Wealth In Action

*Wealth in Action is a newsletter for subscribers passionate about building wealth. As many of you know, I am passionate about the power of financial literacy and economic empowerment. With the right information, continuing education, and access to the intellectual capital of Morgan Stanley, you will have the tools you need to potentially build your wealth. If you would like to refer someone to join this distribution, reply to this email. If you'd like to stay further connected, I invite you to **check out my website** and connect on social media: **LinkedIn | Facebook | X***

Carolina's Corner

2025 has been quite the journey - market volatility, interest rates, policy changes, geopolitical risk, AI - the list goes on. For my long-time investors, you know there is always a breaking headline. If investing were easy, everyone would do it. It takes focus, fortitude, and resilience to stay on a strategic and intentional investment journey. As 2025 turns into 2026, I have included the latest intellectual capital from Morgan Stanley. Take a look at our investment and economic outlooks below. As always, if you'd like to check in on your portfolio, you can put time on my calendar **here**.

On the Markets | With 2026 likely to be rewarding but volatile, active risk management is advised. We favor AI adopters, real assets and select international stocks. Find out more in On the Markets' 2026 outlook edition, featuring articles from our MS & Co. colleagues.

2026 Economic Outlook | U.S. consumer spending and capital expenditures on AI are likely to drive moderate growth as global inflation slows.

2026 Investment Outlook | Risk assets are poised for a strong year in a friendly policy and macroeconomic environment, with U.S. stocks outperforming peers. U.S. government bonds are likely to weaken after a rally in the first half of the year.

Podcast Picks

What Should I Do With My Money? | After selling Solidcore, Anne Mahlum is wondering how post-exit founders can reinvent their purpose for the next chapter of life.

What's Driving U.S. Growth in 2026 | Our Chief U.S. Economist Michael Gapen breaks down how growth, inflation and the AI revolution could play out in 2026.

GIC Investment Perspectives | Wealth Management Chief Investment Officer Lisa Shalett recently shared her monthly update, discussing some of the key topics in markets, plus potential risks and opportunities for investors.

Planning to Win

2025 Year-End Tax Reminders | This document provides high-level summaries of complex tax rules. Please note that exceptions may apply and not all of such exceptions are described in this document.

7 Steps that May Reduce Taxes on Your Income and Portfolio | A key strategy for boosting long-term investment returns is being smart about tax efficiency.

Holiday Charitable Giving Ideas & **One Big Beautiful Bill Implications** | Since most of the changes from the OBBBA start in 2026, you have a unique window in 2025 to make charitable gifts under pre-OBBBA rules. As you reconnect with loved ones for the holidays, consider these impactful ways to give.

Timeless Thoughts

3 Tax Questions Every Investor Should Ask | Factoring the impact of taxes into your portfolio and planning decisions can help you to keep more of your hard-earned money.

The Value of Tax-Efficient Investing | Check out these approaches for maximizing after-tax return potential.

The Three Phases of Estate Planning | The process of estate planning may be simplified by breaking estate planning into three phases and creating a roadmap through each phase with well tested estate planning tools and techniques.

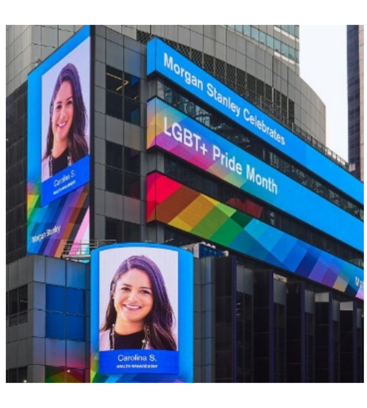
The Classics

- **Investing 101**
- **Understanding Social Security**
- **Equity Compensation**
- **Checklist: Countdown to Retirement**
- **401(k) Plans: Frequently Asked Questions**
- **10 Rules for Talking to Kids About Money**
- **Dollar-Cost Averaging vs. Lump-Sum Investing**

Working with Carolina

For those of you wondering what it looks like to work with me, I invite you to **take a look at my website** to learn more about the clients I love to represent.

If we have never met before, you can learn more about **what it looks like to work with me.**



If you would like to have me speak at your next event, **you can reference my speaker overview.**

If you would like to connect 1-1, **you can always book time on my calendar.**

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