

Q3 2022 News

October 21, 2022

Legacy Planning

Legacy planning is the process of getting organized to pass on not only financial assets and family heirlooms, but also your wishes, stories, and memories.

Legacy planning addresses these areas of importance:

- Organizing records
- Incapacity planning
- Identifying beneficiaries
- Formalizing your estate plan, and
- Creating a legacy for your lifetime

We recognize that legacy planning takes a lot of time and is easy to put off doing. However, procrastinating is what causes people to die without a will, leave important things unsaid, and/or their assets in jeopardy of going through the probate process.

Triangle Wealth Management has created a Legacy Planning Guide to help ensure that your wishes are carried out. Not designed to be legally binding or represent a legal document, this resource can complement your existing estate plan or be helpful in working with an estate attorney to create your legal estate planning documents.

Legacy planning is a dynamic, organic process and should be revisited periodically to make sure it accurately reflects your current wishes. Contact your relationship manager if you are interested in learning more about our Legacy Planning Guide.



Index	3rd Quarter Total Return	YTD Total Return
S&P 500	-4.88%	-23.87%
Russell Mid Cap	-3.44	-24.27
Russell 2000	-2.19	-25.10
MSCI EAFE	-9.36	-27.09
Bloomberg Barclays US Aggregate Bond	-4.75	-14.61
Bloomberg Barclays Muni Bond	-3.46	-12.13
Dow Jones Industrial Average	-6.17	-19.72

*Index return data as of 9/30/2022 provided by Morningstar DirectSM

Quarterly Market Review

The recent themes of persistent inflation, rising interest rates, and geopolitical conflict continued to impact markets in the third quarter and are contributing to an economic slowdown for much of the global economy.

- In a year already marked by high volatility and a general downtrend for stocks, the 3rd quarter was true to form, as stocks rallied strongly and posted double-digit gains from early July into mid-August, before reversing course, with the S&P 500 ultimately returning to bear market territory, down more than 20% from its all-time high in early January.
- In its quest to bring down inflation, the Federal Reserve has raised the federal funds rate up to a range of 3.0%-3.25%, the highest it has been since early 2008. At the Jackson Hole Economic Symposium, Fed Chair Jerome Powell remarked that the Fed's actions to control inflation will "bring some pain to households and businesses", sparking a "Powell Plummet" in stocks.
- Bond prices showed continued weakness as interest rates ticked steadily higher during the quarter, with the U.S. Aggregate Bond Index adding to its double-digit losses registered in the 1st half of the year. The yield curve for bonds is currently inverted, short-term rates exceed long-term rates, a dynamic that has preceded each U.S. recession since World War II. At quarter end, the respective yields on the 2-year and 10-year U.S. Treasuries were 4.22% and 3.83%.

News & Notes

- Propelled by interest rate hikes and its status as a safe haven, the substantial appreciation of the U.S. dollar has pressured earnings of U.S. companies with overseas revenues and amplified the decline in international stocks for U.S. investors. In July, the dollar reached parity with the Euro for the first time in 20 years.
- Reflective of the higher rate environment, mortgage rates have topped 6% for the first time since 2008, resulting in a significant slowdown in building activity for single-family homes. Along with the sharp decline in oil and gasoline prices over the summer, these factors may set the stage for lower inflation going forward.
- There has been criticism of the Federal Reserve's aggressive rate hikes from some influential voices in the investment community. Dr. David Kelly, Chief Global Strategist at J.P. Morgan Asset Management, stated "the Fed is in grave danger of tipping this economy into recession by being more hawkish than they need to be right now."*

Source: Data provided by Yahoo Finance, *Fortune.com, 9-22-22

Where Families Invest



About Us

Triangle Wealth Management is a privately owned investment advisory firm that specializes in assisting families with developing a realistic strategic plan to provide the best opportunity for achieving their long-term financial goals as prudently as possible.

We provide clients structure, clarity, confidence and reassurance as they move toward the next phase of life.

Our clients value our honesty, integrity, transparency and genuine concern for their well-being.

We are in business to serve our clients.

Reminder: Please use email or the phone to communicate with us on business matters. Social media messaging or text messages are not approved methods of communication.

For a digital version of "Market News" update, please visit TriangleWealth.com/news-resources/

Is your child turning 18? What you should know:

Once your child turns 18, you no longer have all rights and decision-making authority for their health and financial matters.

We recommend children 18 and over put in place both a Financial Power of Attorney (FPOA) and a Health Care Directive (HCD). This will help ensure that your child continues to be protected.

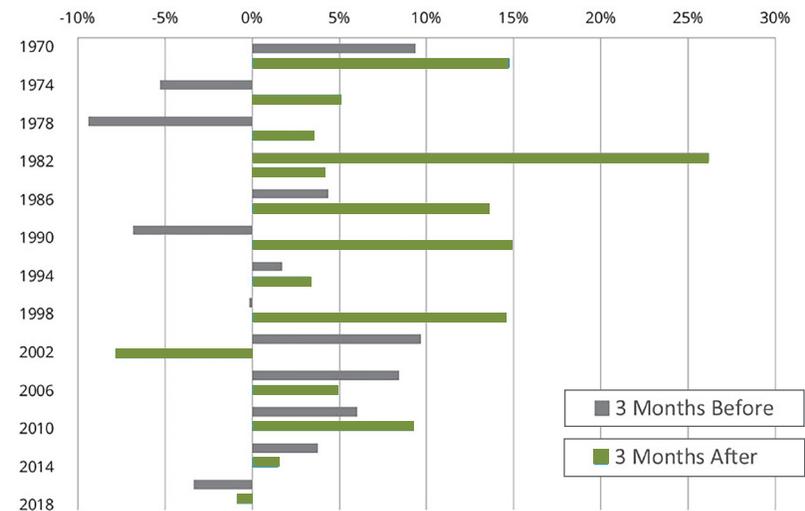
If your child names you as their agent for both health and financial matters, these documents will allow you to have full decision-making authority if needed, as well as the ability to access their financial and medical records.

Your child should have copies of these documents while away at school, and if they are going to be traveling or living abroad.

Think Twice Before Changing Your Portfolio During Midterm Elections

Market performance tends to be positive 3 months after midterm elections.

S&P 500 Index (% Returns)



Going back to 1970, the stock market has averaged a

3.4% GAIN
THREE MONTHS BEFORE
ELECTION DAY

6.2% GAIN
THREE MONTHS AFTER
ELECTION DAY

Past Performance does not guarantee future results. The Index is unmanaged and not available for direct investment. For illustrative purposes only. Source: Morningstar, 8/22.

Save the Date December 1st at 12:30 pm ET

You are invited to a special event with Dr. Michael Walden, Ph.D., William Neal Reynolds Distinguished Professor, Emeritus from North Carolina State University, who will share his Year-End Economic Review with us.

The presentation will be delivered via Zoom. A registration link will be sent out by email in early November.



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