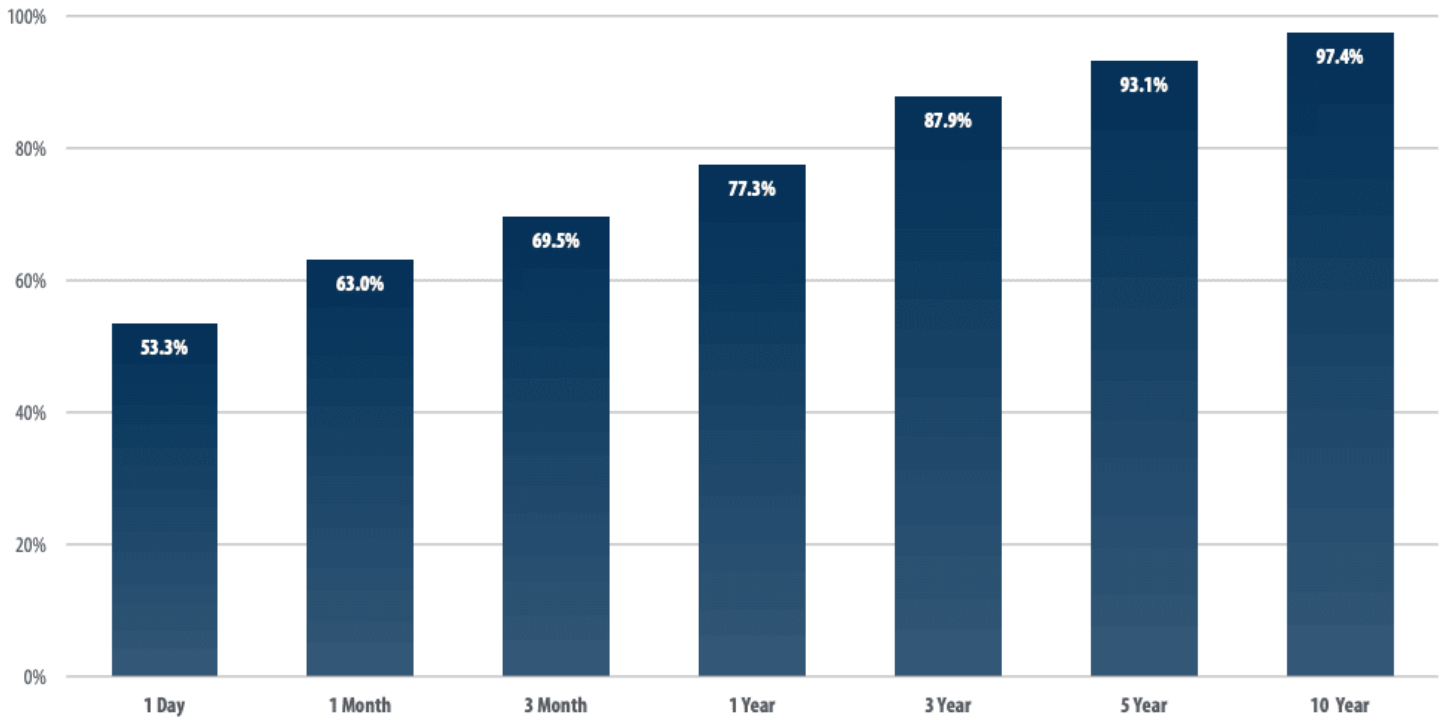




Wealth Care LLC October 2025 Commentary

Investment Thoughts

We've touched on the importance of not watching your portfolio closely. Here's a nice chart of "why". This is the historic positive return based on how long someone held the S&P 500 index (a decent equivalent to the US stock market). Note that even if you looked at your holdings once a year meant that a quarter of the time, you had lower prices. Human beings feel loss more than they appreciate gain, so watching daily means that almost half the time you will feel like you lost money (you did not unless you sold).



Source: First Trust, Bloomberg. Data from 12/31/1936 - 12/31/2024. **Past performance is no guarantee of future results.** This chart is for illustrative purposes only and not indicative of any actual investment. The illustration excludes the effects of taxes and brokerage commissions or other expenses incurred when investing. These returns were the result of certain market factors and events which may not be repeated in the future. This chart is based on the total returns of the S&P 500 Index. The S&P 500 Index is an unmanaged index of 500 companies used to measure large-cap U.S. stock market performance. The index cannot be purchased directly by investors.

The information presented is not intended to constitute an investment recommendation for, or advice to, any specific person. By providing this information, First Trust is not undertaking to give advice in any fiduciary capacity within the meaning of ERISA, the Internal Revenue Code or any other regulatory framework. Financial professionals are responsible for evaluating investment risks independently and for exercising independent judgment in determining whether investments are appropriate for their clients.

What is Happening with Inflation?

In the financial planning process, we assume inflation will be in the 2-3% a year range, as this has been the average for many decades. Indeed, that's where we are right now, but note the spike in the last five years (reducing purchasing power of the dollar by 20%!).



Inflation for August 2025

Year-over-year change in the Consumer Price Index

+10%



How Much Do I Need to Retire?

The table below is fascinating (to a financial planner) and should be of interest to you. It shows what would happen to a 100,000 dollar portfolio invested 50/50 in stocks and bonds at various 5 year intervals. In the first year of withdrawals, 4.5% is taken out and in following years the withdrawal is increased to adjust for inflation. So, for example, someone with that portfolio beginning in 1990 and doing withdrawals as described has over six times as much money as



they started with! You can see that those retiring in 2000 hit two near term bear markets and their funds are very slowly depleting (but still ok at age 90). Those retiring in 2022 have a modest hit but are still early in retirement-if the trend continued, we would suggest slightly lower withdrawals at some point. The variability in outcomes is called “the sequence of returns” and is something we pay close attention to when we advise on withdrawal rates.

Your Nest Egg and Your Life, in Cash

This table shows the remaining balance in a \$100,000 nest egg after adjusting an original 4.5% of balance income for inflation each year. The figures are for pure indexes and do not reflect the cost of the index funds that become available during the period and whose annual expenses have declined to nearly nothing in recent years.

Start Year	Age in 2024	Nest Egg Balance	Loss years
1990	100	\$651,201	22,18,08,02,01,00
1995	95	\$545,631	22,18,08,02,01,00
2000	90	\$ 72,819	22,18,08,02,01,00
2005	85	\$169,875	22,18,08
2010	80	\$220,765	22,18,08
2015	75	\$140,747	22,18
2020	70	\$118,182	22
2022	68	\$ 94,613	22
2024	65	\$109,984	none

Source: www.portfoliovisualizer.com

Monotonous Underperformance



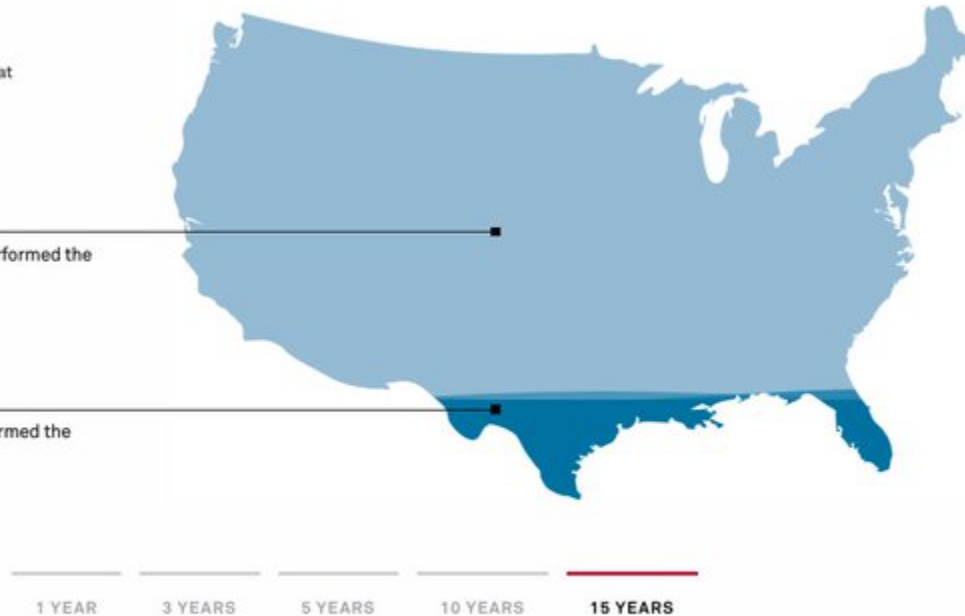
Every year the data comes out and looks the same. Here's the latest comparison of how "actively managed stock funds" did compared to owning the index (using the S&P 500). So perhaps 1 in 10 funds outperform the index, and you don't know which ones in advance. Not good odds.

United States

Percentage of All Large-Cap funds that underperformed the S&P 500®

89.50% of funds underperformed the S&P 500®

10.50% of funds outperformed the S&P 500®



Data as of Dec 31, 2024

Financial Planning-Two Things

In 2025, the "super catch-up" provision of the [SECURE 2.0 Act](#) allows individuals aged 60 to 63 to contribute significantly more to their 401(k) plans, specifically up to the greater of \$10,000 or 150% of the standard catch-up limit, if their plan allows. For those age 50 and older, the standard catch-up contribution is \$7,500. Therefore, for those aged 60-63, the "super catch-up" limit is \$11,250 (150% of \$7,500). This is in addition to the standard 401(k) contribution limit of \$23,500 for 2025. Not every plan has to adopt this, so watch for information from your workplace 401k sponsor/administrator.

We will notify those of you with self employed 401k plans about this each year end (as contributions can occur as late as your tax filing date in 2026 for 2025, etc.).



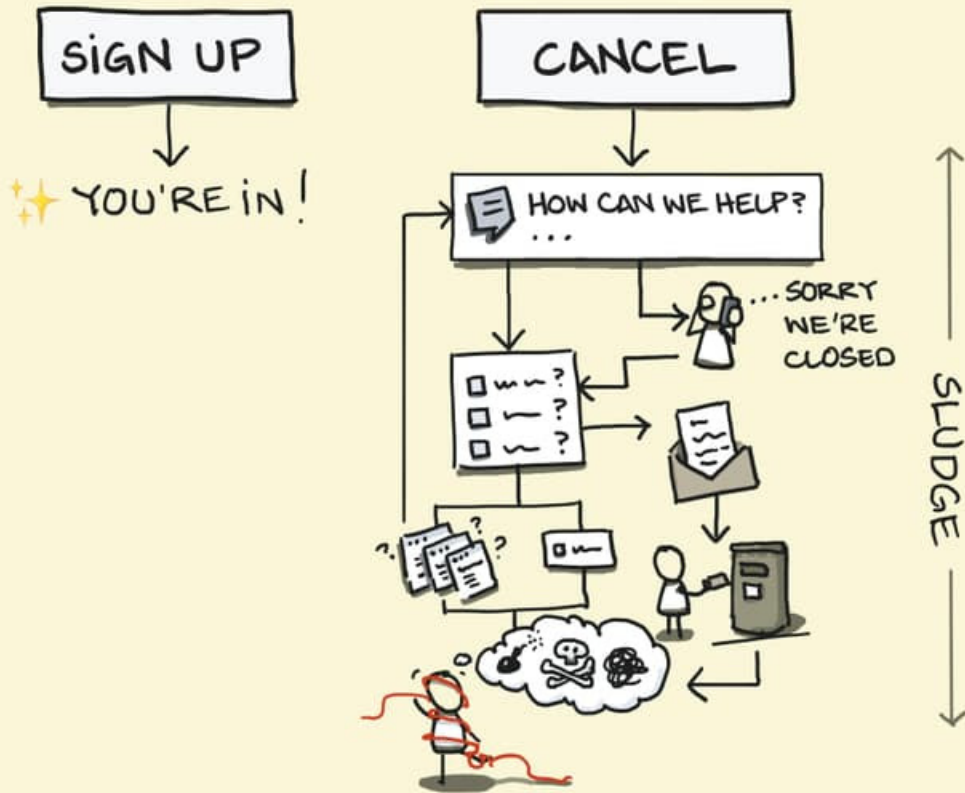
Also note that catch up contributions for 2026 and future years will be required to be “after tax” and not deductible for individuals who make more than \$145,000 in earned income in the prior year. I’ve noted this before and do not plan to make these contributions when this occurs (Steve).

Miscellaneous

Make a rule to never think twice about investments in yourself. Books, quality food, fitness, and personal development all fit into this bucket. These investments pay dividends for a long time. Think about material purchases instead—wait 24 hours to complete an order to see if you still want it.-Sahil Bloom

From the Astrel Codex Blog:

[Terminal lucidity](#) (aka “paradoxical lucidity”) is a medical mystery where previously demented people - even those who had been demented for many years - sometimes become lucid for just a few hours or days before they die. It’s surprisingly common - 6% of deaths in one palliative care ward. It is sometimes used as evidence that dementia must not cause complete information loss, even if it is irreversible with current technology. Scientists are baffled but gingerly suggest that maybe lack of oxygen disrupts inhibitory mechanisms in the brain, allowing enough electrical activity to make even a severely-damaged brain capable of complex thought - but I can’t help noticing that this is also the best evidence for an immaterial soul I’ve ever heard (you would need some model where the soul pretends to be dependent on the brain during life, becomes independent of the brain after death in order to head to the afterlife, but occasionally jumps the gun a little bit).



THE SUBSCRIPTION TRAP

EASY TO JOIN . HARD TO LEAVE

sketchplanations

Random Notes



Readhead ranting

You know what I miss? Turning on something and having it just work. No registering on another device. No signing into an account. No downloading an app. Just plug it in and it does the thing it's supposed to do.



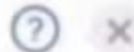
ROB MASURE @robmesur... 7h

I have been logged out of my toothbrush.

12:41



Oral-B iO



Log in

You have been logged out. Log back in to your account to continue your Oral-B brushing experience.



I GOOGLED
MY SYMPTOMS,
TURNS OUT I JUST
NEED MONEY.

THINKING MINDS



The age I consider "old"

My age

WEALTH CARE
LLC



RARE PHOTO OF A REMOTE CONTROL FROM THE 1970S



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The Wealth Care LLC Team October 1, 2025