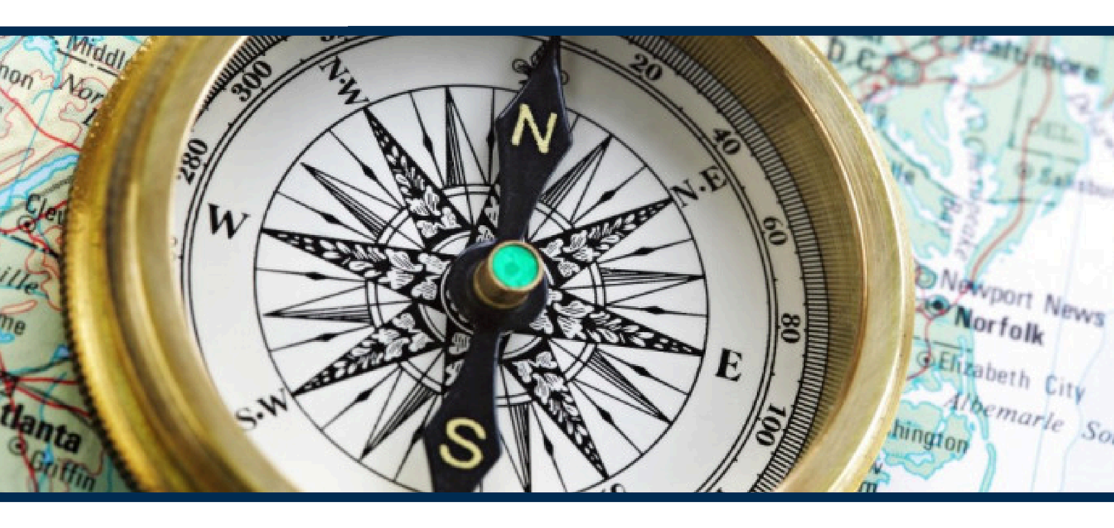


The Compass Rose Group

at Morgan Stanley

Quarterly Video Series

Q3 Market Summary

As we begin to shift to year-end items, Alternative Investments Director, **William S. Reardon** reviews five approaches to charitable giving, and in-house Portfolio Manager, **Jake Tolk, CFA®, CRPC®** addresses the three questions on investor's minds:

1. Is the recent rally sustainable?
2. What's going on in the economy?
3. Are we headed for a slowdown?

Watch the video here:

Of course, please contact your primary Financial Advisor with The Compass Rose Group with any questions or comments.

Cardinal Directions - *Our Thoughts*

December 2025

A little healthy volatility in the markets requires us to remind folks: perspective, perspective, perspective. See below a few major indices year-to-date returns through Monday, November 24, 2025[1].

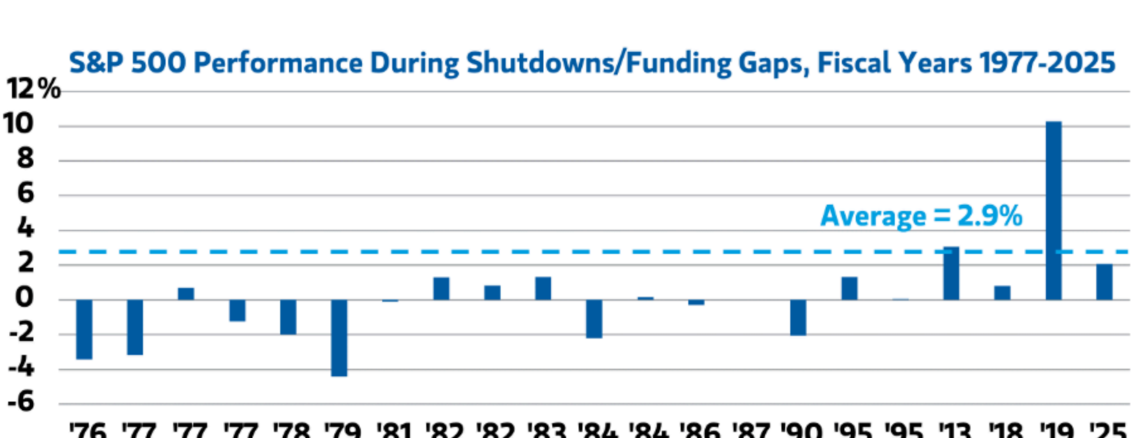
- **S&P 500 up 15.3%**
- **Dow Jones up 10.8%**
- **NASDAQ up 19.2%**
- **Bloomberg US Aggregate Bond Index up 7.3%**

Although bombarded with noise following its recent conclusion—causing most to turn to the next so-called "crisis"—the recent government shutdown requires a few remarks.

After a record-setting 43-day closure, the President signed a CR reopening the government on November 12th, 2025. Throughout the shutdown, roughly 670,000 federal employees were furloughed, while another 730,000 were deemed "essential" and continued work unpaid.

After 14 failed efforts, a bipartisan group of policymakers in the Senate (52 Republicans, seven Democrats and one Independent) voted to reopen the government. Overall, estimates from the Congressional Budget Office (CBO) show the US economy may only lose a muted amount from its $30 trillion value stemming from the closure. For equity markets, performance during this shutdown shows the S&P 500 up 2.1%. Note the S&P 500 has traditionally increased during government shutdowns averaging a 2.9% return during closures. See below a great charting showing S&P 500 returns during US government shutdowns.

Exhibit 1: The S&P 500 Index Has Risen Over the Past Six Government Shutdowns



Source: Strategas, Bloomberg, Congressional Research Service, Morgan Stanley Wealth Management Global Investment Office as of Nov. 12, 2025

Two main points to draw from this. First, we find this to be a good example of how the noise of certain events can cause a short-term stir in the news (and possibly investments) with no underlying concern for the long-term growth of markets. Volatility comes and goes, but underlying fundamentals will always win the day. Second, we find this bout of disagreement in Washington to not offset the Federal Reserve's announced plan to continue rate easing. We anticipate another 25-basis-point cut in December despite having some missing data from the prolonged shutdown[2].

1. Morgan Stanley Wealth Management, *Capital Market Indices* (November 25, 2025).
2. Morgan Stanley, Global Investment Office, *US Policy Pulse – Lessons from the Longest Government Shutdown in US History* by Monica Guerra, Daniel Kohen & Kyle Kerr (November 13, 2025) RSI1763071219156 11/2025.

Scheduling Your Next Portfolio Review

The Compass Rose Group operations team is continuing to find solutions to help provide efficient and effective levels of service to clients, including scheduling biannual portfolio review meetings.

In case you have not seen it yet, we are sending out an email every six months inviting clients to schedule time with their primary advisor. When you see "Scheduling Your Next Portfolio Review" in your inbox, simply open the message and click the button "Send Meeting Request" to generate an email to our scheduling team. The email will prompt you to fill in relevant information including your name, preferred day of the week, preferred time of day, and preferred location (i.e., in-person, via Zoom, or by phone). Once you hit send, a service associate will follow-up with a few options that meet your preferences.

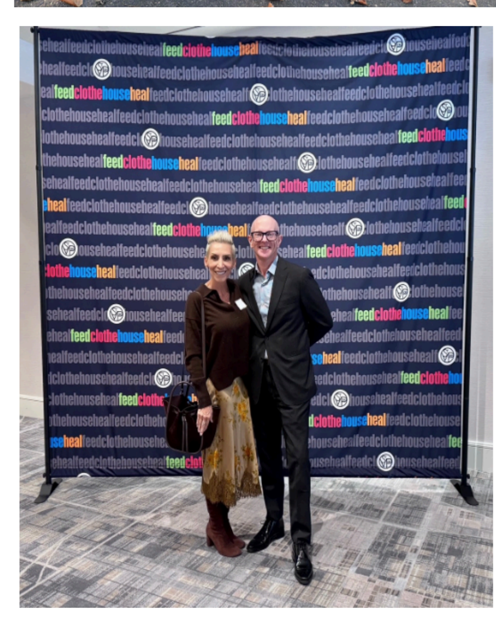
You can also schedule directly by calling Sarai Ordonez, our Registered Client Service Associate, at 505 889-2827.

Personal Notes:

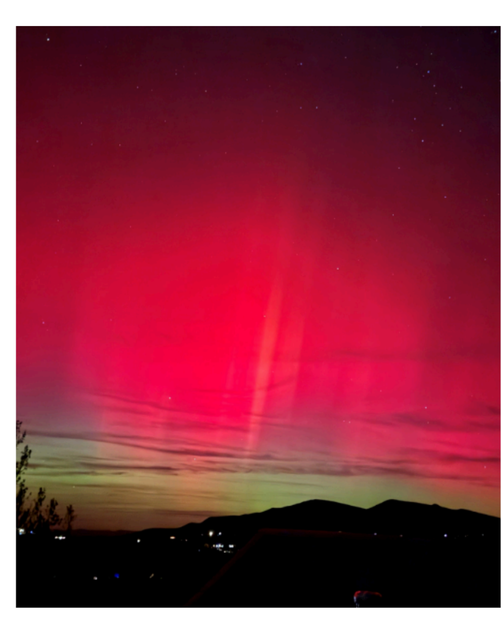
Chuck: Hard to believe it's already December. We had a wonderful Thanksgiving in San Jose, California with the entire family. Had all the kids and grandkids at Mike and Robert's house and the entire week was wonderful. So fun to all be together and to get to see the grandkids all playing together and having so much fun. Never a dull moment and may need a vacation from my vacation. So many things to be thankful for.

Will: It's the time of year where gratitude and reflection is key. It's been an amazing year of blessings. My wife, Rachael, and I are gearing up for our fourth little one to join us in late December/early January. Life is full, and we wouldn't have it any other way. Happy Thanksgiving and happy (early) Christmas to all!

Mark: Kimberly and I are excited to support St. Vincent de Paul's "Restoring Hope Community Breakfast 2025." It was a wonderful morning spent listening to two inspirational stories with my wife.



Craig: November feels like the calm before the storm in our household. December is always busy month with Paige's business doing a ton of holiday sales, and us preparing for a bicoastal Christmas with our two families. This month we have been able to slow down a bit and spend some quality time with our closest friends. We, like many others, were blessed in the middle of the month with a beautiful view of an aurora borealis from our home in Cedar Crest. It was truly a breathtaking scene and felt so special to sit still for a moment and witness the beauty the world can offer us. The image below was taken by one of my close friends and I think is the best I have seen of that night.



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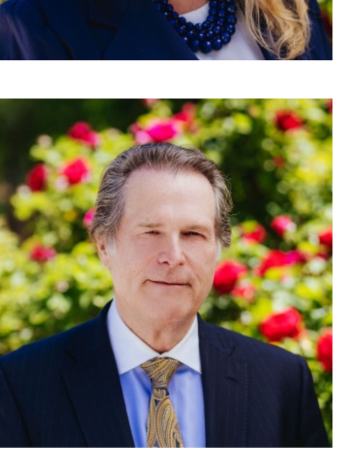

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