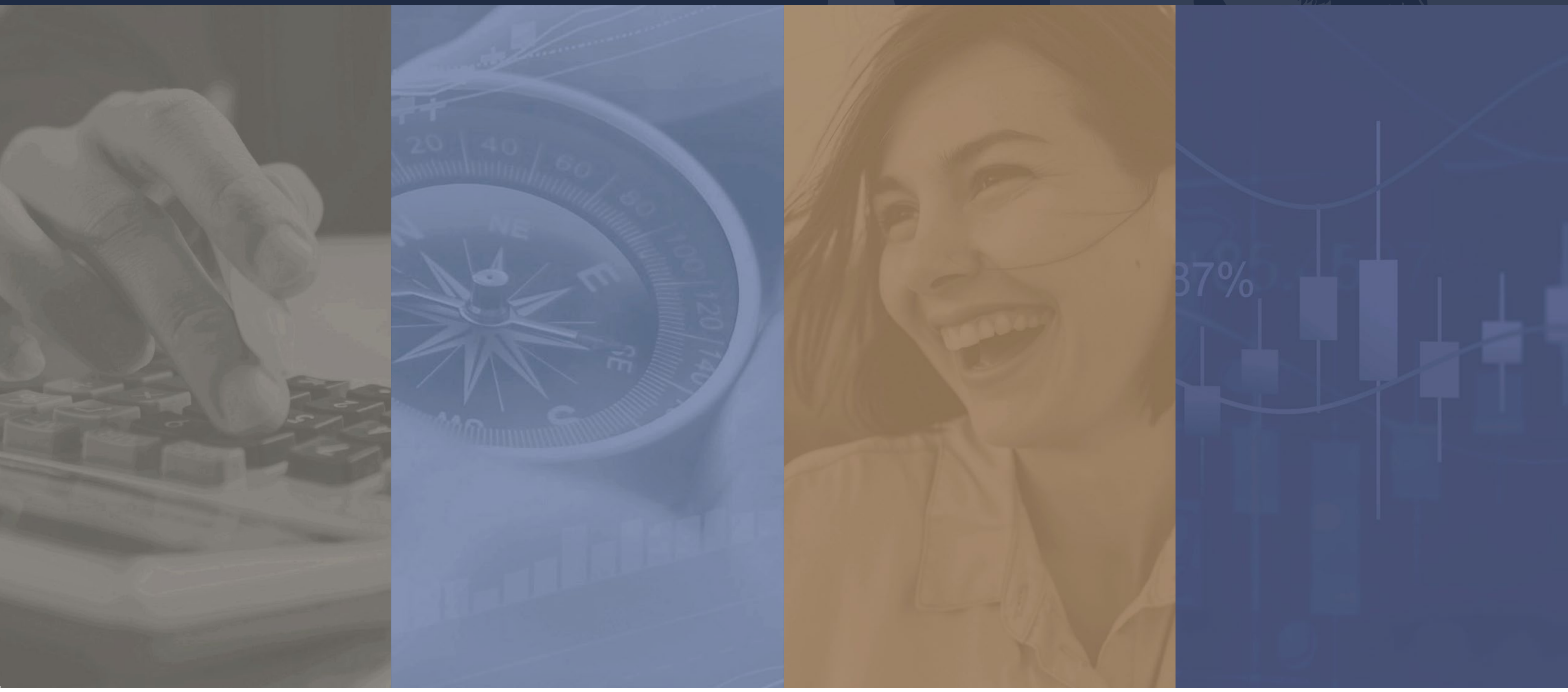
Benjamin F. Edwards®

Financial PERSPECTIVES

FALL 2026



IN THIS ISSUE

Concentration Issues

No, this is not an article about Prevagen or other memory/focus supplements. It is an article for those of you who have found yourselves in the predicament of holding a very large position in one stock with huge, unrealized capital gains. You invested well, or got very lucky, and got in early on a stock that has skyrocketed in price in recent years. It was a successful investment, but now what do you do with it?

It is an outsized position, so you are at risk of losing a sizable amount of your portfolio value if the stock price declines. However, if you sell, or even trim the position, you are facing a large capital gains tax bill. What follows are some strategies that, although not right for everyone, may be ways to help your situation. Note that a full article could be written on each one of these potential solutions, so if any of them pique your interest we encourage you to talk with your financial advisor to fully understand the pros and cons before proceeding.

- **Gifting Stock.** Instead of writing a check to your church or favorite charity, consider donating a share or shares of the stock. This achieves your charitable contribution while reducing your exposure without any tax consequence and frees up your cash to be used otherwise.
- **Realizing Tax Losses.** To offset the gains of a trim of the concentrated position:
    - Keep an eye out for other positions in your portfolio that may be at a loss to sell these positions and realize the loss for tax purposes (and potentially re-purchase within the parameters of IRS wash sale rules).
    - Consider a direct indexing account whose objective is to return the performance of the index (S&P 500, Russell 1000 Value, etc.) while harvesting losses along the way.

- **Charitable Remainder Trust (CRT).** A CRT requires a trust document but you are allowed to fund the CRT with appreciated stock that gets sold and diversified upon the funding of the trust. The proceeds of the trust will go to the charity you designate upon your death. Until that time you can receive a set percentage of income from the trust, which is often used to purchase life insurance with your heirs as the beneficiaries to replace the value of the assets going to charity.
- **Charitable Gift Trust.** Known as the “poor man’s CRT” because the concept is similar to the above but does not require trust documents. With this option, you contribute the appreciated stock to the Charitable Gift Trust, receive an income payment for life, and the proceeds fund a Donor Advised Fund upon your death.
- **Exchange Fund.** A private investment vehicle for high net worth individuals, typical minimum investment is $1 million. You can “exchange” shares of your concentrated position for proportional ownership interest in a diversified portfolio managed by the fund without triggering a tax event. The catch is that the “cost” of that tax-deferred diversification is a minimum holding period of typically seven years. So, while attractive, an exchange fund is very illiquid.

Nuances abound for each of these, so it is very important to explore thoroughly with your financial advisor, tax advisor, and possibly your attorney to understand the pros and cons of each. Hopefully this gives you some ideas how to work through any concentration issues you may have.

Growth, the Edwards Way

Six generations. 130+ year legacy. 100+ locations in 35 states. The numbers tell part of the Benjamin F. Edwards story, but the real story is what hasn't changed along the way: our commitment to trust, integrity and doing right by every client we serve.

Growth, for us, has never been about scale for its own sake. It's about bringing our brand of holistic, relationship-driven wealth management to more families and individuals who deserve an advisor who's truly in their corner. As we expand, we remain privately held, debt-free, and firmly rooted in the values that built this firm from day one.

Five Financial Questions to Ask When You Find Yourself Suddenly Single

Becoming suddenly single—whether through divorce, separation or the death of a spouse—can feel like the ground has shifted beneath your feet. Along with the emotional weight, there are often practical questions that need attention: bills, accounts, insurance, retirement plans and the home you may have built your life around.

The good news is that you do not have to figure everything out at once. In fact, some of the best financial decisions begin with slowing down, taking inventory and asking the right questions. These five questions can help you start sorting through financial matters, one step at a time.

1. How is my credit?

Credit may not be the first thing on your mind, but it can quickly become important if you need to refinance a mortgage, rent a new place, open utilities, apply for a credit card or take out a loan in your own name.

Start by requesting your credit reports and reviewing them carefully. Look for joint accounts, authorized-user arrangements, outstanding balances and anything you do not recognize. If you shared debt with a spouse or partner, it is especially important to understand which obligations remain tied to your name and whether any accounts should be closed, refinanced or separated.

This is not about judging past decisions. It is about knowing where you stand so you can protect your options going forward.

2. Should I keep my home?

The home can be one of the most emotional decisions after a major life change. It may represent comfort, memories, stability or a sense of normalcy. At the same time, it may also come with a mortgage, property taxes, insurance, maintenance, repairs and utilities that now need to fit into a one-person financial picture.

Before deciding whether to stay, sell, refinance or downsize, take a clear look at the full cost of keeping the home. Ask yourself: Can I comfortably afford it on my current income and savings? Would staying limit my ability to save, pay down debt or rebuild an emergency fund? Are there repairs or future costs I need to plan for? Do I have the time, interest, and willingness to manage the ongoing upkeep of a home, such as yard work, repairs and maintenance?

There is no one-size-fits-all answer. The right decision is the one that supports both your financial stability and your peace of mind.

3. Am I covered in the event of an emergency?

When life changes suddenly, your safety net matters more than ever. Emergency savings, health insurance, disability coverage, life insurance, home and auto insurance, and long-term care planning can all play a role in protecting you from financial stress when the unexpected happens.

A helpful starting point is to ask: If I had an unexpected expense tomorrow, how would I cover it? If my income stopped temporarily, what resources would I have? If I became seriously ill or injured, who could make decisions on my behalf and what coverage would help support me?

You do not need to solve every gap at once. Something as simple as updating your emergency contact information can bring some comfort, in addition to confirming health insurance coverage and reviewing powers of attorney, if you have them. Begin with the most immediate risks, then work toward building a stronger cushion over time.

4. How will my retirement goals be impacted?

Retirement planning often changes when your household changes. You may be moving from two incomes to one, adjusting to a new tax filing status, dividing assets or making decisions about pensions, Social Security, inherited retirement accounts or beneficiary arrangements.

This is a good time to revisit your retirement timeline, income needs, savings rate and investment strategy. Even small updates can make a meaningful difference. For example, you may need to adjust contributions, reconsider when to claim benefits or update your plan to reflect a new monthly budget.

If the numbers feel overwhelming, remember: the goal is not to have every answer today. The goal is to balance your income with both your short-term and long-term goals, build a clearer picture of what your future could look like, and identify what steps can help you get there.

5. What documents and accounts need to be updated?

This may be the least glamorous step, but it is one of the most important. After a divorce, loss, or major relationship change, outdated paperwork can create confusion, delays or unintended outcomes.

Review beneficiary designations on retirement accounts, life insurance policies, annuities and payable-on-death accounts. Then look at your will, trust, powers of attorney, health care directives, property titles, bank accounts, investment accounts and insurance policies. Make sure each one reflects your current wishes and your current life.

It can also help to create a simple list of your accounts, key contacts, passwords or access instructions, and important documents. Keep it secure, but make sure a trusted person knows where to find it if needed.

Finding Balance as You Move Forward

Becoming suddenly single can leave you feeling unsteady, and it is completely normal not to know where to begin. Your Benjamin F. Edwards financial advisor can help you identify what needs attention first, create space for thoughtful decisions and connect you with trusted professionals when legal, tax, insurance or estate questions arise. This is one of life's most difficult transitions, and you do not have to navigate it all at once—or alone.

Starting with a few simple actions can help you feel more grounded:

- Make sure essential bills continue to be paid
- Confirm access to cash and active accounts
- Secure important financial and legal documents
- Avoid making irreversible decisions about the home or investments while emotions are especially high

With time, clarity and support, you can begin building a financial life that feels steady, secure and truly your own.

Don't Let Financial Missteps Haunt You

Welcome Fall! For many of us, Autumn conjures up thoughts of colorful leaves, fall sports, pumpkin spice and Halloween. But a financial misstep that costs you money—or delays your retirement—can be truly frightening. Throughout October, our Scary Financial Mistakes blog series will highlight common financial oversights, the unsettling outcomes they can create and practical ways to avoid them.

Read the series:
https://www.benjaminfedwards.com/category/scary-financial-mistakes/

Life Insurance Can Help Business Owners Manage Key Risks

Business owners can experience both extreme excitement and stress in the pursuit of their business passions. Often, their success is tied to three important factors: offering a great product or service, exhibiting a strong work ethic, and having strategies in place that protect the business against unforeseen events that could derail long-term viability.

While the first two factors are more widely recognized as critical components affecting business owner success, the third factor is equally important. For example, some of the most common concerns and fears business owners mention include the unexpected loss of a key employee or business partner, along with the need to reward top performers and create incentives or "golden handcuffs" for them to stay. While it's important for business owners to recognize these potential issues, finding solutions to help mitigate them can be critical to success. Insurance products can be an important solution to these key challenges.

Key-Person Insurance

While all employees contribute to the success of a business in some way, there are often certain individuals who cannot easily be replaced. A "key person" within a business is defined as someone who is an owner, partner, top executive or otherwise essential member of the business and is vitally important to its success. As such, the unexpected loss, death or disability of these individuals could cause considerable harm to the business, including the potential loss of clients, requiring existing employees to take on new responsibilities and expenses associated with searching for and hiring a successor.

These are all reasons many business owners choose to purchase key-person insurance on select key employees to provide a financial cushion that can help stabilize the business in the event of the unexpected loss of these individuals while leadership works to find a new way forward. For example, the death benefit associated with this type of insurance product would provide a lump sum of cash to help a business survive the expenses and costs caused by the loss or death of a key person and buy time until a replacement employee or business partner can be onboarded.

Life Insurance for Non-Qualified Deferred Compensation Plans

To ensure long-term success, businesses must not only protect themselves against the unexpected loss of a key employee but also create an effective strategy for recruiting, retaining and rewarding employees who are most critical to the business. A nonqualified deferred compensation (NQDC) plan is a program often used by business owners looking to offer retirement benefits to only a select group of key employees, but not all employees. With this program, participating employees can defer specific dollar amounts into the NQDC plan, and the business owner can make additional matching or discretionary contributions as permitted through the plan.

Business owners have several options for funding NQDC plans, including life insurance, mutual funds or other taxable investments. Life insurance owned by the business owner and insuring the lives of select key individuals can be a good funding choice for an NQDC plan due to its tax-efficient nature. Typically, the insurance policies are allocated to investment subaccounts for each key individual, and should the individual die while the policy is in force, a death benefit will be paid tax-free to the business owner for the expenses of replacing that key individual.

Ultimately, business owners are continually assessing risk to their businesses, and insurance products can be an effective solution for protecting against one of the most critical risks: the unexpected loss of key personnel. It's important to remember that these policies are not a substitute for personal life insurance coverage, which is designed to protect an individual's family from the death of a loved one. Contact your Benjamin F. Edwards financial advisor to discuss all your individual and business life insurance needs.

MARKET RECAP

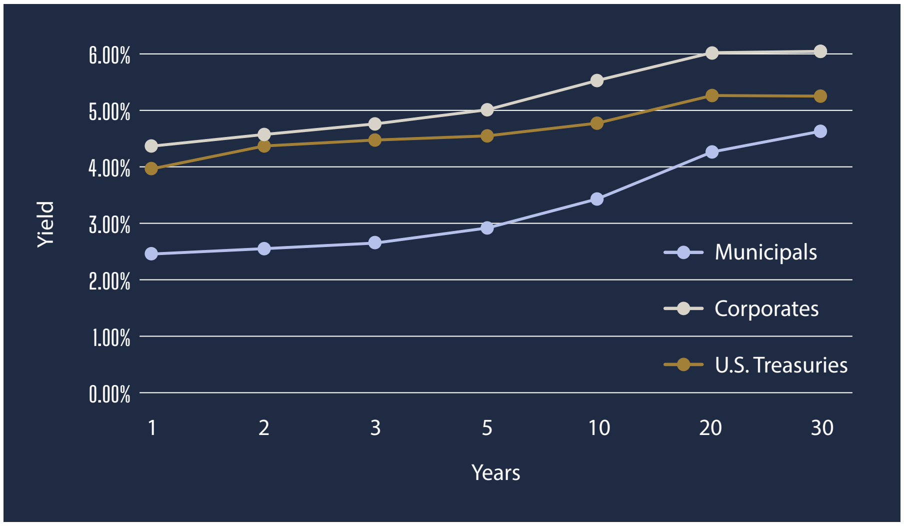
Market Summary

Fixed Income

The Treasury market sold off broadly across the curve over the summer, with all three benchmark tenors rising materially as the inflation-fighting credibility of the Federal Reserve (Fed) came under scrutiny and geopolitical tensions in the Middle East reignited. Long-end yields rose sharply on term premium expansion and persistent inflation concerns. The defining event of the quarter was Fed Chairman Warsh's August 29 speech at the Jackson Hole Symposium, where he reiterated his commitment to bringing down inflation and stated that prices were not meaningfully slowing. The 2-year ended the quarter at 4.34% nearly at the high watermark set in July for the quarter at 4.35%; the 10-year finished the quarter at 4.75%, the highest rate of the quarter; and the 30-year bond closed the quarter at 5.24%, slightly lower than the quarter-high rate of 5.31%.

Fixed Income Yield Curves

As of September 1, 2026



Source: Bloomberg BVAL AAA Curve, Bloomberg US Corporate (A) Fair Value Index, Bloomberg US Treasury Actives Curve

Corporate spreads widened modestly over the period, a notable contrast to the aggressive tightening seen in the second quarter. Despite the backup in Treasury yields, absolute all-in yields remained the primary draw for investors, keeping demand broadly supportive. The divergence between investment-grade and high-yield performance widened as the summer progressed, with lower-quality credits bearing the brunt of the risk-off tone. The primary driver of the divergence was the strong investment-grade issuance calendar, which remained historically elevated. In 2026 we have already seen ten 20-billion-dollar bond issuances for the artificial intelligence/data center build-out. For reference, there were two deals of this size in 2021, two in 2023 and two in 2025. This scale of issuance is expected to continue, with a few more deals this year and a fresh slate for 2027. The basic dynamics of supply and demand will likely lead to a new equilibrium (i.e., higher spreads) if the accelerated rate of issuance continues.

Municipal bonds underperformed Treasuries over the summer—a reversal of the outperformance seen in the second quarter. The BVAL AAA curve bear steepened alongside Treasuries, with the intermediate and long end rising more than the front end. July was the worst month for the Bloomberg Municipal Bond Index since 2003, declining 1.72%, as rising benchmark yields and heavy new issuance overwhelmed the reinvestment bid that had supported the market in June. As referenced in a prior version of this periodical, the muni/Treasury ratio story over the summer was one of cheapening followed by stabilization. Ratios compressed sharply through early June—reflecting the rich valuations carried over from the second quarter's reinvestment-driven rally—before reversing course as munis underperformed through July and into August. The 10-year ratio's move from 63.7% in early June to 70.7% by period-end represents a meaningful cheapening of munis relative to Treasuries. The 30-year ratio followed a more nuanced path: It compressed sharply through early July as the long-end muni rally persisted, before snapping back as Treasury yields surged and muni demand softened. At 87.3%, the 30-year ratio closed near the top of its summer range, offering improved after-tax value for investors in higher tax brackets relative to where the market stood entering the period.

MARKET RECAP

Market Summary

Equities

(through 8/31/2026)

- Equity markets calmed considerably this summer after the wild swings of early 2026. The S&P 500 managed a modest ~1.4% gain over the past three months, though the road to this point has been anything but smooth. As has been the case for more than two years, sentiment around artificial AI and actions tied to the Trump administration remained the primary drivers, joined this summer by a new Fed chair and a reignited conflict in the Middle East.
- The AI trade stumbled in June and July as investors grew more cautious about the sheer scale of AI infrastructure spending, which has grown to $700 billion-$800 billion in 2026. The figure is a staggering number that is only expected to grow in the coming years, but some investors have begun to question whether the huge sums will generate an acceptable return on investment. Technology stocks fell in both months. Adding pressure, the fragile U.S.-Iran ceasefire broke down in July, pushing oil prices higher and reintroducing geopolitical risk. Markets rebounded sharply in August to new record highs as inflation cooled and second-quarter corporate earnings came in near record levels.
- Sector leadership rotated away from big tech for much of the summer. Financials and industrials led in June; energy topped the list in July on the Iran-driven oil spike, with financials also seeing strong returns. Regional and community banks were a particular bright spot. Technology finally reasserted itself in August's broader rally.
- Kevin Warsh was confirmed as Fed chair in mid-May, succeeding Jerome Powell, in the closest confirmation vote in Fed history. The Fed held rates steady through the summer despite pressure for cuts, as elevated inflation and energy volatility complicated the economic picture.
- Abroad, emerging markets remained 2026's standout, led by South Korea and Taiwan's AI-hardware exposure, with leadership beginning to broaden toward China and South Africa. International developed markets (represented below by the MSCI EAFE) continued to lag but saw some participation in August's rally.

Index (Price Return, Not Total Return)	**Month End Close**	**Q3-to-Date**	**YTD 2026**	**Trailing 1-year**	**2025**
Dow Jones Ind. Avg.	53,186	1.7%	10.7%	16.8%	13.0%
S&P 500	7,686	2.5%	12.3%	19.0%	16.4%
NASDAQ Composite	26,371	0.6%	13.5%	22.9%	20.4%
Russell 2000	2,956	-2.2%	19.1%	24.9%	11.3%
MSCI EAFE	3,233	3.7%	11.8%	18.8%	27.9%
MSCI Emerging Markets	1,719	-0.2%	24.4%	39.7%	34.4%

Contributing Authors

THERESA CAGLE FRY
Senior Vice President and Manager, IRAs and Retirement Planning

BEN NORRIS, CFA
Senior Investment Strategist, Senior Vice President

EDWARD "ED" V. O'NEAL
Manager, Retirement Plans, Senior Vice President

DAN SCHULTE
Manager, Annuities and Insurance, Senior Vice President

JOANNE WELKER, CFA
Senior Vice President and Senior Manager, Advisory & Investments Solutions

JOEL WIESEHAN
Senior Vice President and Manager, Fixed Income

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Diversification does not guarantee a profit or protect against loss.

Investing in securities entails certain risks, including the potential loss of all or a portion of the proceeds invested. Individuals should consider their specific financial needs, investment objectives and risk tolerance before making an investment.

Equity investments refer to buying stocks of U.S. companies as well as companies outside of the U.S. The market capitalization of U.S. companies is used to group large, medium (mid) and small companies. The investment return to the owner of stock (shareholder) is in the form of dividends and/or capital appreciation. Shareholders share in both the upside potential and the downside risk. Dividends are not guaranteed and are subject to change or elimination.

Mutual funds and ETFs are sold by prospectus. Investors should carefully consider investment objectives, risks, charges and expenses. This and other important information is contained in the fund prospectuses and summary prospectuses, which can be obtained from your financial advisor and should be read carefully before investing.

There are special risks associated with an investment in real estate, including credit risk, interest rate fluctuations and the impact of varied economic conditions. Distributions from REIT investments are taxed at the owner's tax bracket.

An investment in a 529 plan will fluctuate such that an investor's shares, when redeemed, may be worth more or less than the original investment. Investors should carefully consider a 529 plan's investment objectives, risks, charges and expenses before investing. This and other important information can be found in the 529 plan issuer's official statement, which should be read carefully before investing.

The return of principal for bond funds and funds with significant underlying bond holdings is not guaranteed. Fund shares are subject to the same interest rate, inflation and credit risks associated with the underlying bond holdings. Lower rated bonds are subject to greater fluctuations in value and risk of loss of income and principal than higher rated bonds.

Bond prices fluctuate inversely to changes in interest rates. Therefore, a general rise in interest rates can result in the decline of the value in your investment.

An index is not managed and is unavailable for direct investment. The Dow Jones Industrial Average (DJIA) is an index that shows how 30 large, publicly owned companies based in the United States have traded during a standard trading session in the stock market. The Nasdaq Composite Index measures over 5,000 NASDAQ domestic and non-U.S. based common stocks listed on The NASDAQ Stock Market. The Russell 2000 is a stock-market index measuring the performance of 2000 small-capitalization stocks. The S&P 500 Index covers 500 industrial, utility, transportation and financial companies in the U.S. markets. S&P®, Standard & Poor's® and S&P 500® are registered trademarks of the Standard & Poor's Financial Services LLC.

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One North Brentwood Boulevard | Suite 850 | St. Louis, Missouri 63105 | (855) 382-1600 | benjaminfedwards.com

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