

Q4 2024

Monday, November 18th, 2024

Q3 Market Review

US stocks reach record highs despite a spike in volatility not seen since the COVID pandemic during the quarter. A big rate cut from the Federal Reserve, falling inflation, and optimism around the strength of the US economy also drove a notable rotation in winners during the quarter. The AI-driven stock market fever broke, and market leadership shifted towards favoring small caps undervalued stocks like dividend payers and real estate. Across the pond, emerging market stocks rose to their highest levels in two and half years. The rally was led by China following stimulus from its central bank to help its ailing property market.

All sectors in the S&P 500, with the exception of Energy, posted gains. Interest rate-sensitive sectors such as Utilities and Real Estate led the pack with gains of 19% and 17%, respectively.

Across size, we saw a rotation into small-cap stocks for the quarter based on optimism that the economy was strong enough to avoid a recession. **Within style, value stocks beat growth** as investors questioned whether the heavy spending on AI for technology stocks would actually pay off.

Interest rates fell considerably, leading to strong returns for bonds across the spectrum marking a sharp uptick for year-to-date bond returns. The yield on the benchmark 10-year US Treasury note, which falls when prices rise, dropped to 3.8% from 4.3% at the end of June, reversing a two-quarter streak of rising yields.

Finally, across other asset classes, gold gains and oil falls. Weakening demand sent oil lower despite ongoing geopolitical risks. Gold, traditionally perceived as a safe haven, has climbed roughly 27% this year, outperforming the S&P 500 with gains of 22%. The gains have come as demand for gold remains high from central banks, including China, Turkey, and India, looking to diversify away from the US dollar in addition to other investors concerned about the size of the US deficit and the stability of the US dollar over the longer term.

CONTENT

Q3 Market Review - 1

More Eggs, More Baskets - 2

Life Insurance Awareness Month - 2

Advisors for the Plan



Mike York
(402) 980-2791

michael.york@mutualofomaha.com



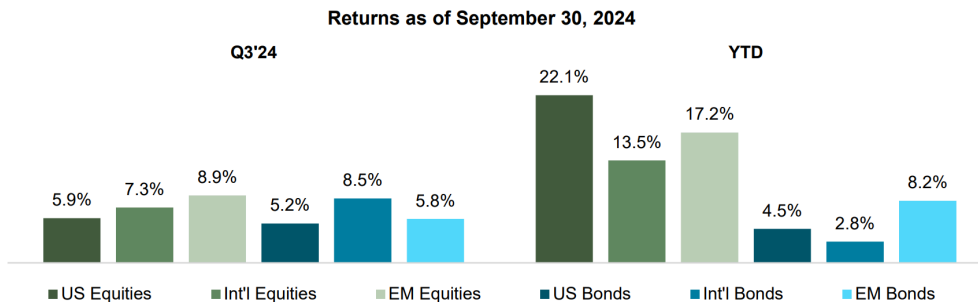
Bob Hall
(402) 651-4095

bobby.hall@mutualofomaha.com



Calen Griffin
(402) 871-2085

calen.griffin@mutualofomaha.com



Securities offered through Mutual of Omaha Investor Services, Inc. a Registered Broker/Dealer, Member FINRA/SIPC. Advisory services offered through Mutual of Omaha Investor Services, Inc. a SEC Registered Investment Advisory Firm. Investing involves risk, including the possible loss of principal. Past performance does not guarantee future results. Investments in equities, bonds, options, and other securities, whether held individually or through mutual funds and exchange traded funds, can decline significantly in response to adverse market conditions, company specific events, changes in exchange rates, and domestic, international, economic, and political developments. The information in this report has been drawn from sources believed to be reliable, but its accuracy is not guaranteed and is subject to change.

Update Your Beneficiaries



A beneficiary of a 401(k) is the person or organization you choose to receive the money in your 401(k) account if something happens to you. It could be your spouse, a family member, a friend, or even a charity. When you set up your 401(k), you'll be asked to name a beneficiary, and this person will inherit your retirement savings—usually without going through probate, which can save a lot of time and hassle. It's a big deal because if you don't choose one, the money might end up in your estate and could take longer to distribute, or it may not go to the people you intend.

It's really important to update your 401(k) beneficiary whenever something major changes in your life. For example, if you get married, divorced, or have kids, you'll want to make sure your beneficiary list reflects those changes. If you don't update it, your ex-spouse might end up inheriting your account, even if that's not what you want. And if you forget to update it entirely, your account could end up getting tangled up in probate court. To avoid those issues, it's a good idea to review and update your 401(k) beneficiary at least once a year or whenever your life circumstances change.

When deciding who to name as your 401(k) beneficiary, think about who you trust and who would benefit the most from your retirement savings. If you're married, your spouse is typically the default beneficiary unless you specify otherwise, but you can also name secondary beneficiaries (like children or other family members) in case something happens to your primary choice. Some people also split their 401(k) between multiple beneficiaries, like leaving a percentage to each child or giving a portion to a favorite charity. Just make sure your choices are updated and that you're comfortable with how your savings will be divided up if the time comes.

You can update your beneficiary easily by logging into your 401(k) account, clicking your name in the top right corner, and clicking beneficiary designation.

Identity Theft Is Not A Joke

December is National Identity Theft Awareness Month. Identity theft is the act of someone stealing your personal information—such as your Social Security number, credit card details, or bank account information—with the intent to commit fraud, gain access to financial resources, or cause other harm. Criminals often use this information to open accounts, make purchases, or take loans in your name, which can lead to significant financial loss and damage to your credit. In some cases, identity theft can even affect your reputation and create legal complications if fraudulent activities are associated with your name.

Protecting yourself from identity theft is essential to maintaining your financial security and personal privacy. Once your information is stolen, it can be difficult and time-consuming to repair the damage, and in some cases, the consequences may be long-lasting. To safeguard against identity theft, individuals should regularly monitor their financial accounts for any unusual activity, use strong, unique passwords for online accounts, and enable two-factor authentication when possible. Additionally, it's important to shred sensitive documents, avoid sharing personal information over unsecured networks, and be cautious about phishing attempts. Taking these steps can greatly reduce the risk of identity theft and help you act quickly if your information is compromised.

Medicare AEP



Just a quick reminder that Medicare Annual Enrollment Period ends December 7th. If you're 65 or older and are considering Medicare, or changes to your Medicare coverage, reach out to us to help.