SpirePoint Private Client

QUARTERLY INSIGHTS | Q2 2025

FROM THE DESK OF THE SPIREPOINT PRIVATE CLIENT INVESTMENT COMMITTEE

Dear Valued Client,

As we move through the second quarter of 2025, our team at SpirePoint Private Client remains focused on delivering tailored wealth strategies that preserve and grow your family's legacy.

This past quarter brought both headwinds and opportunities—shaped by a new presidential administration and global shifts in trade policy. In this letter, we highlight key developments and the strategic considerations we are actively evaluating on your behalf.

To further enhance transparency and timely communication, we're also producing a video log to share real-time insights on how current trends may impact your family and your businesses.

MARKET OUTLOOK

Market corrections can rattle even seasoned investors. When headlines scream volatility and portfolios fluctuate, the instinct to retreat is natural. But history tells a different story—one of resilience, opportunity, and long-term growth.

Bear markets, while uncomfortable, are not uncommon. They are a natural part of the investing cycle. Time and again, those who remain disciplined—not only holding their ground, but thoughtfully rotating positions and adding to high-quality assets—are often rewarded.

In moments like these, we often hear, *"this time it's different."* That phrase has echoed through nearly every downturn in modern history—and each time, markets have recovered, often stronger than before. While today's concerns—like tariffs or geopolitical tensions—feel unique, our economic system has repeatedly shown the ability to adapt, recover, and grow over time.

As the market confronts what feels like a new set of challenges, we remain calm, focused, and committed to your long-term goals. We are here—early mornings to late evenings—analyzing, planning, and acting so that you don't have to worry.

Everyone wants to know how this will all play out. And while the future is never certain, we believe that when we look back on this time, we'll see it for what it truly was: an opportunity. Recognizing that opportunity in the moment is never easy—but that's exactly why we're here.

Global Economic Indicators

- **Inflation Trends:** Core inflation appears to be easing, with an expectation of stabilization in the cost of goods. However, proposed tariffs under the new administration may place upward pressure on prices for imported goods. We continue to monitor evolving trade policy and its potential ripple effects on market stability.
- **Interest Rates:** Thirty-year mortgage rates remain below 7%, while the 10-year Treasury has dipped to just above 4%. While this fluctuation reflects a cooling economy, cash yields above 4%—through treasury money market funds—remain attractive for capital preservation.
- **Private Market Opportunities:** Increased volatility in public markets has sparked renewed interest in private investments, and we are often asked to review these opportunities. Residential real estate may face headwinds in the coming quarters, while discounted office space is gaining attention due to return-to-office trends. We remain cautious on private credit, which we view as over-presented in the market.

Strategic Positioning

Our Investment Committee has identified the following key investment themes for the current cycle:

1. **Defensive Equity Positions:** Consumer staples, utilities, defense, cybersecurity, infrastructure and select value investments are becoming viable bond proxies.
2. **Selective Growth Exposure:** Technology and health care sectors may present attractive opportunities when temporarily oversold.
3. **Tax Optimization:** We are proactively implementing portfolio strategies focused on tax efficiency.

WEALTH PLANNING SPOTLIGHT

Preparing for Potential Estate Tax Changes

With the potential sunset of provisions from the 2017 Tax Cuts and Jobs Act, now is a critical time to evaluate estate and tax strategies. We encourage early engagement with your legal and tax teams to explore asset transfer opportunities before the legislative landscape changes.

Our team is preparing a checklist and is available to collaborate with your advisors to ensure you're well-positioned heading into 2025.

THOUGHT LEADERSHIP

The Evolving Role of Sustainable Investing in Family Offices

Our team coordinates and works with your advisory team. As wealth grows, so does complexity. Our role often extends beyond portfolio management to coordinating your estate, tax, and philanthropic plans—ensuring alignment across your entire financial life. Attempting to manage these areas without experienced counsel can result in costly oversights.

We recommend working with specialized estate planning attorneys rather than generalists. In our experience, poorly executed estate plans often have a more severe long-term impact than market corrections themselves. Having the right team in place helps ensure your wishes are fulfilled with clarity and precision.

SPOTLIGHT: STRATEGIC PHILANTHROPY

At SpirePoint, giving back is a core value. Each month, we highlight a local charity in Vero Beach’s *32963* to support organizations making a tangible impact in our community.

We believe local foundations are often best positioned to address real needs, and we’d be honored to help you create a philanthropic plan that reflects your values. If you'd like to learn more about community giving opportunities, please don’t hesitate to reach out.

CONTACT US

Your dedicated wealth advisory team is always available to discuss your portfolio, planning needs, or any questions you may have.

SpirePoint Private Client Investment Committee

Trent Leyda

Kay Campione

Jim Beindorf

SpirePoint Private Client
830 Azalea Lane
Vero Beach, FL 32963
www.spirepointpc.com

(772) 316-1271
