

LETTER TO CLIENTS

April 22, 2025



William Madison Advisors

6452 Central Park Blvd
Abilene, Texas 79606
325.673.6171

williammadison.com

The first few months of 2025 have reminded us that markets do not move in straight lines. After strong performance in 2023 and 2024, the new year began with heightened volatility. Concerns persist around inflation, shifting expectations for interest rate cuts, and geopolitical tensions—including tariffs, which has been the predominant issue contributing to the volatility.

This increased volatility isn't pleasant, but it is normal—despite our greatest instincts to assume that it's different this time. In fact, temporary declines of 10% in the market have historically occurred approximately every other year.

The job market, while cooling, remains healthy by historical standards. Unemployment rose modestly, but wage growth has stabilized, and consumer confidence is currently holding steady. Inflation is proving more persistent than many hoped, but it continues to trend lower overall, and the Federal Reserve has maintained a cautious but supportive stance – signaling that rate cuts are still possible later this year, but it continues to prioritize stability over speed.

From a global perspective, the conversation around tariffs and trade has dominated the news, creating uncertainty for several sectors. However, corporate earnings remain strong, and the broader economy continues to grow, even though it is growing more modestly than in recent years. We are hopeful that amicable agreements are reached soon, which should extinguish many of the fires that were sparked following President Trump's announced tariffs on April 2.

As you know from our communication in the past, market swings and economic headlines are inevitable, but they do not alter the principles that guide your portfolio. Your long-term plan was built with times like these in mind. Our strategy for your financial future reflects your goals, your timeline, and your tolerance for risk.

We believe in broadly diversified portfolios of high-quality investments, and we know that trying to time the market or react to every headline is a strategy destined to fail. The key to long-term success is to stay invested through all phases of the market cycle—especially the uncomfortable ones. As we look forward, we remain encouraged by the resilience of the U.S. economy, while also mindful of the challenges that persist beneath the surface.

We always welcome the opportunity to discuss your strategy, answer questions, or simply offer a steady hand in uncertain times. Thank you for your continued trust. It is a privilege to walk alongside you on your financial journey.

Following Carolyn's well-earned retirement at the end of last year, we created a single email address that connects you directly with our entire service team: service@williammadison.com. Please include this email address for any account-related questions or requests, including withdrawals, deposits, transfers, address changes, etc. Messages sent to that address will be received by our Client Service Specialists, Stephanie Kabala and Drew Papineau. Using this address helps us respond promptly and ensures requests are not missed.

It is an honor to serve you. Please do not hesitate to contact us with any questions or concerns.

Cary D. Beard
cary@williammadison.com

Gregory J. Oglesby
greg@williammadison.com