



D|A DAVIDSON

SPRING 2024

TROST  
WEALTH  
MANAGEMENT

A SERVICE OF D. A. DAVIDSON & CO.

*Summer 2024*

# Welcome

Happy summer from the Trost Wealth Management Team! Spring started off windy and rainy with a fair bit of snow, but the weather has recently turned for the better and the wildflowers are in full bloom. This is a wonderful time to enjoy Montana, and we're all excited for more outdoor fun.





# Economic Outlook

Markets climbed throughout the first quarter with the S&P hitting new highs near the end of March. After a step back in April, stocks have turned decidedly north again based on slightly improved inflation numbers and some mixed economic and jobs data. All in all, economic growth and U.S. financial markets continue to show resilience despite myriad issues facing the economy, namely significant geopolitical conflicts, upcoming elections, high interest rates, and stubborn inflation.

We continue to look upon the wars in Ukraine and Gaza with sadness and pray for a peaceful end. A broadening of hostilities, especially anything that might draw in the U.S. or its allies any further, could be bad for economies and financial markets. For now, however, the economic impacts related to these conflicts have mostly diminished.

The months leading up to a national election can be volatile as consumers, business leaders, and investors hope for clarity. These decision-makers generally want to know what changes to expect, so they can adjust as necessary to remain in business and be profitable. Historically, most businesses have done a good job of adjusting. While past performance is no guarantee, in 20 of the past 23 Presidential election years, the stock market has ended up, earning more than 11% on average.

Of course, inflation and interest rates remain the most important economic issues. Inflation has moderated significantly since last year but remains above the Fed's stated target of 2%. The Fed has been steadfast, disappointing investors hoping for rate

cuts by now. But this lag in results probably shouldn't come as a huge surprise; interest rate changes generally take several months to work their way through the economic system and cause changes in behavior. Investors are looking for the proverbial "Goldilocks" scenario, where mediocre economic data is preferred. Strong economic data is bad, because it may force the Fed to keep rates higher for longer to fend off inflation, and weak data is bad too, because it may foreshadow a more significant economic slowdown or even a recession. We think economic growth may slow somewhat, but the Fed still has a good chance of reducing inflation without causing a significant recession or severely impacting the labor market.

With more uncertainty ahead, we should be prepared for market volatility, but remember that financial markets are forward-looking, and the economic impacts of wars, inflation, elections, viruses, or even recessions have never been permanent. Market volatility goes along with investing. In fact, it actually causes the risk premium allowing stocks to earn higher average returns than bonds or cash. Investors who remain calm in the face of uncertainty should continue to earn those higher long-term returns.



**Dan Trost, CFP®, CWS®**  
Financial Advisor  
Senior Vice President

# Team Happenings

**Lexie Bass, FPQP,<sup>™</sup> CWS<sup>®</sup>**  
Senior Associate Financial Advisor



The Bass family has been busy this Spring with soccer, ballet, gymnastics, and swim lessons, but they're looking forward to a more relaxed schedule this summer. The girls had a wonderful school year with amazing teachers. Now the countdown is on to the last day of school, and they're working diligently on their summer bucket list.

Vivian is finishing up her 2nd grade year and it's amazing how much she has grown and learned this year. She's a voracious reader, which is the first thing she thinks of when asked what she likes to do for fun. She recently celebrated her 8th birthday with a Taylor Swift party. The girls dressed as their favorite "Era," made friendship bracelets, danced, and sang their hearts out. T Swift plays on repeat in the Bass household and even Erik knows the lyrics



to all the songs (not by choice). She also had her final ballet performance as a junior dancer and will move into pre-pointe next year with the big girls. Hazel will be graduating kindergarten, a bittersweet moment for mom. She's come so far this year, learning to read and write and excelling in math, but when asked about her favorite subject, the answer is always recess! She had a blast playing soccer this year and ended the season with a total of 13 goals! She also had a great year in gymnastics and is excited to start cheer in the fall.

Lexie was so excited to have her girls join her in their first race. They ran Prickly Pear Land Trust's "Don't Fence Me In," a 5K trail race on MT Ascension. Both girls exceeded Lexie's expectations, running most of the way, and they loved every minute. Vivian asked if she could start running with mom every week, which makes Lexie very happy!





**Dan Trost, CFP®, CWS®**  
*Financial Advisor, Senior Vice President*

Spring is a hectic time for the Trost Family with track meets, soccer and baseball games, and mountain bike races. The boys love to play and race, and Dan & Cassie love watching them, although it's a little less fun when it's snowing sideways.

Lucas (14) will be moving on from the 8th grade soon. He enjoyed his time at Helena Middle School, especially his math, woodshop, and Spanish classes, and he loved getting a chance to participate in almost every after-school sport. He's excited to be a freshman at Helena High in a few short months. He's already found out his new coaches don't mess around with open gym and weight training starting the first week of summer! Aaron (12) had a great 6th grade year and was selected to be a mentor for next year's incoming class. Soccer, perhaps Aaron's favorite sport, is winding down, but he's gearing up for the NICA mountain bike team, which starts in earnest at the end of June. Isaiah (6) is ready to graduate from kindergarten. It's been so inspiring to watch him learn to read and write, and we owe his progress entirely to his wonderful teachers. He played soccer for the first time this spring and was so excited to be on a real team just like his older brothers. He even scored a pair of goals in his last game!



The whole family recently visited Chicago for a wedding and went to a White Sox game, a big treat for these young baseball players. Always the contrarian, Isaiah decided to root for Cleveland and was crushed when they lost. It remains to be seen if it was just exhaustion from a long weekend or true loyalty to a new favorite team, but as he was crying hysterically, we consoled him by reminding him he'd only been a fan for three hours. Dan and Cassie have been enjoying Helena's amazing trails—Dan on his bike, and Cassie in her running shoes. Cassie is planning to run the Wulfman's Continental Divide Trail Race later in June, and the Chicago Marathon this fall. In between, the whole family has trips planned to both Yellowstone and Glacier and high hopes to enjoy some quality time at the lake!





## Darbi Linder

Registered Client Associate



It's a big year for the Linder family with so much to celebrate! In April, Nate celebrated turning 50 in Nashville. Libby turned 21 earlier this month and is off to Copenhagen, Denmark to design and build furniture for the summer. After a successful track season and an upcoming podium bid at the state track meet for hurdles and relays, Isabelle graduates from high school in June. And Darbi and Nate will celebrate their 25th wedding anniversary the weekend they move Isabelle off to college at Montana State University. Go Cats! Brit has had a rocky Lacrosse season with few wins, but he still loves the sport (which seems perfect



for teenage boys who are encouraged to whack each other with big sticks). He is looking forward to summer and his first break from sports since August, but his parents are pushing him to get a job amid the relaxation. This summer will be filled with adventures of all kinds including a float trip down the Smith River, lots of camping and cabin time, and some great live music events!



## Taylor Eggebrecht

*Temporary Client Associate*

Our former Carroll College intern, Taylor, is back and has been helping the team part-time while studying for her CPA exams. She's still waiting for results, but hopefully has 3 out of 4 complete! Her biggest non-academic accomplishment so far this year has been successfully completing the #75DaysHard Fitness/Mental Toughness Challenge! Aside from her busy daily routine, Taylor has been able to squeeze a couple of fun vacations into the mix, including a family New Years trip to San Diego and a post-tax season trip with her boyfriend to Austin. Taylor is looking forward to the warmer weather with lots of lake days and camping trips to soak up the sun!





# What Key Estate Planning Tools Should I Know About?



By taking steps in advance, you have a greater say in how these questions are answered. And isn't that how it should be?

Wills and trusts are two of the most popular estate planning tools. Both allow you to spell out how you would like your property to be distributed, but they also go far beyond that.

Just about everyone needs a will. Besides enabling you to determine the distribution of your property, a will gives you the opportunity to nominate your executor and guardians for your minor children. If you fail to make such designations through your will, the decisions will probably be left to the courts. Bear in mind that property distributed through your will is subject

to probate, which can be a time-consuming and costly process.

Trusts differ from wills in that they are actual legal entities. Like a will, trusts spell out how you want your property distributed. Trusts let you customize the distribution of your estate with the added advantages of property management and probate avoidance. While trusts offer numerous advantages, they incur upfront costs and ongoing administrative fees. The use of trusts involves a complex web of tax rules and regulations. You should consider the counsel of an experienced estate planning professional and your legal and tax advisers before implementing such strategies.



Wills and trusts are not mutually exclusive. While not everyone with a will needs a trust, all those with trusts should have a will as well.

Incapacity poses almost as much of a threat to your financial well-being as death does. Fortunately, there are tools that can help you cope with this threat.

A durable power of attorney is a legal agreement that avoids the need for a conservatorship and enables you to designate who will make your legal and financial decisions if you become incapacitated. Unlike the standard power of attorney, durable powers remain valid if you become incapacitated.

A health care power of attorney is a document in which you designate someone to make health care decisions if you are incapacitated. The person you designate can generally make decisions regarding medical facilities, medical treatments, surgery, and a variety of other health care issues. This document involves some important decisions. Take the utmost care when choosing who will make them.

A related document, the living will, also known as a directive to physicians or a health care directive, spells out the kinds of life-sustaining treatment you will permit in the event of your incapacity. The directive creates an agreement between you and the attending physician. The decision for or against life support is one that only you can make. That makes the living will a valuable estate planning tool. And you may use a living will in conjunction with a durable health care power of attorney. Bear in mind that laws governing the recognition and treatment of living wills may vary from state to state.



## ***Estate Planning Tip***

Keep all your important financial and legal information in a central file for your executor. Be sure to include:

- WILL AND TRUST DOCUMENTS**
- LETTERS OF LAST INSTRUCTION**
- BANK/BROKERAGE STATEMENTS**
- TITLES AND DEEDS**
- INSURANCE POLICIES**
- INCOME AND GIFT TAX RETURNS**
- MEDICAL RECORDS**


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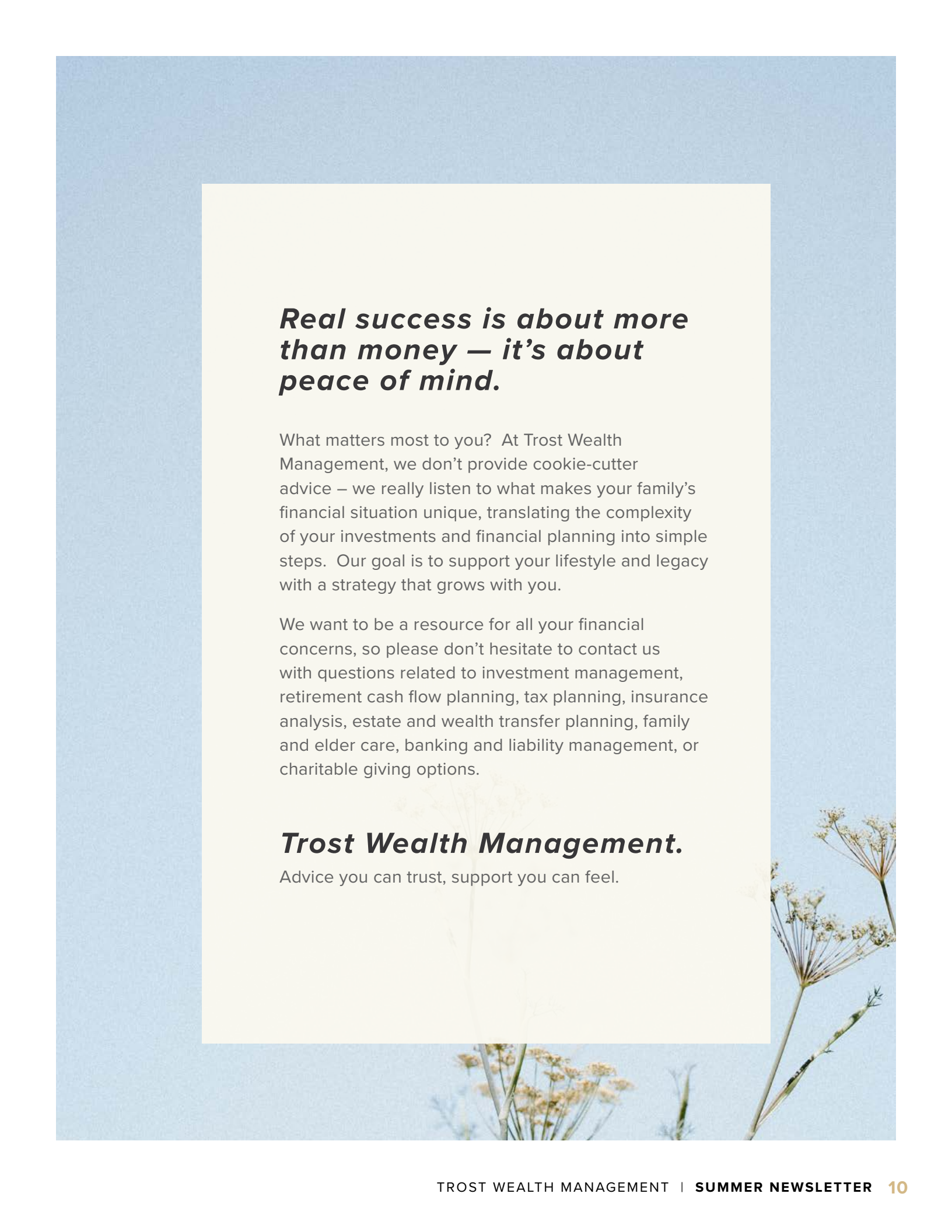
## *Community*

# Giving Back

In an effort to give back to the community that means so much to us, we continue to support many local non-profits. Most recently we sponsored and attended a fund raising event for the Helena Friendship Center. Dan remains a director for the Montana Board of Investments, where he enjoys his role in helping to manage, protect, and grow the more than \$27 billion in investments related to Montana's public employee pensions and other funds. Dan also continues to serve on the Teachers' Retirement System Board, another organization he believes in wholeheartedly. Lexie was recently selected as a board member for ExplorationWorks!, a unique children's learning center and a gem for the Helena Community.







***Real success is about more than money – it's about peace of mind.***

What matters most to you? At Trost Wealth Management, we don't provide cookie-cutter advice – we really listen to what makes your family's financial situation unique, translating the complexity of your investments and financial planning into simple steps. Our goal is to support your lifestyle and legacy with a strategy that grows with you.

We want to be a resource for all your financial concerns, so please don't hesitate to contact us with questions related to investment management, retirement cash flow planning, tax planning, insurance analysis, estate and wealth transfer planning, family and elder care, banking and liability management, or charitable giving options.

***Trost Wealth Management.***

Advice you can trust, support you can feel.





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