

Year End TAX Documents

The following are a few year-end tax documents and their expected post time from Fidelity & Schwab

Consolidated 1099 Mid-Feb

May include:

- 1099-INT
- 1099-DIV
- 1099-MISC
- 1099-B
- 1099-R
- 1099-NEC

Individual 1099

- 1099-R—Jan
- 1099-SA—Jan/Mid-Feb

Other Forms

- 1095-A—Jan
- 5498—May 31
- 5498-SA—May 31

You can retrieve these documents on your new WFG Web Portal:

Portal URL: <https://main.yhlsoft.com/auth/users/webportal/wfg>

- Login
- VAULT
- Custodian Documents
- Tax Forms



OVERVIEW ACCOUNTS VAULT

Custodian Documents

- Tax Forms(Fidelity)
- Custodian Statements(Fidelity)
- Tax Forms(Schwab)
- Custodian Statements(Schwab)

The Gift That Keeps Giving in 2024

As the winter passes, steadily cooling inflation will likely be the gift that keeps on giving in 2024.

The Holidays appears to have come early this year as investors were given much to celebrate this season. At the recent Federal Open Market Committee meeting, Fed Chairman Jerome Powell and his fellow Federal Reserve colleagues “gifted” investors with a “turtle” dovish pivot, sparking a rally in both stocks and bonds. Additionally, with inflation steadily trending back to target, Holiday shoppers should be pleased that the cost of spreading holiday cheer rose at a slower pace this year. In fact, PNC’s Christmas Price Index, which measures the cost of each gift in the song “The Twelve Days of Christmas,” rose by 2.7% from 2022.



Michael Bischoff, CFP®

Reflective of broader inflation dynamics, service-related gifts were the key drivers of price increases, rising 3.3% year-over-year (y/y). The eleven pipers piping and twelve drummers drumming were not exempt from tight labor markets, and the cost of hiring these groups for your true love rose 6.2% y/y. However, the market for nine ladies dancing eased, with prices remaining flat this year after a 10% increase last year. Elsewhere, goods-related gifts rose by a more tempered 1.5% y/y, weighed down by stagnant prices for four calling birds, five gold rings and seven swans-a-swimming. While partridge prices held steady at 2022 levels, the cost of a partridge in a pear tree rose 13.9% y/y as higher housing costs supported pear tree prices. Finally, prices for two turtle doves rose by a whopping 25%, making it the most volatile gift this year.

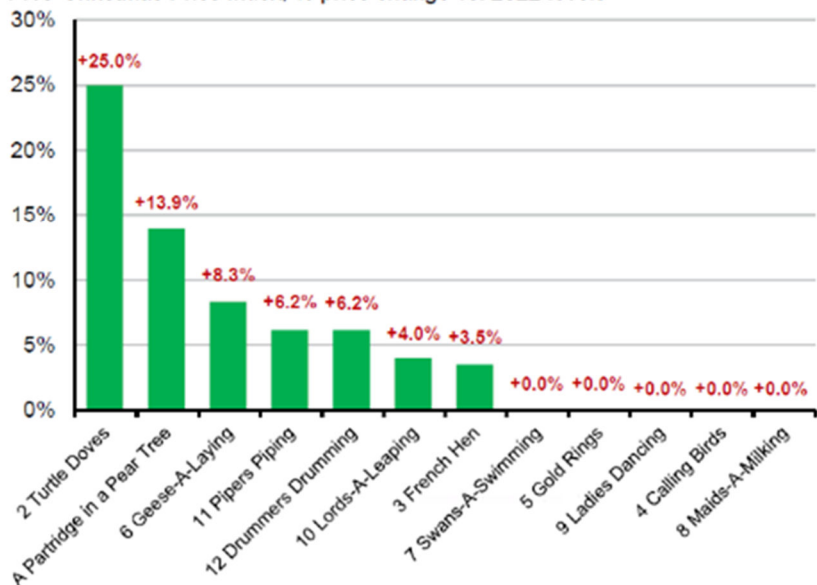


I enjoyed reading “The Twelve Days of Christmas” tidbit on inflation from JP Morgan Asset Management. On a closing note, most US corporations (and the economy as a whole) are performing very well. This has fueled very nice 4th quarter portfolio gains and the Dow Jones Industrial Average has set a record high. The great news for investors is that both the stock and bond markets continue to rebound from 2022 lows. I see this momentum continuing to build in 2024 and look for solid investment results this year.

Thank you for your business and continued trust.

Prices of gifts from the song “The Twelve Days of Christmas”

PNC Christmas Price Index, % price change vs. 2022 levels



2023 CHARITY GIVING

- Juvenile Diabetes Research Found.
- Kids-n-Kinship
- American Lung Association
- ALS
- Bennett Clayton Foundation
- Rotary International
- Tee It Up For The Troops
- Adult & Teen Challenge
- Care for the Wounded
- Alzheimer's Association
- Focus on the Family
- American Cancer Society
- Mission Enablers
- American Heart Association
- Boys & Girls Club of the Twin Cities
- Tunnels to Towers
- Doctors without Borders
- University of Minnesota Foundation

Every year we donate to many great charities, foundations and causes.

All of us at Webb Financial Group wish you a healthy and prosperous New Year!

HAPPY NEW YEAR

In compliance with the SEC rules and regulations, we would like to offer you the most recent copy of our ADV II brochure. Please call if you would like a copy.

Webb Financial Group provides comprehensive wealth management solutions to individuals and businesses. For over forty years, we have helped our clients achieve financial security.

Michael Bischoff, CFP® & COO
Gary Webb, RFC®, CKA® & CEO
Dave Verbeke, Financial Advisor
Tim Greife, Financial Advisor
Michelle Brennan, FPQP®
Financial Paraplanner
Kristi Mattiuz, Contoller
Taylor Fish, Executive Assistant

Using Structured Notes To Help Improve Yield

As interest rates started to climb from historic lows in 2022, the traditional hedge against stock market volatility was gone. Bond funds lost an average of 15% that year. Knowing that a decline in return for bonds was coming, our investment committee chose to use structured notes to lock in higher yields and build in a hedge against stock market volatility. It's been a successful strategy in outperforming bonds and providing a monthly income or dollar cost average into other portfolio investments to achieve better performance.

The income structured notes that we have in our portfolios use common stock market indexes for the base performance factor. We then build in downside market protection in the 30% to 40% range and pair that with a monthly yield that is dependent on time and protection level. The notes are products of the major money center banks like Citigroup, JP Morgan and others. In 2022, we were seeing yields in the 8% to 10% range while intermediate term bond funds lost 15% or more. The downside protection comes into play at maturity. As long as the indexes haven't declined beyond the protection level, 100% of the principal is returned.



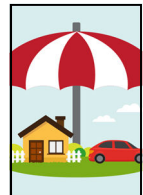
Using structured notes allows us to realize our goals of adding downside protection, increasing yield, managing maturity time and customizing protection levels. Yield levels change all the time depending on the ups and downs in the stock market. The issuers do have the option to call a note. If they do call a note before maturity, 100% of the purchase price is paid back to the buyer. When that happens, we'll typically reinvest in a new note, usually at a lower interest rate. Expect to continue to see structured notes in your portfolios. If you have any further questions, please contact your advisor.



Dave Verbeke
Financial Advisor

The Rising Cost of Property & Casualty Insurance

Many consumers have seen dramatic changes in insurance costs over the last several years that will likely continue into 2024. According to Robert Gordon, Sr Vice President of Policy, Research & International for the American Property Casualty Insurance Association, the insurance industry is being hit hard by many factors including government regulations, input costs, natural catastrophes, and legal system abuses.



The Property & Casualty (P&C) industry has faced one of the toughest operating environments in recent years. Growing losses are partially due to catastrophic natural disasters like hurricanes in Florida and wildfires in California and the Northwest. Costs of construction have dramatically risen due to inflation, supply chain issues, and additions of expensive home & auto technology. Medical expenses continue to increase. These factors, along with the economic environment, impact the entire industry. This has led to higher rates for back-up insurance (reinsurance). Additionally, some private and larger insurance companies are limiting coverage in certain areas to reduce their risk. In some cases, they are discontinuing coverage entirely.

This may result in increases to premiums and fewer policy choices, along with limited available P&C providers. It's important to work with a reputable insurance representative to review your policies, confirm there is sufficient coverage for your insurance needs, and to understand any available options. There may be a number of products that can cover the everchanging P&C landscape so using an industry expert can help you find the right solutions.