THE BRIGGS GROUP
AT PLAZA ADVISORY
Affiliated with Steward Partners

New Market All-Time Highs: How Investors Can Stay Balanced

July 1, 2025

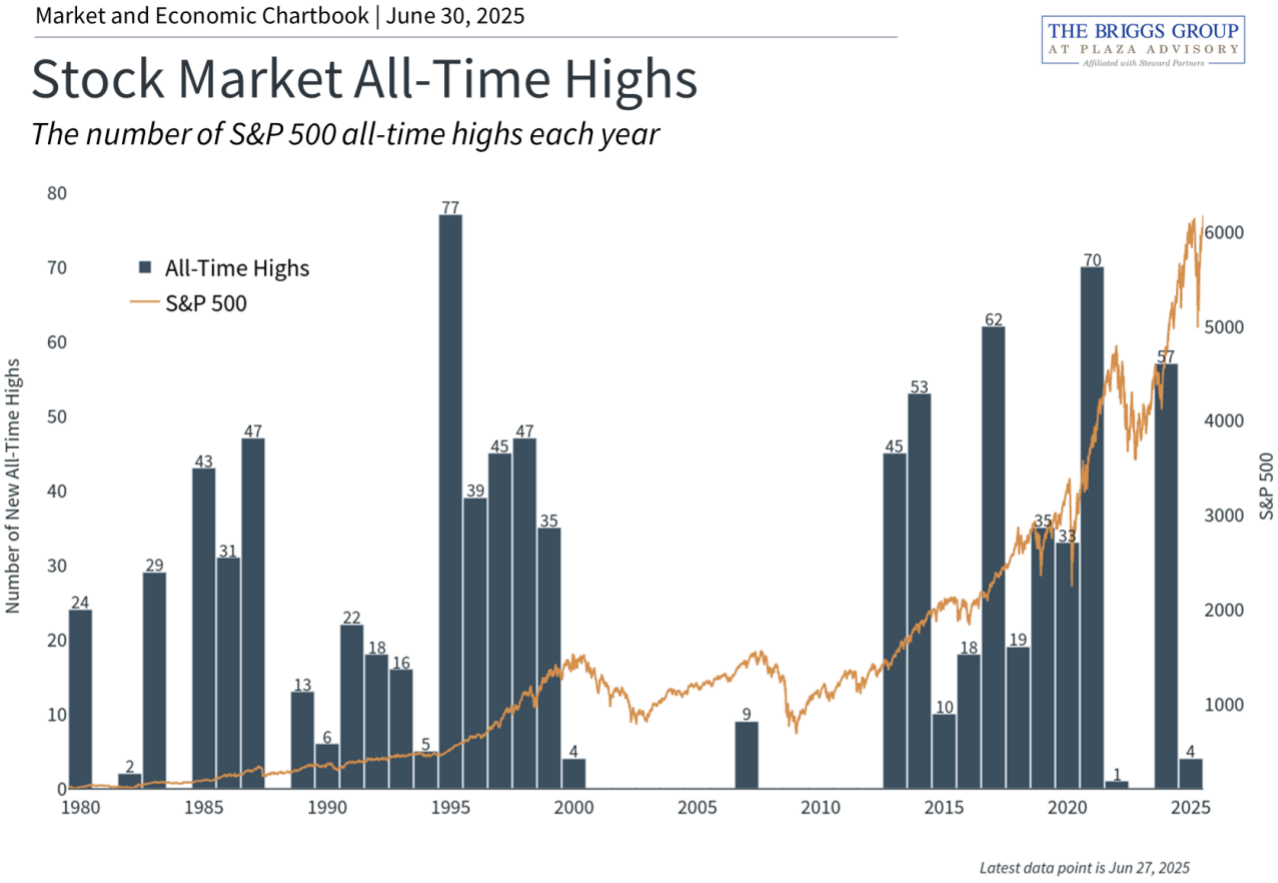
Andrew Briggs, CFA®, CPWA®
Director of Portfolio Management| Wealth Manager

President Dwight Eisenhower is often quoted as saying “what is important is seldom urgent and what is urgent is seldom important.” This perfectly captures the challenges many investors face, since it often feels as if every breaking market and economic development is urgent and requires immediate action. That has certainly been the case this year with tariffs, geopolitical conflicts, economic worries, and more on investors’ minds.

And yet, the most important investment decisions are not the urgent ones, but those made with patience and a long-term perspective. The impactful factors for building wealth such as staying disciplined, saving steadily, contributing to your portfolio regularly, and benefiting from compound growth, require planning and commitment rather than sudden changes to portfolios.

Despite a challenging start to the year, the stock market has now reached new record levels, underscoring the need to focus on trends and not day-to-day market movements. The S&P 500 and the Nasdaq recently surpassed their previous peaks, with year-to-date returns of 5.1% and 5.0%, respectively, while the Dow is only 2.6% below its all-time high. This is the result of many parts of the market rebounding across styles, sectors, and asset classes.

The market has reached new all-time highs



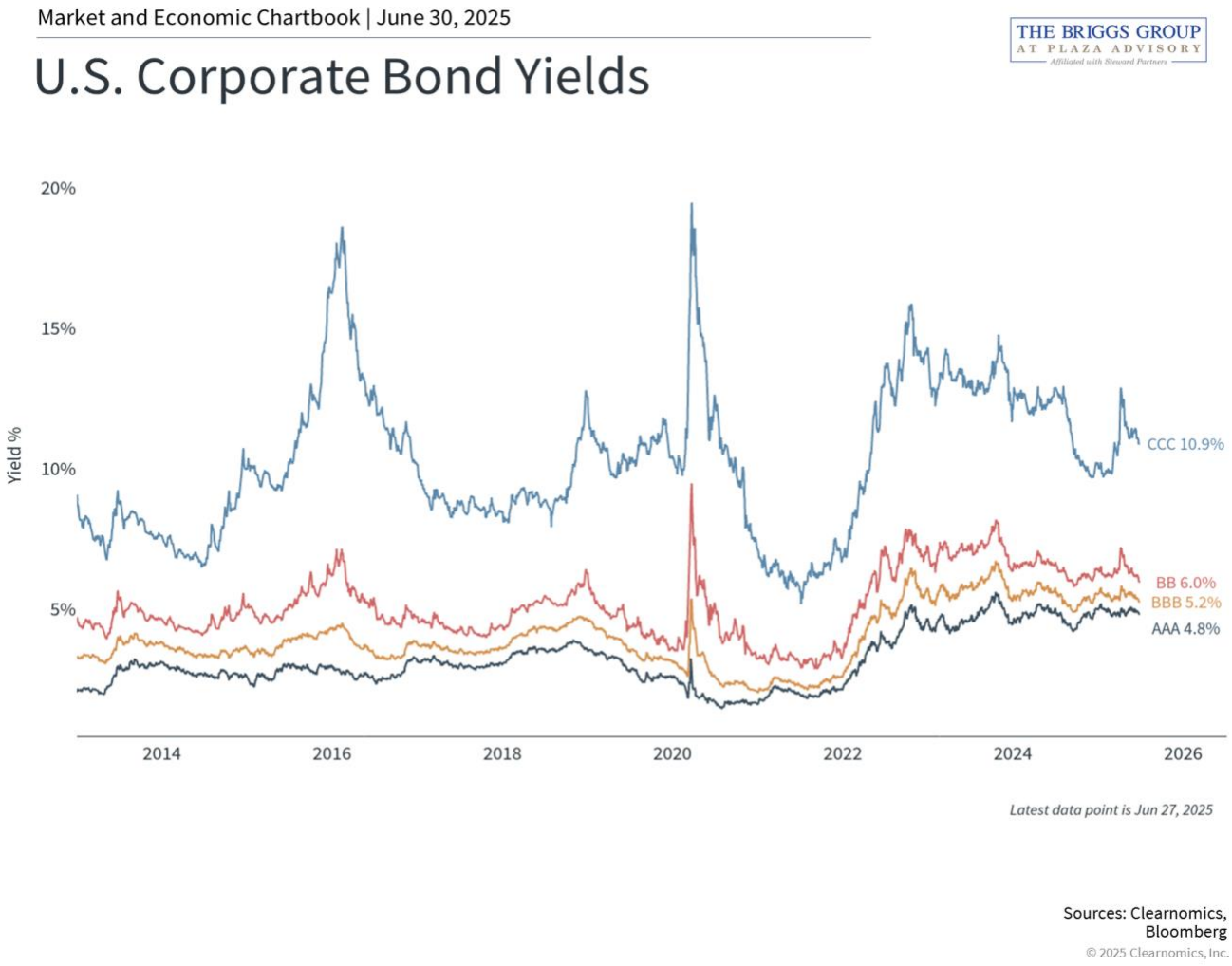
First, it's important to understand that it is not unusual for the market to reach new highs. Since markets trend upward over long periods, bull markets spend much of their time at record highs. Of course, this does not mean the market only moves up in a straight line. It does, however, mean that those who can see through short-term market swings are better positioned to benefit from market trends.

The accompanying chart shows how frequently new highs occur during market cycles. From 2013, when the S&P 500 recovered from the 2008 financial crisis, to 2024, the average year experienced 37 new all-time highs based on daily close prices. This amounts to about 15% of all trading days – a statistic some may find surprising. Years such as 2017 and 2021 experienced many more. Last year, there were 57 record closing days for the market, a significant number given the many concerns investors faced such as recession fears and the presidential election.

This pattern occurs due to the market and business cycle. When the economy is expanding, the stock market tends to rise alongside it. Since the mid-20th century, these cycles have grown longer, with bull markets far exceeding bear markets in duration and returns, a fact that has benefited those who stick to their financial plans. Thus, new all-time highs are not necessarily, on their own, reasons to worry or a signal that the market is about to reverse.

A question that some investors may naturally have after markets reach new record highs is whether they should "wait for a pullback." While periodic declines are inevitable, attempting to time these movements can be counterproductive. In fact, the opportunity cost of waiting for the perfect entry point is often higher than simply getting invested in the first place.

Corporate bonds have performed well since the tariff pause



The positive momentum in stocks has been accompanied by similar strength in the bond market, especially for corporate bonds. Bonds are categorized by their credit quality, which is a measure of how likely it is for investors to be repaid. The interest rates on these bonds have fallen recently, both in absolute terms and compared to Treasury yields. This is often described as credit spreads "tightening," which is positive for investors since it means the prices of these bonds are rising.

This occurs because when the economy is stable and the stock market is strong, there is greater confidence in the ability of companies to service their obligations. This is why there is often a positive correlation between the stock market and credit markets, since they mirror the same underlying drivers. When investors push stocks to record levels, corporate bond prices also tend to benefit from optimism about economic conditions and corporate health.

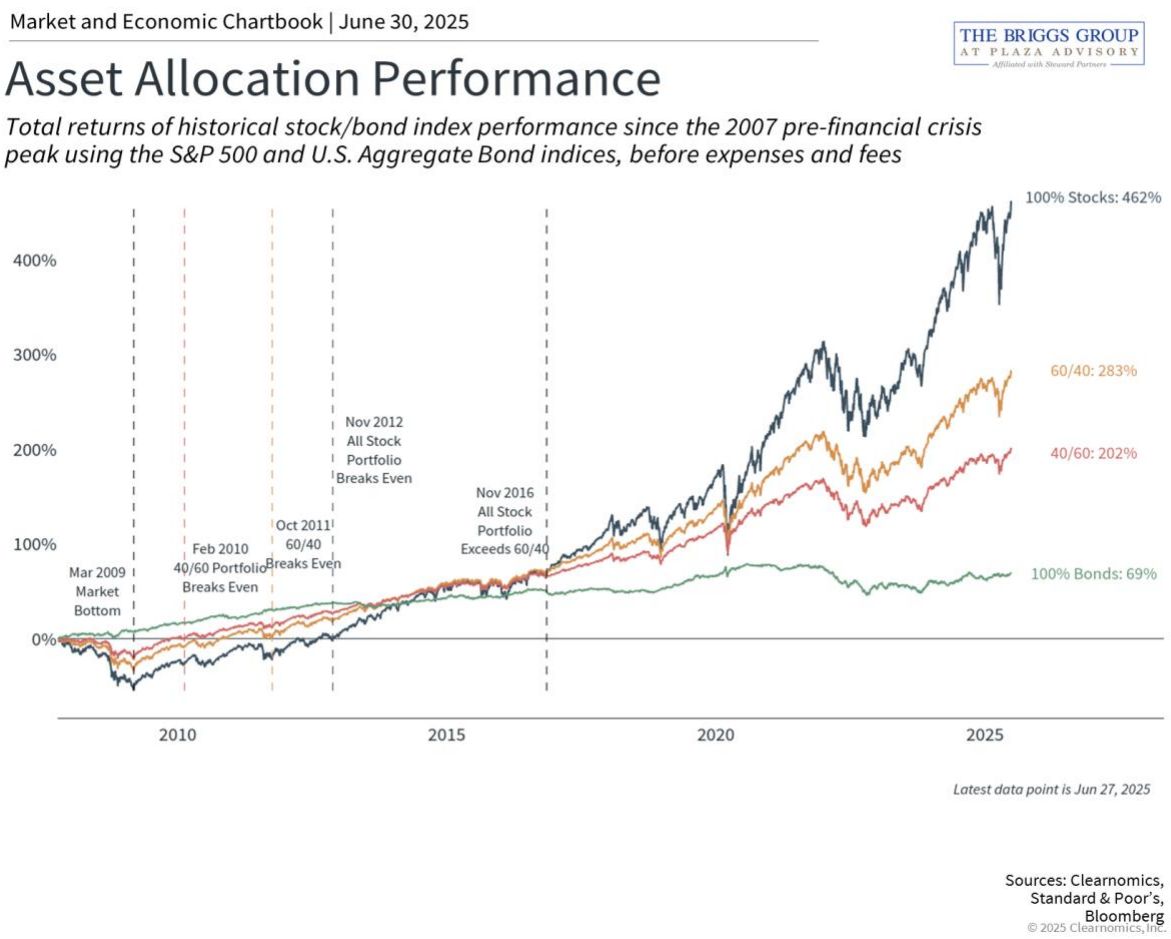
This has supported the Bloomberg U.S. Aggregate Bond Index, a diversified index of different U.S. bonds, with a 3.7% return so far this year. The corporate bond component of the index has also generated 3.7%, while high yield has outperformed with a 4.3% return.

Tightening credit spreads also suggest that the flight-to-safety that occurred earlier this year has largely faded for the time being. Lower credit spreads can also be positive for the underlying economy since they allow companies to raise funds, finance new projects, and roll over existing debt more easily.

For investors, this is a reminder that while the stock market receives the most attention, many other asset classes have supported portfolios this year as well. With the S&P 500 at record highs, it's a great time to review your asset allocation and ensure that your financial plan is set up for all phases of the market cycle.

Asset allocation remains important despite strong performance

While the strength in both stocks and bonds is encouraging for investors, it also underscores the importance of maintaining disciplined portfolio management. Building a portfolio is not just about investment returns. Instead, what matters is the balance of risk and returns, and how each asset class contributes to this overall balance. Doing so properly, with an eye toward long-term financial goals, can ideally lead to a portfolio that supports investors across changing market environments.



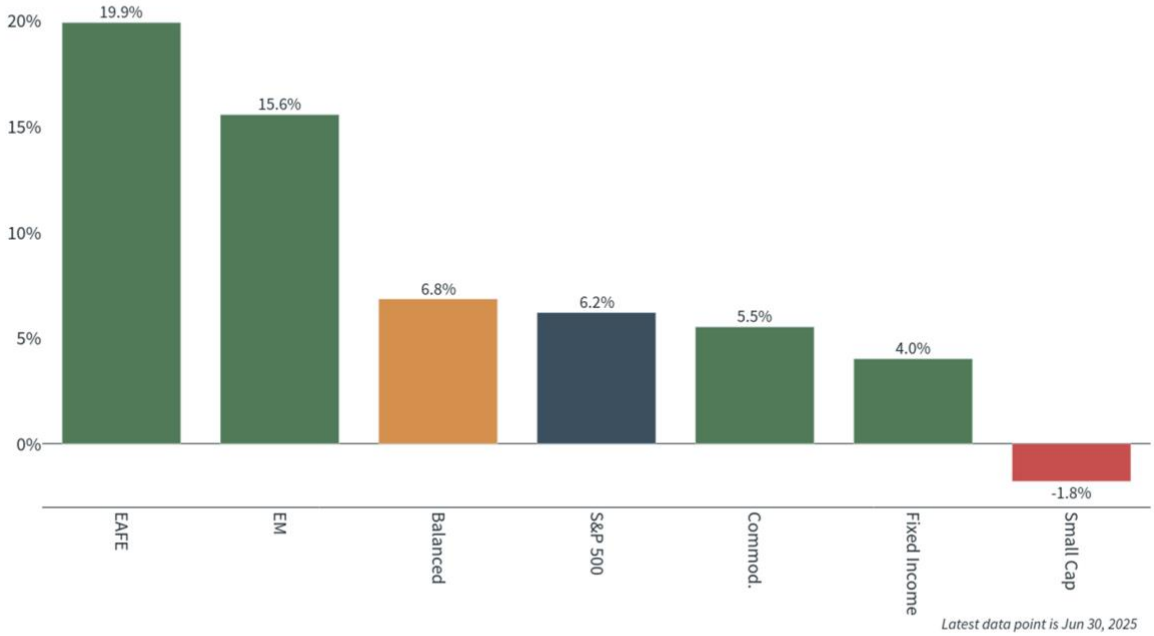
Recent years have provided clear examples of how different asset classes can perform in varying market conditions. The accompanying chart highlights how different asset allocations perform over both good and bad periods.

Those portfolios that are heavily invested in stocks may outperform when the market is expanding, but will also typically experience larger swings during downturns. Including bonds can make the ride smoother, which likely helps to ensure that financial goals are met. Which path makes the most sense depends on your particular risk tolerance and return objectives. Having a comprehensive view of your goals and financial needs allows you to tailor a portfolio to withstand the next period of volatility, when it inevitably occurs.

THE BRIGGS GROUP
AT PLAZA ADVISORY
Affiliated with Steward Partners

Asset Class Performance Year-to-Date

Total Returns

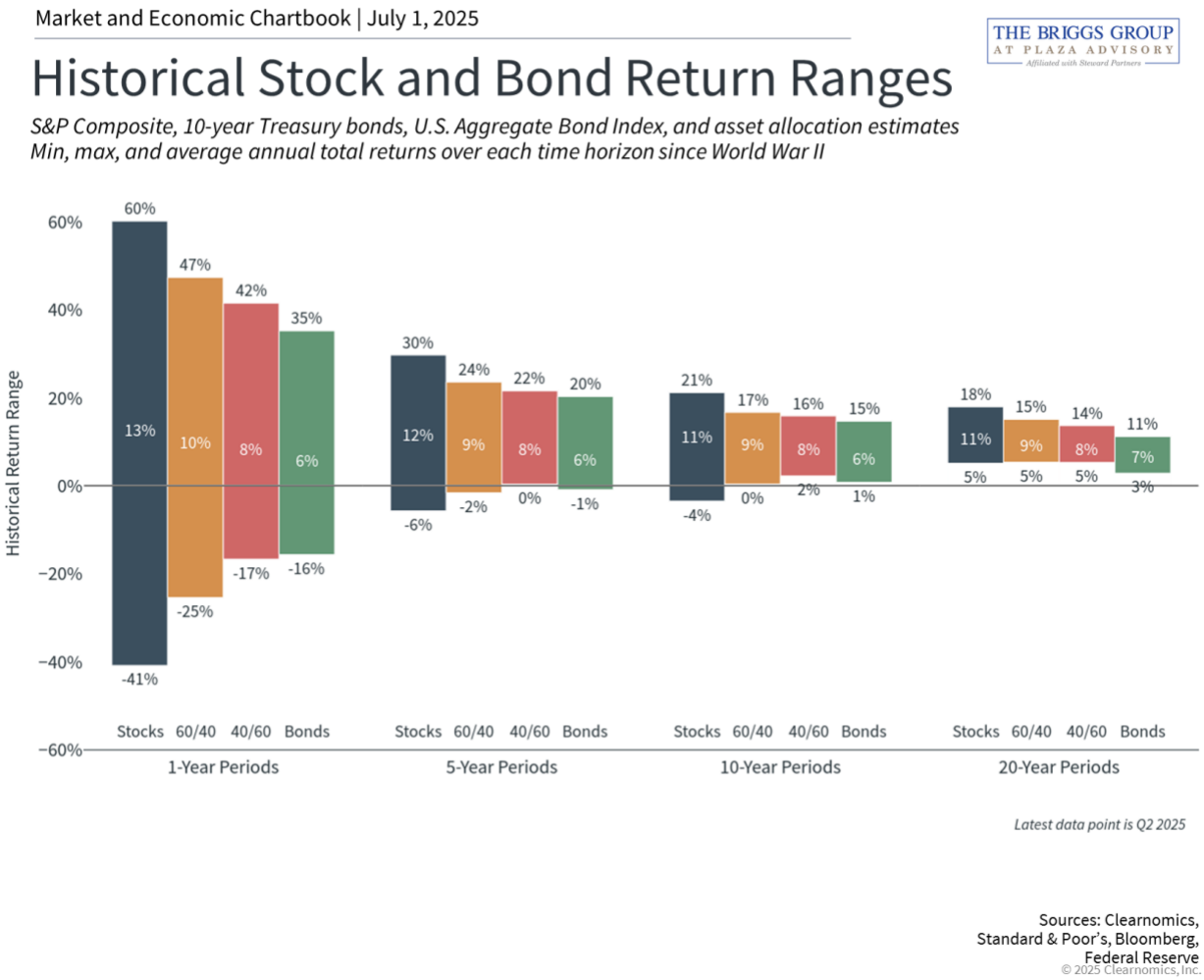


Latest data point is Jun 30, 2025

The Balanced Portfolio is a 60/40 historical index calculation consisting of 40% U.S. Large Cap, 5% Small Cap, 10% International Developed Equities, 5% Emerging Market Equities, 35% U.S. Bonds, and 5% Commodities.

Sources: Clearnomics, LSEG

© 2025 Clearnomics, Inc.



So where does this leave us as we enter the 2nd half of 2025?

The safe response would be to expect more uncertainty, but it is important to highlight how we believe the far-left tail risk have been reduced. In other words, we are expecting a more uniform distribution of returns both up and down relative to the first 2 quarters of 2025.

However, even in the event the Tariff and Geopolitical rhetoric begins to tone down, there are still areas to highlight concerns in. These concerns do not change our message to focus on the longer-term picture, but we want to express our beliefs to our clients in what we think we can expect over the coming months to end the year.

Consumer & Labor Market:

As we have highlighted various times before, the consumer continues to be the most important driver of overall economic growth. The biggest variable impacting consumer is the temperature of

the Labor market. There is notable “slowing” in the labor market as hiring has slowed, although outright layoffs have not spiked. Combined with the potential for some form of higher effective tariff rates going forward, both these variables should place some downward pressure on the consumer and corporate profits.

Despite these expected headwinds facing both the consumer and corporations, we continue to state that the starting point matters. Relative to prior recessions, both the consumer and corporations are both strong. The balance sheets (i.e. debt levels, asset levels) of both are much stronger when compared against prior recessions. We believe these factors combined with the potential for Federal Reserve Bank easing should limit the severity of any “recession” were one to develop.

The bottom line? While the market has bounced back, investors should maintain disciplined portfolio management rather than chasing recent performance. History shows that staying invested through market cycles remains the best approach to achieving long-term financial goals.

Plaza Advisory Group Affiliated with Steward Partners

101 S. Hanley Rd. Suite #1350

Saint Louis, MO 63105

314-726-0600

Steward Partners Investment Solutions, LLC neither employs nor is affiliated with Clearnomics. We are not implying an affiliation, sponsorship, endorsement, approval, investigation, verification or monitoring by Steward Partners of any information contained in the presentation. The opinions expressed by the authors/presenters are solely their own and do not necessarily reflect those of Steward Partners. The information and data in the presentation may be deemed reliable; however, their accuracy and completeness is not guaranteed by Steward Partners and providing you with this information is not to be considered a solicitation on our part with respect to the purchase or sale of any securities, investments, strategies or products that may be mentioned. In addition, the information and data used are subject to change without notice. Past performance is not a guarantee of future results.

Keep in mind that individuals cannot invest directly in any index, and index performance does not include transaction costs or other fees, which will affect actual investment performance. Individual investor's results will vary. Past performance does not guarantee future results. Future investment performance cannot be guaranteed, investment yields will fluctuate with market conditions.

For index definitions click here

Bonds are subject to interest rate risk. When interest rates rise, bond prices fall; generally the longer a bond's maturity, the more sensitive it is to this risk. Bonds may also be subject to call risk, which is the risk that the issuer will redeem the debt at its option, fully or partially, before the scheduled maturity date. The market value of debt instruments may fluctuate, and proceeds from sales prior to maturity may be more or less than the amount originally invested or the maturity value due to changes in market conditions or changes in the credit quality of the issuer. Bonds are subject to the credit risk of the issuer. This is the risk that the issuer might be unable to make interest and/or principal payments on a timely basis. Bonds are also subject to reinvestment risk, which is the risk that principal and/or interest payments from a given investment may be reinvested at a lower interest rate.

Asset Allocation does not assure a profit or protect against loss in declining financial markets.

Securities are offered through Steward Partners Investment Solutions, LLC (“SPIS”), registered broker/dealer, member FINRA/SIPC. Investment advisory services are offered through Steward Partners Investment Advisory, LLC (“SPIA”), an SEC-registered investment adviser. SPIS, SPIA, and Steward Partners Global Advisory, LLC are affiliates and collectively referred to as Steward Partners.

Representatives of Plaza Advisory Group, Inc. are registered with and provide securities and/or advisory services through Steward Partners.

Copyright (c) 2025 Clearnomics, Inc. All rights reserved. The information contained herein has been obtained from sources believed to be reliable, but is not necessarily complete and its accuracy cannot be guaranteed. No representation or warranty, express or implied, is made as to the fairness, accuracy, completeness, or correctness of the information and opinions contained herein. The views and the other information provided are subject to change without notice. All reports posted on or via www.clearnomics.com or any affiliated websites, applications, or services are issued without regard to the specific investment objectives, financial situation, or particular needs of any specific recipient and are not to be construed as a solicitation or an offer to buy or sell any securities or related financial instruments. Past performance is not necessarily a guide to future results. Company fundamentals and earnings may be mentioned occasionally, but should not be construed as a recommendation to buy, sell, or hold the company's stock. Predictions, forecasts, and estimates for any and all markets should not be construed as recommendations to buy, sell, or hold any security--including mutual funds, futures contracts, and exchange traded funds, or any similar instruments. The text, images, and other materials contained or displayed in this report are proprietary to Clearnomics, Inc. and constitute valuable intellectual property. All unauthorized reproduction or other use of material from Clearnomics, Inc. shall be deemed willful infringement(s) of this copyright and other proprietary and intellectual property rights, including but not limited to, rights of privacy. Clearnomics, Inc. expressly reserves all rights in connection with its intellectual property, including without limitation the right to block the transfer of its products and services and/or to track usage thereof, through electronic tracking technology, and all other lawful means, now known or hereafter devised. Clearnomics, Inc. reserves the right, without further notice, to pursue to the fullest extent allowed by the law any and all criminal and civil remedies for the violation of its rights.



AdTrax 8129585.1 Exp 7/26