

## The Water Cooler

*Providing quarterly perspectives on important topics within wealth management and our team.*

Our primary goal is to provide a look into topics that we are focusing on, information we feel will be beneficial to you and hopefully provide a resource for you that will be interesting and useful. We are thankful for the opportunity to have our team work for you. Our hope is that this is beneficial to you and delivers pertinent, up-to-date information in a timely fashion. If anything you read intrigues you or sparks questions please don't hesitate to reach out so we can discuss further.

As we enter the 4th quarter, it is time to consider plans for the end of the year. We'll be in touch with necessary business items such as IRA RMD's, end-of-the-year account maintenance, and any plans for charitable giving.

We hope the fall season, cooler weather, and the upcoming holidays are great for you and your families.

## Brad's Thoughts on the Markets



**Bradley M. Beasley, Associate Vice President**

*Investment Consultant, Portfolio Manager*

Our long-tenured investment analyst shares his thoughts on market conditions, strategy, things that might be impacting our clients and their portfolios.

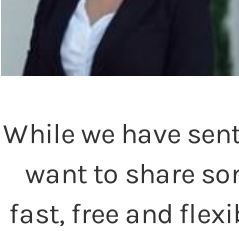
### Volatility & Opportunity

As the bond market reacts to ongoing inflation and Federal Reserve news, bond prices have continued to drop, and available yields continue to rise. Stock market performance has been outsized in select names, but broadly stocks have not risen dramatically in 2023. Throughout much of this year, we have spent time in discretionary portfolios managing the growing size and tax implications of trading these handful of stocks that have driven the market. As nice as the gains are this year, especially when contrasting to the drop of 2022, not everything is rising, and this creates opportunity.

In particular, bonds have grown in appeal as available yields have risen. We have traditionally used bonds as a volatility management tool to help manage the swings of the stock market, however at these new yields, bonds will be able to contribute to overall return on their own. Bond ownership, with specific and laddered maturities, at current yields are worth considering. In addition, while many of our favorite stocks have risen this year, not all our stocks have risen, and that creates opportunity to move from gain to potential value for the year to come. We just need to consider tax implications of changes.

Internet headlines would imply the current level of uncertainty is 'elevated', but our team would disagree. We believe the definition of uncertainty is that you do not know. Therefore, we allocate assets across our favorite investments, adjust, and strive for return. With higher rates on bonds, striving for a higher return is not more difficult for a portion of the portfolio- it is easier, but just requires patience. There is volatility in every corner of the market these days, however there is also opportunity here for patient investors.

## Ideas & Opportunities from Agnes



**Agnes Williams**

*Registered Client Service Associate*

Agnes is our Registered Client Service Associate that heads our operations and helps clients frequently with their service and account needs. She may be reached at 256-712-3679 or by email at [agnes.williams@morganstanley.com](mailto:agnes.williams@morganstanley.com)

While we have sent information on Morgan Stanley Online (MSO) to you in the past, we want to share some information about Fund Transfer Services (FTS). FTS provides a fast, free and flexible service that enables you to move funds between certain Morgan Stanley Accounts and accounts at other financial institutions- without the need to write checks or make trips to the mailbox.

If you would like to learn more after reading the below, please reach out to Agnes directly.

### Fund Transfer Services (FTS):

Available to Active Asset Accounts, Basic Securities Accounts, certain Retirement Accounts, Fund Transfer Services provides you with the ability to set up one-time on demand transfers or recurring transfers- free of charge. You can also use FTS to electronically transfer funds from your eligible Morgan Stanley Accounts to accounts at other financial institutions that are held by third parties.

The Fund Transfer Services Gives You Options:

- **On Demand Transfers:** Transfer funds between your Morgan Stanley Account and most deposit accounts at other financial institutions
- **Recurring Transfers:** Set up systematic transfers of funds between your Morgan Stanley Account and most deposit accounts at other financial institutions on a regular basis
- **Retirement Account Transfers:** Set up On Demand Transfers or Recurring Transfers between your Morgan Stanley Retirement Account and most deposit accounts at other financial institutions.

This service makes sending or receiving money easy without having to do a wire or sending a check. If you are interesting enrolling, please reach out to Agnes at [Agnes.Williams@morganstanley.com](mailto:Agnes.Williams@morganstanley.com).

## What I've Been Reading



**Aubrey Wilson**

*Vice President, Financial Advisor, Chartered Financial Consultant*

Fall might be my favorite time of the year. I love watching football with family and friends and cheering on my favorite team, the Ole Miss Rebels. At my house, my kids are in the middle of their schedules playing football and Fall baseball.

Oftentimes, during downtime during their games and practices, I take the chance to catch up on a little reading.

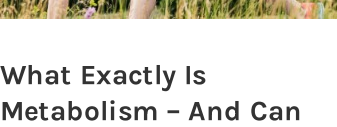
Articles that have caught my eye recently include a few new locations on a bucket-list of places to visit, why the stadium food seems to stick around my waist-line a little more than I wish it would, and an interesting look into the financial future of college sports among a few other thought provoking topics.

What have you been reading?



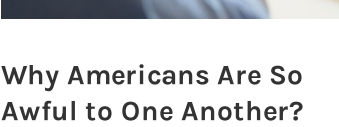
### The World's 13 Most Beautiful Villages You've Probably Never Heard Of

From an English hamlet seemingly plucked from a fairy tale to a color-packed town in Colombia, these under-the-radar spots allow you to enjoy the quaint atmosphere without the crowds.



### What Exactly Is Metabolism – And Can You Change It?

Many of us have only a vague answer to the question of “What is metabolism?” Turns out (spoiler!) there's more to it than simply how much food you can eat without gaining weight.



### Why Americans Are So Awful to One Another?

In a culture devoid of moral education, generations are growing up in a morally inarticulate, self-referential world.

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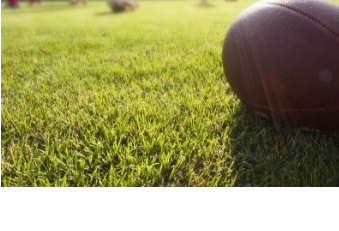
### What Happens when People with Dementia Commit Crimes?

When criminal behavior overlaps with degenerative cognitive disease, the justice system often falters.



### Stressed About Making Small Talk? Master the Art With These Expert Tips

Why are some people able to instantly engage with people they've just met? It doesn't take a special gene to do those things- there are techniques we can employ to help us be more confident.



### Generation NIL: High School Prodigy Julian Lewis Is Playing the NIL Long Game

In many states, the 15-year-old, USC-bound QB would already be cashing in on his NIL. But in his home state of Georgia, the football prodigy has had to wait.

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[Signature of Primary Contact]

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Interest on municipal bonds is generally exempt from federal income tax. However, some bonds may be subject to the alternative minimum tax (AMT). Typically, state tax-exemption applies if securities are issued within one's state of residence and, local tax-exemption typically applies if securities are issued within one's city of residence. The tax exempt status of municipal securities may be changed by legislative process, which could affect their value and marketability.  
Bonds are affected by a number of risks, including fluctuations in interest rates, credit risk and prepayment risk. In general, as prevailing interest rates rise, fixed income securities prices will fall. Bonds face credit risk if a decline in an issuer's credit rating, or creditworthiness, causes a bond's price to decline. Finally, bonds can be subject to prepayment risk. When interest rates fall, an issuer may choose to borrow money at a lower interest rate, while paying off its previously issued bonds. As a consequence, underlying bonds will lose the interest payments from the investment and will be forced to reinvest in a market where prevailing interest rates are lower than when the initial investment was made. NOTE: High yield bonds are subject to additional risks such as increased risk of default and greater volatility because of the lower credit quality of the issues.  
CDs are insured by the FDIC, an independent agency of the U.S. Government, up to a maximum of \$250,000 (including principal and accrued interest) for all deposits held in the same insurable capacity (e.g. individual account, joint account, IRA etc.) per CD depository. Investors are responsible for monitoring the total amount held with each CD depository. All deposits at a single depository held in the same insurable capacity will be aggregated for the purposes of the applicable FDIC insurance limit, including deposits (such as bank accounts) maintained directly with the depository and CDs of the depository.  
For more information visit the FDIC website at [www.fdic.gov](http://www.fdic.gov).  
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Bonds are subject to interest rate risk. When interest rates rise, bond prices fall; generally the longer a bond's maturity, the more sensitive it is to this risk. Bonds may also be subject to call risk, which is the risk that the issuer will redeem the debt at its option, fully or partially, before the scheduled maturity date. The market value of debt instruments may fluctuate, and proceeds from sales prior to maturity may be more or less than the amount originally invested or the maturity value due to changes in market conditions or changes in the credit quality of the issuer. Bonds are subject to the credit risk of the issuer. This is the risk that the issuer might be unable to make interest and/or principal payments on a timely basis. Bonds are also subject to reinvestment risk, which is the risk that principal and/or interest payments from a given investment may be reinvested at a lower interest rate.