



WOODARD & COMPANY
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Portfolio Profile

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We are saddened to share the passing of Larry Hungerford on November 13, 2025. Larry worked closely with Woodard & Company for many years and will be remembered for his intellect, professionalism, and dedication to those he served.

A Quick Reminder. Any member of the Woodard & Company advisory team is available to assist you. We operate under a team-based approach, and clients are not assigned to a single advisor. Our advisors are salaried, not commissioned, and we collaborate internally to provide consistent, objective service across the firm.

Woodard & Company is a fee-only, Registered Investment Advisory firm acting as a fiduciary, meaning we are legally required to act in our clients' best interests at all times. We do not sell products, earn commissions, or operate as a broker-dealer. In addition, once we manage your assets, all additional services are included at no extra cost, including financial planning, market guidance, and ongoing advice.

Financial Planning. We can implement a complete financial plan for you. We have two CFPs (CERTIFIED FINANCIAL PLANNER®) on staff and one CPA (Certified Public Accountant). There is no cost for these services; they are included with the management of your money and can be part of what we do for you. Several years ago, we acquired an outstanding financial planning software tool that is considered by Fidelity, our custodian, to be the finest financial planning software available. Please call if you would like this service to be performed for you.

Podcast. The Generational Investors Podcast is now live. Episodes are designed for both new and

experienced investors and are available on YouTube, Spotify, Apple Podcasts, Amazon Music, and iHeartRadio and are posted biweekly.

Cybersecurity. Please note: if we receive an email or a telephone message requesting money from you, we will contact you to confirm the request and assure that it is you who is making the request. Our custodian, Fidelity, tells us that cyberfraud is on the increase.

Year-End Housekeeping. The tax form mailing schedule for 1099s will be: 1099-R January 31st, 1099-Div/B - February 17th, Form 5498 - March 16th.

1099s. When a Form 1099 is issued, the tax coding is determined by the issuing firm. If a code is later found to be incorrect, custodial institutions (including Fidelity) generally will not revise or reissue the form. In those cases, the taxpayer or tax preparer must make the appropriate adjustment directly with the IRS when filing the return. To change 1099 coding, the taxpayer or tax preparer must obtain and file the appropriate IRS form through IRS.gov.

We are pleased to discuss your account regarding tax information on your behalf with your tax preparer; we simply need your verbal authorization (if you have previously given this to us, it is in your file).

Taxes. If you have a taxable (non-retirement) account, Fidelity will issue a Form 1099 reporting realized gains and losses, as well as dividends and interest. In some cases, Fidelity may not have complete cost-basis information for all holdings, which can result in assets being classified as "covered" or "not covered."

We generally recommend waiting until **after March 15** to file your tax return. Although 1099s are typically issued by the end of January, revisions can occasionally occur. While corrections after mid-March are rare, delaying filing can help reduce the likelihood of amended returns.

If you have assets that transferred from another custodian or firm, we may not have a cost basis. If during the year these assets were sold, please make certain that the cost basis information is provided to your tax preparer. We are pleased to incorporate cost-basis information on assets transferred into your account from other firms, but we can make no assurance as to the accuracy of the information. We also will incorporate your cost basis information into our reporting at your request as a convenience.

2026 Tax Tables. 2026 brings a few changes to taxes, but most adjustments are similar to 2025. For Roth and Traditional IRAs, the contribution limit and catch-up limit have been raised. As for income taxes, the brackets are the same as 2025, but the threshold for each limit has increased. The same goes for capital gains tax.

2026 Income Tax Brackets

Tax Rate	Single Filers	Married Filing Jointly
10%	\$0 to \$12,400	\$0 to \$24,800
12%	\$12,400 to \$50,400	\$24,800 to \$100,800
22%	\$50,400 to \$105,700	\$100,800 to \$211,400
24%	\$105,700 to \$201,775	\$211,400 to \$403,550
32%	\$201,775 to \$256,225	\$403,550 to \$512,450
35%	\$256,225 to \$640,600	\$512,450 to \$768,700
37%	\$640,600 or more	\$768,700 or more

2026 Capital Gains

Tax Rate	Single Filers	Married Filing Jointly
0%	\$0 to \$49,450	\$0 to \$98,900
15%	\$49,450 to \$545,500	\$98,900 to \$613,700
20%	\$545,500 or more	\$613,700 or more

2026 Roth and Traditional IRA Contribution Limit

Limit	Catch up Contribution (50 and up)
\$7,500	\$1,100

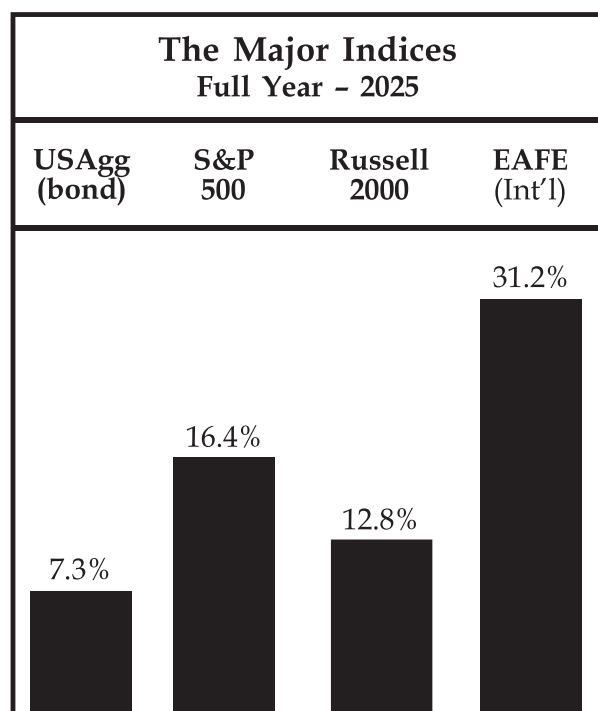
Markets. At year-end 2025, the S&P 500 finished the year among the best three-year performances in history. Furthermore, we believe there are more good stock market returns to come in 2026. It was a good year for precious metals as well; an ounce of silver is now worth more than a barrel of oil. Interesting times.

We believe 2026 is going to be a good year for the markets but there can always be a “black swan” event. A “black swan” is an unexpected event that negatively impacts markets significantly (ex. the 2000 “Dot-Com Bubble” or the 2008 “Global Financial Crisis”, the “Tariff Panic of 2025”), but they are difficult to plan for. Assuming an unknown or “black swan” event does or does not occur in 2026, we still expect earnings growth may be in excess of 10%. The best statistical correlation to stock market performance is earnings growth, consequently the anticipated earnings growth for 2026 suggests the probability of another year of double-digit returns for the S&P. While S&P earnings growth is not finalized for 2025 (which will happen in the next 60 days for the fourth quarter), 2025 earnings growth is estimated to be approximately 12.1%; the S&P 500 returned 16.4% in 2025.

Deregulation, tax relief, foreign investment, low oil prices, a soft dollar, and other factors should result in solid ongoing economic growth for the U.S. in 2026.

The big panic of 2025 was the error made by most of Wall Street assuming tariffs would cause runaway inflation. We got it right, with the exception of a very few items, the tariffs did not cause inflation, but the panic caused a major market selloff that ended in April. The Federal Reserve recently did a study showing that over the past 100 years, tariffs have actually been on balance, deflationary. Earlier in the year, the Wall Street Journal almost daily reported on the impending economic disaster coming from tariffs, the market selloff from top to bottom was deep (over 20%) and is

now known as the “Great Tariff Panic”. For the record, the Wall Street Journal now has headlines reading “Everyone Got Tariffs Wrong” (12/16/25) and “Stocks Defy Tariff Jitters” (12/31/25) and as we write this newsletter, “Do Tariffs Cause Inflation? Data Offers Clues” (1/6/26 and they answer that question with a “No, tariffs do not cause inflation”). We used the April sell-off as a buying opportunity which proved correct.



Market Leader’s Stock Portfolio. Our diversified portfolio of individual stocks had a good year. We beat the S&P 500 by a quite significant margin. We made various changes during the quarter, selling Meta and Verizon, purchasing RTX, Tesla and Netflix at year-end. We are currently “shopping” the “bargain counter” (tax selloff stocks) as well as targeting favorites we will be adding in the coming days. In consumer staples, Procter and Gamble was a disappointment in 2025. We bought some more PG on the selloff, it is a core holding and a defensive issue, but nevertheless, we will likely reduce that holding in the coming months.

Tactical Asset Allocation Portfolios. Our tactical portfolio with institutional class mutual funds utilizing portfolio theory. We have correctly remained overweight equities by 5% this year.

Also, for more “growth” oriented accounts, we have incorporated the American Beacon Natural Resources Fund, which has significant exposure to gold and silver, with a strong 2025 return correlation to those metals.

With these portfolios that are diversified into bonds, as we previously indicated, we have extended maturities and we anticipate continuing to do so. When we discuss yields on fixed income, the typical “benchmark” is the U.S. Treasury Ten-Year Bond. This year, for the most part, those yields have been between 4%-4.5% (At year-end 2024 they were approximately 4.5%, they have since dropped to approximately 4.15% at year-end 2025. We expect with changes at the Federal Reserve (a new Fed Chairman) that those yields may decline further and when yields decline, bond values increase. The Fidelity Treasury Money Market was yielding 5% on 12/31/24; the yield has now dropped to 3.50% as of 12/31/25. Looking at both short-term and intermediate-term bonds, you can see why we extended maturities, and it has been the correct course of action.

Fixed Income and Interest Rates. The Federal Reserve cut rates three times in 2025, bringing the federal funds target range to 3.50%–3.75%. With a new Federal Reserve Chair expected later this year, additional rate cuts are anticipated in 2026. While lower rates may benefit borrowers, they may reduce yields for investors who have benefited from higher rates on cash and bank deposits.

Inflation remains above the Fed’s 2% target, running closer to 2.7%, though moderating energy prices may provide some relief for consumers. Fuel prices remain elevated relative to prior years but could continue to ease as global supply increases.

The U.S. Aggregate Bond Index returned approximately 7.3% in 2025, with high-yield bonds returning 8.7% and U.S. agency issues approximately 6.1%. Throughout the year, we selectively extended portfolio duration toward intermediate-term bonds to take advantage of declining interest rates. The 10-Year U.S. Treasury ended the year yielding approximately 4.15%, and we believe current positioning remains appropriate as rates normalize. The 10 Year Treasury Bond opened 2025 yielding 4.57% and closed the year yielding 4.15%. It saw a 52-week high yield of 4.80% on January 6th last year and a

52-week low yield of 3.95% on October 22nd. As of the writing of this newsletter, it is yielding 4.18%.

Required Minimum Distributions (RMDs). Clients age 73 or older are subject to IRS-required minimum distributions from traditional IRAs. The RMD age is 73 for individuals born between 1951–1959 and 75 for those born in 1960 or later. If an RMD applies to you, materials will be sent in January outlining your required distribution amount, available tax-withholding options, and distribution timing preferences. Please note that failure to take an RMD results in a 25% IRS penalty, in addition to any taxes owed. If you have questions or wish to take a distribution earlier, please contact our office.

Access your account. Our website is www.wcamg.com and is the best way to view your account online at Fidelity. You may go to the “Fidelity” tab and set up your password etc. and then view your account online.

ADV Document. We are happy to provide you with a copy of our “ADV” which is our disclosure document that we file annually with the U.S. Securities and Exchange Commission (SEC), you can also view it on the SEC’s website at www.sec.gov and there is a link to it on our website. We are also pleased to provide our confidentiality statement and code of ethics if you wish to receive a copy let us know and we will mail you one, it is also on our website at www.wcamg.com.

Security transactions. You may wish to do a stock trade or other securities transaction in your account which we are pleased to implement for you; please however do not leave these transactions on our voicemail or email, please speak with an individual otherwise they may not be implemented in a timely fashion, if at all. Typically, we are pleased to implement these transactions as a courtesy, at no charge to you.

Supplies. If you would like a new binder, pen, notepad, or one of our leather calendar books, please contact the front desk and we will be happy to provide one.

Non-Managed Assets. Some clients hold previously purchased stocks, bonds, funds, or other securities they prefer not to sell due to tax

considerations or other reasons. These assets are placed in a “non-bill” category so they may be held alongside managed assets for convenience. While we are pleased to facilitate custodial services and provide analysis upon request, we do not actively monitor or assume responsibility for news, mergers, defaults, corporate actions, or other events related to these non-managed assets. We take full responsibility for the assets we manage, but cannot track or respond to developments affecting unmanaged holdings unless specifically directed by the client.

Change in Objectives, Risk Tolerance, or Circumstances. Please look at your current allocation; does it reflect your objectives, risk tolerance, and needs? Please let us know if your circumstances, needs, risk tolerance, or objectives shift may have an impact on the way we manage your assets. We can and will respond to your needs by tailoring the allocation to meet your criteria. We look forward to hearing from you and discussing any issues that relate to our management of your assets.

Thank You for Your Referrals. We want to sincerely thank all of our clients who have introduced friends and family to our firm. Your trust means the world to us. Referrals are the highest compliment we can receive, and we deeply appreciate the confidence you show in our team.

Account Flexibility Reminder. A friendly reminder: there is no account size minimum for family or additional accounts under your household. Any new or additional accounts within the same family are billed at the same rate.

If you have any other questions about your account or any concerns, please give us a call at 336-998-7000. We always enjoy talking with our clients.

This newsletter represents the opinions of Woodard & Company which are subject to change and does not constitute a recommendation to purchase or sell any security. The information contained herein has been obtained from sources believed to be reliable but cannot be guaranteed for accuracy.