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FINANCIAL WELLNESS

Quarterly Newsletter

From The Sadoff Team

September 2025

This financial wellness quarterly newsletter contains a market and economic snapshot, along with informational articles on a variety of financial planning and financial wellness topics.

Quarterly Market Snapshot

		Returns	
	YTD	**1-year**	**3-year**
S&P 500	10.8%	16.3%	17.1%
Dow Jones	8.3%	9.9%	12.5%
Russell 2000 (Small caps)	7.1%	-0.5%	7.0%
Bonds - BarCap Aggregate	5.0%	3.4%	1.6%
	Current	**1 year ago**	**3 years ago**
CPI	2.7%	2.9%	8.5%
Federal Funds Rate (effective)	4.3%	5.3%	2.3%
Oil	67.48	71.28	91.79
Gas Prices (National Average)	3.14	3.29	3.77

YTD data as of 8/31/25, 3-year returns are annualized

Charts: S&P 500, Oil, Mortgage Rates & Unemployment Rate

Charts Courtesy of Stockcharts.com

2025 Tax Update

On July 4, President Trump signed the "One Big Beautiful Bill Act," which extends many of the 2017 "Tax Cuts and Jobs Act" tax provisions. Click below for a PDF with key points and planning considerations.

Click here to download the 2025 tax updates

Market Concentration

The S&P 500 is an index made up of 500 leading U.S. stocks. The index is weighted by market capitalization, while the Dow Jones Industrial Average is weighted by the price of the 30 individual stocks. The market concentration of the 10 largest S&P 500 stocks just reached a record 40%. So ten stocks make up 40% of the S&P 500 and the other 490 make up the remaining 60%. The largest stock in the S&P 500 is now NVDIA with an 8.1% weight. You can see from the chart below that most of the past 45 years the largest market cap stock has been between 3-5% of the index.

The chart below shows the S&P 500 compared to the largest S&P 500 market capitalization stock at the time. If you go back to 1970, and had a choice to own the S&P 500 or the largest market cap S&P 500 stock (which changed over time), you would be better off owning the S&P 500 outright by a wide margin. The theory is that once you get to be the largest company, it is very difficult to stay there and outperform. That doesn't mean Nvidia at a $4.4 trillion market cap will crash, just based on history it is likely to underperform. The second and third largest market cap stocks in the S&P 500 are Microsoft at $3.8T and Apple at $3.4T.

Making Sense of HSAs and FSAs

With family health insurance premiums and deductibles on the rise, increasing out-of-pocket expenses, employees look for alternative solutions to help mitigate the costsw.

In this environment, understanding and using Health Savings Accounts (HSAs) and Flexible Spending Accounts (FSAs) can help families take more control of their healthcare finances.

Read more.

How Will Working Affect Social Security Benefits?

In a recent survey, 75% of current workers stated they plan to work for pay after retiring. That possibility raises an interesting question: how will working affect Social Security benefits?

Learn more.

What To Look For In An Extended Care Policy

Here's a list of 8 questions to ask that may help you better understand the costs and benefits of extended-care insurance.

Learn more.

Lakers Sold for $10B, How They Could Have Made More Money

In June it was announced that the Los Angeles Lakers NBA basketball team was sold for $10 billion. The reported sale is a record professional sports franchise price.

Dr. Jerry Buss purchased the Lakers in 1979 for $67.5 million. Dr. Buss passed away in 2013 and left control of the team to his daughter Jeannie Buss for the benefit of his six children.

Certainly that type of return couldn't be attained in the stock market, right? Wrong! Had Dr. Buss invested $67.5 million in the S&P 500 instead of buying the Lakers, it would have grown to $13.7 billion instead of his $10 billion sale. While owning the S&P 500 may not be as fun as owning the Lakers with their eleven NBA titles since 1979, it was more profitable.

Now the Lakers $10 billion doesn't include annual operating profits, losses or tax benefits, including $266 million in luxury tax payments, it does illustrate the power of compounding in the stock market.

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This information is not intended as a recommendation. The opinions are subject to change at any time and no forecasts can be guaranteed. Investment decisions should always be made based on an investor's specific circumstances.

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