JGC Wealth Management, LLC

Fee-Only Financial Planning and Asset Management

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First Quarter Update
March 31, 2024

THE QUARTER IN REVIEW AND HOW TO DEAL WITH THE FUTURE

Until recently, much of our investment advice has emphasized the importance of maintaining your investment strategy, even when it's tempting to jump out during market declines. However, fear is seeming to wane as the memory of the 2022 downturn fades. Not only have many broad markets delivered gains from acceptable to amazing, there have been the usual assortment of sizzling stocks like NVIDIA (NVDA) and tantalizing new products like crypto ETFs to distract us with their dazzle. Strong market performance is welcome news. But at least in the wider investment world, we're likely to see a different kind of response that isn't as welcoming: Instead of fleeing the downturns, restless market players may be tempted to chase after speculative trends, no matter how closely they resemble past Fear of Missing Out (FOMO) frenzies. There's a reason Fear of Missing Out has its own acronym; it's an incredibly common affliction. When we combine FOMO with recency bias, we humans are especially prone to sabotaging our own best interests in fair markets and foul.

When we succumb to recency, we give current news more weight than it deserves. We begin to believe the latest trumpets are somehow more important than the countless similar fanfares we've experienced throughout the history of capital markets. We forget, before today's Magnificent Seven and related AI tech trends, there were the Roaring Twenties of U.S. industrial innovation (including automobile and airplanes), the 1970s Nifty Fifty blue chip extravaganza, and the 1990s Dot-Com boom (and subsequent bust). We can add these to countless other supposedly unstoppable market forces that have periodically taken investors by storm with their jaded battle cry: **"This time, it's different."** In other words, there's almost always something alluring and allegedly unprecedented to fuel our FOMO. But before you lend excessive weight to the most recent high-flyers, remember:

The latest innovations are often very real, remarkable, and potentially game-changing forces in our lives. But the manner in which capital markets absorb these forces and convert them into long-term returns is far more constant.

Which reinforces why our own refrain remains the same whether markets are up or down:

Neither hot nor cold streaks among stocks, sectors, or markets give us good reason to abandon an otherwise well-built portfolio.

Consider instead how quietly a remarkable centennial just passed: When the Massachusetts Investors Trust fund was launched 100 years ago on March 21, 1924, it became the nation's first open-end mutual fund. Some 50 years later, John Bogle built on the idea by delivering the first publicly traded index mutual fund in 1976—today's Vanguard 500. Now, these are innovations worth celebrating, as they ultimately brought lower-cost, more efficient and equitable market access to all.

In similar vein, we pay homage to the recently passed Nobel laureate Daniel Kahneman. Having founded the field of behavioral economics, Kahneman and his colleagues demonstrated (among many other things) the hazards inherent to being a stock picker in hot and cold markets alike:

"Unfortunately, skill in evaluating the business prospects of a firm is not sufficient for successful stock trading, where the key question is whether the information about the firm is already incorporated in the price of its stock. Traders apparently lack the skill to answer this crucial question, but they appear to be ignorant of their ignorance." — Daniel Kahneman

This is why we still advise building and maintaining a low-cost, globally diversified investment portfolio aimed at your personal long-term goals. This, despite the cognitive traps laid by the most recent rounds of FOMO. As Kahneman reportedly observed even more bluntly:

"If you think you're an expert on picking stocks, then you should be fabulously rich. If you're not, you're probably not." — Daniel Kahneman

SALEM CHAMBER LUNCHEON

In April, Katie Fallin had the opportunity to speak at the Salem Chamber Business Women luncheon regarding the importance of investing proactively.   While this is an important topic for everyone, we focused specifically on the how and why it's necessary for women, in particular. Women earn, on average, 16% less than men, which translates to a lower ability to save. As women are more often caretakers of a growing family, or an aging one, we often see this gap widening during certain periods in their lives. At the point a woman enters retirement, she has typically saved around 30% less a man would have. In addition, because she has earned less over her lifetime, and Social Security is based off a person's earned wages, she is also slated to receive around 20% less Social Security. To further complicate matters, a woman is expected to live around 7 years longer. While this may seem bleak, there are strategies that may be able to help you achieve the retirement you are aiming for.

If you would like to talk through what retirement may look like for you, for a loved one, or if you would like to schedule a time for either Mike or Katie to visit your family or business, please call our office today. We are available for speeches or informal meetings, and always to help you talk through any financial matters that are top of mind.

SCHWAB PAPERLESS PREFERENCES

Your mailbox may soon be on the receiving end of a plethora of Schwab statements and trade confirmations. With the recent migration from TDA's platform to Schwab's during Labor Day weekend last year, you likely received several emails encouraging you to log in to schwaballiance.com to view the new platform. If you hadn't logged in by March 31, 2024, then Schwab has reverted you to receiving paper statements and trade confirmations. If a full mailbox is your jam, there is no action needed on your part. If you would like to reinstate electronic delivery, you simply need to login to schwaballiance.com, select "New User?" at the bottom of the login box, and allow the website to guide you through setting up your online access. You will need either your old TDA account number or your new Schwab account number – we are happy to provide this for you and even walk you through the process. Once logged in, if you click on "Statements & Tax Forms" across the top, you will see an option for "paperless preferences." Please let us know if you would like to schedule a time to meet in-office for an annual review and/or some assistance learning the Schwab website.

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Quarterly Market Summary

Index Returns

Q1 2024	US Stock Market	International Developed Stocks	Emerging Markets Stocks	Global Real Estate	US Bond Market	Global Bond Market ex US
	STOCKS				BONDS	
	10.02%	5.59%	2.37%	-1.19%	-0.78%	0.58%
Since Jan. 2001						
Average Quarterly Return	2.4%	1.6%	2.5%	2.2%	0.9%	0.9%
Best Quarter	22.0%	25.9%	34.7%	32.3%	6.8%	5.4%
	2020 Q2	2009 Q2	2009 Q2	2009 Q3	2023 Q4	2023 Q4
Worst Quarter	-22.8%	-23.3%	-27.6%	-36.1%	-5.9%	-4.1%
	2008 Q4	2020 Q1	2008 Q4	2008 Q4	2022 Q1	2022 Q1

Past performance is not a guarantee of future results. Indices are not available for direct investment. Index performance does not reflect the expenses associated with the management of an actual portfolio. Market segment (index representation) as follows: US Stock Market (Russell 3000 Index), International Developed Stocks (MSCI World ex USA Index [net dividends]), Emerging Markets (MSCI Emerging Markets Index [net dividends]), Global Real Estate (S&P Global REIT Index [net dividends]), US Bond Market (Bloomberg US Aggregate Bond Index), and Global Bond Market ex US (Bloomberg Global Aggregate ex-USD Bond Index [hedged to USD]).

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Long-Term Market Summary

Index returns as of December 31, 2023

	US Stock Market	International Developed Stocks	Emerging Markets Stocks	Global Real Estate	US Bond Market	Global Bond Market ex US
	STOCKS				BONDS	
1 Year	25.96%	17.94%	9.83%	10.23%	5.53%	8.32%
5 Years	15.16%	8.45%	3.68%	4.16%	1.10%	1.50%
10 Years	11.48%	4.32%	2.66%	4.72%	1.81%	2.80%

Past performance is not a guarantee of future results. Indices are not available for direct investment. Index performance does not reflect the expenses associated with the management of an actual portfolio. Market segment (index representation) as follows: US Stock Market (Russell 3000 Index), International Developed Stocks (MSCI World ex USA Index [net dividends]), Emerging Markets (MSCI Emerging Markets Index [net dividends]), Global Real Estate (S&P Global REIT Index [net dividends]), US Bond Market (Bloomberg US Aggregate Bond Index), and Global Bond Market ex US (Bloomberg Global Aggregate ex-USD Bond Index [hedged to USD]). S&P data © 2023 S&P Dow Jones Indices LLC, a division of S&P Global. All rights reserved. Frank Russell Company is the source and owner of the trademarks, service marks, and copyrights related to the Russell Indexes. MSCI data © MSCI 2023, all rights reserved. Bloomberg data provided by Bloomberg.

Quarterly Reports
Enclosed are the reports on your portfolio for the quarter ending March 31, 2024. If you want to discuss your portfolio, have had changes in your financial situation, or have any other financial concerns or questions, please call us.

Annual Disclosure Offering

As a registered investment advisor, we are required to provide you an annual notice regarding administrative matters. Our Form ADV Part 2 underwent the last annual update on March 27, 2024.

You may request an updated ADV Part 2 brochure by calling (503) 304-9248, emailing info@jgcwealth.com, or sending a request by mail to 2035 Madrona Ave SE Ste 100, Salem, OR 97302. Our privacy policy and updated ADV Part 2 can be downloaded from this page on our website: jgcwealth.com/resources.

Summary of Material Changes:

1. Item 10 was updated to describe JGC Wealth's affiliation with Johnson, Glaze & Co., PC and Morrow CPA, PC. Subsequent to this prior amendment, the affiliation with Morrow CPA, PC was terminated so the references were therefore removed with this Annual Amendment.

The information presented is provided in good faith without any warranty and is intended for the recipient's background information only. It does not constitute investment advice, recommendation, or an offer of any services or products for sale and is not intended to provide a sufficient basis on which to make an investment decision. Before taking any action, we recommend that you seek professional advice from subject matter experts who can assist you with your specific situation and needs.

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WM PREFERRED MANAGED PORTFOLIOS

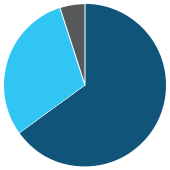
More Aggressive ↔ More Conservative

Portfolio 100

Objective: This portfolio is suitable for someone who wants to take advantage of the long-term potential of the markets and has a risk tolerance to handle the gyrations of the market.

Allocation:

U.S. Equity	65%
Int'l Equity	30%
Real Estate	5%



Portfolio Expenses*[1]: 0.26%

Portfolio Gross Performance*:

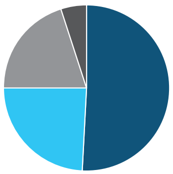
	3 Mo.	1 Yr.	3 Yr.	5 Yr.	10 Yr.
Portfolio	6.59%	21.09%	8.13%	10.83%	8.21%
Benchmark	5.25%	18.89%	4.86%	8.71%	7.34%

Portfolio 80

Objective: This portfolio is suitable for investors who want to take advantage of the long-term potential of the markets but want to reduce the volatility of the portfolio by mixing in bonds.

Allocation:

U.S. Equity	51%
Int'l Equity	24%
Bonds	20%
Real Estate	5%



Portfolio Expenses*[1]: 0.23%

Portfolio Gross Performance*:

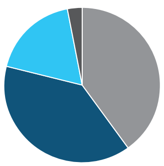
	3 Mo.	1 Yr.	3 Yr.	5 Yr.	10 Yr.
Portfolio	4.88%	16.60%	5.84%	8.76%	6.89%
Benchmark	3.79%	14.82%	3.13%	6.95%	6.14%

Portfolio 60

Objective: This portfolio is suitable for someone who is nearing retirement or someone who has a moderate risk tolerance.

Allocation:

Bonds	40%
U.S. Equity	39%
Int'l Equity	18%
Real Estate	3%



Portfolio Expenses*[1]: 0.18%

Portfolio Gross Performance*:

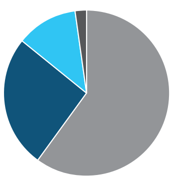
	3 Mo.	1 Yr.	3 Yr.	5 Yr.	10 Yr.
Portfolio	3.68%	13.48%	4.09%	7.04%	5.90%
Benchmark	2.66%	11.63%	1.75%	5.53%	5.12%

Portfolio 40

Objective: This portfolio is suitable for someone who is nearing retirement or someone who has a low risk tolerance.

Allocation:

Bonds	60%
U.S. Equity	26%
Int'l Equity	12%
Real Estate	2%



Portfolio Expenses*[1]: 0.15%

Portfolio Gross Performance*:

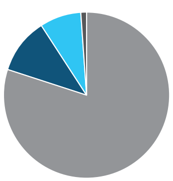
	3 Mo.	1 Yr.	3 Yr.	5 Yr.	10 Yr.
Portfolio	2.23%	9.89%	1.98%	4.89%	4.61%
Benchmark	1.30%	8.09%	0.02%	3.66%	3.76%

Portfolio 20

Objective: This portfolio is suitable for someone who is nearing retirement or someone who has a low risk tolerance.

Allocation:

Bonds	80%
U.S. Equity	11%
Int'l Equity	8%
Real Estate	1%



Portfolio Expenses*[1]: 0.11%

Portfolio Gross Performance*:

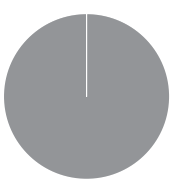
	3 Mo.	1 Yr.	3 Yr.	5 Yr.	10 Yr.
Portfolio	0.95%	5.89%	0.18%	2.99%	3.27%
Benchmark	0.24%	4.55%	-1.12%	2.22%	2.62%

Portfolio Income

Objective: This portfolio is suitable for someone who is in retirement or someone who has a very low risk tolerance.

Allocation:

Bonds	100%



Portfolio Expenses*[1]: 0.08%

Portfolio Gross Performance*:

	3 Mo.	1 Yr.	3 Yr.	5 Yr.	10 Yr.
Portfolio	-0.39%	2.14%	-1.80%	0.87%	1.87%
Benchmark	-0.93%	1.09%	-2.53%	0.52%	1.32%

**Source: Morningstar & fi360 through March 31, 2024*

Note: Returns are not net of any management or fiduciary fees. [1]Portfolio Expenses (Net Expense Ratio) as Weighted Average Total

Historical performance is based on an assumption that an investor has owned the exact portfolio in the exact allocation reflected in the snapshot for the previous three months, one-, three-, five- and ten-year periods.