



Market Update Luncheon

Presented by:





Agenda

Presented by Parkhurst Financial Services

- SEI - Matt Potter
- Duncan Financial Group - Chris Simone
- Dan Sage
- Q&A



Economic and market update.

Matt Potter, CFA

Global equity markets.

Data as of 9/30/2025	YTD	2024	2023	2022	2021	2020
Domestic Market Cap Breakout						
S&P 500 - Total Return	14.83	25.02	26.29	-18.11	28.71	18.40
Russell 1000 - Total Return	14.60	24.51	26.53	-19.13	26.45	20.96
Russell 2500 - Total Return	9.48	12.00	17.42	-18.37	18.18	19.99
Russell 2000 - Total Return	10.39	11.54	16.93	-20.44	-14.82	19.96
Domestic Value vs Growth						
Russell 1000 Growth	17.24	33.36	42.68	-29.14	27.60	38.49
Russell 1000 Value	11.65	14.37	11.46	-7.54	25.16	2.80
Russell 2000 Growth	11.65	15.15	18.66	-26.36	2.83	34.63
Russell 2000 Value	9.04	8.05	14.65	-14.48	28.27	4.63
International Equity Indices						
MSCI EAFE - Net Return	25.14	3.82	18.24	-14.45	11.26	7.82
MSCI Emerging Markets (Net)	27.53	7.50	9.83	-20.09	-2.54	18.31
MSCI ACWI ex USA (Net)	26.02	5.53	15.62	-16.00	7.82	10.65



Index returns are for illustrative purposes only and do not represent actual investment performance. Index returns do not reflect any management fees, transaction costs or expenses. Indexes are unmanaged and one cannot invest directly in an index.

Source: FactSet, as of September 30, 2025. **The performance data quoted represents past performance. Past performance does not guarantee future results.**

©2025 SEI

S&P 500 sector returns.

Data as of 9/30/2025	YTD	2024	2023	2022	2021	2020
Domestic Equity Market						
Consumer Discretionary	5.30	30.14	42.41	-37.03	24.43	33.30
Consumer Staples	3.89	14.87	0.52	-0.62	18.63	10.75
Energy	7.04	5.72	-1.33	65.72	54.64	-33.68
Financials	12.75	30.56	12.15	-10.53	35.04	-1.69
Health Care	2.61	2.58	2.06	-1.95	26.13	13.45
Industrials	18.38	17.47	18.13	-5.48	21.21	11.06
Information Technology	22.31	36.61	57.84	-28.19	34.53	43.89
Communication Services	24.51	40.23	55.80	-39.89	21.57	23.61
Materials	9.32	-0.04	12.55	-12.27	27.28	20.73
Real Estate	6.19	5.23	12.36	-26.13	46.19	-2.17
Utilities	17.69	23.43	-7.08	1.57	17.67	0.48

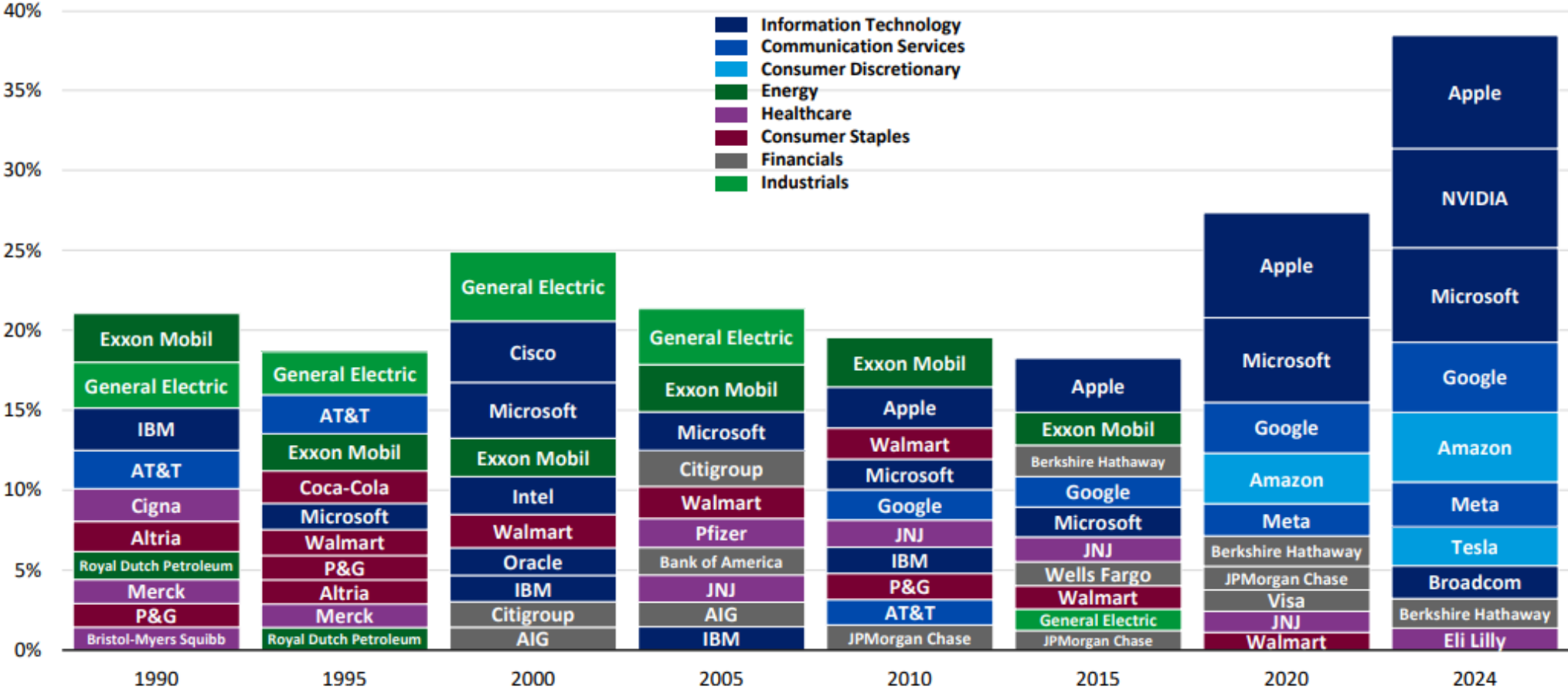


Index returns are for illustrative purposes only and do not represent actual investment performance. Index returns do not reflect any management fees, transaction costs or expenses. Indexes are unmanaged and one cannot invest directly in an index.

Source: FactSet, as of September 30, 2025. Sectors represented by respective S&P 500 sector indexes. **The performance data quoted represents past performance. Past performance does not guarantee future results.**

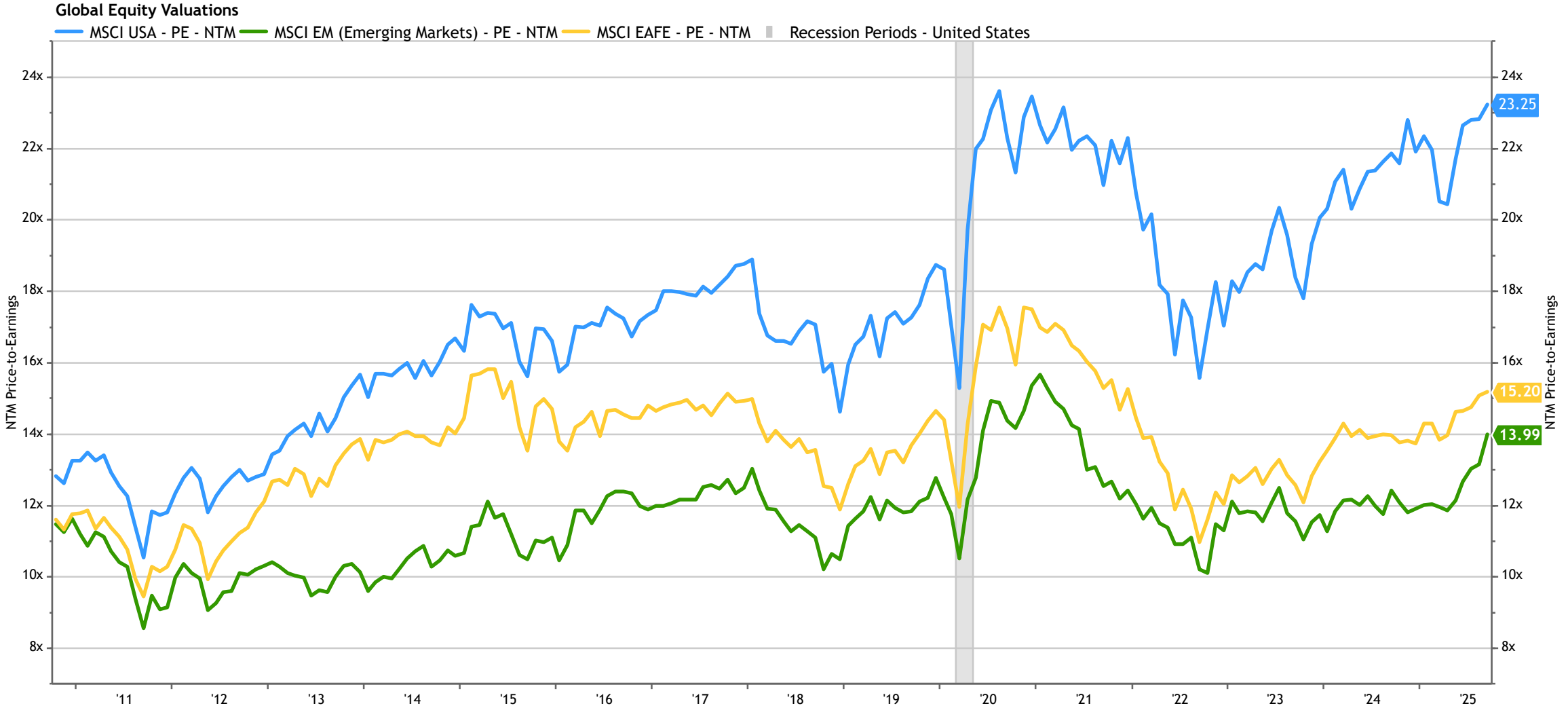
S&P 500 index concentration.

Top 10 Companies as a Percent of Total S&P 500 Market Cap



*As of December 31, 2024. Source: Bloomberg. Data as of December 31, 2024. Any reference to a specific company or security does not constitute a recommendation to buy, sell, hold or directly invest in the company or its securities. Note: Global Industry Classification Standard (GICS) classification as of 2024 adopted for sector grouping. Annual data reflects market capitalization by calendar year. 2020 data reflects upward revision in Visa's market cap. 2024 market cap as of December 31, 2024. FOR INFORMATIONAL PURPOSES ONLY. Past performance is no guarantee of future results. Please refer to appendix for glossary, asset class proxies, index definitions and important disclosures.

Global equity valuations.



Source: FactSet, as of September 30, 2025. Data quoted beginning September 30, 2010.

©2025 SEI

Global bond markets.

Data as of 9/30/2025	YTD	2024	2023	2022	2021	2020
----------------------	-----	------	------	------	------	------

Bond Indices

ICE BofA ML 10 Yr UST	6.93	-1.69	2.83	-16.28	-3.68	10.58
Bloomberg US Aggregate	6.13	1.25	5.53	-13.01	-1.54	7.51
Bloomberg Municipal Bond	2.64	1.05	6.40	-8.53	1.52	5.21
ICE BofA ML US HYB Constrained	7.06	8.20	13.47	-11.21	5.35	6.07
50/50 USD/Loc. EMD Blend	13.04	2.01	11.92	-14.75	-5.32	4.02
Bloomberg US TIPS (1-5Y)	6.21	4.38	4.45	-3.96	5.53	5.71



Index returns are for illustrative purposes only and do not represent actual investment performance. Index returns do not reflect any management fees, transaction costs or expenses. Indexes are unmanaged and one cannot invest directly in an index. 50/50 USD/Loc. EMD Blend = blended benchmark consisting of JP Morgan GBI Emerging Markets Global Diversified (USD) at 50% and JP Morgan EMBI Global Diversified (USD) at 50%.

Source: FactSet, as of September 30, 2025. **The performance data quoted represents past performance. Past performance does not guarantee future results.**

Summary and outlook.

We believe that...

- Inflation risks remain biased to the upside. Services prices are showing surprising strength, and tariffs are still making their way through the system.
- U.S. growth data points are surprising to the upside. While labor markets have shown recent signs of deterioration, there is still no global recession in sight.
- Despite stellar investment performance and restrained volatility, we see some growing fragility in the artificial intelligence theme.

Equity

- Diversification in equity markets remains a focus, particularly among geographies, market capitalizations, and themes.
- Strategic exposure to value, quality, and momentum remain intact, with an emphasis on value.
- Active management should benefit and help investors avoid historically high concentration risk in the U.S.

Fixed income

- We believe that conditions remain in place for a further widening between short- and long-term yields, given the influence of central bank policies on the short end and debt concerns boosting the long end.



As of September 30, 2025, unless otherwise noted. These are the views and opinions of SEI which are subject to change. They should not be construed as investment advice.

Questions?



Important Information.



Important information.

Information provided by SEI Investments Management Corporation (SIMC), a wholly owned subsidiary of SEI Investments Company (SEI). The material included herein is based on the views of SIMC. Statements that are not factual in nature, including opinions, projects and estimates, assume certain economic conditions and industry developments and constitute only current opinions that are subject to change without notice. Nothing herein is intended to be a forecast of future events, or a guarantee of future results. This presentation should not be relied upon by the reader as research or investment advice.

No mention of particular securities should be construed as a recommendation or considered an offer to sell or a solicitation to buy any securities.

Asset allocation may not protect against market risk.

Investing involves risk, including possible loss of principal. Diversification may not protect against market risk. There is no assurance investment goals can be met. International investments may involve risk of capital loss from unfavorable fluctuation in currency values, from differences in generally accepted accounting principles or from economic or political instability in other nations. Emerging markets involve heightened risks related to the same factors as well as increased volatility and lower trading volume. Narrowly focused investments and smaller companies typically exhibit higher volatility. Bonds and bond funds will decrease in value as interest rates rise. High yield bonds involve greater risks of default or downgrade and are more volatile than investment grade securities, due to the speculative nature of their investments.

TIPS can provide investors a hedge against inflation, as the inflation adjustment feature helps preserve the purchasing power of the investment. Because of this inflation adjustment feature, inflation-protected bonds typically have lower yields than conventional fixed rate bonds. Mortgage-backed securities are affected by, among other things, interest rate changes and the possibility of prepayment of the underlying mortgage loans. Mortgage-backed securities are also subject to the risk that underlying borrowers will be unable to meet their obligations. Commodity investments and derivatives may be more volatile and less liquid than direct investments in the underlying commodities themselves. Commodity-related equity returns can also be affected by the issuer's financial structure or the performance of unrelated businesses.

Index returns are for illustrative purposes only and do not represent actual investment performance. Index returns do not reflect any management fees, transaction costs or expenses. Indexes are unmanaged and one cannot invest directly in an index. Past performance does not guarantee future results.

Certain economic and market information contained herein has been obtained from published sources prepared by other parties, which in certain cases have not been updated through the date hereof. While such sources are believed to be reliable, neither SEI nor its affiliates assumes any responsibility for the accuracy or completeness of such information and such information has not been independently verified by SEI.



Index definitions.

The Barclays Govt/Credit Bond Unmanaged Index is an unmanaged index that tracks the performance of US Government and corporate bonds rated investment grade or better, with maturities of at least one year.

The Bloomberg Barclays U.S. Corporate High Yield Bond Index measures the USD-denominated, high yield, fixed-rate corporate bond market. Securities are classified as high yield if the middle rating of Moody's, Fitch and S&P is Ba1/BB+/BB+ or below. Bonds from issuers with an emerging markets country of risk, based on Barclays EM country definition, are excluded.

The Bloomberg Emerging Markets USD Aggregate Bond Index is a flagship hard currency Emerging Markets (EM) debt benchmark that includes fixed and floating-rate US dollar-denominated debt issued from sovereign, quasi-sovereign, and corporate EM issuers.

The Bloomberg Global Aggregate ex-USD Index provides a broad-based measure of the global investment-grade fixed income markets.

The Bloomberg High Yield Municipal Bond (HYB) Index is an unmanaged index consisting of non-investment-grade, unrated or below Ba1 bonds.

The Bloomberg Municipal Bond Index is an unmanaged index considered representative of the tax-exempt bond market.

The Bloomberg U.S. Aggregate Bond Index (formerly Lehman Brothers U.S. Aggregate Bond Index) is a benchmark index composed of U.S. securities in Treasury, government-related, corporate, and securitized sectors. It includes securities that are of investment-grade quality or better, have at least 1 year to maturity, and have an outstanding par value of at least \$250 million.

The Bloomberg U.S. Corporate Investment Grade Index measures the investment grade, fixed-rate, taxable corporate bond market. It includes USD-denominated securities publicly issued by US and non-US industrial, utility, and financial issuers.

The Bloomberg U.S. Government Inflation-Linked All Maturities Index measures the performance of the U.S. Treasury Inflation Protected Securities (TIPS) market. The Index only includes investment-grade TIPS issued by the United States that are denominated in USD and at least 1 year from final maturity.

The Bloomberg U.S. TIPS: 1-5 Year is an unmanaged index comprised of U.S. Treasury inflation-protected securities having a maturity of at least 1 year and less than 5 years.



Index definitions.

The Bloomberg U.S. Treasury Floating Rate Bond Index is a rules-based, market value-weighted index engineered to measure the performance of floating rate U.S. Treasury bonds.

The Credit Suisse Leveraged Loan Index represents tradable, senior-secured, U.S.-dollar-denominated non-investment-grade loans.

The ICE BofA Current U.S. Treasury (10-Y) Total Return Index measures the performance of U.S. Treasury bonds with at least ten years remaining until maturity.

The ICE BofA High Yield Master Constrained Index is a market-value-weighted index of all domestic and Yankee high-yield bonds, including deferred interest bonds and payment-in-kind securities. Its securities have maturities of one year or more and a credit rating lower than BBB-/Baa3 but are not in default.

The ICE BoA U.S. Mortgage Backed Securities Index tracks the performance of U.S. dollar denominated fixed-rate residential mortgage pass-through securities issued by U.S. agencies in the U.S. domestic market.

The J.P. Morgan CLO IG Index tracks the U.S. dollar-denominated investment-grade collateralized loan obligation market.

The J.P. Morgan Emerging Market Bond Global Diversified Index is an unmanaged, market-capitalization weighted, total-return index tracking the traded market for U.S.-dollar-denominated Brady bonds, Eurobonds, traded loans, and local market debt instruments issued by sovereign and quasi-sovereign entities.

The J.P. Morgan GBI Emerging Market Global Diversified Index consists of regularly traded, fixed-rate, domestic currency government bonds which international investors can readily access. The index excludes countries where local market investing is subject to explicit capital controls, but eligibility consideration does not factor in regulatory/tax hurdles. The GBI-EM indices only include fixed coupon instruments. Floating-rate and capitalizing/amortizing bonds are not eligible for index inclusion. Additionally, bonds with callable, puttable or convertible features are not part of the indices.

The MSCI ACWI ex-USA Index is a market-capitalization-weighted index designed to provide a broad measure of stock performance throughout the world, with the exception of U.S.-based companies.

The MSCI EAFE Index is an unmanaged, market-capitalization-weighted equity index that represents the developed world outside North America.

The MSCI Emerging Markets Index is a free-float-adjusted market-capitalization-weighted index designed to measure the performance of global emerging-market equities.



Index definitions.

The Russell 1000 Index includes 1,000 of the largest U.S. equity securities based on market cap and current index membership; it is used to measure the activity of the U.S. large-cap equity market.

The Russell 1000 Growth Index measures the performance of the large-cap growth segment of the U.S. equity universe. It includes those Russell 1000 Index companies with higher price-to-book ratios and higher forecasted growth values.

The Russell 1000 Value Index measures the performance of the large-cap value segment of the U.S. equity universe. It includes those Russell 1000 Index companies with lower price-to-book ratios and lower expected growth values.

The Russell 2000 Index includes 2,000 small-cap U.S. equity names and is used to measure the activity of the U.S. small-cap equity market.

The Russell 2000 Value Index measures the performance of the small-cap value segment of the U.S. equity universe. It includes those Russell 2000 Index companies with lower price-to-book ratios and lower forecasted growth values.

The Russell 2000 Growth Index measures the performance of the small-cap growth segment of the U.S. equity universe. It includes those Russell 2000 Index companies with higher price-to-value ratios and higher forecasted growth values.

The Russell 2500 Index measures the performance of the small- to mid-cap segment of the U.S. equity universe, commonly referred to as "smid" cap. Russell 2500 is a subset of Russell 3000 Index. It includes approximately 2500 of the smallest securities based on a combination of their market cap and current index membership.

The Russell 3000 Index measures the performance of the largest 3000 U.S. companies representing approximately 98% of the investable U.S. equity market.

The S&P 90 Index is a market-weighted index that tracks the performance of the 90 largest publicly traded U.S. companies and is considered representative of the broad U.S. stock market. The index is no longer actively tracked and is used to provide data prior to the inception of the S&P 500.

The S&P 500 Index is a market-weighted index that tracks the performance of the 500 largest publicly traded U.S. companies and is considered representative of the broad U.S. stock market.



Glossary.

Bull market refers to a market environment in which prices are generally rising (or are expected to do so) and investor confidence is high.

Consumer Price Index (CPI) is a measure of inflation at the retail level.

Price-to-earnings (P/E) ratio is the ratio for valuing a company that measures its current share price relative to its earnings per-share (EPS).

PE NTM (Price-to-earnings, next twelve months) is the ratio for valuing a company that measures its current share price relative to its estimated future earnings per-share (EPS) over the next 12 months.

Yield curve represents differences in yields across a range of maturities of bonds of the same issuer or credit rating (likelihood of default). A steeper yield curve represents a greater difference between the yields. A flatter curve indicates the yields are closer together.





THE ONE BIG BEAUTIFUL BILL ACT

AN OVERVIEW OF THE KEY TAX CHANGES

Agenda

01

2025 Individual Tax Changes

02

Business Expensing & Depreciation

03

Business & Employers

04

2026 Individual Tax Changes

05

Business Expensing & Depreciation

06

Employers & Estates

07

1099 Reporting

2025 Individuals

- Tips Deduction: Up to \$25,000 (\$50,000 couples); phases out at \$150k/\$300k.
- Overtime Deduction: Up to \$12,500 (\$25,000 couples). Premium portion only; employer must report.
- Senior Bonus Deduction: \$6,000 (\$12,000 couples) age 65+; may reduce Social Security taxes. Phaseout begins at MAGI of \$75,000 per person at a rate of 6%.
- Auto Loan Interest Deduction: Up to \$10,000/year for U.S.-assembled new vehicles; income phaseouts apply.
- SALT Cap: Temporarily increased to \$40k (\$20k MFS) with phase-down above \$500k income.
- Child Tax Credit: Increased to \$2,200 for 2025 and indexed for inflation after 2025.
- Trump Accounts: Newly created tax-favored accounts with annual contribution max of \$5,000, adjusted for inflation to age 18.



2025 Business Expensing & Depreciation

Bonus Depreciation: Permanently restored to 100% for property placed in service after Jan 19, 2025.



Covers most tangible property ≤ 20 years (equipment, machinery, furniture, certain improvements).



Automatic unless taxpayer elects out.

2025 Business & Employers

Domestic R&E Expensing: Immediate deduction restored for U.S. costs. Foreign R&E amortized over 15 years.

Business Interest Expense: Reinstated starting in 2025 – limited to the sum of business interest income, floor plan financing interest, and 30% of taxable income.

Employer Student Loan Payments: \$5,250 exclusion made permanent; indexed from 2026.

Opportunity Zones: Permanent with rural incentives, decennial redesignation, and transparency requirements.

Qualified Business Income Deduction: The deduction for QBI is made permanent at 20% - phase-out begins at \$75k for single, \$150k MFJ.

2026 Individuals

Charitable Deduction for Non-Itemizers:
Up to \$1,000 (\$2,000 couples).

Itemized Charitable Limits: 0.5% AGI floor;
35% cap for high earners; corporate 1%
floor.

Dependent Care FSA: Limit raised to
\$7,500 household (\$3,750 MFS).

Dependent Care FSA: Limit raised to
\$7,500 household (\$3,750
MFS). Dependent Care FSA: Limit raised to
\$7,500 household (\$3,750 MFS).



2026 Business Expensing & Depreciation



Section 179 Expensing: Deduct up to ~\$1.22M in 2025; phased out >\$3.05M purchases. Indexed annually.



Covers new/used property, off-the-shelf software, and building improvements (roofs, HVAC, fire/security).



Can be layered with bonus depreciation.

2026 Employers & Estates

- Employer Child-Care Credit: 40%/\$500k cap; 50%/\$600k for small businesses; indexed.
- Estate & Gift Exemption: Rises to ~\$15M per person (\$30M couples). Indexed.
- Opportunity Zones 2.0: Expanded with rural incentives, redesignations, and stricter reporting.
- Paid FMLA: Credit extended and modified while made permanent. Can claim credits for paid FMLA premiums or wages to/for qualified employees.

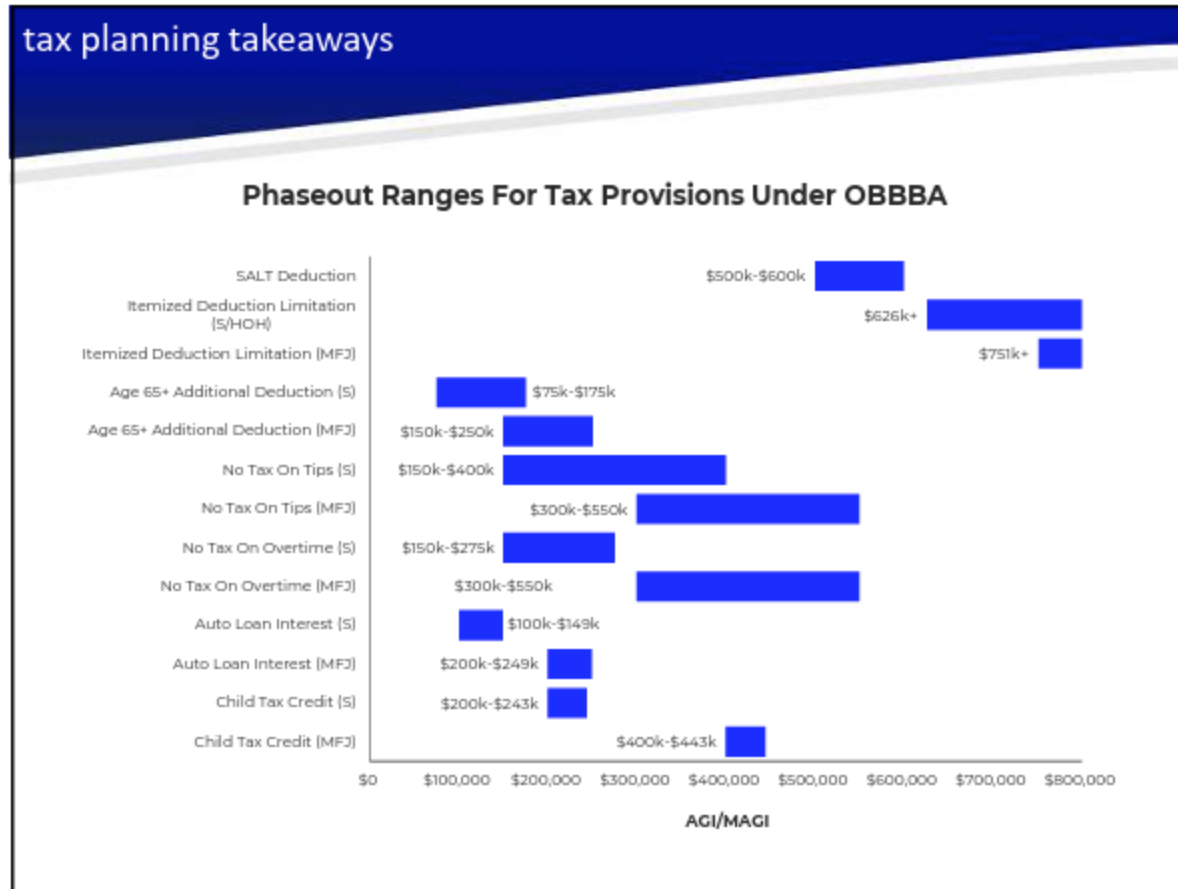


1099 Reporting

- Information Reporting (MISC, NEC)
 - Starting in 2026, the dollar threshold for information reporting increased from \$600 to \$2,000 and will be adjusted for inflation after 2025.



Phaseout Chart



Thank You

Dan Sage

(440) 826-0404

dsage@machor.com



MACHOR SAGE

INSURANCE AGENCY, INC.

A Duncan Financial Group Company

How Best to Describe the Insurance Market in 2023



How Best to Describe the Current Insurance Market in 2025



Auto Insurance Trends

- **Decelerating premium increases**
- **Persistent high costs**
- **Technology driving change**
- **Lingering effects of inflation**
- **Electric vehicles (EVs)**

Home Insurance Trends

- **Continued rate hikes**
- **Exacerbated housing crisis**
- **Increased natural disasters**
- **High construction and repair costs**
- **More stringent underwriting**

A large orange circle on the left side of the slide, partially cut off by the edge.

Carriers Continue to Take Drastic Measures

- Restricting mono-line accounts
 - Premium increases
 - Pre-underwriting documentation requirements
 - Requiring proof of discounts (ie age of roof)
 - Requiring updates
 - Restricting coverage
- 
- A series of yellow dashed line segments in the bottom right corner, forming a curved shape.

How Best to Navigate the Insurance Market

- Consider Higher Deductibles
- Safe Driving Telematic Programs
- Discount Reviews
- Bundle Auto / Home
- Follow the Laws!!!!
- Absorb Small Claims

Options

- Aquity
- Auto Owners
- Berkley
- Berkshire
- Chubb
- Cincinnati
- CNA
- EMC
- Grange
- Hagerty
- Hanover
- Hastings
- Liberty
- Philadelphia
- Safeco
- Selective
- Travelers
- USLI
- West Bend
- Western Reserve
- Westfield

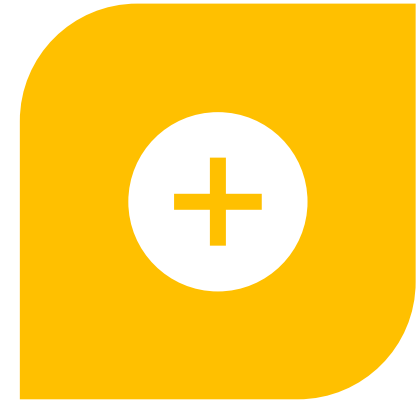
Words of Wisdom



**BE THE CHANGE
THAT YOU WISH TO
SEE IN THE WORLD**



**MAKE A NEW
MISTAKE EVERYDAY**



**WHAT FEEDS
YOUR SOUL?**

Thank you for your time and the opportunity to help!
Any Questions?



Jon Parkhurst, CFP®, CPA
President / Investment Advisor Representative
Private Wealth Management
P: 440-572-3533
E: Jon@parkhurstfinancial.com

www.parkhurstfinancial.com

Rainbow Babies and Children's Hospital Toy Drive



We once again will be hosting a Christmas toy drive for Rainbow Babies and Children's Hospital and will be accepting new, unwrapped toys for boys and girls of all ages. If you would like to donate, you can drop items off at our office Monday through Friday from 9am - 4pm through December 5th.

We will be sending out an email with a link to the Rainbow wishlist for some gift ideas and other information for donating.

www.parkhurstfinancial.com