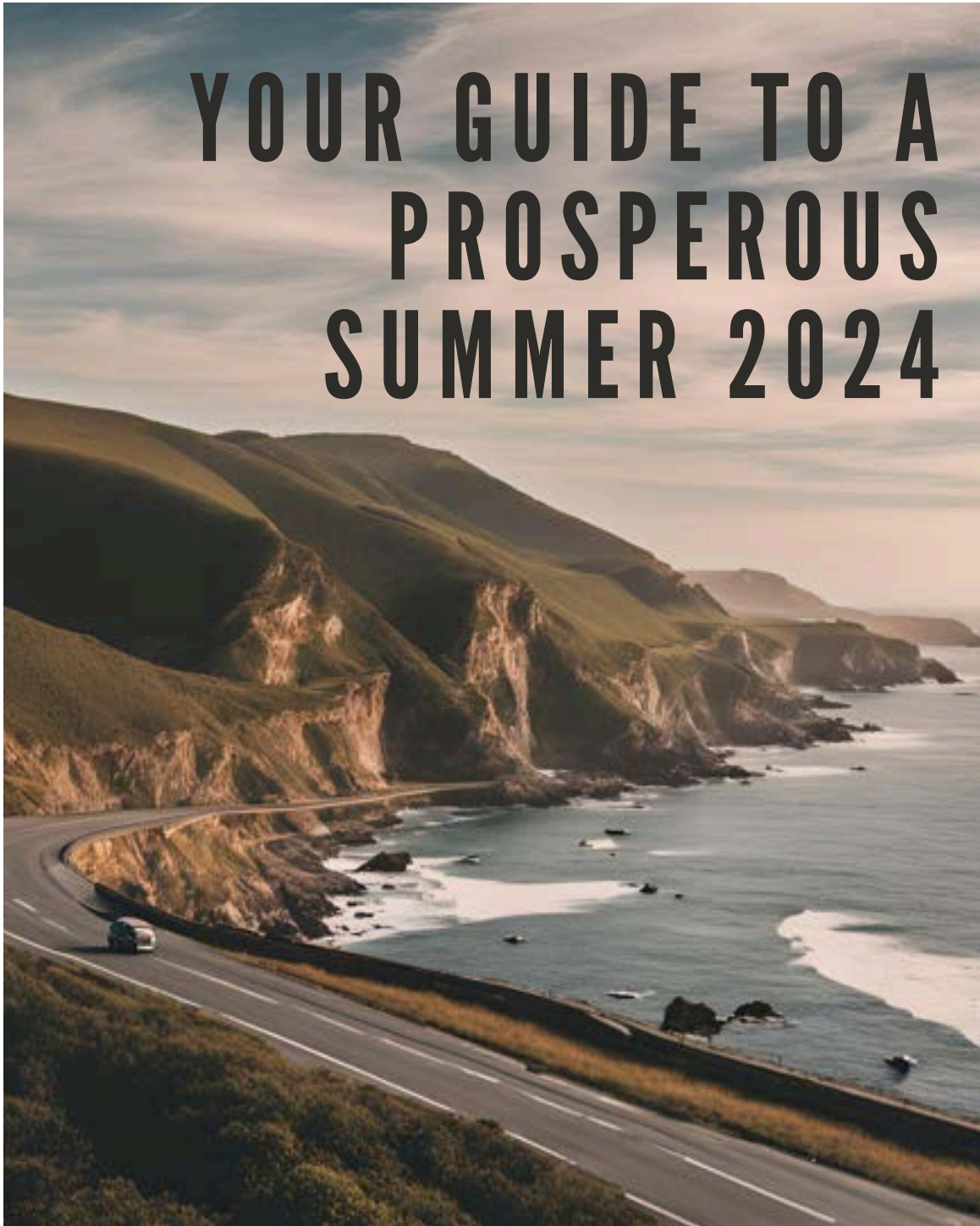


RAYMOND JAMES®

ALI DHANJI'S  
— QUARTERLY —

**YOUR GUIDE TO A  
PROSPEROUS  
SUMMER 2024**





# A BRIEF WORD

*"Give me six hours to chop down a tree and I will spend the first four sharpening the axe."*  
- Abraham Lincoln.

As we bask in the warmth of Summer 2024, I am thrilled to welcome you to our latest newsletter. This season is not just a time for relaxation and renewal but also an opportune moment to reflect on our financial goals and strategies.

The past year has been a dynamic one in the financial world, with evolving markets, new regulations, and groundbreaking innovations shaping our investment landscape. Amidst these changes, our commitment remains steadfast: to provide you with insightful analysis, expert advice, and the tools you need to make informed financial decisions.

In this issue, we delve into the latest market trends, offering a detailed overview of the current economic climate and what it means for your portfolio. Our feature articles will explore sustainable investing, the rise of digital currencies, and practical tips for managing risk in uncertain times.

Additionally, we are excited to introduce new resources aimed at enhancing your financial literacy and confidence. From interactive webinars to personalized advisory sessions, we are here to support you every step of the way.

Thank you for your continued trust and partnership. Here's to a prosperous summer and beyond.

## RAPID FIRE.

What went well?

Strong market performance continues. Economy continues to stay resilient. Inflation on a better path.

What did not go well?

FED's insistence on being data dependent (potential to make policy mistake). Geopolitical risks.

What are we watching for?

Fed pivot. Unemployment & Inflation data. Q2 Corporate Earnings.

What are we concerned about?

Geopolitical tensions. Election campaign. Corporate earnings. Stretched tech valuations.

What are we excited about?

Eventual rate cut. AI enthusiasm. Corporate earnings growth improving. Soft-landing (i.e. potentially no recession in 2024)



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VOLUME 16 | ISSUE 3 | JULY 2024

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*City of Lights,  
Market of  
Opportunities*

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HISTORICAL LOOKBACK

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# HOW PRESIDENTIAL ELECTIONS AFFECT THE MARKET

Presidential elections create the very thing the markets hate: uncertainty. This year's election raises a host of questions about how taxes, trade, and other policies might change. And until investors know the outcome, they may be hesitant to invest, leading to a weak market. But after the winner becomes clear, the markets rally. What else should investors expect during the 2024 election season? Below we look at what prior presidential election year market trends can teach us as well as additional circumstances this year that may impact the market.

## HISTORICAL MARKET TRENDS DURING PRESIDENTIAL ELECTION YEARS

Presidential election years have historically resulted in the second lowest market returns of the presidential term cycle. During these years, the monthly return averages 0.54%, trailing only midterm election years, which historically see average monthly returns of 0.3%. But once voters elect the president, and uncertainty subsides, investors show some pent-up demand for buying and the markets rebound after November's election in December as well as in the year following the election. During this post-election year, the average monthly return climbs to 1.28%.

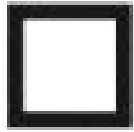
The degree of market enthusiasm the year after a presidential election has varied depending on which party wins. When the Democratic candidate has won, markets rose on average 1.75% monthly the year after the election, while the bump was on average 0.88% after a Republican nominee prevailed.

Within the presidential election year, there are also distinct periods of heightened uncertainty that impact market returns. From January through March, investors are waiting to see which candidates will emerge as each party's presumptive nominee. However, by the end of March, after 34 primaries, it's often, although not always, clear which candidates will become the nominees. This year, President Joe Biden and former President Donald Trump both crossed the delegate threshold needed to become their party's presumptive nominees before mid-March.

Once early-year primary uncertainty is resolved, markets in the past have seen an average positive return from March until October of 0.97%. But the highest point of investor uncertainty flares up from October until Election Day, resulting in an average monthly return of -1.27% during this period.

That same investor uncertainty appears likely as we approach the final campaign stretch this year. The contest appears too close to confidently predict. Both the Biden and Trump campaigns exhibit vulnerabilities: Trump faces legal challenges, while Biden contends with low approval ratings. The election outcome is likely to remain unclear until voters cast their ballots.

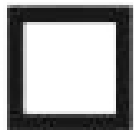
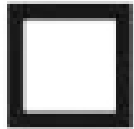
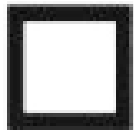
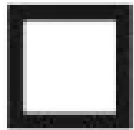
In addition to the uncertainty over who will win the 2024 presidential election, the markets are dealing with uncertainty caused by the wars in Ukraine and Israel/Gaza. These conflicts are contributing to supply chain disruptions and concerns about global economic growth.



## 2024 PREDICTIONS



Presidential election years have historically resulted in the second lowest market returns of the presidential term cycle. During these years, the monthly return averages 0.54%, trailing only midterm election years, which historically see average monthly returns of 0.3%. But once voters elect the president, and uncertainty subsides, investors show some pent-up demand for buying and the markets rebound after November's election in December as well as in the year following the election. During this post-election year, the average monthly return climbs to 1.28%.



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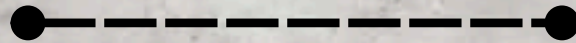
# LOOK BEYOND THE OBVIOUS TO ADD VALUE TO YOUR PORTFOLIO

Raymond James CIO Larry Adam draws comparisons to the upcoming summer Olympic Games for his team's quarterly market and economic outlook.





IN MEMORY OF MANY,  
IN HONOR OF ALL,  
THANK YOU.



YOUR BRAVERY AND SERVICE WILL  
NEVER BE FORGOTTEN.

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# MARKETS RECAP

QUARTER 2, 2024

SOURCE: FACTSET/RAYMOND JAMES

<b>YTD'2024</b>	<b>Dow</b> <b>+3.79%</b>	<b>S&amp;P</b> <b>+14.48%</b>	<b>Nasdaq</b> <b>+18.13%</b>	<b>Russell 2000</b> <b>+1.02%</b>
<b>Q2'2024</b>	<b>Dow</b> <b>-1.73%</b>	<b>S&amp;P</b> <b>+3.92%</b>	<b>Nasdaq</b> <b>+8.26%</b>	<b>Russell 2000</b> <b>-3.62%</b>

*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.*

*The year started with expectations for the Federal Reserve to cut interest rates three times beginning in the middle of the year, but higher than expected inflation early in the year halted those hopes. The Fed once again chose to hold rates steady in June and revised its projections to signal only one rate cut this year. However, if inflation continues to cool, we may see two.*

*The Consumer Price Index (CPI) printed 0.0% in May – a surprise to the markets, which were expecting a 0.1% increase. The core CPI also came in lower than market expectations, up 0.2%.*

## ARE WE FINALLY SEEING AI'S LIMIT?

While tech mega-caps have dominated performance in the S&P 500 this year, last month we saw the first significant pullback and possibly the end of AI stocks' rocket-like growth. The question now is: If the leaders take a breather, will the whole market decline or will the laggards get enough action to keep the Index relatively flat?

---

<b>YTD'2024</b>	<b>Dow</b>	<b>S&amp;P</b>	<b>Nasdaq</b>	<b>Russell 2000</b>
	<b>+5.62%</b>	<b>+10.16%</b>	<b>+9.11%</b>	<b>+4.81%</b>

---

### **LABOR MARKET HOLDS UP, HOME SALES SLOW DOWN**

Nonfarm payrolls grew by 273,000 jobs in May while the household survey showed a decline of 403,000, bringing U.S. unemployment up to 4% for the first time since January 2022. The disparity isn't entirely unusual, but looking at both surveys together creates a clearer picture of the strength of the labor market.

Existing home sales declined in May, but that weakness is yet to be reflected in existing home sale prices, which continue to rise despite the increase in inventory. New home sales declined more than expected with the increased inventory bringing new home sales prices down. In April, both housing starts and housing permits were also lower than expected, indicating that the market for new homes as well as residential investment is weakening.

### **PCE SIGNALS INFLATION MAY BE CONTINUING TO DECLINE**

After a lower-than-anticipated CPI, the bond market waited with bated breath for the Personal Consumption Expenditures (PCE) Index. A lower than expected PCE report on Friday marked a directional trend of significance that will likely lead investors to get ahead of lower interest rates, putting additional pressure on the Fed.

### **MORE TECH AND TRADE RESTRICTIONS IMPOSED ON CHINA**

The U.S. intensified efforts to restrict China's access to advanced chip technology last month, focusing on high-bandwidth memory (HBM) and gate all-around (GAA) chip technology, both of which are crucial for AI applications. Japan and the Netherlands coordinated with the U.S. to impose additional tech and trade restrictions on China, which could lead to volatility in the global semiconductor industry.

June also marked significant progress in U.S. nuclear energy policy with the passage of the ADVANCE Act, aimed at revitalizing the nuclear industry and maintaining global leadership in nuclear technology.

### **OIL MARKET REMAINS RANGE-BOUND AMID CONTINUED RISKS**

The global oil market remained in a relatively tight trading range last month, with Ukraine's drone strikes against Russian oil infrastructure having only a modest effect on supply and violence in the Middle East still a headline risk. On the demand side, the International Energy Agency and OPEC released conflicting forecasts, with OPEC calling for double the demand growth forecasted by IEA.

<b>YTD'2024</b>	<b>Dow</b> <b>+5.62%</b>	<b>S&amp;P</b> <b>+10.16%</b>	<b>Nasdaq</b> <b>+9.11%</b>	<b>Russell 2000</b> <b>+4.81%</b>
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## UNCERTAINTY IN FRANCE; PROGRESS IN THE UK

Developments in the euro area dominated the international investment backdrop in June, with French President M. Emmanuel Macron's decision to dissolve the country's lower house National Assembly and hold snap elections surprising both regional politics and the market. Whatever the result of those elections, leaders will be tasked with addressing the deterioration of the country's public finances in the aftermath of the pandemic and regional energy crisis of 2022.

In contrast, the UK economy is faring comparatively well, as headline inflation hit the 2% target after three years, which will serve as a tailwind for whichever party wins the July 4 election. Still, the Bank of England has voted to maintain the key base interest rate at 5.25% until the incoming government's plan for pursuing its policy agenda becomes clear.

## THE BOTTOM LINE

With the S&P 500's dogged run and the looming election, it's normal for investors to ponder the best course of action. Navigating all-time highs is part of the journey – they don't always mean a correction is imminent, but rather signal a healthy and growing economy. Even if a correction does occur, taking a long-term view will generally yield better results. As always, reach out to me directly to ensure your portfolio is in line with your specific goals and timelines.

Investing involves risk, and investors may incur a profit or a loss. All expressions of opinion reflect the judgment of the Raymond James Chief Investment Officer and are subject to change. There is no assurance the trends mentioned will continue or that the forecasts discussed will be realized. Past performance may not be indicative of future results. Economic and market conditions are subject to change. The Dow Jones Industrial Average is an unmanaged index of 30 widely held stocks. The NASDAQ Composite Index is an unmanaged index of all common stocks listed on the NASDAQ National Stock Market. The S&P 500 is an unmanaged index of 500 widely held stocks. The MSCI EAFE (Europe, Australasia and Far East) index is an unmanaged index that is generally considered representative of the international stock market. The Russell 2000 is an unmanaged index of small-cap securities. The Bloomberg Barclays US Aggregate Bond Index is a broad-based flagship benchmark that measures the investment grade, U.S. dollar-denominated, fixed-rate taxable bond market. An investment cannot be made in these indexes. The performance mentioned does not include fees and charges, which would reduce an investor's returns. Investing in the energy sector involves special risks, including the potential adverse effects of state and federal regulation, and may not be suitable for all investors. A credit rating of a security is not a recommendation to buy, sell or hold the security and may be subject to review, revision, suspension, reduction or withdrawal at any time by the assigning Rating Agency. Bond prices and yields are subject to change based upon market conditions and availability. If bonds are sold prior to maturity, you may receive more or less than your initial investment. Income from municipal bonds is not subject to federal income taxation; however, it may be subject to state and local taxes and, for certain investors, to the alternative minimum tax. Income from taxable municipal bonds is subject to federal income taxation, and it may be subject to state and local taxes. Investing in commodities is generally considered speculative because of the significant potential for investment loss. Their markets are likely to be volatile and there may be sharp price fluctuations even during periods when prices overall are rising. International investing involves special risks, including currency fluctuations, differing financial accounting standards, and possible political and economic volatility. The companies engaged in the communications and technology industries are subject to fierce competition and their products and services may be subject to rapid obsolescence. The Consumer Price Index is a measure of inflation compiled by the US Bureau of Labor Studies. The Leading Economic Index (LEI) provides an early indication of significant turning points in the business cycle and where the economy is heading in the near term. This is not a recommendation to purchase or sell the stocks of the companies pictured/mentioned.



“A WINNER IS  
A DREAMER  
WHO NEVER  
GIVES UP.”

*- nelson  
mandela*



*Up & Coming*  
VACATION HOME RENTALS

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CLIMATE CONSIDERATION WHEN BUYING A VACATION HOME

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Choosing a location for your vacation home was once as simple as answering the question “mountains or beaches?”

But with today’s climate adding to the equation, the decision-making process has become a bit more nuanced.

Investors may reconsider buying a home in a popular vacation spot due to recent weather events. But since these are possibilities, not certainties, it’s not the sole factor.

Insurance rates further add to the decision-making twist.

They can vary quite a bit across regions, particularly in those that have seen their fair share of unexpected events. While no place is completely risk-free, there are plenty of areas that boast similar allure to traditional vacation home hot spots, often with lower costs.



## THE MIDWEST: THE LAKE HOUSE IS THE NEW BEACH HOUSE

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The Midwest might not be the first region that comes to mind when contemplating a vacation home, but it has several advantages: The region has no risk of hurricanes, offers comfortable summers and delivers plenty of unspoiled nature.

Consider Madison, Wisconsin, with its lakefront homes along Lake Mendota, fishing and boating opportunities, rich cultural and arts scene and abundant parks and trails. While the cost of living in Madison is higher than the national average, the locale is much more affordable than some other Midwestern areas, like Chicago.

Grand Rapids, Michigan offers a booming craft brewery scene, a strong healthcare industry and a local government that's working on climate resiliency efforts. With more than 1,200 acres of city-owned parks and Lake Michigan less than an hour's drive away, residents are flush with recreational opportunities. They also enjoy a lower cost of living than other major metro areas in the U.S.



## ARE THE MOUNTAINS CALLING YOU? GO WEST

---

The Pacific Northwest offers picturesque and diverse terrain, but the risk of wildfires and rising sea levels could make it a questionable place to invest. Move a little inland, however, and you'll find similarly stunning landscapes and plenty of recreational activities.

Denver, Colorado is paradise for outdoor enthusiasts, with the striking Rocky Mountains right next door offering skiing, hiking, mountain biking, rock climbing and rafting opportunities galore. It also has a vibrant culture, a bustling food and beer scene and a fast-growing economy.

Spokane, Washington boasts areas of peaceful wilderness and a lively downtown, with lots of restaurants and entertainment venues, breweries and proximity to some of the state's prized wineries. Residents also enjoy a relatively low cost of living and no state income tax.

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THE SOUTH STILL HAS  
ITS CHARMS

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You can have your vacation home in Florida and stay safe from flooding as long as you keep a safe distance from the coast – which is why Orlando is still an attractive option. With its theme parks and easy access to coastal towns, it offers the best of both worlds.

Parts of Virginia and Tennessee offer proximity to stunning mountain scenery, as does Asheville, North Carolina, nestled safely inland from the Atlantic Ocean.



## COOLER TEMPS AND ADVENTURES ABOUND IN THE NORTHEAST

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As temperatures and sea levels rise, there's refuge to be found in the northeastern U.S., along with scenic vistas and wealth of recreational activities.

While they can be expensive and cold, Vermont and Maine are home to mountains, lakes and forests and are less vulnerable to rising sea levels and temperatures, thanks to their location and government conservation efforts. From skiing in winter to golfing and fishing in summer, they offer all-seasons adventure for outdoor enthusiasts.

Convenient to New York City and Philadelphia, the Pocono and Catskills Mountains are more affordable options offering lakeside retreats, skiing, hiking, golf and more.

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## INVEST IN CLIMATE PROOFING

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Of course, people will – and do – continue to move to at-risk areas. Coastal counties make up 10% of land in the U.S. but hold 40% of the population. And of the country's 50 most populated metro areas, 11 are located in states with a high risk of hurricanes. Ten of those areas have seen home prices double since 2012.

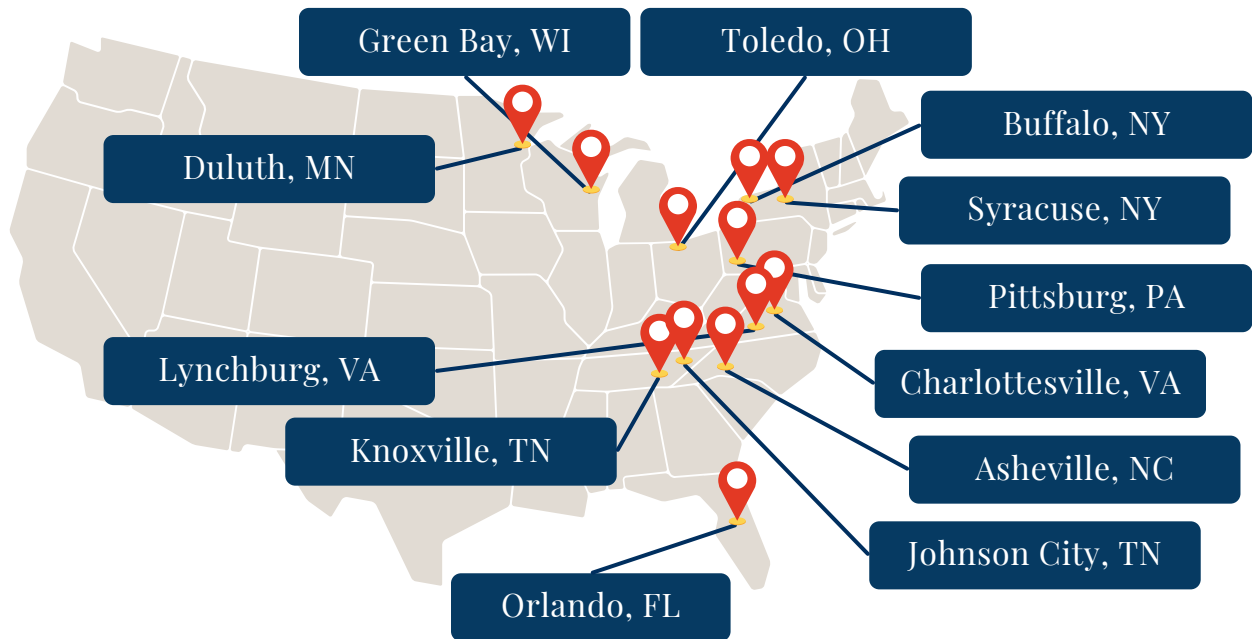
If your heart's set on a vacation home overlooking the beach, there are steps you can take to preserve your investment. Climate-proofing measures can help mitigate the effects of extreme weather events, decrease insurance costs and help maintain the value of your property.

For example, to protect against flooding, install a sewer backfill valve to keep water from entering your home through your drain pipes. You might also elevate your heating and cooling unit, water heater and electrical panels and use landscaping to channel water away from your home.

If your vacation home is in a high-wildfire-risk area, replace your wood roof with a more fire-resistant alternative (like metal), install fire sprinklers, and use landscaping to create a defensive shield around your home.

To protect your home from wind, install hurricane shutters or impact-resistant windows, as well as a garage door rated for wind and impact, and make sure all parts of your roof are properly anchored.

If you're thinking about buying a vacation home and are concerned about weather-related risks, you can check out the National Risk index at [hazards.fema.gov/nri/map](https://hazards.fema.gov/nri/map) for an overview of the relative risk of areas across the U.S. For more granular data, take a look at [riskfactor.com](https://riskfactor.com) and type in an address.



## THE 12 MOST CLIMATE - RESILIENT CITIES

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By investing in clean energy and infrastructure, cities can improve their climate resiliency and mitigate the effects of extreme weather events. The most climate resilient cities also tend to have higher elevations, lower populations and less exposure to adverse weather conditions and flooding in general.

These are the top 12 picks of Jesse Keenan, economist and associate professor of sustainable real estate at the School of Architecture, Tulane University.

# Americans with Disabilities Act (ADA) turns 34!



Before 1990, people with disabilities lacked the same civil rights they enjoy today. The ADA, enacted in 1990, was a pivotal law that banned discrimination against individuals with disabilities, granting them equal rights. However, defining disability and discrimination, as well as establishing enforcement procedures and timelines, remained essential tasks.

In the present, we benefit from safeguards and numerous inspirational figures. Stephen Hawking, a renowned theoretical physicist, astrophysicist, cosmologist, and author, gained widespread recognition despite being diagnosed with Lou Gehrig's disease at 21. His groundbreaking work on black hole evaporation is now known as Hawking radiation.

Consider John Nash, portrayed in the film "A Beautiful Mind," overcame paranoid schizophrenia to achieve a Nobel Prize in economics. Carson Pickett, a skilled defender in the National Women's Soccer League, was born without a left hand and forearm. Explore the ADA's toolkit at [adaanniversary.org](http://adaanniversary.org) for educational resources, webinars, training courses, and social media posts to celebrate with us!



# Tax planning with qualified charitable distributions

Understand how to benefit from this  
tax-saving tool.

SOURCE: RAYMOND JAMES





## GIVING WITH GREATER BENEFITS

Are you 70 ½ or older and do you have an IRA? Do you have charitable intentions for your current or future required distributions? Consider the use of a qualified charitable distribution (QCD).

With QCDs, an IRA owner or beneficiary over age 70 1/2 can donate up to \$105,000 directly from an IRA to a charity without getting taxed on the distribution. A QCD can be used to satisfy part or all of your required minimum distribution (RMD) up to the QCD limit of \$105,000.

Donating IRA funds directly to qualified charities allows the IRA owner or beneficiary to avoid taking possession of the funds and the tax bill that comes with it. Another benefit of the QCD is potentially reducing taxation of other sources of income, such as Social Security and the Medicare net investment income tax, while also potentially reducing Medicare Part B and D premiums.

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With a QCD, an IRA distribution that would normally be taxed at ordinary rates is directed to the charity without any associated tax liability to the IRA owner. One advantage of a QCD is that you don't have to itemize deductions on your tax return for it to be excluded from income; however, you could still do a QCD and itemize deductions for further tax savings. An additional benefit of a QCD is that you don't have to be concerned about AGI constraints – the full amount up to \$100,000 is excluded from income. A QCD can also potentially reduce other areas of taxation, such as the amount of your Social Security benefit that is taxed, medical net investment income tax, and Medicare premium surcharges.

## **COMPARING THE BENEFITS OF QCD AND NON-QCD STRATEGIES**

Aside from the philanthropic benefits, another benefit of charitable giving is the ability to deduct the contribution and reduce your taxable income. However, in order to deduct the contribution, a taxpayer must itemize deductions on their tax return, rather than use the standard deduction. If all itemized deductions (including the charitable gift) don't exceed the standard deduction, there is little tax benefit to making a gift. Furthermore, while a gift of cash is fully deductible, it can only be applied up to 60% of a taxpayer's adjusted gross income for the year. Any portion of the gift that cannot be applied in the current tax year can be carried forward five years to offset future income.

## HOW IT WORKS

The QCD must be paid directly to the charity, which must be a qualified 501(c)(3) institution eligible to receive tax-deductible contributions. A QCD cannot be made to a private foundation, donor advised fund or supporting organization (as described in IRC 509(a)(3)). However, SECURE 2.0 Act of 2022 allows a QCD to be directed to a split interest entity such as a charitable gift annuity or charitable remainder trust provided several conditions are met (not discussed here).

The charitable entity, as the recipient of the QCD, must receive the donation by December 31 in order to ensure tax reporting for the proper year.

### ◆ How to file taxes with a QCD

Your 1099-R form will show the distributed amount for the calendar year when your withdrawal is made with no code indicating a QCD. Therefore, when filing:

- List the QCD amount on the 1040 tax form on the line designated for IRA distributions.
- On the line for the taxable amount, enter zero if the full amount was a qualified charitable distribution.
- Enter "QCD" next to this line. See the Form 1040 instructions for additional information.

We recommend seeking guidance from your tax professional.

## QCD AND THE SECURE ACT – SPECIAL CONSIDERATION

The SECURE Act, passed in late 2019, repealed age restrictions on deductible IRA contributions for individuals over age 70 1/2. With the removal of the age cap on IRA contributions, an individual over 70 1/2 who was required to take an RMD could now make a tax deductible IRA contribution (if eligible) in addition to a QCD to satisfy the year's RMD. To prevent this "double dipping," legislators included a provision in the SECURE Act that requires individuals who make both post-70.5 deductible IRA contributions and QCDs to include in their taxable income the amount of the QCD up to the total value of the deductible contribution.

### ◆ Example:

When Jane was 71 and still working, she made a deductible IRA contribution of \$7,000. Jane turns 72 in 2022 and her RMD for the year is \$20,000. Jane is charitably inclined and makes a QCD of \$20,000 to her favorite charity. The full \$20,000 goes to the charity; however, the amount of pretax contributions to her IRA after age 70.5 (\$7,000) will be included in her gross income for the year.

Employer contributions to a SEP IRA or SIMPLE IRA will not have this effect of reducing the QCD income exclusion cap.



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## IMPORTANT FACTORS

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- A QCD can be used to meet your required minimum distribution.
  - Your \$100,000 distribution limit can include amounts in excess of the RMD payment; however, the total annual amount cannot exceed \$105,000 per person.
  - If an RMD payment has already been made for the year, it's considered an irrevocable taxable distribution that can't be reclassified or reapplied as a QCD.
  - A QCD is available to both IRA account owners and IRA beneficiaries, provided they are at least age 70 1/2.
  - With QCDs, the variety of eligible charitable entities is limited to primarily public charities.
  - A QCD is not available from a simplified employee pension (SEP) or SIMPLE IRA – accounts still receiving ongoing employer contributions.
  - While a QCD can be done from a Roth IRA, this generally isn't advisable given that there is no RMD requirement from Roth IRAs. Furthermore, qualified distributions from Roth accounts are tax-free so there is no tax benefit to making a QCD.
  - Normally, if you have made after-tax contributions to one or more IRAs, the pro-rata rule applies (meaning part of the distribution is taxable and part nontaxable). With a QCD, your taxable contributions are distributed first. The QCD avoids the pro-rata rule.
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## NEXT STEPS

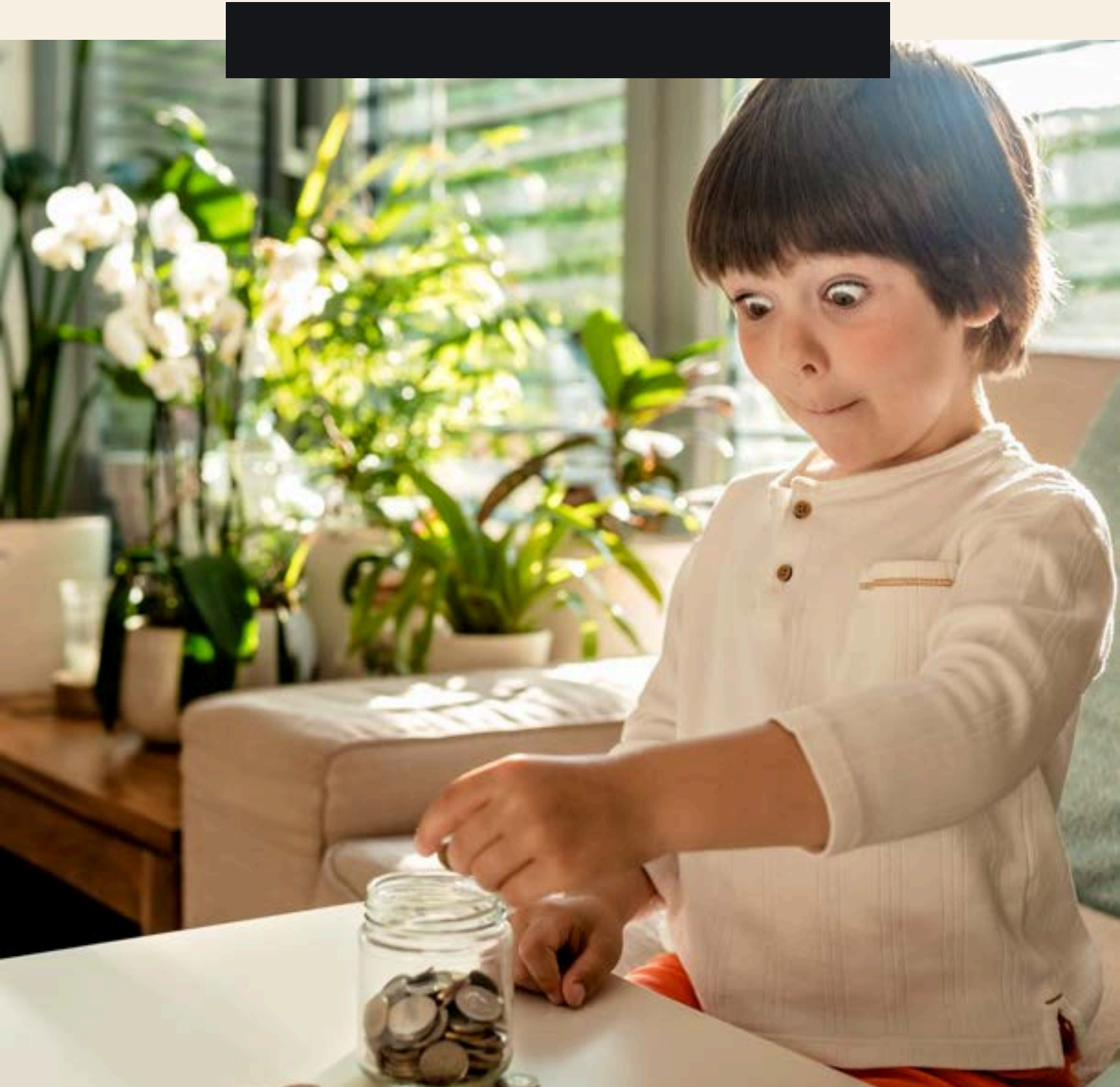
Since each individual's situation is unique, it's important to seek guidance from your financial advisor and tax professional to explore if this tax-planning tool can maximize your tax savings. Begin the process by meeting with your financial advisor, who will take a comprehensive look at your situation in the context of your overall financial plan. Your financial advisor has the tools, resources and expertise to help you understand if this tax planning tool may be right for you. If you have considered donating all or part of your IRA required minimum distribution payment to charity, then take action before year-end.

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# THE LASTING BENEFIT OF FINANCIAL LITERACY

Key financial lessons to teach your children as they grow.





Talking to kids about money can be awkward, but it's important. That's the takeaway from a recent T. Rowe Price survey, which showed that parents consider topics like death and politics easier to discuss with kids than saving for a goal. A full 85% wanted to avoid the issue by signing their kid up for a personal finance course.


Though a class might help – and your advisor can be a valuable teacher's aide – your kids are still taking their cues from you.

"Parents are the number one influence on their children's financial behaviors," Beth Kobliner, author of "Make Your Kid a Money Genius," told Forbes. "It's up to us to raise a generation of mindful consumers, investors, savers and givers."

### **AGE 3-6**

Don't underestimate them – at 3, your kids can grasp basic financial concepts, and by age 7, they have already formed money habits, according to a Cambridge University study. Start with the basics, including the idea that you work to earn money in order to pay for what you want and need – and help your kids understand the difference.





Create a wants vs. needs collage: divide a sheet of paper in half and have your child cut and paste photos from magazines into the two categories.

Other money milestones mapped out by the experts at the Consumer Financial Protection Bureau include the ability to **focus and persist through tasks**. Saving for retirement takes large amounts of patience and self-control, so we might as well start teaching them early.

**Recognizing tradeoffs** is another important early milestone. Try thinking aloud when you're grocery shopping about the amount of money you're exchanging for a product, or have them help you compare the unit price of similar goods. Whether a trade involves money, treats or time, discuss with your child how every decision has consequences.

Around age 5, it's important to give kids some cash to manage. A regular allowance allows them to start thinking in terms of financial tradeoffs, and you can offer them a three-part piggy bank (save, spend and share) so they begin to understand the different **functions of money**.

By age 6, your child should be able to focus on completing small chores to earn money and understand the value of different coins and bills well enough to **sort and count** them.

## **AGE 7-12**

As your child grows, help them **develop values** such as empathy and gratitude. Knowing that some families live in poverty and need assistance is part of financial literacy. Using a site like [Dollar Street](#) that shows photos of different families around the world living on a variety of incomes can help. So can letting your child have a say in where the family's charitable dollars will go.

It's also a good idea to pass down **family stories** to the next generation – how your parents pitched in to help you build your business, your first big purchase, or how spending habits helped you weather the ups and downs of life. These tales can help them understand their place in the world and develop perspective on what has value in life.

These years are also a good time to have your child **open a bank account**, which can help them claim the identity as a “saver” and associate positive emotions with it. You should also help them track what they are earning in interest. “There’s nothing like receiving an interest payment (even if it is a few cents) in your name for the first time,” Asheesh Advani, CEO of Junior Achievement Worldwide, told Inc. magazine.

### AGE 13-18+

**Credit cards, investing, taxes:** As your child becomes a young adult, it’s time to step up your game to help them with these complex topics and more. You can help them get started with the SIFMA Foundation’s annual Stock Market Game simulation, let them take control of buying their school supplies on a budget, or help them calculate credit card interest.

*Before your teen racks up any credit card debt of their own, consider adding them as an authorized user on your card. Show them that interest accrues unless the balance is paid off – and that any late payment hurts your credit score.*

Talk about which **data sources** can be trusted. Share how you vet financial decisions, and urge your teen to keep digging if what they’re being told doesn’t add up. For example, if your child is researching colleges, encourage them to do research beyond reading a school’s brochure.

Many successful people trace their money skills back to a formative moment: **getting a job** as a teen. There’s no better way to experience firsthand the effect of taxes, having a boss, being part of a team and managing your time to fit in schoolwork. A seasonal job during school holidays or a part-time gig could help your teen better grasp the working world – and how they picture themselves in it.

Finally, come up with a savings plan for **long-term goals**, like a car or college tuition. You can use a budgeting app (try Goalsetter or Mint) that helps them visualize their progress, keeps spending in check and gives them a sense of ownership and confidence in their future

## START THE CONVERSATION

Whether your kid is seven or 17, they are ready to hear money talk from their parents and grandparents. After all, financial literacy is not just about dollars and cents. You're really showing them how to think for themselves, develop values and make sound decisions. In the space of a few teachable moments, you can empower them to take control of their future – a worthy investment.

Sources: T. Rowe Price 2019 Parents, Kids & Money Survey; Forbes; Inc. magazine; CNBC Millionaire Survey; U.S. Consumer Financial Protection Bureau; Sallie Mae's 2019 Majoring in Money report; mtmfec.org



Summer  
Season  
Recipe

Cold Noodles  
With  
Tomatoes and  
Peanut  
Sauce

CLICK  
HERE

Source: [bonappetit.com](http://bonappetit.com)

# FIVE WAYS TO STAY SECURE ONLINE



## **Beware of Scams:**

Never give out your information over the internet, phone or by mail, unless you're sure about who will be receiving it. The "Prince of Nigeria" is alive and well and looking for easy targets. So, if it seems too good to be true, investigate first! You can learn about the latest scams by visiting [usa.gov/common-scams-frauds](https://www.usa.gov/common-scams-frauds). Additionally, if you receive an email from a company and are unsure if it's legitimate, consider double-checking the validity of the company by closing the email, opening a new browser, searching for their official sites and contacting them through their customer service.



## **Dispose of your personal information privately:**

Be sure to securely shred or delete sensitive documents and information. Wiping your retired electronics of all information before you dispose of them can also help prevent identity fraud.



## **Get creative with passwords:**

Create a strong password using more than six characters, a mix of letters and numbers, both upper and lowercase letters, and punctuation marks, such as exclamations. Avoid using your pet's name, date of birth or other easily identifiable personal information.



## **Secure your browser:**

If you want to ensure your browser is secure, look for "https" at the beginning of the web address (the "s" stands for "secure"). Only access your accounts using networks and computers that you know are safe.



## **Stay sly on social media:**

Review your privacy settings on each site and enact privacy measures you're comfortable with. Consider omitting your date of birth or full name from public online forums and limiting who can view your profiles.

# REFLECTING REMEMBERING



# WorthaLook

A compendium of fresh looks and new ideas

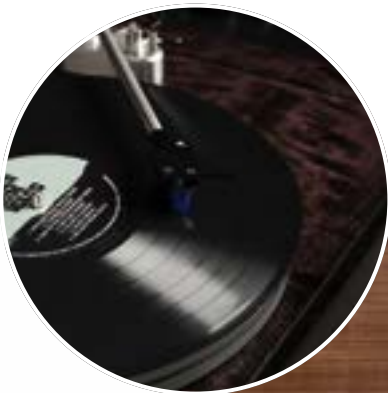
## Made in the Shade

The sun warms the clear blue sky as you gaze out from under a luxe umbrella onto sparkling sand and a cerulean sea. Is it a European beach, in maybe Greece or Spain? It's your daydream, so that's up to you. Capture that feeling with your morning coffee any day, no passport required, with Business & Pleasure Co.'s Patio Umbrella. They make beautiful outdoor goods that blend vintage charm with modern materials made to last. Find some shade at Business & Pleasure Co.



## Striking a Chord

The best way to listen to The Beatles was live at Wembley in 1965. The next best way is on The Standard record player console by Wrensilva, handcrafted in San Diego from American hardwoods and featuring several finish options to best match your style and space. With six listening modes and space to store up to 135 albums, you can give every day the stellar soundtrack it deserves. Turn it up at Wrensilva







### The Right Move

Admired for your mind or your chess set? Regardless, you'll never be short of challengers. This sleek, tournament-sized set is a magnet for family and friends. Each board is a unique masterpiece, individually handcrafted from solid walnut and maple, allowing the natural beauty of the wood to shine through. The set comes complete with weighted wooden chessmen, ready to follow your command. Plan your move at Three Trees Workshop.



### Come to the Table

Liven up your tablescape at home and make a positive impact for a community half a world away. This elegant, stylish tablecloth features a vibrant geometric design, screenprinted by a team of master and apprentice printers in Fiji. As part of Rise Beyond the Reef's Studio Print Collection, this piece not only adds beauty to your table, but also provides job training opportunities for youth in surrounding rural communities. Unfold yours at Rise Beyond the Reef.

# Summer 2024 Market Closure

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June 19: Juneteenth (observed)

July 4: Independence Day

Sept. 2: Labor Day

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## Dates to remember

For deadlines that fall on a weekend, action may need to be taken by the preceding weekday.

June 17: The deadline for U.S. citizens abroad to file tax returns. Second quarter estimated tax payments are also due, if required.

July 1: Parents and students might want to make note of deadlines for scholarship applications and paid internships in July.

Sept. 16: Third quarter estimated tax payments are due.

### Once-in-a-lifetime trip

Travelers are planning big adventures to make up for lost time, according to Trafalgar. Skyscanner reports some cost-effective destinations include Nicaragua, Morocco, Turkey and India.

## Things to do

**Create an account with SSA.gov:** Check your earnings history for accuracy and review your expected benefits; doing this regularly should ward off error. If you're close to retirement age, discuss with your advisor when and how you should file to maximize household benefits.

**Freshen up your estate plan:** Check the beneficiaries of your IRAs, insurance policies, trusts and other accounts, and update information that's no longer relevant. Ensure your plan protects you and your family in the case of an unexpected event.

**Pencil in a family meeting:** Legacy planning is more than sharing wealth – it's also about passing down family values and history to the next generation. Host a family meeting to spark dialogue about traditions and building the future you want to see.

**Share big news with your financial team:** Speak with your advisor about major life changes you've experienced and how your financial plan could be affected. These changes include marriages, births, deaths, divorces, a sudden windfall and more.

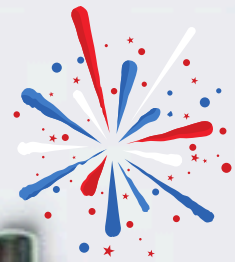
**Check for college deadlines:** Many colleges and universities have registration and tuition payment deadlines in the summer months. If you have a 529 plan, make sure to discuss qualified expenses and payment plans with your advisor.

**Assess insurance needs:** Periodically review coverage to ensure proper protection, especially if you've recently experienced major life events; your advisor can help as part of your larger risk management plan.

# seasonal calendar

## July

- July 4 - Independence Day
- July 15-18 - Republican National Convention
- July 16 - Major League Baseball All-Star Game
- July 21 - July full moon reaches peak illumination
- July 26-Aug 11 - Summer Olympics in Paris

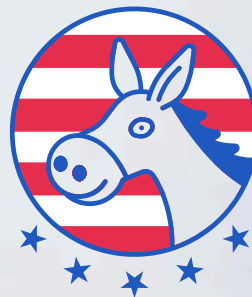


HAPPY  
4th  
of July



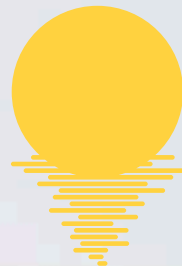
## August

- August 12-13 - Perseids meteor shower peak estimate
- August 19 - August full moon reaches peak illumination
- August 19-22 - Democratic National Convention



## September

- September 2 - Labor Day
- September 17 - September full moon reaches peak illumination
- September 22 - Fall starts (autumnal equinox)



(as of 03/31/24)

**~8,800**

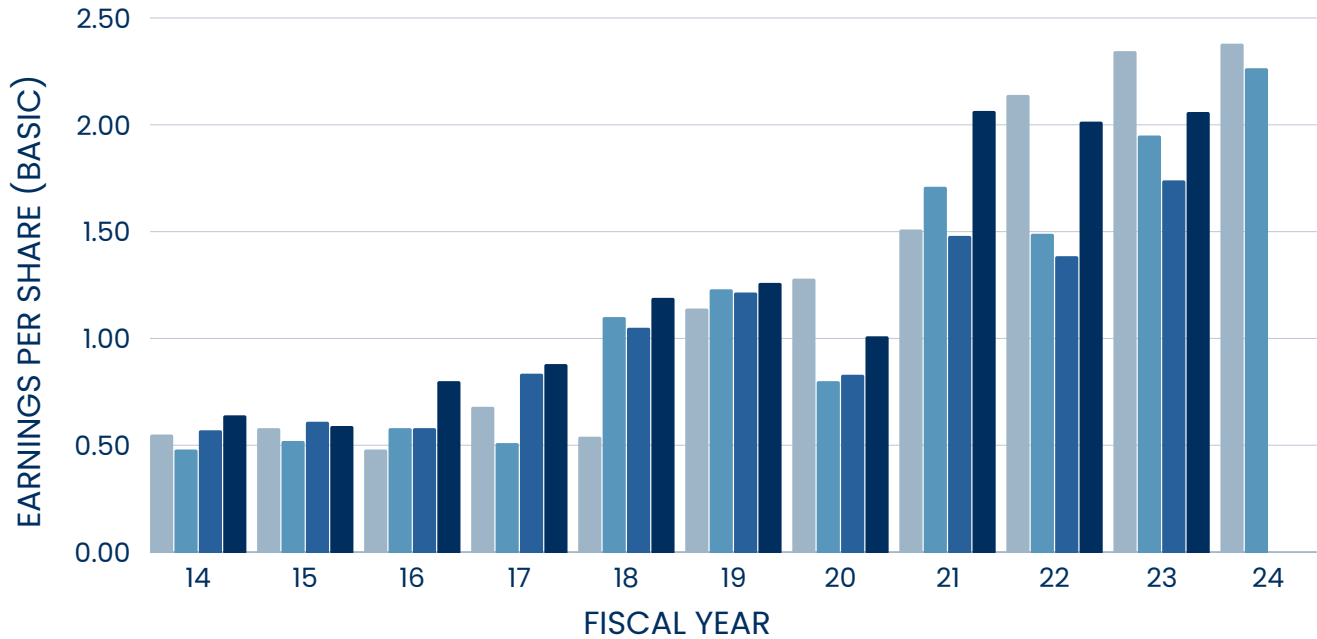
Financial Advisor

**~\$1.45 trillion**

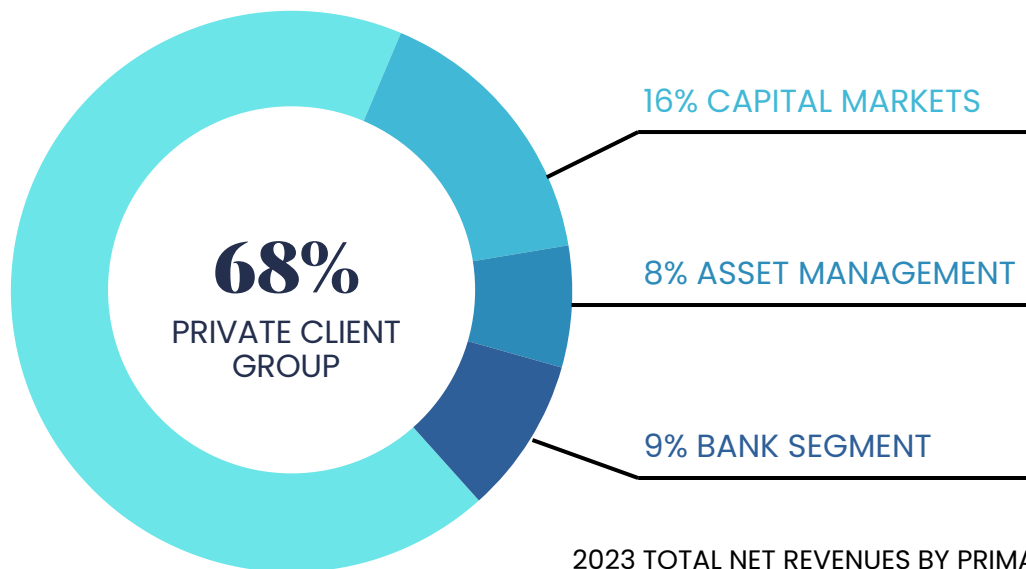
in total clients assets under management

**A-, A- & A3**

credit ratings with Stable Outlook from Fitch, S&P & Moody's, respectively



**145\* CONSECUTIVE PROFITABLE QUARTERS<sup>1</sup>**



2023 TOTAL NET REVENUES BY PRIMARY SEGMENT  
TOTAL NET REVENUES FOR FISCAL YEAR ENDING SEPTEMBER 30, 2023

**DIVERSIFIED BUSINESSES & RECURRING REVENUE<sup>2</sup>**

\*As of March 31, 2024. Past performance is not indicative of future results. The information provided is for informational purposes only and is not a solicitation to buy or sell Raymond James Financial stock. \*A credit rating of a security is not a recommendation to buy, sell or hold the security and may be subject to review, revision, suspension, reduction or withdrawal at any time by the assigning rating agency. <sup>1</sup>During our fiscal fourth quarter of 2021 the Board of Directors approved a 3-for-2 stock split, effected in the form of a 50% stock dividend, paid on September 21, 2021. All share and per share information has been retroactively adjusted to reflect this stock split. <sup>2</sup>Pie chart is intended to show relative contribution of each of the firm's four core business segments. The chart does not include intersegment eliminations or the "Other" segment. Other includes the firm's private equity investments, interest income on certain corporate cash balances, as well as certain corporate overhead costs of Raymond James Financial including the interest cost on our public debt, losses on extinguishment of debt, and certain acquisition-related expenses. \*\*Regulatory requirement is referred to what is to be considered "well capitalized."

# Happy LABOR DAY



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