

# Winter 2026

## Quarterly Investment Newsletter

### As I See It

Stocks had another strong year in 2025 as most market benchmarks enjoyed their third straight year of double-digit returns. Last year's performance was particularly rewarding given how much stocks overcame — notably tariffs. Tariffs weren't the only obstacle, as market concentration, high valuations, deficit spending, and inflation occupied spots on investors' lists of worries. Reflecting on 2025, here are some noteworthy takeaways:

- In my view, bears are usually wrong. The stock market had plenty of skeptics when 2025 began, just like 2023 and 2024. While stocks have down years, on average, they go up about three times as often as they fall (based on S&P 500 Index returns since 1980), though past performance does not guarantee future results.
- Stocks usually follow earnings. S&P 500 companies in aggregate grew earnings at a double-digit pace in 2025 and have the potential to do so again in 2026, bolstering stock performance. It's no coincidence the technology sector produced some of the strongest earnings growth and best returns last year.
- Policy matters; politics, less so. The volatility that almost ended the bull market last spring was driven mostly by tariffs, which directly impact corporate profitability. Once tariffs were reduced or removed, the major averages quickly reclaimed prior highs. If politics don't hurt corporate profits, e.g., in a government shutdown, we believe they are unlikely to hurt the stock market.
- Big market drawdowns and attractive annual returns can coexist. The S&P 500 dropped to 19% below its record high at its 2025 low on April 8 but ended more than 16% higher for the year. Since 1980, the S&P 500 has averaged an 11% annual gain (excluding dividends) and a 14% maximum intra-year drawdown. This perspective and a long-term focus can help ensure volatility doesn't knock you off course as you pursue long-term goals.
- Lower interest rates are good for both stocks and bonds. The Bloomberg U.S. Aggregate Bond Index gained more than 7% in 2025 on the back of lower interest rates as the Federal Reserve (Fed) lowered its target rate and inflation moderated. Those lower rates also helped stocks maintain lofty valuations at a price-to-earnings ratio (P/E) near 22 based on the consensus S&P 500 earnings per share estimate for the next 12 months. Valuations are not good predictors of performance year to year.

***As I See It Continued on Page 2***

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## As I See It-Continued From Page 1

Looking ahead to 2026, stocks face some of the same challenges they did in 2025. While tariffs may play a smaller role, policy uncertainty around midterm elections could contribute to more volatility in the year ahead. With fiscal stimulus, Fed rate cuts, and huge artificial intelligence investments coming, another year of gains appears likely.

Thank you for your continued trust and support. I am grateful for our relationship. Let's stay healthy and positive in 2026!

Sincerely,

DEP

David E. Purdy

**Important Information:** This newsletter is for general information only and is not intended to provide specific advice or recommendations for any individual. There is no assurance that the views or strategies discussed are suitable for all investors or will yield positive outcomes. Investing involves risks including possible loss of principal. Any economic forecasts set forth may not develop as predicted and are subject to change. References to markets, asset classes, and sectors are generally regarding the corresponding market index. Indexes are unmanaged statistical composites and cannot be invested into directly. Index performance is not indicative of the performance of any investment and do not reflect fees, expenses, or sales charges. All performance referenced is historical and is no guarantee of future results. All data is provided as of January 7, 2026. Any company names noted herein are for educational purposes only and not an indication of trading intent or a solicitation of their products or services. LPL Financial doesn't provide research on individual equities. All index data from FactSet. The Standard & Poor's 500 Index (S&P500) is a capitalization-weighted index of 500 stocks designed to measure performance of the broad domestic economy through changes in the aggregate market value of 500 stocks representing all major industries. The PE ratio (price-to-earnings ratio) is a measure of the price paid for a share relative to the annual net income or profit earned by the firm per share. It is a financial ratio used for valuation: a higher PE ratio means that investors are paying more for each unit of net income, so the stock is more expensive compared to one with lower PE ratio. The Bloomberg U.S. Aggregate Bond Index is an index of the U.S. investment-grade fixed-rate bond market, including both government and corporate bonds. There is no guarantee that a diversified portfolio will enhance overall returns or outperform a non-diversified portfolio. Diversification does not protect against market risk. Past performance does not guarantee future results. Asset allocation does not ensure a profit or protect against a loss. This research material was prepared by LPL Financial, LLC.

### Wealth Management Midwest: Mission & Vision

#### Mission

*To inspire our clients to make sound financial choices, avoid costly mistakes, and live their best financial life.*

#### Vision

*Our industry needs leadership to move forward and be reshaped into a valued and supportive role in our clients' lives. We will help lead this change by committing to always do what we believe is in our clients' best interest. Our clients must have faith that our advice is drawn from our knowledge and desire to help them work towards their unique goals.*

#### Need something Notarized?

*Don't fret.*

**Both Ali and Lesley are Notaries!**

*This complimentary service is another way we add value for our clients!*



## 2026 Tax Document Mailing Schedule

As tax season approaches, here's what you need to know:

Page  
3

### Mailing Dates:

Tax Form	Available Online Date	Mailed by Date
Form 1099-Q Tax Statement	January 17	January 23
Form 1099-R Tax Statement	January 17	January 23
1099 Consolidated Tax Statement	<b>January 17 &amp; January 31:</b> Accounts with the simplest tax information are not subject to income reclassification.	<b>January 23 &amp; February 6</b>
	<b>February 14:</b> Accounts holding more complex securities, for which issuers provided final tax information after January.	<b>February 20</b>
	<b>February 28 &amp; March 11:</b> Accounts where security issuers did not furnish tax information to LPL in time for the anticipated February mailing deadline.	<b>March 6 &amp; March 16</b>
Preliminary 1099 Consolidated Tax Statement	<b>February 14:</b> Accounts that are still waiting on final income reclassification will receive an advanced draft copy, "Preliminary 1099 Consolidated Tax Statement".	These are only available electronically and will not be mailed.
5498 - IRA	<b>February 28 &amp; May 23</b>	<b>March 6 &amp; May 29</b>

1099 Consolidated Tax Statements: Mailed in weekly phases from late January through March to ensure accuracy and reduce corrections. Form 5498-IRA's are informational purposes only (not required for filing).

#### Access:

Documents will be available online via AccountView after each mailing date. If enrolled in Paperless, you'll receive them by email.

#### Important Notes:

Delays or reclassifications may occur, resulting in corrected 1099s. Transferred accounts will only reflect activity during your time with us. For Qualified Charitable Distributions (QCDs), consult your tax advisor for proper reporting.

**Tip:** Wait to file if you expect corrected forms—accuracy matters!

Questions? Contact our office anytime.

### The 6 Value Propositions of Wealth Management Midwest

- Organization:** We create order to your Financial Life. We strive to make your Financial Situation more straightforward, rather than more complicated.
- Accountability:** We guide you on your Financial Commitments. We encourage you to set goals and dreams, and we will provide a framework of how to pursue them.
- Transparency:** We disclose our resourceful and credible insight. We are diligent with our decisions, and we strive to provide you with options that best aligns with your situation.
- Proactivity:** We plan and prepare for your future. We assess potential life changes and challenges in your future, we create an action plan, and then we activate it when needed.
- Education:** We obtain valuable knowledge for your position. We provide credible information that strive to add value to your financial situation and goals you have.
- Partnership:** We build a relationship with you to better serve you. We strive to create opportunities for you to live your best life. We not only value you, but we value your loved ones, your goals, and your achievements.

## Office News From Lesley and Ali

### Sharing Tax Documents With Your CPA



As tax season approaches, to make things easier, we're happy to offer a secure way to send your tax forms and account statements directly to your CPA or tax professional.



To enable this feature, we'll need a brief authorization form from you. This form allows us to communicate directly with your CPA, but it does not automatically send documents as they become available—you'll still have control over what gets shared and when.

Getting started is simple: just give our office a call with their contact details (name, phone number, address, and email), and we'll prepare the form. One quick signature is all it takes.

This policy helps us protect your identity and prevent fraud while offering added convenience.



### Schedule Your Meeting with Ease!



*We're excited to introduce a quick and convenient way to connect with us. Simply scan the QR code in this newsletter to schedule your review meeting or a new client introduction meeting with our office.*

*Your time matters—let's make scheduling simple!*

### We Changed Email Programs!

*Our email system has been updated, and all future communications will be sent from our office will now come from [info@wealthmanagementmidwest.com](mailto:info@wealthmanagementmidwest.com). Be sure that it isn't flagged as spam so you receive our client announcements, market insights, and more in our monthly email. Feel free to email this inbox as it is regularly monitored by our team.*



**Please take note:** Our emails have changed; however, our old emails will work until February 2026.

**Please update our emails to:**

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## From the desk of Dave Purdy:

**Today is my birthday, January 5th, I turned 67 years old!**

For the past few years, I've used January 5, as a day filled with focused intention. I like to take a look at all the last year has brought, what I'd like to leave behind and what I'd like to carry forward. Along with that I set intentions for the year ahead. I've found this simple formula to be a true game changer in how I navigate life while staying congruent in my value system and where my attention goes. Am I perfect? Absolutely not. Is it helpful to do this each year? 100% yes.



Page  
5

### A few things I'm leaving behind...

- 1. The weight of others expectations** - as a people pleaser by nature this one is tough. But deep in my heart I know I cannot be everything to everyone, and that's ok.
- 2. Overload** - I'm guilty of taking on WAY too much. I'm leaving behind the idea that every moment needs to be filled with something "productive." Life is too short.
- 3. Slacking on my daily workouts.** This is often the first thing to go when my plate gets too full. When in reality it should be the very last.

### A few things I'm focused on moving forward...

- 1. Building a life that feels good** - I have been so darn blessed in this life, and I'm not tone deaf to that. However, I've also been guilty of saying yes to things that maybe look good at the time. but in my heart/gut don't feel aligned.
- 2. Quality, deep relationships** - It's the old adage of "find your people and love them hard." This year is all about creating even deeper connections with people who fill my cup and enhance my energy... and focusing on doing the same for them!
- 3. Play... Way more play!** - My type-A high achieving personality sometimes forgets to just slow down and have fun. Fun by my own definition. Playing guitar, riding motorcycles and traveling. This has been a focus for a couple years and I can say it's getting better each year, slowly but surely.

My biggest birthday wish is that you set some intentions for your own life that feel good and move you even closer to your ideal future, while still remembering that all we have is the present moment. Understand what a gift that is, make the most of every second and use my special day to do something special for yourself!

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Are you approaching age 65 and have questions about applying for Medicare? Would you like to learn exactly how Medicare works and what the current plan options are? Are you enrolled in Medicare and really don't understand it? We have you covered with our Medicare concierge service! There is no cost for this, and we don't offer Medicare insurance supplements or product sales of any kind. This is truly a value-added convenience for being a client of ours. Don't lose sleep over anything having to do with Medicare, contact Ali today and she will put you in touch with the services best able to answer your questions about this free service (651)-464-2664.

### Tidbit had a successful 2025!

Tidbit finished his AKC Excellent Standard agility title in December. He started competing about a year ago and in 10 trial weekends throughout last year, he earned all his Novice, Open and Excellent titles and begins 2026 in Master's level. Training a fiercely independent terrier has its challenges, however, it has been so fun watching him progress.



## Food for thought from the desk of Chad Olson:

### 2026 is the perfect time to hit your financial “reset” button



As the calendar flips to a fresh new year, it's the perfect time to hit the “reset” button on your finances. A mid-winter financial renewal can set you up for stability, purpose, and confidence. Here's a short list of how to make the most of January's clean-slate energy and align your money with what truly matters in 2026.

#### 1. Review and Prioritize Your Goals

The new year provides an ideal backdrop to reflect on the past year and define what matters most to you. J.P. Morgan Wealth Management found that 90% of individuals with a financial plan felt confident about reaching their goals—compared to just 49% without one. Take time to

list both short- and long-term aims—whether it's building emergency savings, supporting aging loved ones, or boosting your retirement portfolio.

#### 2. Tackle High-Interest Debt Aggressively

Carrying high-rate debt, especially credit cards—can undermine financial freedom. Dave and I suggest using debt-payoff strategies such as the avalanche method (paying highest-rate debt first).

#### 3. Stay Invested

Market uncertainty may linger, but timing the market rarely pays off. Dave and I recommend maintaining a portfolio aligned with your goals and adjusting only when your circumstances or timeline shift. Keeping disciplined avoids reactive, costly decisions.

#### 4. Monitor and Adjust Through the Year

The key to long-term financial health is regular check-ins. That is where we come in. We urge reviewing your goals and finances at least annually—or after major life changes like marriage, a new home, or job switch. Momentum builds when you recalibrate and recommit regularly.

An intentional financial reset this winter isn't about perfection—it's about rebalance and confidence. By syncing your money with your purpose, you enter 2026 ready to thrive, supported by systems that work, not whims.

*Content in this material is for general information only and not intended to provide specific advice or recommendations for any individual.*

#### Quote of the Quarter

**“Long-term thinking is a competitive advantage in life, that most people abandon too early.”**

**—Henry Houle**

#### CONGRATULATIONS

ON BEING NAMED A FIVE STAR WEALTH MANAGER  
FOR 15 CONSECUTIVE YEARS, 2012-2026!

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Dave Purdy - "The Eddie Van Halen of  
Wealth Advisors"



CELEBRATING OUR  
38TH ANNIVERSARY!  
1988-2026



Award based on 10 objective criteria associated with providing quality services to clients such as credentials, experience, and assets under management among other factors. Wealth managers do not pay a fee to be considered or place on the final list of 2012, 2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022, 2023, 2024, 2025, & 2026 Five Star Wealth Managers.

## Personal Notes

### Dave Purdy

Our December trip to Australia/New Zealand was something we greatly enjoyed and the highlight of the quarter and year. Sydney is a beautiful cosmopolitan city, very clean and everyone was extremely friendly. We hiked the Sydney Harbor bridge (all the way to the top-1352 steps) and toured the famous Sydney Opera House. It was also fun to see Kangaroos, Koala bears and so many different bird species. New Zealand was gorgeous on a whole different level. We toured three different vineyards, visited several towns, however the highlight for me was sailing on an America's Cup racing sailboat in the Auckland Harbor. At times the sailboat was leaning so far into the water we had to lean way back on the other side, Lori and I each were "grinders" raising and lowering the sails as well as we both took a turn steering the sailboat. Luckily, it was a really windy day during our sail. It was also fun to be moving that fast in the water without any motor, we just heard the water hitting the bow of the boat and watched the waves behind. If you have never been to that part of the world, I would highly recommend it!



### Ali Kari

*This winter has been full of fun adventures! I went to a wild game, enjoyed a Friends-themed trivia night, and revisited the Miracle at Big Rock light walkthrough. One of the highlights of this holiday season was cutting down my very first real Christmas tree for my new home. It wasn't easy—it was cold, the tree was tough to cut, and now I have pine needles everywhere—but it was TOTALLY worth it! I absolutely love my tiny tree in my tiny house and can't wait to do it again next year. Hope you've all enjoyed the holidays with your friends and families. Wishing everyone a happy end to 2025 and an amazing start to 2026!*



### Lesley Kirchoff

I hope everyone had a wonderful holiday season! I enjoyed spending quality time with my family—I hosted my second Thanksgiving, saw 'Twas the Night Before by Cirque du Soleil, baked Christmas cookies and spent a long weekend with friends in Wisconsin. As we step into the new year, I'm excited to build more structure and routines into my life, both personally and professionally. I'm looking forward to these positive changes and seeing what this year has in store. Here's to resilience and growth in the year ahead! Wishing you all a happy, healthy, and successful year!



### Chad Olson

I hope you all enjoyed the holidays and were able to spend time with loved ones! We spent Thanksgiving and Christmas with family and friends and had a quiet night as a family on New Year's Eve, eating delicious food and playing board games and video games together. Our youngest daughter, Aria, was set on making it to midnight this year, so we all stayed up and watched the seconds tick down to 2026. Winter is off to a cold and snowy start in Minnesota, so we are looking forward to a few days in the Caribbean over spring break. This is a picture of Christmas morning, and the Slot Car Race Track I got for Brielle and Aria. I have so many memories of playing with a similar track with my brother when we were their age, so when I saw one for sale online, I had to get it for them. Wishing you all the best in 2026!



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