

Financial Account & Digital Security Best Practices & Fourth Quarter 2025 Market Recap Webinar



Financial Account & Digital Security Best Practices

Digital Security Risks

- U.S. consumers reported \$12.5 billion lost to fraud in 2024, a 25% increase from 2023.
- Adults age 60+ reported \$4.8 billion lost in 2024, a 33% increase from 2023.
- The FTC received 2.6 million fraud reports in 2024.
- Imposter scams (impersonating government, banks, or tech support) are the #1 most reported type of scams.
- Investment scams lost the most money in 2024 at \$5.7 billion.
- *Takeaway: Scammers are increasingly targeting retirees with sophisticated, personalized tactics*



Best Practices For Setting Passwords

- Use long, complex passwords
 - Aim for 12-16 characters in length
 - Include a mix of uppercase, lowercase, numbers, and symbols
 - Combine random, unrelated words
- Never recycle passwords across sites
 - Avoid names of family, birthdays, or anything visible on social media
- Avoid using personal info
- Use multi-factor authentication (MFA)
- Use a password manager



Credit Monitoring

- A service that tracks financial activity in your name via alerts
- Helps flag suspicious activity
- Does not prevent fraud from happening
- How to obtain:
 - Many credit card issuers provide this to cardmembers for free
 - Offered as compensation if your data is involved in a breach
 - Experian, TransUnion (Credit Karma), & Equifax (ClearScore)



Credit Freezes

- Prevents any credit from being opened under your name
 - Includes you opening new credit (e.g. new credit card, auto loan, mortgage refi, etc.)
- Once applied, you need to thaw your credit to apply for any new credit. Once complete, re-freeze your credit reports
- Applies to each person individually, so both spouses must implement a credit freeze
- To implement, create free accounts with the following and freeze:
 - TransUnion
 - Equifax
 - Experian



Identity Theft

- When someone steals and uses your personal info to commit fraud
- Can lead to damaged credit, legal issues, and asset depletion
- Many homeowners insurance policies provide low cost identity theft coverage. This coverage provides financial assistance to help resolve identity theft if you are a victim.
- If your ID has been stolen, consider the following:
 - Notify our office as soon as possible so we can help coordinate next steps
 - Contact the Federal Trade Commission (FTC) at [IdentityTheft.gov](https://www.identitytheft.gov)
 - File a police report with your local law enforcement agency
 - Contact the credit bureaus to place a fraud alert on your credit report
 - Contact your banks and credit card companies to report the theft and to monitor your credit reports for suspicious activity

Tips For Detecting Financial Scams

- Pause before acting. Scammers rely on urgency and fear
 - Be skeptical of unsolicited contact
 - Flag urgency or pressure in the messaging and review message details
 - Scam emails often contain odd grammar and spelling mistakes
- For any request to update account info or send funds, contact your advisor or the institution directly
- Watch out for requests for personal info
 - Financial institutions will never request your SSN, password, or account #
- Beware of investment opportunities that are too good to be true
- Be cautious clicking links and attachments
 - These can hide malware or lead to scams



Game Plan if You Get Hacked or Scammed

1. Change passwords for all affected accounts, apps, and your email
 - Act within 24 hours to minimize damage
 2. Call banks, Harbor Group, and investment custodians to freeze compromised accounts and request fraud alerts
 3. Request fraud alerts from Experian, Equifax, & TransUnion
 4. Have banks issue new account numbers and credit cards as appropriate
 5. Review your financial account transaction history closely
 6. Document everything: take screenshots and log rep names
 7. Check your credit report monthly for new accounts
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Fourth Quarter 2025 Market Recap



Fourth Quarter 2025 Market Recap

	BENCHMARK	Q4 2025	1-year	3-Year	5-Year	10-Year
U.S. Large-Cap Stocks	S&P 500® Index	2.7%	17.9%	23.0%	14.4%	14.8%
U.S. Small-Cap Stocks	Russell 2000® Index	2.2%	12.8%	13.7%	6.1%	9.6%
International Developed Stocks	MSCI EAFE Index	4.9%	31.9%	17.8%	9.5%	8.7%
Emerging Market Stocks	MSCI Emerging Markets Index	4.7%	34.2%	16.9%	4.6%	8.8%
U.S. Bonds	Bloomberg US Aggregate Bond Index	1.1%	7.3%	4.7%	-0.4%	2.0%
Treasury Inflation Protected Securities	Bloomberg US Treasury Inflation Protected Securities (TIPS) Index	0.1%	7.0%	4.2%	1.1%	3.1%
High Yield Bonds	Bloomberg US Corporate High Yield Bond Index	1.3%	8.6%	10.1%	4.5%	6.5%
International Developed Bonds	Bloomberg Global Treasury ex-US Index	-1.4%	8.2%	2.6%	-4.5%	0.3%
Commodities	S&P GSCI Index	1.0%	7.1%	3.9%	14.6%	6.1%
REITS	Dow Jones U.S. Select REIT Index	-0.8%	3.7%	8.5%	6.7%	4.8%



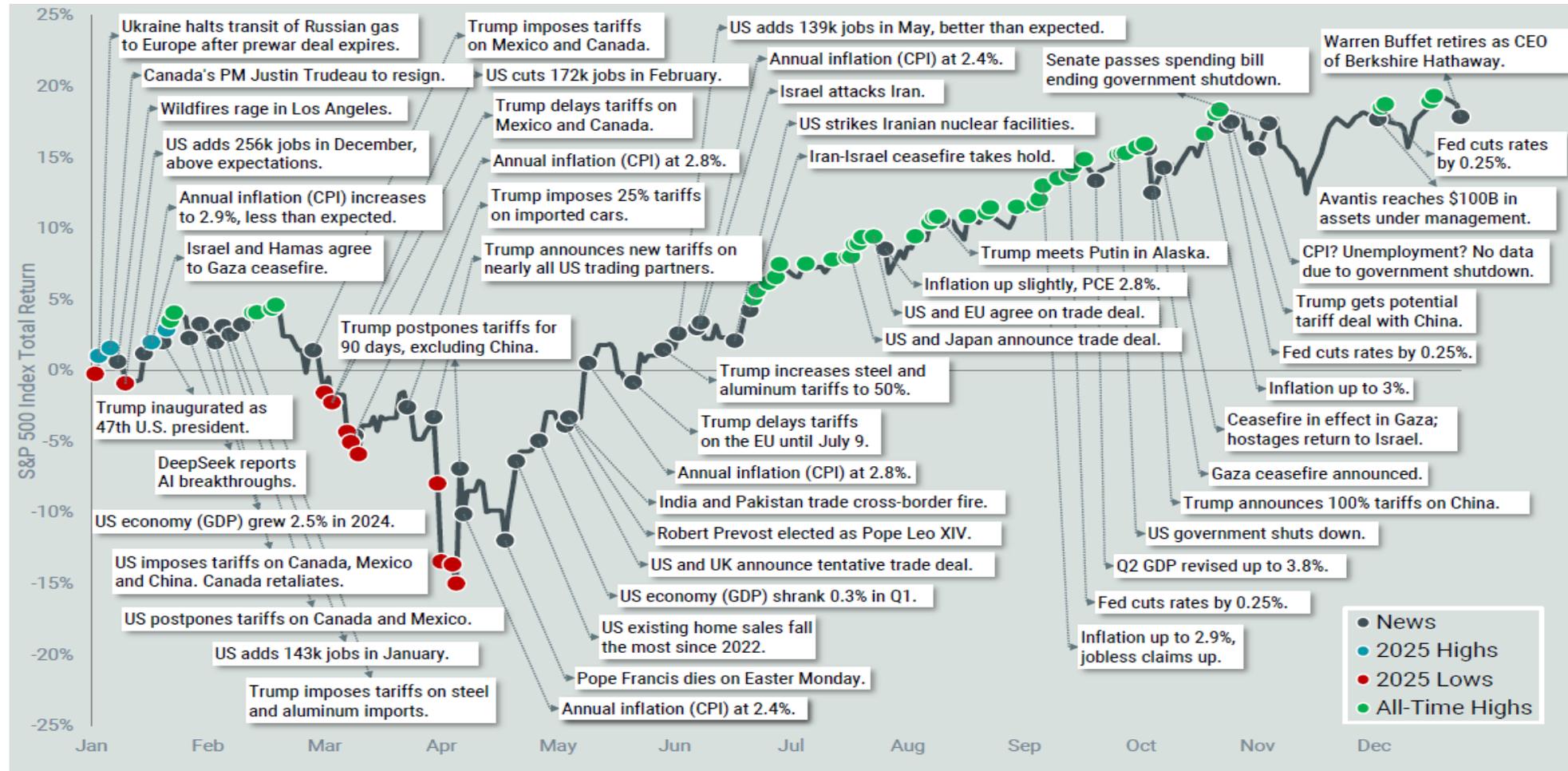
Note: Returns are annualized for periods over one year. Total return includes the reinvestment of dividends, interest, and other cash flows. Values shown are rounded to the nearest tenth. Source: Bloomberg as of 12/31/2025. Indexes are unmanaged, do not incur management fees, costs, and expenses, and cannot be invested in directly. For more information on indexes, please see [Schwab.com/IndexDefinitions](https://www.schwab.com/IndexDefinitions). Investing involves risk, including loss of principal. Past performance is no guarantee of future results. For illustrative purposes only.

Fourth Quarter 2025 Market Recap

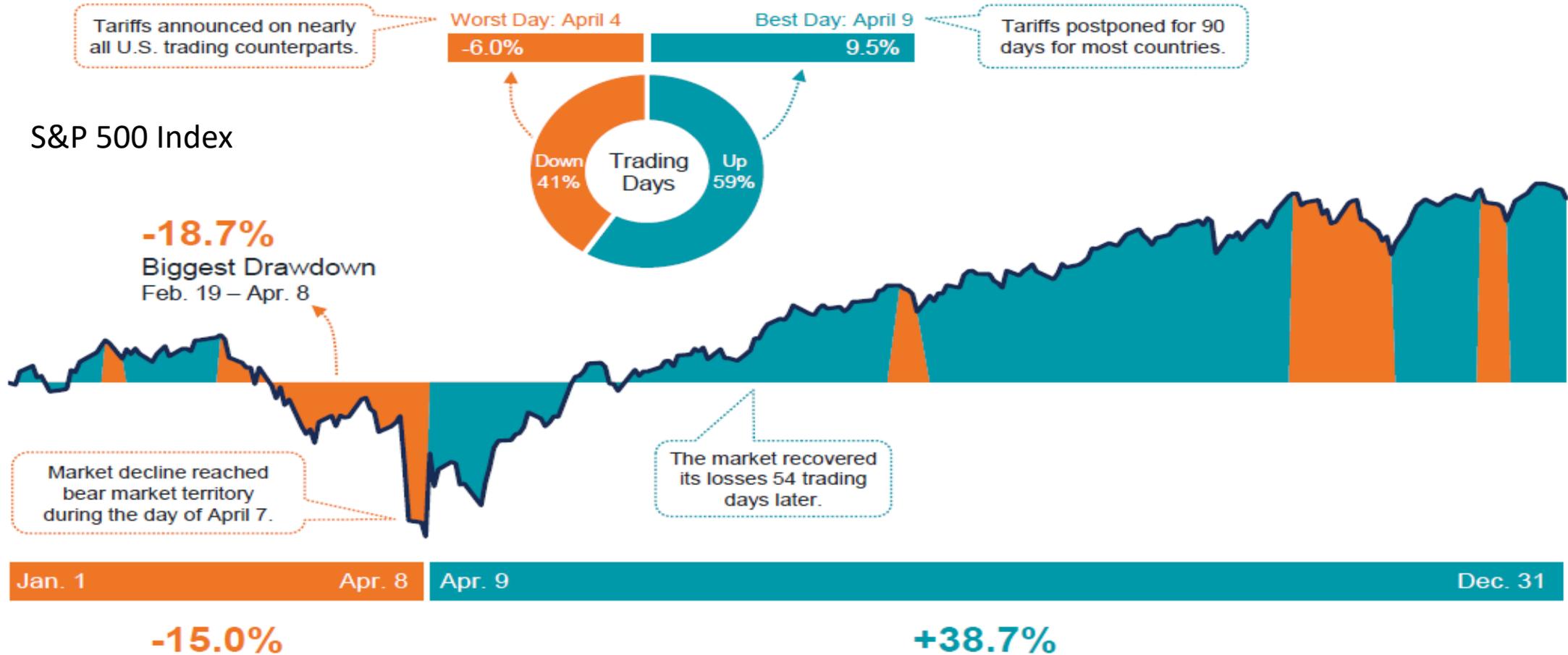
2011 - 2025		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Ann.	Vol.															
Large Cap	Small Cap	REITs	REITs	Small Cap	REITs	REITs	Small Cap	EM Equity	Cash	Large Cap	Small Cap	REITs	Com dty.	Large Cap	Large Cap	EM Equity
14.1%	20.3%	8.3%	19.7%	38.8%	28.0%	2.8%	21.3%	37.8%	1.8%	31.5%	20.0%	41.3%	16.1%	26.3%	25.0%	34.4%
Small Cap	EM Equity	Fixed Income	High Yield	Large Cap	Large Cap	Large Cap	High Yield	DM Equity	Fixed Income	REITs	EM Equity	Large Cap	Cash	DM Equity	Small Cap	DM Equity
9.5%	17.5%	7.8%	19.6%	32.4%	13.7%	1.4%	14.3%	25.6%	0.0%	28.7%	18.7%	28.7%	1.5%	18.9%	11.5%	31.9%
REITs	REITs	High Yield	EM Equity	DM Equity	Fixed Income	Fixed Income	Large Cap	Large Cap	REITs	Small Cap	Large Cap	Com dty.	High Yield	Small Cap	Asset Alloc.	Large Cap
7.8%	16.4%	3.1%	18.6%	23.3%	6.0%	0.5%	12.0%	21.8%	-4.0%	25.5%	18.4%	27.1%	-12.7%	16.9%	10.0%	17.9%
Asset Alloc.	DM Equity	Large Cap	DM Equity	Asset Alloc.	Asset Alloc.	Cash	Com dty.	Small Cap	High Yield	DM Equity	Asset Alloc.	Small Cap	Fixed Income	Asset Alloc.	High Yield	Asset Alloc.
7.3%	15.7%	2.1%	17.9%	14.9%	5.2%	0.0%	11.8%	14.6%	-4.1%	22.7%	10.6%	14.8%	-13.0%	14.1%	9.2%	15.8%
DM Equity	Com dty.	Cash	Small Cap	High Yield	Small Cap	DM Equity	EM Equity	Asset Alloc.	Large Cap	Asset Alloc.	DM Equity	Asset Alloc.	Asset Alloc.	High Yield	EM Equity	Com dty.
7.1%	15.4%	0.1%	16.3%	7.3%	4.9%	-0.4%	11.6%	14.6%	-4.4%	19.5%	8.3%	13.5%	-13.9%	14.0%	8.1%	15.8%
High Yield	Large Cap	Asset Alloc.	Large Cap	REITs	Cash	Asset Alloc.	REITs	High Yield	Asset Alloc.	EM Equity	Fixed Income	DM Equity	DM Equity	REITs	Com dty.	Small Cap
5.7%	14.7%	-0.7%	16.0%	2.9%	0.0%	-2.0%	8.6%	10.4%	-5.8%	18.9%	7.5%	11.8%	-14.0%	11.4%	5.4%	12.8%
EM Equity	Asset Alloc.	Small Cap	Asset Alloc.	Cash	High Yield	High Yield	Asset Alloc.	REITs	Small Cap	High Yield	High Yield	High Yield	Large Cap	EM Equity	Cash	High Yield
4.2%	10.1%	-4.2%	12.2%	0.0%	0.0%	-2.7%	8.3%	8.7%	-11.0%	12.6%	7.0%	1.0%	-18.1%	10.3%	5.3%	12.1%
Fixed Income	High Yield	DM Equity	Fixed Income	Fixed Income	EM Equity	Small Cap	Fixed Income	Fixed Income	Com dty.	Fixed Income	Cash	Cash	EM Equity	Fixed Income	REITs	Fixed Income
2.4%	9.1%	-11.7%	4.2%	-2.0%	-1.8%	-4.4%	2.6%	3.5%	-11.2%	8.7%	0.5%	0.0%	-19.7%	5.5%	4.9%	7.3%
Cash	Fixed Income	Com dty.	Cash	EM Equity	DM Equity	EM Equity	DM Equity	Com dty.	DM Equity	Com dty.	Com dty.	Fixed Income	Small Cap	Cash	DM Equity	Cash
1.5%	4.6%	-13.3%	0.1%	-2.3%	-4.5%	-14.6%	1.5%	1.7%	-13.4%	7.7%	-3.1%	-1.5%	-20.4%	5.1%	4.3%	4.3%
Com dty.	Cash	EM Equity	Com dty.	Com dty.	Com dty.	Com dty.	Cash	Cash	EM Equity	Cash	REITs	EM Equity	REITs	Com dty.	Fixed Income	REITs
-1.1%	0.9%	-18.2%	-1.1%	-9.5%	-17.0%	-24.7%	0.3%	0.8%	-14.2%	2.2%	-5.1%	-2.2%	-24.9%	-7.9%	1.3%	2.3%

Source: Bloomberg, FactSet, MSCI, NAREIT, Russell, Standard & Poor's, J.P. Morgan Asset Management.
 Large Cap: S&P 500, Small Cap: Russell 2000, EM Equity: MSCI EME, DM Equity: MSCI EAFE, Comdty: Bloomberg Commodity Index, High Yield: Bloomberg Global HY Index, Fixed Income: Bloomberg U.S. Aggregate, REITs: NAREIT Equity REIT Index, Cash: Bloomberg 1-3m Treasury. The "Asset Allocation" portfolio is for illustrative purposes only and assumes annual rebalancing with the following weights: 25% in the S&P 500, 10% in the Russell 2000, 15% in the MSCI EAFE, 5% in the MSCI EME, 25% in the Bloomberg U.S. Aggregate, 5% in the Bloomberg 1-3m Treasury, 5% in the Bloomberg Global High Yield Index, 5% in the Bloomberg Commodity Index and 5% in the NAREIT Equity REIT Index. Annualized (Ann.) return and volatility (Vol.) represents the period from 12/31/2010 to 12/31/2025. Please see the disclosure page at the end for index definitions. All data represent total return for stated period. Past performance is no guarantee of future results.
 Guide to the Markets - U.S. Data are as of December 31, 2025.

Fourth Quarter 2025 Market Recap



Fourth Quarter 2025 Market Recap

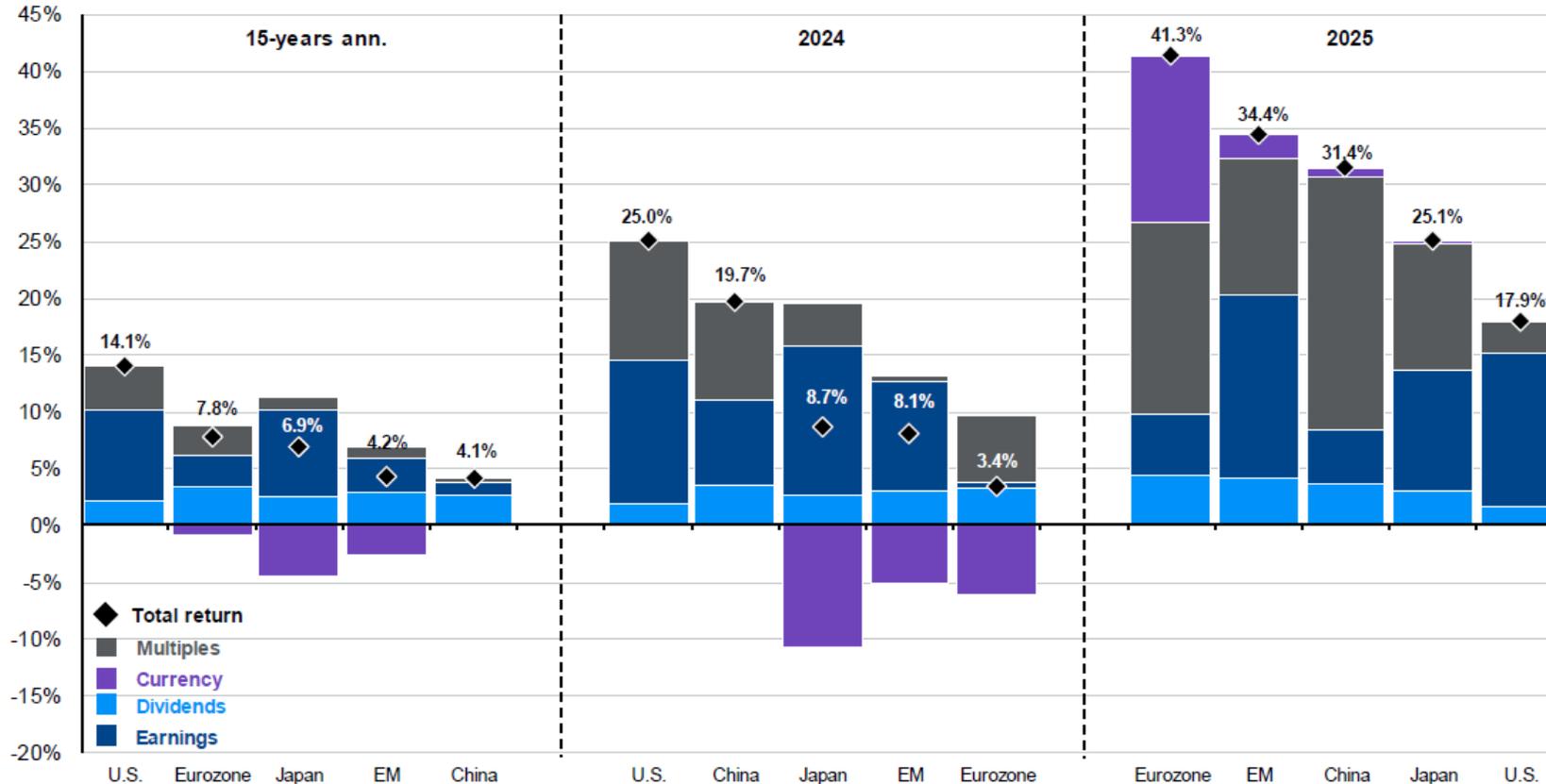


Data from 1/1/2025 - 12/31/2025. Source: Bloomberg, Avantis Investors. Past performance is no guarantee of future results.

Fourth Quarter 2025 Market Recap

Sources of global equity returns*

Total return, USD



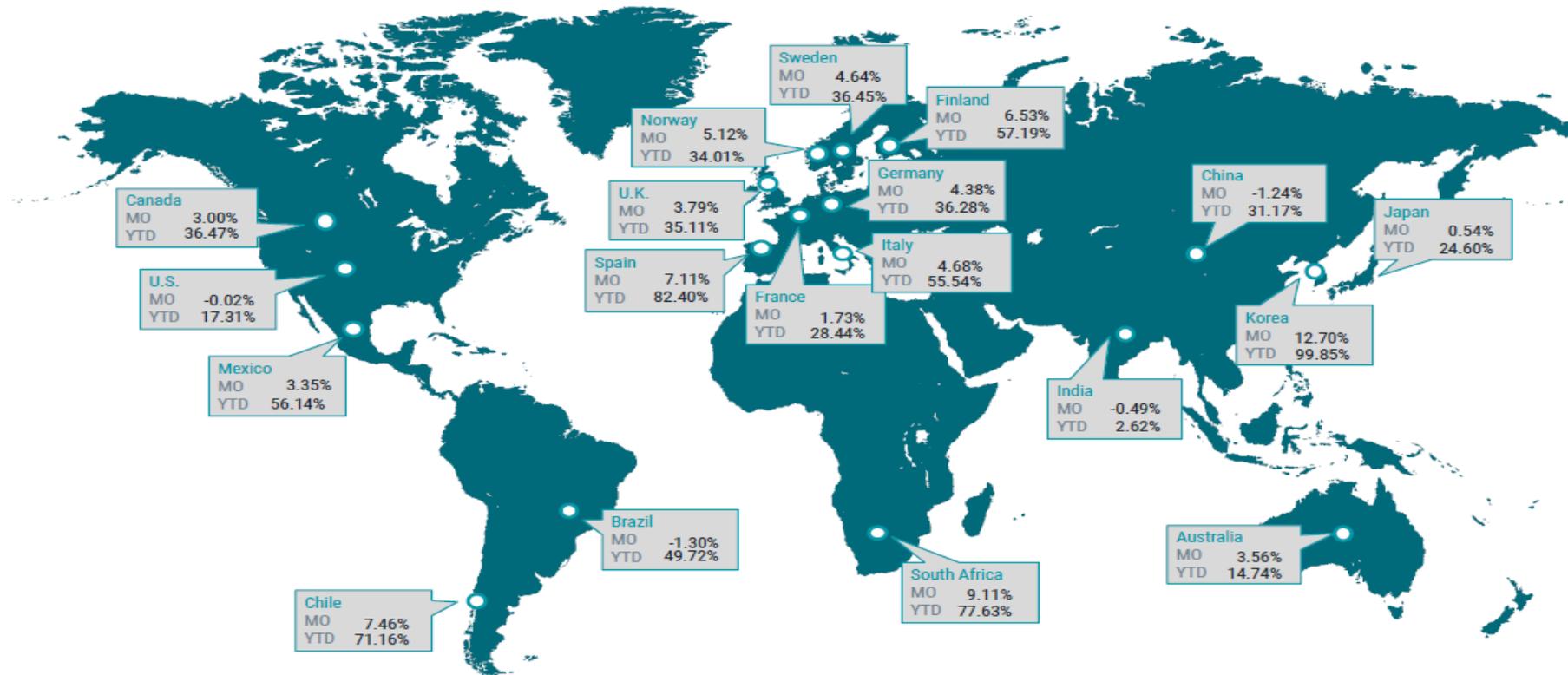
Source: FactSet, MSCI, Standard & Poor's, J.P. Morgan Asset Management.

15-years ann. is a rolling 15-year period ending with the previous month-end. All return values are MSCI Gross Index data, except the U.S., which is the S&P 500. *Multiple expansion is based on the forward P/E ratio, and EPS growth outlook is based on next 12 months earnings estimates. Chart is for illustrative purposes only. Past performance is no guarantee of future results.

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Fourth Quarter 2025 Market Recap

Equity Returns | Country

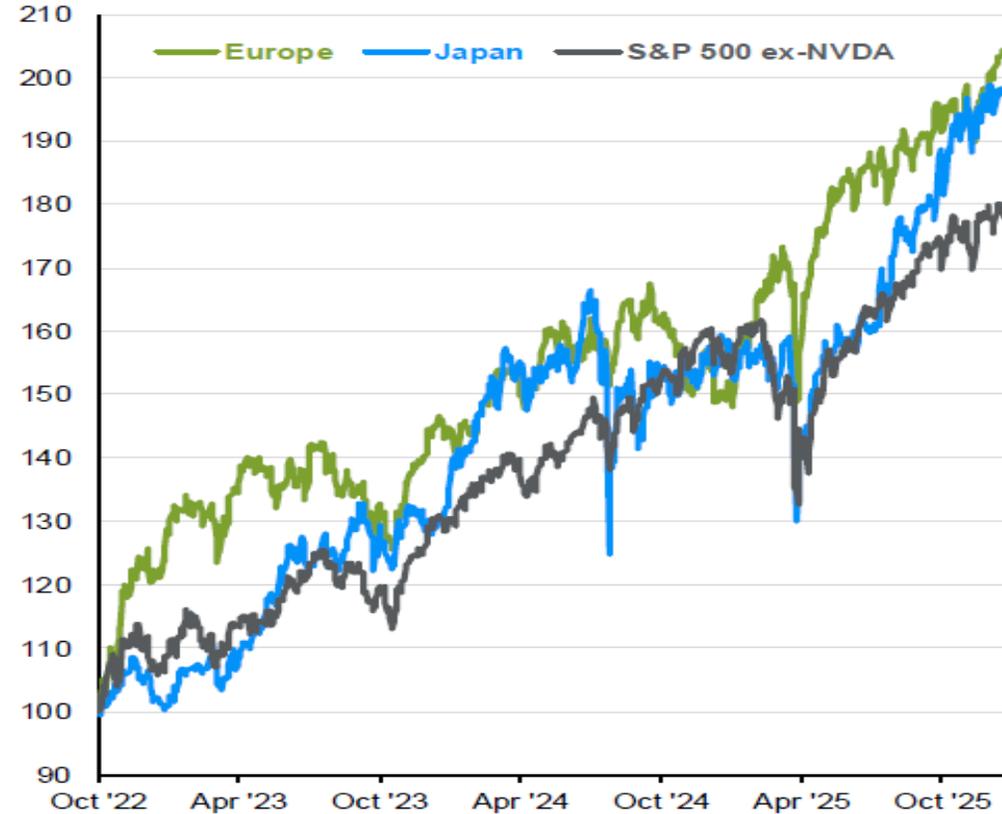


Data as of 12/31/2025. Performance in USD. Past performance is no guarantee of future results. Source: FactSet. Countries are represented by MSCI country indices.

Fourth Quarter 2025 Market Recap

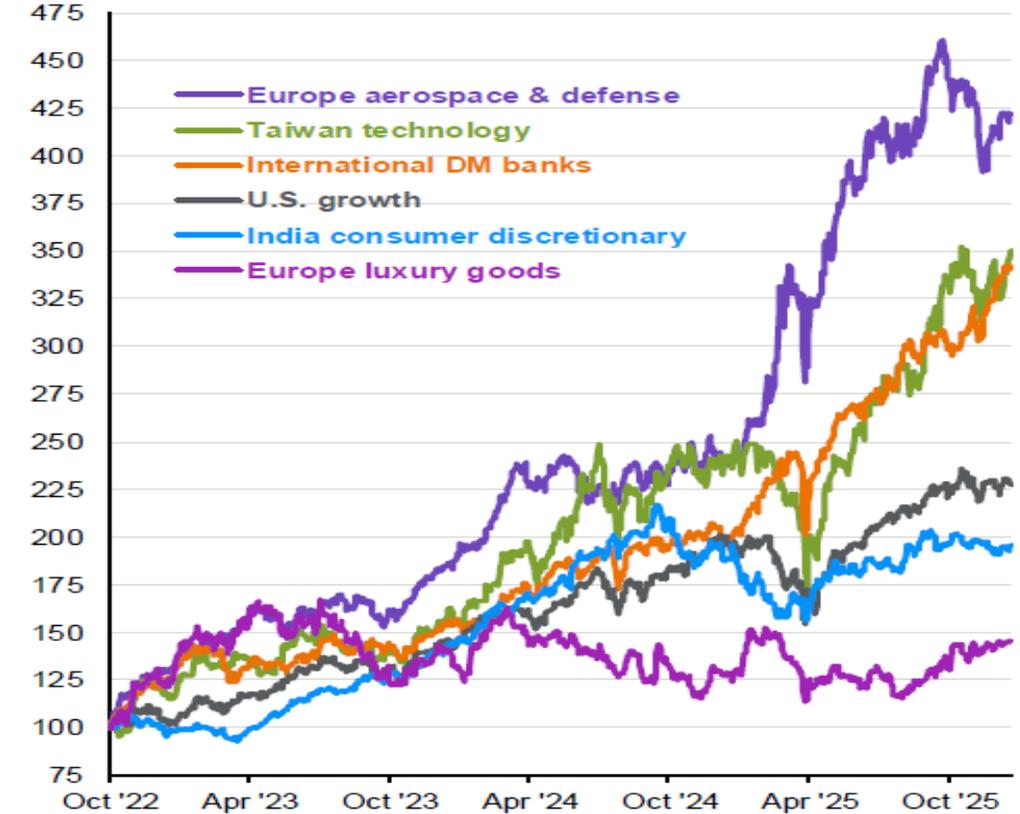
Regional performance since 2022

Oct 12, 2022 = 100, total return, USD



Major global investment themes

Oct 12, 2022 = 100, total return, USD



Source: FactSet, MSCI, Standard & Poor's, J.P. Morgan Asset Management.

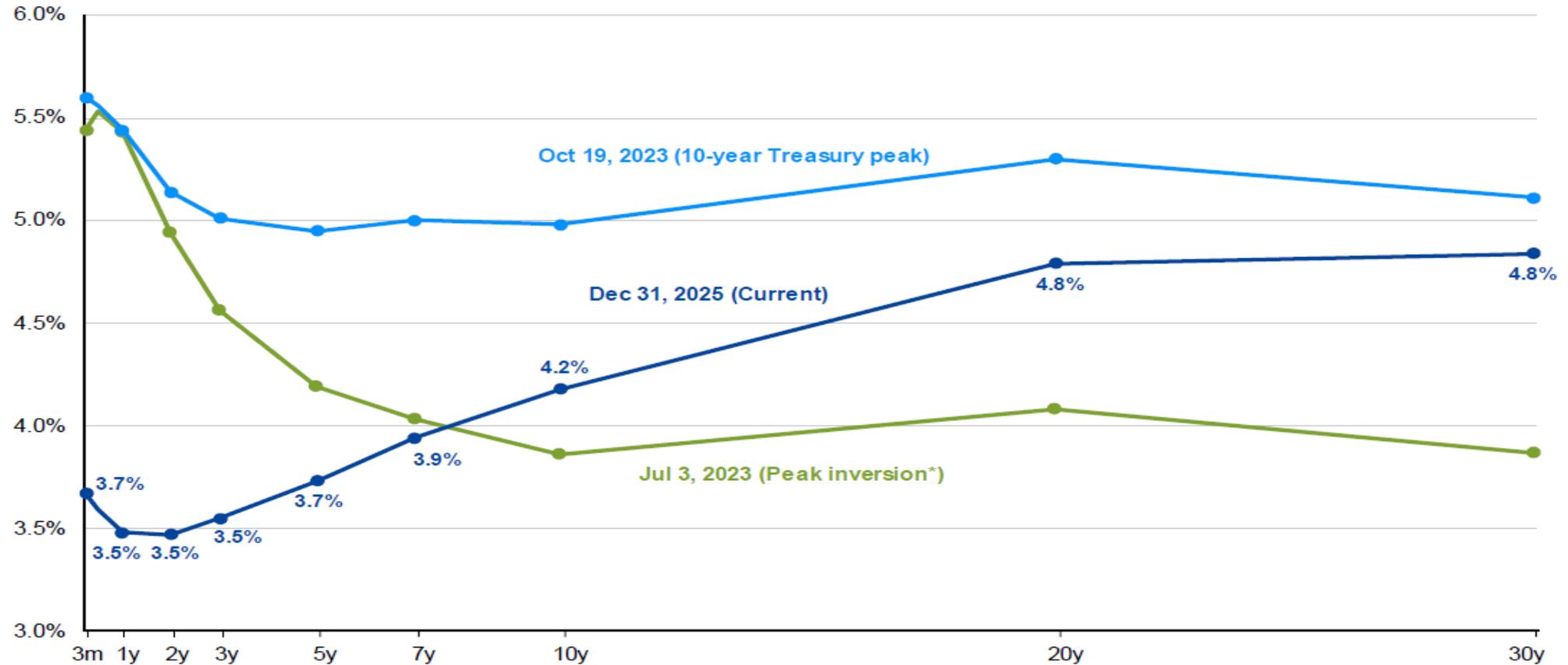
10/12/2022 was the market bottom for U.S. equities. (Right) Europe aerospace & defense = MSCI Europe / Aerospace & Defense Index, International DM banks = MSCI EAFE / Banks Index, Taiwan technology = MSCI Taiwan / Information Technology Index, U.S. Growth = Russell 1000 Growth Index, India consumer discretionary = MSCI India / Consumer Discretionary Index, Europe luxury goods = MSCI Europe / Textiles & Apparel & Luxury Goods Index. Past performance is no guarantee of future results.

Guide to the Markets – U.S. Data are as of December 31, 2025.

J.P.Morgan
ASSET MANAGEMENT

Fourth Quarter 2025 Market Recap

U.S. Treasury yield curve

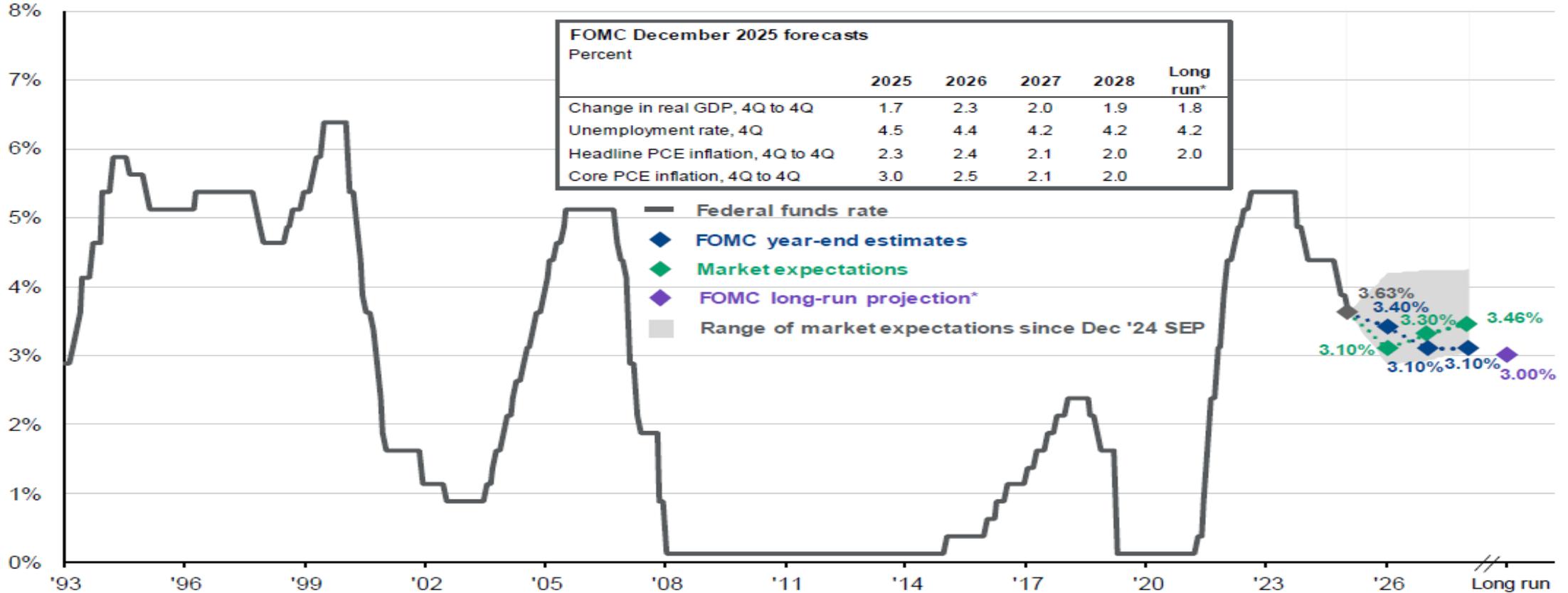


Source: FactSet, Federal Reserve, J.P. Morgan Asset Management. Analysis references data back to 2020. *Peak inversion is measured by the spread between the yield on a 10-year Treasury and 2-year Treasury. Guide to the Markets – U.S. Data are as of December 31, 2025.

Fourth Quarter 2025 Market Recap

Federal funds rate expectations

FOMC and market expectations for the federal funds rate



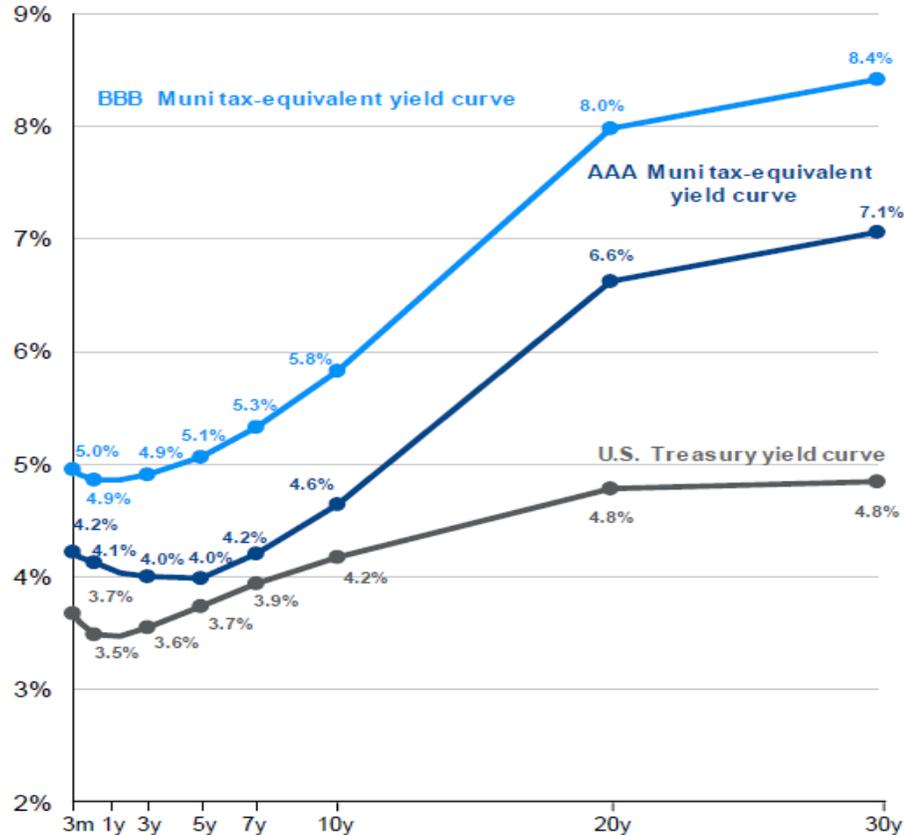
Source: Bloomberg, FactSet, Federal Reserve, J.P. Morgan Asset Management.

Market expectations are based off of USD Overnight Index Swaps. *Long-run projections are the rates of growth, unemployment and inflation to which a policymaker expects the economy to converge over the next five to six years in absence of further shocks and under appropriate monetary policy. Forecasts, projections and other forward-looking statements are based upon current beliefs and expectations. They are for illustrative purposes only and serve as an indication of what may occur. Given the inherent uncertainties and risks associated with forecasts, projections or other forward-looking statements, actual events, results or performance may differ materially from those reflected or contemplated.

Guide to the Markets – U.S. Data are as of December 31, 2025.

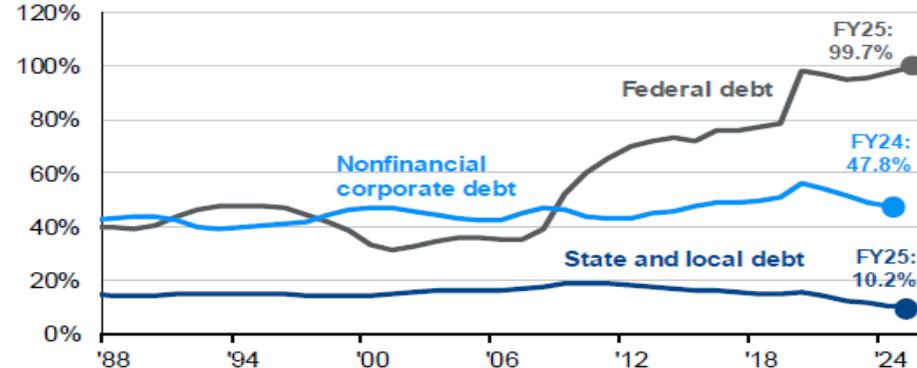
Fourth Quarter 2025 Market Recap

Muni tax-equivalent and Treasury yield curves



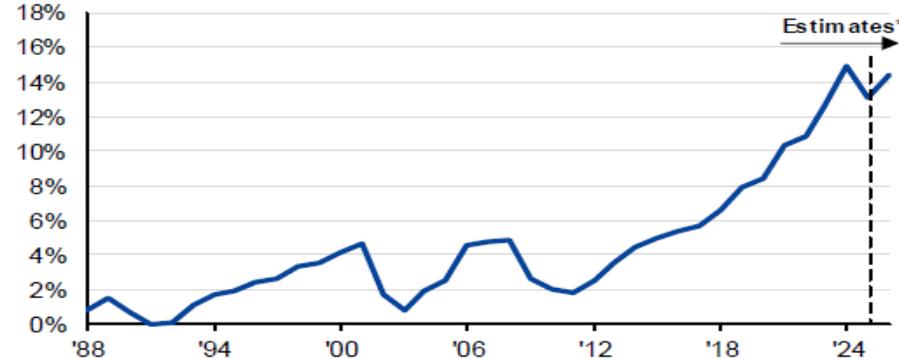
State and local, federal and corporate debt

% of GDP, 1988 - 2025, end of fiscal year



State Rainy Day Fund balances

Median savings balances as a % of total spending, 1988 - 2026, fiscal year



Source: J.P. Morgan Asset Management; (Left) Bloomberg, FactSet, Federal Reserve, S&P Global; (Top right) BEA, Census Bureau, Congressional Budget Office (CBO), Federal Reserve, Treasury Department; (Bottom right) NASBO Fiscal Survey of States. Municipal tax-equivalent yields are calculated based on municipal bond curves for each credit rating according to S&P Global and assume a top income tax bracket rate of 37% plus a Medicare tax rate of 3.8% for a total tax rate of 40.8%. (Top right) State and local debt are based on the Census Bureau's Annual Survey of State and Local Government Finances. FY 2025 federal debt as a % of GDP figure based on preliminary data from the Treasury Department and BEA. (Bottom right) A rainy day fund, also known as a budget stabilization fund or reserve fund, is a collection of funds that local governments use to prepare for financial emergencies and future stability. *Estimates are sourced from NASBO's Fiscal Survey of States. Figures for FY25 are preliminary while figures for FY26 are based on enacted budgets.
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J.P.Morgan
 ASSET MANAGEMENT

Fourth Quarter 2025 Market Recap

			Expected 12 Month Gross Returns				
Portfolio	12/31/25 Duration	12/31/25 Yield to Worst	Rates rise 100 bps	Rates rise 50 bps	Rates Unchanged	Rates fall 50 bps	Rates fall 100 bps
Ultra Short	0.50 years	4.07%	4.39%	4.16%	3.92%	3.69%	3.46%
Short-Term	1.85 years	3.98%	3.06%	3.53%	3.99%	4.46%	4.91%
Intermediate	3.74 years	4.13%	1.46%	2.91%	4.38%	5.89%	7.43%
Aggregate	5.98 years	4.52%	-0.26%	2.22%	4.81%	7.52%	10.37%
Core Plus	5.76 years	4.60%	0.01%	2.40%	4.90%	7.50%	10.23%



Note:

The scenario analysis is for illustrative purposes only and is not meant to be a recommendation or forecast.

The analysis uses the starting yield to worst (gross of fees), assumes an instantaneous parallel interest rate shift on the starting duration, and calculates the expected 12 month return assuming a constant yield curve slope and no change in spreads. Maturities during the 12 month horizon are assumed to be reinvested in U.S. Treasuries for the remainder of the horizon period after maturity.

Source: Bloomberg PORT Enterprise, ICE (Pricing)

Data as of: 12/31/25 (next update: 3/31/26)

Fourth Quarter 2025 Market Recap

			Expected 12 Month Gross Returns				
Portfolio	12/31/25 Duration	12/31/25 Yield to Worst	Rates rise 100 bps	Rates rise 50 bps	Rates Unchanged	Rates fall 50 bps	Rates fall 100 bps
Short-Term Muni	2.26 years	3.28%	1.88%	2.61%	3.33%	4.04%	4.75%
Core Intermediate Muni	4.89 years	3.63%	-0.27%	1.94%	3.99%	5.91%	7.73%
Quality Intermediate Muni	4.45 years	3.28%	-0.05%	1.82%	3.57%	5.22%	6.79%
Municipal Bond	6.76 years	4.01%	-2.01%	1.31%	4.57%	7.73%	10.76%
Strategic Muni	4.95 years	3.73%	-0.13%	2.03%	4.06%	6.00%	7.87%

BAIRD

The scenario analysis is for illustrative purposes only and is not meant to be a recommendation or forecast.

The analysis uses the starting yield to worst (gross of fees), assumes an instantaneous parallel interest rate shift on the starting duration, and calculates the expected 12 month return assuming a constant yield curve slope and no change in spreads. Maturities during the 12 month horizon are assumed to be reinvested in U.S. Treasuries for the remainder of the horizon period after maturity.

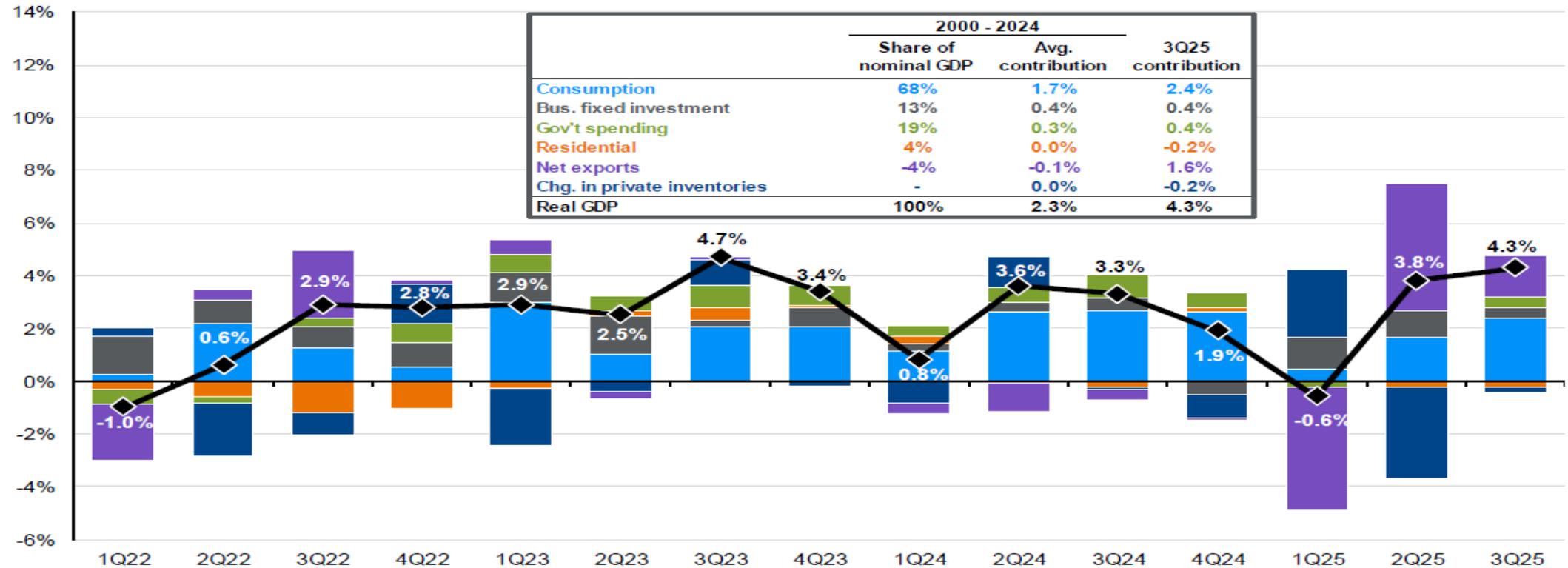
Source: ICE, InvestorTools

Data as of: 12/31/25 (next update: 3/31/26)

Fourth Quarter 2025 Market Recap

Contributors to real GDP growth

Quarter-over-quarter, seasonally adjusted annualized rate



Source: BEA, FactSet, J.P. Morgan Asset Management.
Guide to the Markets – U.S. Data are as of December 31, 2025.

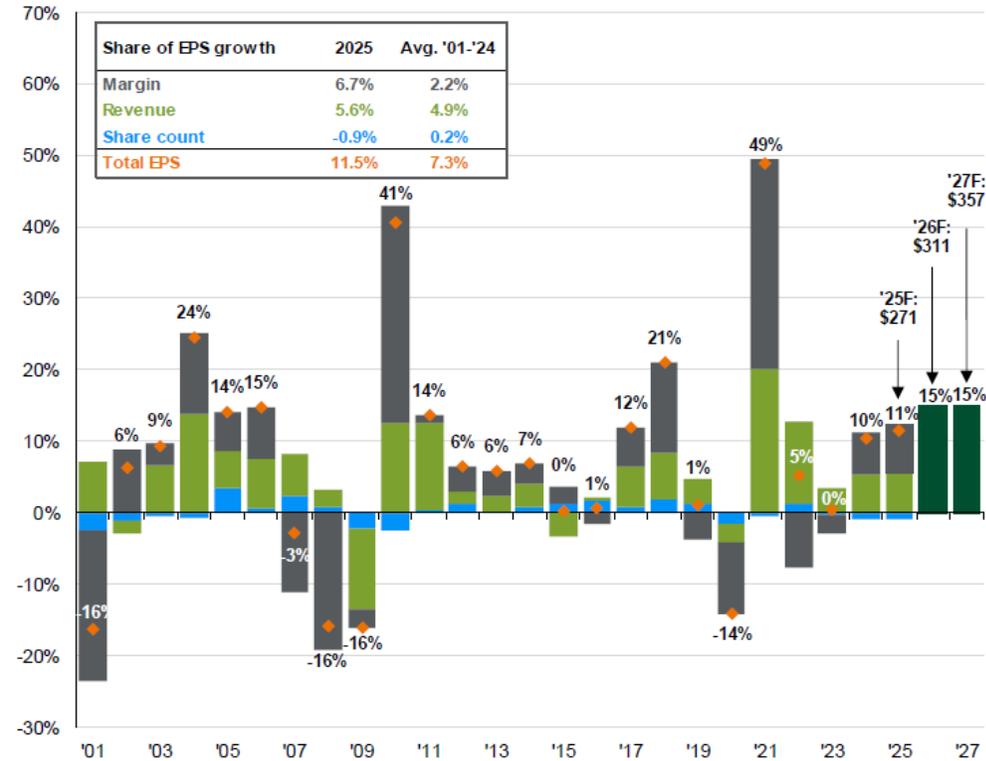
Fourth Quarter 2025 Market Recap

Sources of earnings growth and profit margins

GTM U.S. 7

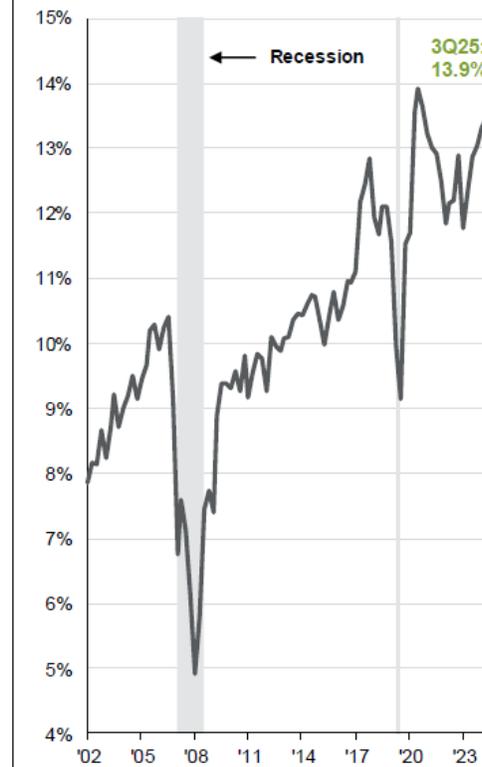
S&P 500 EPS growth

Year-over-year growth broken into changes in revenue, profit margin and share count



S&P 500 profit margins

Quarterly earnings/sales

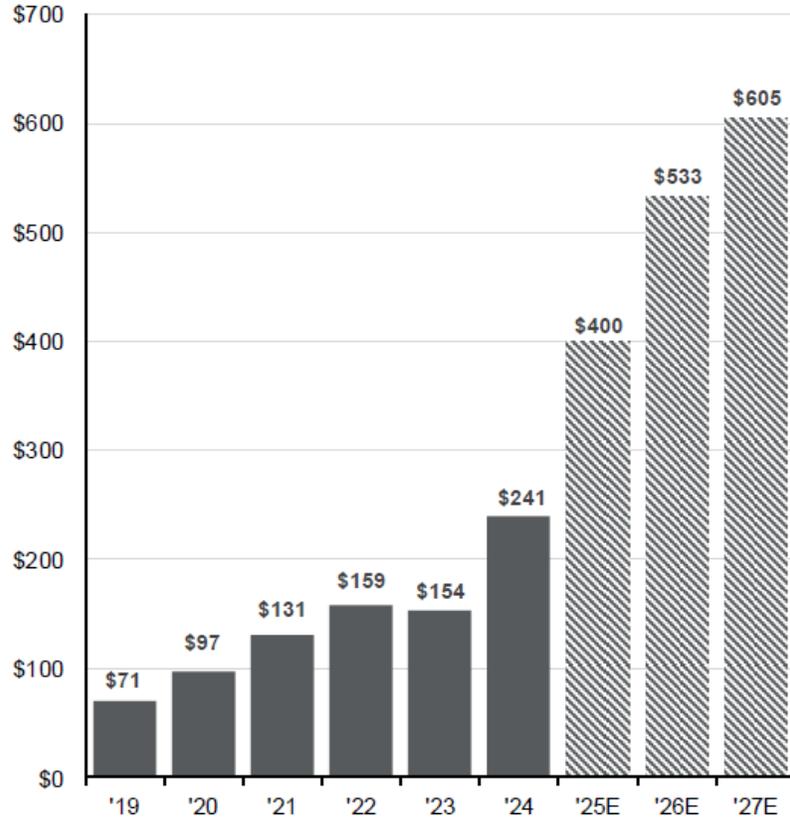


Source: Compustat, FactSet, Standard & Poor's, J.P. Morgan Asset Management.
 Historical EPS values are based on annual earnings per share. Forecasts for 2025, 2026 and 2027 reflect consensus analyst expectations, provided by FactSet. Past performance is no guarantee of future results.
 Guide to the Markets - U.S. Data are as of December 31, 2025.

Fourth Quarter 2025 Market Recap

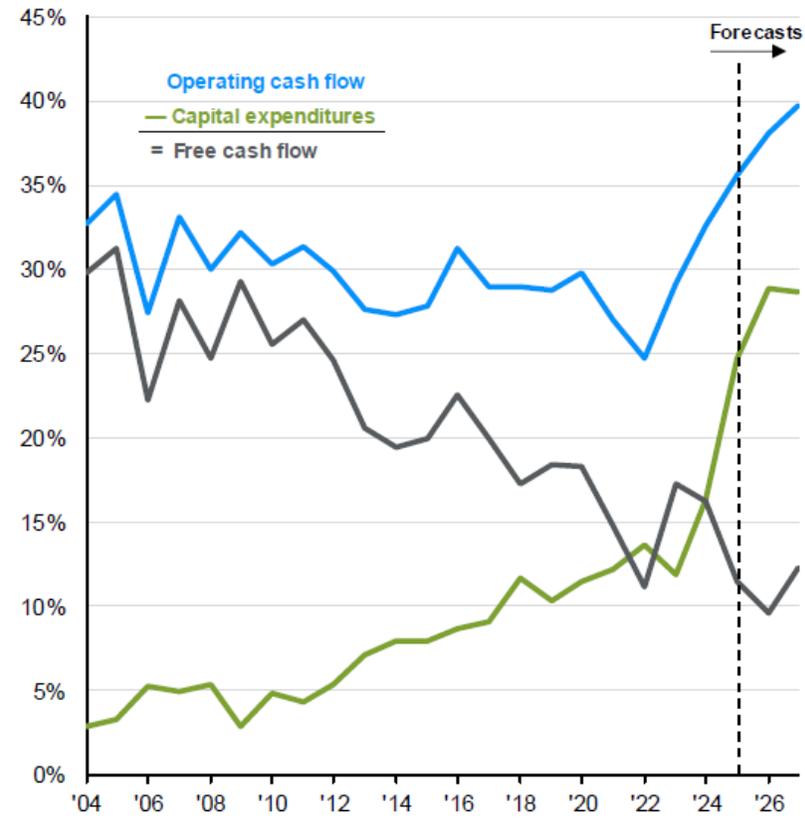
Capex from the major AI hyperscalers*

USD billions; Alphabet, Amazon, Meta, Microsoft, Oracle



Hyperscalers' cash flow and capex

% of sales



Source: Bloomberg, J.P. Morgan Asset Management.

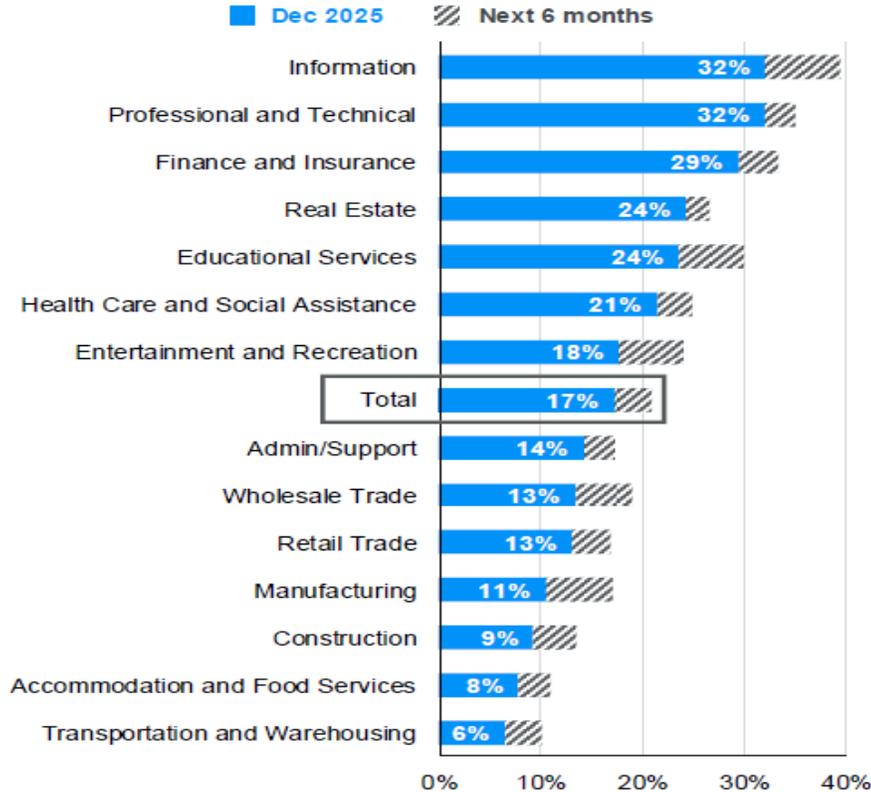
Data for 2025, 2026 and 2027 reflect consensus estimates. Capex shown is company total. *Hyperscalers are the large cloud computing companies that own and operate data centers with horizontally linked servers that, along with cooling and data storage capabilities, enable them to house and operate AI workloads.

Guide to the Markets – U.S. Data are as of December 31, 2025.

Fourth Quarter 2025 Market Recap

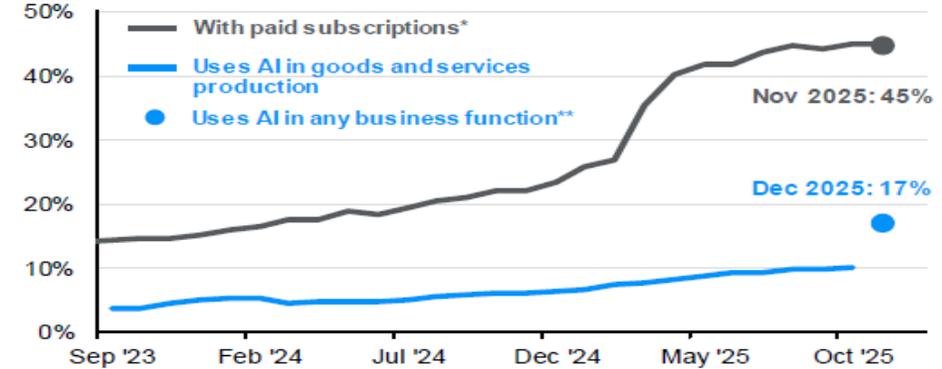
Businesses using AI in any business function

% of all firms reporting use of AI applications



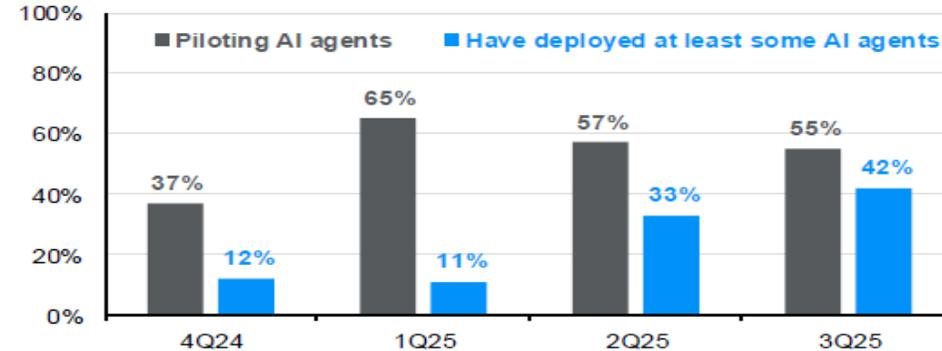
Companies spending on AI models, platforms and tools

% of businesses



AI agent deployment

% of organizations with revenues above \$1bn, KPMG Quarterly AI Pulse survey



Source: J.P. Morgan Asset Management; (Left) Census Business Trends and Outlook Survey; (Top right) RAMP AI Index; (Bottom right) KPMG Quarterly AI Pulse Survey.
 *Ramp data is based on anonymized corporate card and bill-pay transactions with AI vendors across over 50,000 U.S. businesses on Ramp's spend platform to provide a spend-based measure of AI adoption that complements the self-reported AI use (which includes free and internal tools) in the Census survey series. The two measures differ in firm coverage and methodology, with Ramp data skewed towards digitally enabled firms.**Starting Dec. 2025, the Census changed the wording of their survey question to capture usage of AI in "any business function", broader language compared to their prior "in producing goods and services" question. Total adoption jumped from 10% to 17% of businesses because of this switch. AI agents refer to AI systems designed to autonomously execute specific tasks or workflows with minimal human intervention.
 Guide to the Markets – U.S. Data are as of December 31, 2025.

Question & Answer Session



References

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- <https://www.middleweb.com/20598/talking-with-students-about-digital-passwords/>
- https://www.pcmatic.com/blog/stay-ahead-of-cyber-threats-by-safeguarding-your-finances-with-pc-matic/?srsId=AfmBOoqpr8O4XdTJIFJvgB1NyM8VAasi-D5M9sBKX9KUKYS19Gf3BK_Rs
- <https://money.com/credit-freeze-misunderstanding-survey/>
- <https://www.banklandmark.com/blog/protect-your-family-from-fraud/>