summer?** Obviously, golf has been a passion of mine since I was a young child, and I relish the opportunity to play when I can. It's getting tougher to find time with two young girls at home! That said, I do try and compete in golf tournaments throughout the summer where possible.

About FDIC Insurance: Currently, the FDIC limits the insured amount (including principal and interest) for all deposits held in the same capacity to \$250,000 per depositor, per insured depository institution and \$250,000 for certain retirement accounts. The FDIC has permanently increased insurance coverage to \$250,000 for deposits held in all ownership categories, including single accounts, joint accounts and trust accounts. Therefore, excess holdings may not be insured. IRAs and certain other retirement accounts will maintain the \$250,000 insurance coverage. About Liquidity: Funds may not be withdrawn until the maturity date Or redemption date, However, the brokered CD, are negotiable, which mean, that although not obligated to do so, Raymond James and other broker/dealers presently maintain an active secondary market at current interest rates, Market value will fluctuate and, if the CD is cashed out prior to maturity, the proceeds may be more or less than the original purchase price, Holding CDs until term assures the holder of par value redemption. CDs are redeemable at par upon death of beneficial holder. FDIC insurance does not protect against market losses due to selling CDs in the secondary market prior to maturity. An investment in a money market fund is neither insured nor guaranteed by the FDIC or any other government agency. Although the fund seeks to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in the fund. Investors should consider the investment objective, risks, charges, and expenses carefully before investing. The prospectus, which contains this and other important information, is available from your Financial Advisor and should be read carefully before investing. CDs offer FDIC or FSLIC insurance and a fixed rate of return whereas both principal and yield of investment securities will fluctuate with changes in market conditions. Additional information is also available on the SEC Certificates of Deposit website [here](#).





## REAL ESTATE: IMPACT OF HIGHER RATES



Per the National Association of Realtors, the national median price of an existing home rose 5.7% over the year that ended in April 2024 to reach \$407,600, a record high for April. Despite sky-high borrowing costs, buyer demand (driven up by younger generations forming new households) has exceeded the supply of homes for sale.

- The average rate for a 30-year fixed mortgage climbed from around 3.2% in the beginning of 2022 to a 23-year high of nearly 8% in October 2023. Mortgage rates have ticked down since then but not as much as many people hoped. In May 2024, the average rate hovered around 7%.
- Many homeowners have mortgages with ultra-low rates, making them reluctant to sell because they would have to finance their next homes at much higher rates. This "lock-in effect" has worsened the inventory shortage and cut deeply into home sales. At the same time, the combination of higher mortgage rates and home prices has taken a serious toll on affordability and locked many aspiring first-time buyers out of homeownership. And when buying a home seems unattainable, some younger consumers might give up on that goal and spend their money on other things.
- If interest rates stay high for too long it could accelerate commercial loan defaults, losses, and bank failures, continue to constrain home sales, or eventually push down home values — and any of these outcomes would have the potential to cut into economic growth. If the Federal Reserve begins to cut interest rates, borrowing costs should follow, but that may not happen until inflation is no longer viewed as the larger threat.

## NEXT MONTH

- In August, we will take a look at disability insurance, what it is and how it works, as well as discuss how this may fit into your overall wealth planning picture.
- We'll spotlight Kirk and his family: his wife Dianna, and daughters Kylie and Laney.
- 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.



13137 University Avenue, Suite 200 // Clive, IA 50325

D: 515.224.5785 // F: 515.440.0818 // [www.abrahamsonwealthmanagement.com](http://www.abrahamsonwealthmanagement.com)

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