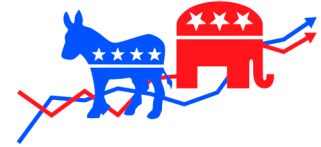
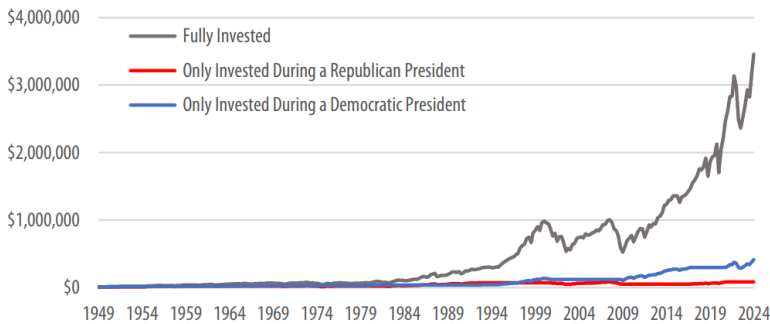


Election Years And The Markets

The election year is in full swing, bringing with it the usual drama. We all know someone who insists they will sell everything and go to cash if a certain candidate wins the election. The truth is, letting politics drive our investment decisions can be detrimental. This demonstrates the importance of a financial professional – they can help remove emotion from investment decisions. Below is an examination of past presidential cycles and their implications for investing. Every four years, the convergence of politics and finance seems more pronounced, leading many to make decisions they later regret. Amid all the drama and political uncertainty with an election right around the corner, what does this mean for the markets moving forward? Please view the three charts below to offer more perspective.



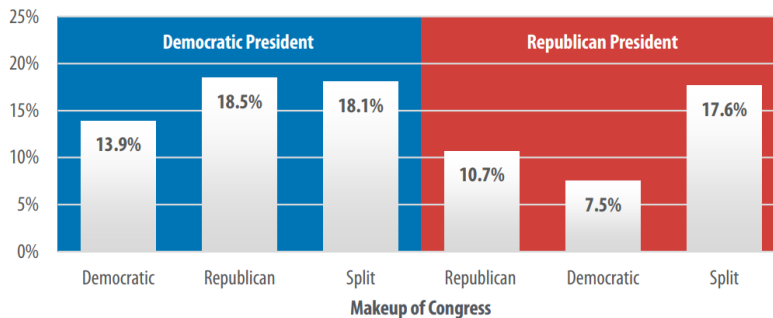
Growth of \$10,000 in the S&P 500 Index Since 1949



Source: Standard and Poor's, First Trust Advisors. Quarterly data Q1 1949 – Q1 2024.

Using the S&P 500 Index as a market gauge, consider this: if you only invested when a Republican was president and went to cash when a Democrat was in office, your \$10,000 would have grown to just \$83,360.22 by the end of Quarter 1 2024. Conversely, if you only invested during Democratic presidencies, your \$10,000 would have grown to \$414,703.12. However, if you ignored political factors entirely and stayed invested throughout, your \$10,000 would be worth an astonishing \$3.46 million by the end of Quarter 1 2024! This illustrates the importance of maintaining a long-term, non-partisan investment strategy.

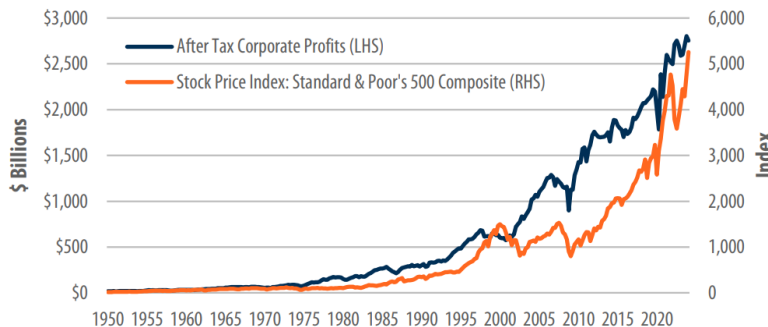
S&P 500 Index Performance by President and Makeup of Congress Average S&P 500 Index Total Return Annual Performance 1949-2023



Source: Federal Reserve Board, First Trust Advisors. **Past performance is no guarantee of future results.** The chart is for illustrative purposes only and not indicative of any actual investment. These returns were the result of certain market factors and events which may not be repeated in the future.

An analysis of the makeup of the presidency and Congress since World War II reveals that the stock market has performed positively on average, regardless of the political mix. Surprisingly, the best average performance has occurred with a Democratic president and a Republican Congress, although that result might be due to the relatively small sample of years when that's happened. Contrary to what either party might believe, full control by one party has not yielded the best returns. In fact, some of the lowest average returns come from scenarios where one party has a complete sweep: 13.9% for a Democratic sweep and 10.7% for a Republican sweep. This suggests that a balanced political landscape may be more conducive to market growth.

S&P 500 Price Index vs. U.S. Corporate Profits



Source: Standard and Poor's, Bureau of Economic Analysis, First Trust Advisors. Quarterly data Q1 1950 – Q1 2024.

The reality is that the market grows over time because companies consistently innovate, create, and drive increasing profits. It's easy to let politics cloud our judgement, but history has shown that regardless of who is President or what policies are enacted, entrepreneurs and companies find ways to adapt and thrive despite the rules. Innovation and creativity are the true engines of market growth over time.

Resources provided by First Trust 6/6/2024

FUN SUMMER CHECKLIST

NOSTALGIC

- See a movie at the drive-in
- Play miniature golf
- Run through the sprinklers

JUST BECAUSE

- Take a last-minute road trip
- Get caught in a summer rainstorm
- Go river tubing

RELAX

- Read a novel
- Watch the sunset from a beach
- Have a picnic in the park

THE GREAT OUTDOORS

- Go camping
- Play frisbee golf
- Go for a hike

EAT AND DRINK

- Roast marshmallows over a fire and make S'mores
- Grill everything (including dessert!)
- Make lemonade from scratch

WFG SUMMER HOURS

Monday-Thursday—8:30am—4:00pm
Fridays—8:30am—1:00pm
Memorial Day through Labor Day



Webb Financial Group provides comprehensive wealth management solutions to individuals and businesses. For over forty years, we have helped our clients achieve financial security.

Michael Bischoff, CFP® & COO
Gary Webb, RFC®, CKA® & CEO
Dave Verbeke, Financial Advisor
Tim Greife, Financial Advisor
Michelle Brennan, FPQP®
Financial Paraplanner
Kristi Mattiuz, Contoller
Taylor Fish, Executive Assistant

A Credit Freeze Is The Best Response to A Data Breach

Data breaches that expose consumers' sensitive personal information are unfortunately a part of living in a digital world, but you can take steps to protect yourself. Those facing or concerned about a data breach have questions about what they should do. Whether or not your information has been exposed, now is a good time to consider placing a security freeze on your credit files at the three bureaus: Equifax, Experian and TransUnion.



Gary Webb, RFC®

Credit file monitoring by companies such as Lifelock, IDShield, or others, have proven to give people a false sense of security because it does not work according to FBI and forensic specialists. Whether you use these types of service or not, you will want to take these extra precautions:

- Lock your file with each of the three bureaus - this ensures that no one can apply for credit using your social security number going forward. Each bureau may charge depending on the state where you live.

Equifax 1-800-685-1111 <https://www.equifax.com/>

Experian 1-888-397-3742 <https://www.experian.com/>

TransUnion 1-800-916-8800 <https://www.transunion.com/>

- Another suggestion to consider is purchasing an Identity Theft Protection policy in case your identity is stolen. These companies work to rebuild credit so you don't have to do that on your own.

Note: When opening a new credit account, contact each of the bureaus listed above to unlock your file. Be aware that it may take up to 2-3 days before you can open a new account.

Watch your credit card activity. It's important to review monthly statements, consider signing up for transaction alerts and dispute suspicious charges as soon as possible.



Freezing your credit will certainly give you peace of mind. However, continue to keep an eye on your information. One free credit report is available each year from the three bureaus and can be accessed at this website:

<http://www.annualcreditreport.com>

It's important to keep in mind that financial institutions also provide protections against fraud and theft.

- SIPC Insurance: The SIPC will cover up to \$500,000 in securities, including a \$250,000 limit for cash held in a brokerage account. All Fidelity & Charles Schwab brokerage accounts are covered by SIPC and they purchase additional coverages on top of these basic amounts from private insurance companies.
- FDIC Insurance: The standard deposit insurance coverage limit is \$250,000 per depositor, per FDIC-insured bank, per ownership category.
- Credit Union Insurance: The standard share insurance amount is \$250,000 per share owner, per insured credit union, for each account ownership category.
- Minnesota Insurance Guarantee Fund: The maximum total amount the Guarantee Association will provide for any one individual for life insurance and annuity coverage is \$300,000.



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