



"A strong financial plan doesn't predict the future—it prepares you for it."

Year in Review

- Bond markets faced renewed pressure in the third quarter, as rising inflation concerns, stronger economic growth, and expectations for higher interest rates pushed Treasury yields higher. Longer-duration bonds experienced the greatest weakness during the period.
- Mortgage rates moved sharply higher recently, reflecting rising Treasury yields and persistent inflation concerns. As of October 6, the average 30-year fixed mortgage rate is approximately 7.55%, while the 15-year fixed rate is approximately 6.83%.
- Year-end mutual fund distributions are approaching, with many funds expected to distribute realized capital gains and dividends during December. Distribution estimates can change before payment dates, so investors should review amounts and consider tax implications.

BENCHMARKS YTD THROUGH 9/30/2026

FTSE World Gov't Bond Index 3-7 Yr. Hedged	-1.21%
Russell 2000 (US Small Cap index)	+12.69%
S&P 500 (US Large Cap index)	+11.77%
Wilshire 5000 (US Total Market index)	+11.40%
MSCI EAFE (International Stock index)	+8.05%

FBI FRAUD ALERT

The FBI warns that cryptocurrency investment fraud, commonly called "pig butchering," is a widespread scam in which criminals build trust with victims before convincing them to invest increasingly large amounts of money in fake cryptocurrency opportunities. Victims typically believe they are making legitimate investments, but the displayed profits and investment platforms are fraudulent.

Scammers often initially contact victims through social media, text messages, dating websites, WhatsApp, Telegram, online advertisements, or even fake investment applications. They gradually establish credibility through friendship, romance, professional relationships, excessive flattery, or claims of investment expertise. They may initially allow small withdrawals to make the platform appear legitimate and encourage larger investments.

Once victims invest more substantial amounts, scammers may freeze their accounts and demand additional "taxes," "fees," or other payments before allowing withdrawals. The FBI emphasizes that these demands are another part of the scam; paying additional money will not recover the funds. Victims are also frequently targeted by separate recovery scams in which criminals impersonate law enforcement, attorneys, or recovery companies and promise to retrieve the stolen money for a fee.

Anyone who suspects they have been victimized should immediately stop sending money and report the fraud to the FBI's Internet Crime Complaint Center (IC3). Victims should provide transaction information, cryptocurrency wallet addresses, transaction IDs, dates, amounts, communications, websites, and other identifying information whenever possible. The FBI advises people not to trust investment opportunities presented by strangers online, verify websites and applications carefully, avoid unrealistic promises of quick profits, and never pay additional fees or recovery services after losing money.

QUARTERLY CLIENT WEBINAR

Date: Thursday, October 22nd Starting time: 12:00 pm, Eastern Standard Time

Website link: <https://events.teams.microsoft.com/event/3176c196-2006-46bf-b74e-27a7a6dc52a0@6e7c39d0-19e0-457a-933e-cb95e31c0b35?source=copyLinkLegacyShareEventDialog>

If you cannot join us for this important webinar, we will post a recording of the entire presentation on our website at www.afadvisors.com.