

## Issue #15: The Financial Cost of Complexity

As our financial lives grow, they often become more complicated.

A new job may bring another retirement account. A home purchase adds new insurance and financing considerations. Investments accumulate across different accounts and custodians. Estate documents are created, beneficiaries are named, tax strategies evolve, and financial decisions made at different stages of life begin to layer on top of one another.

Individually, each decision may make perfect sense. Collectively, however, they can eventually create a financial life that is more complicated than it needs to be.

Complexity is not necessarily a problem. For many individuals and families, some degree of complexity naturally comes with building wealth. The challenge arises when that complexity makes it harder to understand what you own, why you own it, and how all the pieces of your financial life work together.

### When Complexity Becomes a Cost

The cost of financial complexity is not always measured in dollars.

Sometimes it shows up as accounts are difficult to keep track of, investments that unintentionally overlap, outdated beneficiary designations, insurance coverage that has not been reviewed in years, or estate documents that no longer reflect your circumstances or wishes.

It can also make financial decisions more difficult. The more moving pieces there are, the harder it may become to see the bigger picture.

That does not mean every account should be consolidated or every financial strategy should be simplified. Different accounts, investments, ownership structures, and planning strategies may serve very specific purposes.

The goal is not simplicity for simplicity's sake. The goal is intentionality.

Ideally, every meaningful part of your financial life should have a purpose, and you should understand how it fits into your broader financial plan.

### Taking Financial Inventory

One of the simplest ways to identify unnecessary complexity is to periodically take inventory of your financial life. That means looking beyond investment performance and asking whether the overall structure still makes sense.

Over time, you may discover accounts that can be consolidated, investments that no longer serve their original purpose, insurance coverage that should be updated, or estate planning decisions that need to be revisited. Just as importantly, the exercise can identify areas where complexity is appropriate and should remain.

The objective is not necessarily to have fewer financial moving parts. It is to make sure the ones you have are still working together toward the goals that matter to you.

## Practical Planning Considerations

### Ask yourself:

- Do I know where all of my financial accounts and assets are held?
- Can I explain the purpose of each major investment or account?
- Are my beneficiary designations and estate documents current?
- Have my insurance needs changed as my assets or circumstances have evolved?
- Do my spouse or other appropriate family members know where important financial information can be found?
- Are there accounts, investments, or financial arrangements I have simply accumulated over time that should be revisited?

A well-designed financial plan does not have to be overly simple. But it should be understandable, organized, and intentional.

### Looking Ahead

Financial complexity often accumulates gradually. Because no single account, investment, insurance policy, or planning decision creates the problem, it can be easy to overlook how complicated the overall picture has become.

Periodically stepping back can help ensure that the structure of your financial life continues to reflect your goals, circumstances, and priorities today, not simply decisions made years ago. As your financial life evolves, your plan should evolve with it.

Thanks for reading this issue of **Well Advised**. We hope this perspective encourages you to periodically step back and look at your financial life as a whole. If you'd like to discuss whether there are opportunities to better organize or simplify your financial plan, we'd be happy to connect.

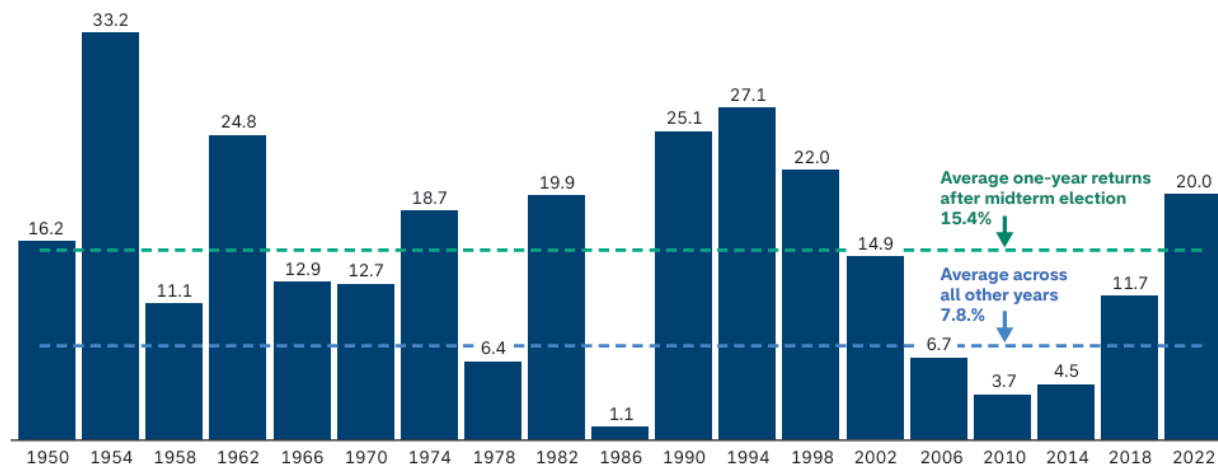


Adam J. Murray, CFP®, CPM®  
Managing Director, Wealth Management  
Financial Advisor & Family Wealth Director  
Global Sports & Entertainment Director  
Senior Portfolio Management Director  
The Murray Legacy Group at Morgan Stanley

## Chart of the Month: Markets After Midterm Elections

Elections can create uncertainty for investors, particularly as completing policy proposals and potential changes in Washington dominate the headlines. With the 2026 midterm elections approaching, history can provide useful perspective on how markets have behaved around prior midterms.

S&P 500 Index price return one year after midterm election



Source: Sources: Capital Group, RIMES, S&P Global. Calculations use Election Day as the starting date in all election years and November 5th as a proxy for the starting date in other years. Only midterm election years are shown in the chart. As of December 31, 2025. Price returns exclude distributions. Past results are not predictive of results in future periods.

## Explaining the Graphic

The chart shows the S&P 500 Index price return during the one-year period following each midterm election since 1950.

Historically, returns during those periods have been strong. The S&P 500 produced an average price return of 15.4% in the year following a midterm election, compared with an average of 7.8% during comparable periods in other years. The data also shows that each of the post-midterm periods included in the analysis had a positive one-year price return.

Of course, every election cycle and market environment is different, and historical results do not predict what will happen following the 2026 midterms.

## Our Perspective

Elections matter for many reasons, and changes in government can have meaningful implications for taxes, regulation, trade, spending, and other areas of policy. But an election outcome and investment outcomes are not the same thing.

Historically, markets have generated positive long-term returns under a variety of political configurations. Data going back to 1933 found double-digit average market returns across several different arrangements of political control in Washington.

For long-term investors, we believe investment decisions should remain grounded in goals, time horizon, diversification, and the role each investment plays in the broader financial plan, not predictions about which political outcome will be best for markets.

## You Asked, We Answered

*Each month the newsletter will include a reader-submitted question and our take on it. If there's a topic you'd like us to explore – or something you've been wondering about – we'd love to hear from you.*

### Question: “What financial information should my spouse or family know?”

#### Our Take:

You do not necessarily need every member of your family involved in every financial decision. But the appropriate people should know enough to step in if they ever need to.

At a minimum, a spouse or trusted family member should generally know where important financial information can be found. That may include investment and retirement accounts, bank accounts, insurance policies, estate planning documents, real estate records, outstanding loans, tax information, and contact information for the professionals who help manage your financial affairs.

They do not necessarily need every account number or password committed to memory. What matters is having an organized and secure way for the appropriate person to locate the information if necessary. It can also be helpful for both spouses to have at least a basic understanding of the family's overall financial picture, even when one person typically takes the lead on financial matters.

Consider whether the appropriate person in your family could answer a few basic questions:

- Who should I call?
- Where are our major assets held?
- Where are our estate documents?
- What insurance coverage do we have?
- What bills or financial obligations require ongoing attention?

Financial organization is not only about making your own life easier. It is also about making an already difficult situation easier for the people you care about if they ever have to step in.

Thanks for reading this issue of **Well Advised**. If you'd like to submit a question for a future edition – or talk more about anything we covered today – we'd love to hear from you. Let's keep the conversation going.

## Meet the Murray Legacy Group

### Attorney Team



**Adam J. Murray, CFP®, CPM®**  
Managing Director, Wealth Management  
Financial Advisor & Family Wealth Director  
Global Sports & Entertainment Director  
Direct: 610-260-7009  
[Adam.Murray@morganstanley.com](mailto:Adam.Murray@morganstanley.com)  
NMLS #2317486



**Philippa J. Lumsden, CFP®**  
Vice President, Wealth Management  
Financial Advisor  
Financial Planning Specialist  
Direct: 610-260-7044  
[Philippa.Lumsden@morganstanley.com](mailto:Philippa.Lumsden@morganstanley.com)  
NMLS #2317486

### Corporate Executive Team



**Brian J. Degnan, CFP®**  
Senior Vice President, Wealth Management  
Financial Advisor & Senior Portfolio Management Director  
Direct: 610-260-7011  
[Brian.Degnan@morganstanley.com](mailto:Brian.Degnan@morganstanley.com)  
NMLS #1456519



**David P. Drea, CFP®**  
Financial Advisor, Wealth Management  
Workplace Advisor – Equity Compensation  
Financial Planning Specialist  
Direct: 610-260-7013  
[David.Drea@morganstanley.com](mailto:David.Drea@morganstanley.com)  
NMLS #2056666

### Sports & Entertainment Team



**Adam J. Murray, CFP®, CPM®**  
Managing Director, Wealth Management  
Financial Advisor & Family Wealth Director  
Global Sports & Entertainment Director  
Direct: 610-260-7009  
[Adam.Murray@morganstanley.com](mailto:Adam.Murray@morganstanley.com)  
NMLS #2317486



**Katelyn E. Goodwin**  
Financial Advisor, Wealth Management  
Financial Planning Specialist  
Direct: 401-845-3514  
[Katelyn.Goodwin@morganstanley.com](mailto:Katelyn.Goodwin@morganstanley.com)  
NMLS #2631787



**Matthew C. Carroll**  
Financial Advisor, Wealth Management  
GSE Associate Director  
Direct: 610-260-7464  
[Matthew.Carroll@morganstanley.com](mailto:Matthew.Carroll@morganstanley.com)  
NMLS #2806914

## Support Professionals



**Samantha L. Staudt**  
Business Development Associate  
Financial Planning Specialist  
Direct: 610-260-7045  
[Samantha.Staudt@morganstanley.com](mailto:Samantha.Staudt@morganstanley.com)



**Amara M. Mulloy**  
Registered Client Service Associate  
Direct: 610-260-7348  
[Amara.Mulloy@morganstanley.com](mailto:Amara.Mulloy@morganstanley.com)



**Brett M. Mallee**  
Registered Client Service Associate  
Direct: 610-260-7273  
[Brett.Mallee@morganstanley.com](mailto:Brett.Mallee@morganstanley.com)



**Sabine M. de Ruijter**  
Client Relationship Analyst  
Financial Planning Specialist  
Direct: 610-260-7272  
[Sabine.De.Ruijter@morganstanley.com](mailto:Sabine.De.Ruijter@morganstanley.com)



**Olivia C. Kelley**  
Client Service Associate  
Direct: 610-260-7212  
[Olivia.Kelley@morganstanley.com](mailto:Olivia.Kelley@morganstanley.com)

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