



## Diving into the Year Ahead

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### Did You Know?

#### Vitamins

The discovery of vitamins was a major scientific achievement for our health and addressing disease. In 1912, Casimir Funk coined the term "vitamine".

All vitamins were discovered between 1913 and 1948.

Starting in 1935, commercially produced tablets of yeast-extract vitamin B complex and semi-synthetic vitamin C became available. This was followed in the 1950s by the mass production and marketing of vitamin supplements, including multivitamins.

Vitamin A acts as a regulator of cell and tissue growth and differentiation.

Vitamin D provides a hormone-like function, regulating mineral metabolism for bones and other organs.

The B complex vitamins function as enzyme cofactors (coenzymes)

Vitamins C and E function as antioxidants.

Major health organizations list thirteen vitamins:

Vitamin A, Vitamin B<sub>1</sub>, Vitamin B<sub>2</sub>, Vitamin B<sub>3</sub>, Vitamin B<sub>5</sub>, Vitamin B<sub>6</sub>, Vitamin B<sub>7</sub>, Vitamin B<sub>9</sub>, Vitamin B<sub>12</sub>, Vitamin C, Vitamin D, Vitamin E, and Vitamin K.

Source: Wikipedia.com



December ended up delivering a lump of investor coal this holiday season. The Dow ended the month with the worst performance of the major indices. It was down 5.3%, while the S&P 500 ended the month off 2.5%. Meanwhile, the tech heavy Nasdaq actually squeaked out a gain of 0.5%.

Combining these figures with the previous months, the Dow finished the year up 12.88%, the S&P 500 surged 23.31%, and the Nasdaq was the biggest winner with a gain of 28.64%. Impressive numbers spurred on by enthusiasm for rate cuts, declining inflation, artificial intelligence, and even the blockbuster weight loss drug Ozempic. Not to mention new expectations in Washington, D.C. for lower taxes and looser regulations.

From an annual perspective, there was a lot of good things to celebrate. However, we feel it's also important to decode what December is telling the markets. After a post-election relief rally, a retrenchment occurred in December. Driven primarily by market uncertainty around potential tariffs, fickle inflation, and employment trends.

The bond market spoke clearly, pricing in that uncertainty with a 40-basis point jump in the 10 year US Treasury bond. Interest rates have steadily increased since the election along with the value of the US dollar. Higher rates are good for savers in terms of higher CD and money market rates, but it also means higher costs / rates for mortgages, car loan, and corporate borrowing.

Combined with a stronger US dollar, the big concern is slowing economic growth and higher costs of imports. Factors that are expected to contribute to persistent inflation which appears to have flatlined for now. As a result, investors can assume fewer Fed rate cuts for the year ahead.

Going forward, we expect headline risk to rule the early part of 2025 as we wait for actual economic results from campaign promises. Tariff talk and immigration changes were great campaign rallying cries, but right now, it's frankly unrealistic to truly know which policies and practices come out of the new administration, let alone the short-term and long-term impact they have on global trade and labor markets to name a few.

Overall, our sense is that the story for Q1 will be uncertainty and slower growth, which will eventually give way to increasing consumer demand and spending, followed by lower rates and moderating growth by the midpoint of 2025. Of late, tech earnings are moderating, while consensus views for non-tech sectors are accelerating. For investors, that means near-term opportunities exist and are likely to expand in the first quarter.

Taking it one step further, our antidote for uncertainty is diversification across a variety of sectors and asset classes (Mid-cap, small cap and banking for example) Two other key pieces for fighting uncertainty and slower growth comes from consistent dividend paying companies with battle-tested management teams and also fixed income at current levels.

### Trivia:

- 1) What time is almost always displayed on a watch or clock in an advertisement?
- 2) Do butterflies taste with their wings or feet?
- 3) What is the universal donor blood type?
- 4) What was the first satellite to enter space called?

## What's Your Plan for . . . . . . just the Facts?

If you're of a certain generation, or just a lover of late night TV, you'll recognize the quote "Just the facts, ma'am. Just the facts." It was frequently uttered by Dagnet's Sgt. Friday as he spoke with someone who had information to share about a crime or a concern.

So, in great Sgt. Friday fashion, we've enclosed our annual 2025 Key Financial Data, which is just the facts. And, believe it or not there really something for everyone

**For the Simply Curious:** it answers the question "What ARE the basic numbers?"

**For the Charitably Minded:** To itemize or not to itemize (that is the question.)

**For the Aspiring Retiree:** How much can I save in my 401k or IRA in 2025?

**For the Bracket Barons:** How much income is too much income? How much income will be subject to Social Security taxes?

**For the Family Focused:** What is the 2025 Annual Gift Exclusion?

Like Sgt. Friday, having the facts is just the beginning. We're here to dissect the Facts to address your planning and investment situations. So, *What's Your Plan . . . for Just the Facts, ma'am. Just the fact*



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## The Unsolvable Problem

"During a mathematics course at the University of California, Berkeley, a student fell asleep and woke up to the sound of his classmates talking.

As the lesson ended, he noticed the lecturer had written two problems on the whiteboard.

He assumed these were homework assignments, so he copied them into his notepad to tackle later.

When he first attempted the problems, he found them quite difficult.

However, he persevered, spending hours in the library gathering references and studying until he was able to solve at least one of the challenging homework problems.

To his surprise, the professor didn't ask about or explain the problems on the board from the previous class.

Curious, the student stood up and asked, "Professor, why didn't you cover the homework from the last lecture?"

The professor chuckled, "Homework? That wasn't homework. I was simply presenting examples of mathematical problems that science and scientists had not solved yet."

Shocked, the student responded, "But I solved one of them!"

The solution he discovered was eventually credited to him and documented at UC Berkely.

In fact, the four papers he wrote on the issue are still on display at the school. The student was George Dantzig who received a Bachelor's degree from University of Maryland in 1936, a Master's from the University of Michigan in 1937, and his Doctorate degree from UC Berkely in 1946.

He later became a professor at Berkeley in 1960, and then finally joined the faculty of Stanford University in 1966, where he taught and published as a professor of operations research until the 1990s.

The key reason that young George Dantzig was able to solve the problem was that he didn't hear the professor say, "No one has found a solution."

Instead, he believed it was a problem worth solving and approached it with fresh eyes and a deep desire to figure it out, no matter how hard or challenging it appeared.

It's a great story that serves as a reminder that you have the power to achieve your goals, overcome obstacles, and fulfill your aspirations... and the best way to accomplish this in relationships, mental health, physical fitness, or financial well-being is to tune out anyone who says it can't be done or that it can't be solved!

## Trivia Answers

- 1) The time of 10:10 because it looks like a smiley face
- 2) Butterflies taste with their feet
- 3) The universal donor blood type is O negative
- 4) The satellite was Sputnik

Source: triviaonline

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