

Financial Insight

Security For Generations



4th Quarter 2023

Long Summers & Short Winters

I recently attended a presentation by Dr. David Kelly, the Chief Global Strategist at J.P. Morgan, who said that we are fortunate to be participants and investors in an economy that has long summers and short winters. As the days grow shorter and colder here in Minnesota, we may feel that the actual winter will be quite long! As we watch the news anchors drone on about the problems plaguing the world right now, we may be tempted to think the economic winter will be quite long as well.

Yet when we look at data from the National Bureau of Economic Research, we see that since 1945 the average length of economic expansions has been 64 months; whereas, the average length of economic contractions has only been 10 months. Dr. Kelly is indeed right that we live in an economy of long summers and short winters. Despite all the terrible challenges our world has endured over the last 80 years, we have been in a period of expansion the vast majority of the time. So, what does this mean for us?

One lesson we can learn is that it pays to be optimistic. While it is a coin flip whether the stock market is up or down on any given day, it is a near certainty the market will be up over a period of five or ten years. The optimists who have stayed invested in equity markets through the ups and downs have been richly rewarded.

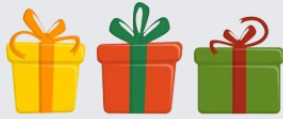
Another lesson is that we should be careful not to expect negative trends to continue indefinitely. Throughout history, the absolute best opportunities to invest have always come when past returns were the absolute worst. In March of 2009, we were embroiled in the Great Recession and the country was gripped by panic. In March of 2020, we were facing a global pandemic. Markets had crashed and fear was everywhere. As a direct result of this widespread fear, those were two of the best times to invest in the past several decades. The future returns were the highest precisely when the trailing returns were the lowest. During periods when trailing returns are not what you hope for, your forward outlook might be more positive than you would imagine.

In this holiday season, may your days be merry and bright.



Josh Moklestad, CFP[®]

2023 CHARITABLE GIFT MATCH



We are pleased to continue our tradition of matching your holiday charitable gifts! GEN Financial will match your contribution to a recognized charity up to \$50. Be on the lookout for Gift Match Forms which you should receive in the mail around Thanksgiving.

In 2022, we received and matched over \$11,000!

We look forward to receiving and matching your tax-deductible contributions.

Thank you for your generosity!

2024 Contribution Limits

401k Employee Contribution	\$ 23,000.00
401k Catch-Up Contribution - Over 50	\$ 7,500.00
Roth/Traditional IRA Contribution	\$ 7,000.00
Roth/Traditional IRA Catch-Up - Over 50	\$ 1,000.00
HSA Contribution - Single	\$ 4,150.00
HSA Contribution - Family	\$ 8,300.00
HSA Catch-Up - Over 50	\$ 1,000.00

The IRS has set contribution limits for 2024. We have included a table below listing the three most common account types, but this is a great time of year to check with your advisor and/or HR person to ensure your recurring contributions get adjusted upward right away in 2024.



My Very Own Bed
Providing new beds to kids in need.



On October 11th, the GEN Financial team volunteered to construct beds at My Very Own Bed in Northeast Minneapolis. We had a blast while assembling approximately 60 beds that will be delivered to kids in the community who otherwise would lack a comfortable place to sleep.

*Materials discussed in this newsletter are meant for informational purposes only.
Always seek professional advice before making any decisions.*

We welcome your thoughts, comments and suggestions regarding our newsletter.
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