

Quarterly Insights

Economic and Investment Environment

2024 opened with continued strong market gains, echoing the trend from late 2023 and surprising many investors who feel worried about the state of the world. While we acknowledge the real negatives, it's important to note that the media tends to focus overwhelmingly on bad news, creating a one-sided perspective. However, amidst this, there is a case for optimism with the stock market performance that often goes unreported.

When investing in the stock market, it's crucial to remember that we are investing in companies, not directly in consumers or the economy's growth rate. While these factors matter to some extent, shifting the focus to companies changes the viewpoint a bit. Companies are just beginning to leverage AI, and computational power is experiencing exponential growth. This has the potential to significantly enhance companies' efficiency and productivity, either by reducing the number of employees or enabling them to accomplish more with the same workforce. Consequently, effectiveness increases while expenses decrease, setting the stage for higher corporate profits.



While occasional pullbacks are natural during bull markets and are generally considered healthy, the future possibilities largely hinge on broader trends and technological advancements rather than sensationalism and political noise.

Inside:

1. Economic Update
2. BFG Updates; Baby Announcements
3. Portfolio Updates
4. Tax Updates

BFG Updates

Women in Business



In May, our COO, April Bortscheller, and VP of Practice Development, Kristi Sanz, will be attending the Minneapolis/St. Paul Business Journal's Women in Business Awards and Expo to connect with and honor other local influential women in business, including industry-leading executives and entrepreneurs.

New Blog Section of Website

We recently added a new section to our website with video and written blogs created by some of our advisors. Check it out! bergerfinancialgroup.com/blog

Form ADV Part 2A Updated

Our form providing business practices and qualifications information was updated March 22nd as part of an annual amendment. No material changes have been made since August 2023. If you'd like to receive an updated copy please call us at (763) 746-2666.

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Our Growing BFG Family



Matthew Gibbs from our Vermont office and wife Annie welcomed their first child on December 6th, Leo Mitchell Gibbs, named after his great grandfather. Pastimes include napping, squealing, smiling, and crying.



Collin Lehman from our Plymouth, MN office and wife Amanda welcomed their 4th and final new arrival on February 13th. Wilbur Harold Gary Lehman already has his sisters wrapped around his finger and brother, Finn is mildly jealous.



Seth Wagner from our Plymouth, MN office and wife Kayla are expecting their 3rd child and first boy in late June! The girls are very excited to be big sisters and dad is looking forward to adding a boy to the roster.



Melissa Latifi from our Sun City West, AZ office and fiancé Daniel are expecting their 3rd child and first girl in late May! The baby will be named after Melissa's great grandma, Madelyn, and will be well loved by her older brothers.



Ryan Kompelien from our Plymouth, MN office and wife Melanie are expecting their 3rd child early November. While still at the beginning stages, everything is going great and they are excited to see their family grow.

Don't forget about the fur babies!



Bring Your Dog to Work Day in February was a success as we celebrated some of our favorite furry friends.

Model Portfolio Update

With the continued rising tide trend in equity markets, changes have not yet been necessary in the strategies since the January rebalance. Having said that, we are active in researching additional investments in the fields of AI and other ancillary industries that may have the most to benefit from this emerging technology. Additionally, Bitcoin ETFs have been approved by the SEC and are trading. We remain interested in watching the behavior of these ETFs and how they might be considered in existing or new strategies at BFG.

Investment Committee (IC)



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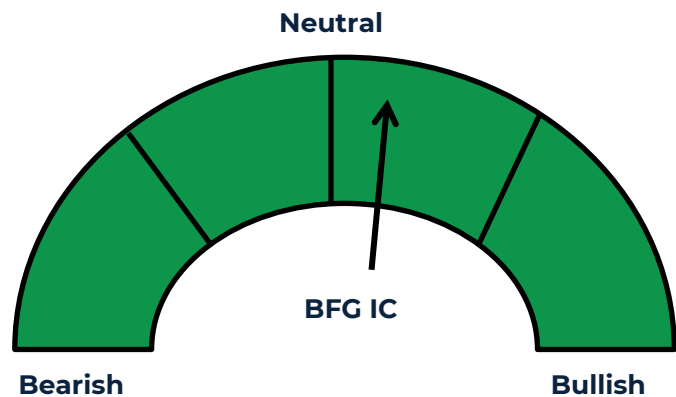
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Kim Lillehaug,
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Benchmark Returns as of 3/31/2024		
	1st Qtr	YTD
Bond Markets		
Barclay's US Aggregate Bond Index	-0.78%	-0.78%
Barclay's Global Aggregate Index	-2.07%	-2.07%
Stock Markets		
S&P 500	10.56%	10.56%
All Country World Index Ex-US (ACWX)	4.60%	4.60%
Russell 2000	5.18%	5.18%
Blended Indexes		
25% Equity	2.06%	2.06%
50% Equity	4.89%	4.89%
50% Equity w/ Foreign	3.70%	3.70%
Commodity		
Goldman Sachs Commodity Index (GSCI)	10.36%	10.36%

BFG Investment Committee Market Outlook for Q2



Indices mentioned are unmanaged and cannot be invested into directly. Past performance is no guarantee of future results. These are the opinions of BFG Investment Committee and are for informational purposes only, and should not be construed or acted upon as individualized investment advice. The market view information is based on a collective view of the current economy. This information cannot be guaranteed and should not be used as the basis for making an investment decision. Please consult your financial professional prior to making investment decisions.

Income Tax Update

The BFG Tax Team is taking a well-deserved break to recharge their batteries after another tax season in the books. While many of our clients file their tax returns by the April deadline, some choose to file an extension for a variety of reasons or special circumstances. For those that we have provided a tax extension for, we ask you to keep the following items in mind:

- Extending your return does not extend the date that taxes can be paid; all taxes for 2023 were due on April 15th so if your tax advisor provided you with the extension vouchers that you have yet to pay, please make those payments as soon as possible. Tax agencies, such as the IRS and Minnesota Department of Revenue, will assess late payment penalties based on a percentage of your total tax due.
- If you have most of your tax documents together, please send them in now so we can get a start on your return as you wait to gather the last several pieces of information.
- The extended due date for partnership and corporate tax returns is September 16, 2024, and the due date for individuals is October 15, 2024. The BFG Tax Team requests that you provide all tax documents **at least three weeks before** these deadlines to give them enough time to accurately complete and file your 2023 extended tax return.

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Q2 Holiday Office Closures

Monday May 27th - Memorial Day
Wednesday June 19th - Juneteenth

At BFG, we provide comprehensive, ethical and personal service to help our clients navigate the complex world of personal finance. With experienced financial planners and dedicated CPAs, our unique tax-focused, team approach to planning sets us apart. As a result, we are able to seamlessly collaborate, plan for and implement multi-year financial and tax strategies few others are capable of.

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