

# THE EAGLE'S VIEW



AN INDEPENDENT FIRM



*Steffanie Lerch, CFP®, RICP®*  
Senior Wealth Advisor

## Forever Grateful: *“it’s just a chapter!”*

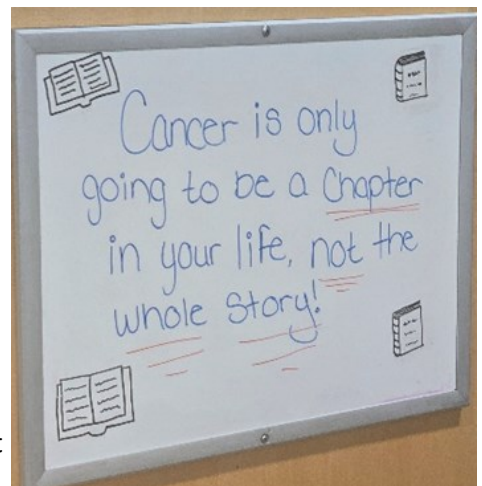
In my 22+ years here at EWS I have met many prospects, clients, and family members of clients – each having their own stories of their past, present, and the legacies they want for their future. In those conversations I learn details about their lives, their children’s and grandchildren’s lives, even their pets - and they all become an extension of my own family. Not just me – I know all of us here at EWS feel the same way. Those stories shaped you, but they also shape us as people and advisors. In the past 7-8 months, I have personally felt that extension of family in more ways than I can count. So just as you all tell us your story, here is mine.

### IN THIS ISSUE:

|                     |     |
|---------------------|-----|
| Forever Grateful    | 1-2 |
| Investment Markets  | 3-4 |
| Paul’s Perspectives | 5   |
| Moves at EWS        | 6   |
| News at EWS         | 7   |

In June of 2024, I sat with my husband Mike by my side and heard the words that no one prepares you to hear, and that I certainly wasn’t expecting – *“You very likely have colon cancer”*. Confirmed a few days later, there I was digesting being diagnosed at the age of 42 with colon cancer, an impending surgery, and potential chemotherapy. Now any of you who know me well enough know that I went into immediate planning mode, and like my natural self, tried to control the situation only to realize it's not something that you can control. I thought surgery and recovery were difficult—little did I know for what would lie ahead. I was determined to prove to the doctors that I didn’t need to be out for 6 weeks, even demanding that I was going to make it to Disney with the kids at the 5.5 week mark. Not sure the doctor was totally happy with that, but we made it to Disney (but I did abstain from roller coasters per doctor’s orders).

Upon our return, I met with the oncologist. While we received the positive news that out of 43 lymph nodes removed all of them were clear and there was no metastasis anywhere, unfortunately my tumor staging was high. Based on my age and the tumor stage itself (which is different than overall cancer staging) it was decided to do a course of chemotherapy. Those 3 months of chemo proved to be a test of my patience and strength. I quickly discovered a newfound appreciation and respect for ALL who are fighting cancer and/or undergoing chemotherapy. Cancer, and chemo specifically, tries to break you, it makes you feel weaker than weak and it makes time feel so slow as if this won't end. But it did, and you move on to the next chapter. The first time stepping foot into Penn's cancer center was this sign to the right and it still remains today...it's not your whole story, it's just a chapter!



*Many of you will now hear me say this to you at future meetings!*

I had my village of people that helped turn each page of this chapter with me. Of course, my immediate family was there every step of the way. But my EWS family showed up in ways I never expected! Each

*...continued from page 1 (Forever Grateful...)*

and every one of my partners and co-workers extended their hand beyond measure. Whether it was handling client work for me, the encouragement to keep pushing through treatments, or the sheer excitement when I shared the news “my scans are clear, I am in remission” – my gratitude is forever. And yes, you read that right, **NO MORE CANCER!**

But to my EWS “client family”, you showed up too! It’s hard to keep track who I have told my story to which is why I wanted to share it with everyone through the newsletter. As I started out with, we get to know your stories, but I want you to know mine. I want you to know mine for the purest reason being that I can now share what I know, share how I felt, and now be an advocate for all cancer fighters, cancer survivors, and their family members.

My next chapter...remission, cancer survivor, whatever you want to call it, thumbs up because I am flipping the page to the new chapter. Every trial in life has a purpose, and I am just happy that now my purpose is to be an advocate and spread awareness for early detection and screening. Colon cancer is so treatable and beatable if detected early. If you are 45, don't wait - get your colonoscopy now – and be sure to stay up to date on when you are due next! If you are younger than 45, don't put off getting checked out if something is off. In my case if I had waited, even just 3-6 months, I would be sure sitting here telling a much different story. *Time matters, and so do you!*

Here at EWS you matter to us. You are our family, and we are yours. From the bottom of my heart, **THANK YOU, THANK YOU, THANK YOU** to everyone who reached out, sent something or kept checking in on me. I never realized how big my family is! If there is anything I can do for any one of you reading this, even if I do not directly work with you, please do not hesitate to reach out. I’d be glad to share more about my story, share resources I have found along the way, and most of all just be there to listen to your story.

With Gratitude,

*Steffanie*



## Investment Markets



Chris Tully, CFP®, RICP®, CIMA®  
President

Looking back at the stock market in 2024, it was the story of the “Magnificent Seven”, continuing the theme from 2023. Seven stocks (AAPL, AMZN, GOOG/GOOGL, META, MSFT, NVDA and TSLA) dominated the S&P 500 Index; however, the real story of this index is how 500 of the largest companies in the U.S. each contributed to the overall return. The Magnificent Seven returned an astounding 48% and accounted for about 55% of the index’s overall return. The remaining 493 stocks in the S&P 500 returned an average of approximately 10%. (Source: JP Morgan, Guide to the Markets, Q1, 2025). To keep up with the index requires taking significant concentration risk. Everyone loves to benefit from concentrated investments when they are performing well, but the corollary is that large upswings can accompany large downswings.

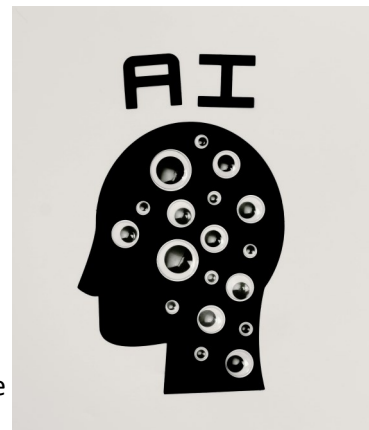
A recurring theme for 2025 is the importance of diversification. Most investors don’t have the stomach for the wild ride of a concentrated portfolio. While there is money to be made in piling assets into the right stock(s) at the right time, the flip side of that coin is that there can be significant losses with a strategy of concentration. We continue to believe that a diversified portfolio built from the bottom up is the key to long-term success in reaching your goals.

The presidential election result was at least clear and uncontested. The economic backdrop continues to be favorable. The job market remains strong, though showing signs of cooling due to relatively stringent monetary policy. Corporate earnings and dividends reached record highs and are forecast to increase further in 2025. And while the fiscal condition of the United States remains undeniably appalling, the consumer is (perhaps surprisingly) in very good shape. The household debt service ratio (debt payments as a percentage of disposable personal income), at 10.1% in the third quarter of 2024, is near 40-year lows.

Inflation has not gone away. Nor, as Fed Chair Powell observed in mid-December, is it going away. If anything, late in the year many investors feared that the equity market had gotten ahead of itself, as evidenced by stretched valuations. Valuations have never proven to be a reliable timing tool, so while they typically don’t drive short-term returns, we know that valuations are a much stronger indicator of medium and long-term returns. It doesn’t seem reasonable to suppose that the broad equity market can go on indefinitely compounding at the nearly 16% it’s been producing since the March 2009 Global Financial Crisis lows. Nor do we need it to.

Probably the biggest question mark heading into 2025 is where we are in the AI boom. Additional question marks as we get set for 2025 are the economy/Fed as well as how the market will perform in year one of the incoming Trump administration. Geopolitics and trade war concerns might also continue to dominate headlines in 2025.

On the investment side, though we would temper expectations from US stock returns, we believe the US is still the better house on the block. While no trend lasts forever, US outperformance remains justified for now. As stated previously, stock valuations in certain segments of the market are considerably higher than historical averages, so changes made during the week of January 27th were geared towards areas we believe



are more attractive on a going forward basis. For instance, US mid-caps may represent the sweet spot between elevated large-cap valuation, and small-cap quality risk. In addition to having greater scope for earnings reacceleration and more favorable valuations, mid-caps have much less exposure to global growth risks than mega-caps. Roughly 25% of revenues for the S&P 400 Mid Cap index are derived from foreign sources, while that figure is nearly 50% for mega-cap stocks and indices.

In terms of bonds, while the last few years have been rough, the attributes we look for in bond investing are back: yields are higher than inflation and inflation expectations are relatively stable. In the current environment, bonds can offer investors an attractive level of income (return) with a reasonable level of volatility and diversification benefits. A potential return to normalcy.

As we begin 2025, we wanted to remind readers of our investment principles. We believe principles and process will always be important elements of long-term investing. We are long-term, goal-focused, plan-driven investors. Our core investment policy is to invest in broadly diversified portfolios of high-quality businesses. Diversification includes investing in non-US companies, as we believe there are opportunities for growth around the globe. We believe that the economy can't be consistently forecast, nor the markets consistently timed.

We wish all our clients and friends—a healthy, happy and prosperous 2025. We're always here to answer your questions or address your concerns. **Thank you for being our clients. It is a privilege to serve you.**



## Paul's Perspectives



Paul J. Tully, CFP®, RICP®  
Founder

Another great year...but caution ahead.

Much to the surprise of many market “experts”, 2024 was another strong year for stocks (especially 7 large tech names) and another disappointment for fixed income investors, the third year in a row. The major US indices all hit all-time record highs in 2024, with the best 2-year run since 1998.

That’s in the rearview mirror and it’s time to look to the future. We have a new administration, and that will shake things up a bit as there have been many issues discussed and promises made and now, we will see what happens. It will be an interesting year, and I believe it will be disruptive to investment markets, some of it good, some not so good.

Hopefully I am wrong, but I’m not willing to gamble on the idea that the US stock market, which has averaged over 15% per year for 15 years (10% over 100 years) will continue at this pace. We are in a different financial world than during most of the last 15 years. Higher interest rates and inflation, almost \$40 trillion in US government debt, with \$2 trillion annual deficits are all serious headwinds. I have read that between JP Morgan, Goldman Sachs and Vanguard, their average forecast for US stock market for the next 10 years is 3.9% per year, roughly 1/3 of the past 15 years. Maybe they are wrong and are too conservative, but let’s not bet our future on that. Good planning will be the key to achieving one’s goals. We have financial planning software that can show you projected results for your situation with very reasonable expectations.

It is easy to project recent performance forward indefinitely. It’s known as “recency bias” and the last time I saw optimism at this level was right before the Y2K / dot.com tech stock mania bubble collapsed early this century. It’s different now; there is no Y2K etc., but it’s time to manage our expectations and prepare for good results, but not quite as good as we have gotten used to. We are fortunate to have increasing productivity, close to full employment and no recession on the horizon.

In my words of caution, I want to emphasize that we are long term, diversified investors and not performance chasers of the latest fad. I am a “realistic optimist”. We manage for a lifetime - maybe several generations - and that is my core goal, that we are committed to long term outcomes. With all each of us has done to accumulate what we have, you need the right plan and a qualified, experienced team to execute that plan, with a wide range of solutions available, because it has taken decades for you to get here, and we live in an economic world that can take it away quickly.

I have written a number of times about advances coming in healthcare and tech, and I think we will start to see plenty more of that this year. Already drugs like Ozempic and Wegovy (with others in the pipeline) are changing health outcomes along with eating and drinking habits, and the results will be a significant reduction in long term illness treatment costs for the general US population, Advances in Alzheimer’s are likely not far away. Artificial intelligence and robotics will continue to dominate our economy in health/longevity, social issues, environment, energy, and many others.

I suspect that many jobs will be replaced by machines that can work 24/7 and require no benefits or vacations. The societal implications are a great unknown and I believe the impact will be felt sooner than many anticipate. Ultimately, I believe we will have life changes unimaginable not long ago.

2024 was quite a year, with both good and bad system shocks in the economy, markets, politics and many of our personal lives. Although we never know in advance, 2025 will bring its own set of surprises.

**Best wishes for a wonderful year for you and your family!**



## Moves at EWS



*Melissa Phillips*  
Director of Operations

### Promotion Announcement

Since joining our team in 2021, Ryan has impressed us with his knowledge, work ethic, and overall positivity that he brings to any room. As a result of his hard work, we are pleased to announce that he has earned a well-deserved promotion to Wealth Advisor. While Ryan will still continue to work with many of you, he is now the lead advisor on his own clients and oversees our Client Service Team.

**Congratulations, Ryan!**

### New Team Member

Please join me in welcoming the newest addition to our team, Charles (Chazz) Scogna! Chazz joined EWS in mid-December and has proven to be a quick learner with an insatiable hunger for knowledge. He will serve many of you as your dedicated point of contact for service requests and attend review meetings to document and assist your advisor with action items. Please see below for a little bit about him. **Welcome, Chazz!**



*Chazz Scogna*  
Relationship Manager

Please, call me Chazz. I am the new Relationship Manager and am incredibly excited to be a part of EWS. Alongside the guidance of Ryan and Erin and the rest of the team, I aim to be a seamless fit for everyone.

A little about me: I am a lifelong Deptford resident, where I live with my fiancée Brittany and our four (count 'em, four) pets: two dogs and two cats. I graduated from Rowan with an English degree—I can confirm we all believe we are the next Shakespeare! I enjoy reading (the best book I ever read is a tossup between *Beloved* and *Moby-Dick*) and hanging with my family. And, on the rarest of days, I enjoy watching the Philadelphia Eagles. **I am very much looking forward to getting to know you all and assist with achieving your financial goals!**

### New Location—Coming Soon!

Speaking of moves at EWS, we shared with you in November via email the news that we will soon have a new home at 118 Bridgeton Pike in Mullica Hill. Our sign is up, renovations are underway, and we anticipate the building being ready around May – stay tuned for more updates and the official move in date. We cannot wait to show you our new and improved space! Until further notice though, it's business as usual in West Deptford.



## News at EWS

It just wouldn't be a **Tully** Christmas without festive hats and shirts – here is one of the whole gang celebrating together on Christmas morning.



**David** and family had fun celebrating the holidays with daughters Olivia and Corrine. Even Zoey the dog got in on the Halloween fun!



**Steffanie** and family took a trip in November to Miami to surprise Landon for his 13th birthday with Miami Dolphins tickets. Even though it's an Eagles house in NJ – they were all Miami Dolphins fans that weekend for him.



**Christopher Tully, CFP®**

President, Senior Wealth Advisor



**Paul Tully, CFP®**

Founder, Senior Wealth Advisor



**Steffanie Lerch, CFP®**

Senior Wealth Advisor



**David Koehler, CFP®**

Wealth Advisor



**Jessica Ortega, CFP®**

Director of Planning



**Melissa Phillips**

Director of Operations, Chief Compliance Officer



**Erin Fago**

Relationship Manager



**Chazz Scogna**

Relationship Manager



**Maureen Wilson**

Registered Associate



**Ryan Miller**

Wealth Advisor



**Frank Febbo**

Client Service Associate



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