Q2 2026 Quarterly Letter

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America at 250: Stewardship, Strength, and the Courage to Evolve

America turns 250 this year. That number alone is worth sitting with for a minute.

For centuries prior to the "official" start date of July 4, 1776, a group of adventurers seeking freedom and self-rule sailed across an ocean into the unknown. They had enormous vision and very little certainty. They knew they could not do it alone. They needed other builders, other believers, and other stewards. They also knew they would have to leave behind much of the life they knew to pursue something better.

That spirit still feels deeply American to me.

It is the spirit of entrepreneurship. Innovation. Capital formation. Creative destruction. Bigger and bigger visions. Sailing toward unknown horizons without certainty but doing it anyway. Then doing it again. Constantly letting go of old assumptions and former ways in search of something better.

Of course, the journey has not always been smooth. There have been mistakes, blind spots, excesses, and painful corrections along the way. There still are. But stagnation and sitting still have never been the answer either.

America, at its best, is not a story of perfection. It is a story of evolution.

Our founders could not foresee the future. They could, however, build a system with enough strength to endure and enough flexibility to adapt. Checks and balances. Individual rights. Property rights. Capital markets. Bankruptcy laws. A culture that, despite all its flaws, still rewards risk-taking, reinvention, and long-term thinking. America's greatest strength may not be that it got everything right from the start. It may be that it institutionalized the ability to improve.

That idea resonates with me personally. It also resonates with where Members' Wealth finds itself today.

Three years ago, when we took on our first client, the goal was simple: survive. Build something real. Prove we could do it. Keep the lights on. Help people in hopes that the would spread the word to others. Like most young businesses, survival itself was the mission.

That is no longer where we are.

We have the building. We have the people. We have the clients. We have the revenue. More importantly, we have a much clearer sense of what we are trying to build and who we are trying to become.

Members' Wealth is no longer trying to prove it exists. We are trying to build an institution that endures.

That has changed how we think.

In the beginning, a few of us drafted the early vision for what this firm might become. Since then, the people around the table have changed. New teammates have joined. More voices have been included in the leadership process. We have revisited our values, sharpened our mission, and become much clearer about the kind of organization we want to build. We are actively moving from a founder-led business toward a firm that can outlast and improve upon its founders.

That matters to me a great deal.

Because the real success of Members' Wealth should never depend on any one individual, including me. We are all just stewards of our roles and responsibilities for a period of time. If we do this right, the firm should continue to improve long after the original builders step aside. It should become more capable, more resilient, and more useful to families over time.

That is stewardship.

At Members' Wealth, we have always had a team of people who genuinely wanted to help others. Great people helping great families. But over the last year something has shifted. We have realized more clearly the opportunity we have to impact more lives. And if we truly believe what we do changes lives, then we have a responsibility to meet more people and tell that story more confidently.

For a firm that has never loved the idea of "selling," that has required a mindset shift.

We have stopped thinking about growth as something separate from service. If we believe our Wealth Done R.I.T.E. framework, our integrated planning, and our service model genuinely improve families' lives, then staying quiet about it is not humility. It is a missed opportunity to help.

That is why one of the phrases we keep coming back to internally is simple:

Meet People. Help People. Change Lives.

It captures what we are trying to build. It also captures why this past quarter—one of our strongest quarters of growth—feels meaningful beyond the numbers. Growth for its own sake is not the goal. Growth in service of helping more families, creating more opportunities for our team, and building something enduring absolutely is.

I believe today something I did not fully believe three years ago: dreams and visions should be big enough to scare you. Writing them down matters. Sharing them matters. Breaking them into specific actions matters. Most of us overestimate what we can get done in a year and underestimate what we can get done in five. Success is not random. There is a formula of work, discipline, patience, and learning. But there is also something else. You have to keep letting go of the former version of yourself to make room for the future version of yourself.

That is true for countries. It is true for businesses. It is true for families. And it is true for Members' Wealth.

The First Half of 2026: Strong Returns, Strange Backdrop

Symbol	Name	2Q	YTD	1 Yr	3 yt (AN)	5 Yr (AN)	10 Yr (Ann)
^BBUSATR	Bloomberg US Aggregate Bond	0.67%	0.62%	3.79%	4.16%	0.08%	1.54%
^BBMBTR	Bloomberg Municipal Bond	2.50%	2.32%	7.03%	3.76%	1.05%	2.15%
JNK	State Street SPDR Bloomberg High Yield Bond ETF	2.34%	1.90%	5.79%	8.51%	3.58%	4.88%
^SPX	S&P 500 Total Return	15.20%	10.21%	22.33%	20.61%	13.41%	15.51%
^RUTTR	Russell 2000 Total Return (Small Cap Equity)	21.49%	22.57%	40.78%	18.60%	6.99%	11.63%
^DJUSRET	Dow Jones US Real Estate Index Total Return	8.55%	10.17%	10.96%	8.95%	3.08%	5.61%
^BCTR	Bloomberg Commodity Index Total Return	-8.08%	14.36%	25.46%	11.69%	9.37%	5.83%
IEMG	iShares Core MSCI Emerging Markets international ETF	19.69%	24.20%	41.51%	22.44%	7.43%	10.02%
IEFA	iShares Core MSCI EAFE ETF (Developed International)	8.42%	9.72%	19.85%	16.52%	8.75%	9.68%

If someone had handed you the headlines on April 1 and asked where markets would finish the first half of the year, what would you have guessed?

Iran. Tariffs. The Fed. AI exuberance. Deficits. Trump Accounts. SpaceX dominating financial conversations. Bitcoin. Oil. Inflation. Wars. That is not exactly the kind of backdrop that typically screams "strongest first half for stocks in five years."

And yet, here we are.

The first half of 2026 has been another reminder that headlines and market returns do not always travel together. Markets are discounting mechanisms, not scorecards for how the world feels in the moment. Expectations matter more than headlines. Positioning matters more than narratives. Sometimes markets move because conditions are improving. Other times they move because things turned out less bad than feared. And sometimes they move because the world is in a mood to celebrate.

Maybe there is a bit of that going on right now.

America's 250th birthday is creating a celebratory backdrop. The World Cup is adding to the energy. There is hope, however fragile, that two horrific wars may finally be moving closer to an end. The American dream, though cloudier at times than we'd like, remains a powerful story. And people like stories. They like birthdays. They like celebrations. They like to believe the future can be better than the past.

Markets may be partying a bit too.

That does not mean the party ends tomorrow. It also does not mean investors should become reckless because the music is still playing. In fact, it is often in moments like this that discipline matters most. We can believe in America, believe in long-term investing, and still ask a very practical question:

Do you really need SpaceX-level risk to build the life you want?

That question sits at the heart of how we think about Wealth Done R.I.T.E.

Because whether the shiny object is Bitcoin, private credit, AI infrastructure, gold, SpaceX, or the next great speculative story, the real question is not whether the asset is exciting. The question is whether taking that level of risk is necessary to achieve the goals that actually matter to your life and your family.

That is where we turn now.

Wealth Done R.I.T.E.

At Members' Wealth, our framework remains the same:

Risk. **I**nvestments. **T**ax. **E**state.

Wealth planning is not just about investment returns. It is about preserving what matters, growing what can grow, enduring through volatility and change, and evolving over time as your life, your family, and the world around you change.

This quarter, that framework feels especially relevant.

R – Risk

Risk is where we begin because it is where stewardship begins.

Families work hard for their wealth. Businesses are built through sacrifice, discipline, and years of uncertainty. Our job is not to eliminate risk—that is impossible. Our job is to help identify which risks are worth taking, which risks are worth avoiding, and which risks should be transferred before they become life-altering.

This quarter, one risk topic kept resurfacing in our client conversations, and it was not oil volatility or the latest geopolitical scare.

It was inflation.

Forget the day-to-day swings in oil for a moment. Families are still paying more for nearly everything. Groceries. Insurance. College. Healthcare. Travel. Home repairs. Labor. Entertainment. The lived experience of inflation still feels very real, even if the headlines have moved on.

That matters because inflation is not just an economic statistic. It is a cash flow risk. It is a retirement planning risk. It is a long-term care risk. It is a business planning risk. It is a risk to purchasing power and, over long stretches of time, one of the more corrosive forces in wealth management.

This is why we are constantly reminding clients that risk is broader than market volatility. It includes:

- the risk of outliving your money because inflation quietly erodes purchasing power
- the risk of carrying too much cash for too long because it feels safe
- the risk of concentration in one stock, one business, one property, or one narrative
- the risk of inadequate insurance coverage as costs rise and policies become more restrictive
- the risk of chasing a hot idea at precisely the moment your plan requires restraint

There is another risk that I think deserves more attention than it gets, especially in affluent families: the risk that wealth is transferred without enough conversation around purpose, values, and responsibility.

Many families are thoughtful about how to transfer assets. Far fewer spend the same amount of time discussing what those assets are for, what responsibilities come with them, and what kind of stewards they hope the next generation will become.

In our view, that is a real risk.

Because family wealth is often not lost because investment performance fails. It is lost because communication fails. Expectations are unclear. Heirs are unprepared. Values are assumed rather than articulated. Money arrives without context, responsibility, or direction.

That is why one of the most important risk conversations we can facilitate is not about the S&P 500. It is about the family.

1. What does wealth mean in your family?
2. What responsibilities come with it?
3. How should money be used to improve lives?
4. What values do you want future generations to remember?
5. If your family had a mission statement, what would it say?

Those may be the most important risk management questions we ask all year.

I – Investments

If Risk is about protecting the foundation, Investments are about deciding where and how to grow. And right now, markets are making that job both easier and harder. Easier because returns have been strong. Harder because strong returns can blur judgment.

The first half of 2026 has rewarded equity investors handsomely. That is good news. But strong markets also increase the temptation to get cute, chase what is working, and confuse excitement with necessity.

At Members' Wealth, we continue to ask a simple question:

Is the potential return sufficient to justify the risks we are assuming to achieve your goals?

Not someone else's goals. Yours.

Cash and Short-Term Bonds

Cash still has a role. Liquidity matters. Emergency reserves matter. Spending reserves matter. Optionality matters. But cash is a tool, not a long-term growth strategy.

And inflation is exactly why.

Yes, cash yields remain better than they were a few years ago. But even if money market yields feel "fine," earning 4% while the cost of everything you buy continues to rise is not a long-term victory. It is a placeholder.

We continue to monitor cash levels carefully, especially in larger portfolios where excess idle cash can quietly become a drag. The question is not whether cash is good or bad. The question is how much is enough and what job that cash is meant to do.

Bonds and Interest Rates

Bonds have become more interesting again, though not because they make for exciting dinner-party conversation.

Rates remain elevated enough to create actual income opportunities, but the market is still wrestling with a difficult combination: slowing inflation, persistent deficits, Fed uncertainty, and a world that is not quite as calm as it would like to be. For us, that means staying flexible.

We continue to like the role of high-quality bonds as part of a diversified portfolio, particularly where they can lock in reasonable income without forcing investors into unnecessary equity risk. We are also thinking carefully about the maturity dates of the bonds we buy. There is a difference between taking interest rate risk intentionally and simply reaching into longer term bonds because you are tired of cash.

High Yield and Credit Risk

High yield and credit continue to require caution.

Spreads remain relatively tight by historical standards, which means investors are not always being paid especially well for the additional credit risk they are taking. That does not mean there are no opportunities. It does mean this is not an area where we feel compelled to reach aggressively.

As always, we are trying to separate income that is attractive from income that only looks attractive because the risks are harder to see. That is particularly important in private credit and other less liquid strategies where smooth reported returns can mask real underlying fragility.

Stocks, Psychology, and the Strongest First Half in Five Years

Stocks have been the story.

The strongest first half in five years is worth respecting. It is also worth contextualizing.

Markets can stay strong longer than skeptics think. New highs are not, by themselves, reasons to sell. Optimism is not automatically irrational. But neither are strong returns an excuse to abandon discipline. We continue to see a market that rewards quality, scale, and narrative. We also continue to see investors tempted by whatever feels hottest at the moment.

That is where psychology matters.

The question is not whether a stock, theme, or company is great. SpaceX may be great. AI may change everything. Bitcoin may continue to surprise skeptics. The question is whether taking that particular risk, at that particular price, in that particular size, is necessary for your plan.

For many families, the answer is no.

You do not need a speculative allocation to build a wonderful life. You do not need to be the first person into every hot trade. You do not need to own the most exciting story in the market to fund retirement, help children and grandchildren, give generously, and preserve optionality.

This does not make us anti-risk. It makes us pro-intentional risk.

There is a meaningful difference.

International Stocks and Diversification

One of the more interesting developments of the past year has been the improved case for international diversification. For years, U.S. stocks have dominated the conversation. U.S. companies have been larger, stronger, more profitable, and better storytellers. But leadership does not stay concentrated forever, and valuation still matters over time.

We continue to believe there is a role for international exposure, for smaller companies, and for areas of the market that feel less glamorous in the moment. That role will vary by client, but the principle remains the same: do not let recent winners trick you into believing diversification no longer matters.

The Shiny Object Test

Whenever markets are strong, we find it helpful to run a simple mental exercise:

If this investment dropped 30%, 40%, or 50%, would I still believe it was necessary for my goals?

If the answer is no, it may not be a core investment. It may simply be a shiny object.

There is nothing wrong with curiosity. There is nothing wrong with a measured speculative allocation for the right investor. But there is a great deal wrong with allowing excitement to outrun purpose.

At Members' Wealth, our investment job is not to entertain you. It is to help allocate capital in a way that serves the life you actually want to live.

T – Tax

Tax planning has quietly become one of the more interesting parts of the second half of 2026, and not just because Congress insists on keeping planners employed.

The topic generating the most conversation in our office right now is one that, on the surface, sounds almost too neat for this quarter:

Trump Accounts.

Funding begins on July 4, which makes the timing almost impossible to ignore in a quarter built around America at 250, next-generation planning, and the responsibilities that come with wealth.

We are still working through the details, and families should absolutely avoid making planning decisions based on headlines alone, but the broad idea is worth paying attention to. A structure designed to help fund children and create an early starting point for long-term saving naturally fits into a larger conversation about how families want to support the next generation.

On its face, a thousand dollars may not sound life-changing to a high-net-worth family. In reality, it is not the dollar amount that makes the idea interesting. It is the symbolism and the planning opportunity around it.

This is not really about one thousand dollars.

It is about what a family chooses to do next.

1. Do you add to it?
2. Do you pair it with 529 planning?
3. Do you pair it with Roth IRA planning once the child has earned income?
4. Do you use it as a vehicle to teach investing, stewardship, patience, and responsibility?
5. Do you let it become another isolated account no one ever talks about, or do you make it part of a larger family mission around education, values, and long-term compounding?

That is the real opportunity.

Trump Accounts fit into a much broader point we have been making with families for years: the best tax planning is rarely about one account, one deduction, or one year. It is about coordination across decades.

This is especially true when children and grandchildren are involved.

A family might be weighing 529 contributions, Roth funding for working teenagers, annual exclusion gifts, trust planning, charitable giving, or simply whether to begin talking more openly about money and responsibility. None of those decisions should be made in isolation if the real objective is not just tax reduction but preparing the next generation to steward wealth wisely.

Beyond Trump Accounts, our tax conversations this quarter continue to center around a few familiar themes.

Mid-Year Planning Beats Year-End Panic

The second half of the year is where much of the real tax planning work happens. By the time tax returns are filed, the prior year is mostly a reporting exercise. By the middle of the current year, there is still time to shape outcomes.

That means reviewing estimated income, capital gains, Roth conversion opportunities, charitable plans, business deductions, and retirement funding before the calendar forces our hand.

Inflation Affects Taxes Too

Inflation is not just a spending issue. It affects brackets, deductions, Social Security taxation, Medicare surcharges, and the pace at which families can drift into higher tax burdens even if they do not feel meaningfully wealthier. As always, nominal growth and real growth are not the same thing.

Wealth Transfer Starts Earlier Than Most People Think

One of the biggest missed opportunities in tax planning is waiting too long to start using the balance sheet intentionally for the next generation. Annual exclusion gifting, direct education and medical payments, family account structures, Roth funding, and trust planning all work better when they are part of a coordinated multi-year strategy rather than a rushed year-end conversation.

Tax planning, at its best, is not just about minimizing what you owe. It is about increasing the after-tax durability of your wealth and making sure your money is positioned to serve the people and purposes you care about most.

E – Estate

If the Tax section is about structuring the balance sheet efficiently, the Estate section is about asking a harder question:

What is all of this actually for?

Estate planning is often treated as a technical exercise. Wills. Trusts. Beneficiaries. Tax exemptions. Titling. Documents in a binder that get reviewed every few years, if we are lucky.

All of those things matter. We spend a lot of time on them. But the longer I do this work, the more convinced I become that estate planning is at its best when it expands beyond documents and taxes into something more human.

It becomes a conversation about stewardship.

Many families focus on how to transfer assets but never fully discuss values, purpose, responsibility, or what they hope the money will do once it leaves their hands. That is a missed opportunity and in some cases a dangerous one.

Because family wealth is often lost not because markets fail, but because communication and preparation fail.

So here is a challenge we would offer families this quarter:

Do not let estate planning remain just a legal project. Turn it into a family stewardship conversation.

Ask some bigger questions.

1. What does wealth mean in our family?
2. What responsibilities come with it?
3. How can money be used to improve lives rather than simply fund consumption?
4. What values are most important to us?
5. What would we want future generations to remember about our family?
6. If our family had a mission statement, what would it say?

These are not soft questions. They are strategic questions. They help determine whether wealth becomes a source of purpose or a source of confusion.

For some families, the next step may be updating beneficiary designations, retitling accounts, or reviewing trust language. For others, it may be much simpler and much harder at the same time: getting the family around the table and starting the conversation.

Estate planning is no longer just about who gets what when you die.

It is about whether your values, your intentions, and your hopes for the next generation are clear enough to survive you.

That is stewardship too.

Members' Wealth in the Community

One of the things I am most proud of this quarter has nothing to do with portfolio returns.

It is that our team continues to show up in the community, in the media, and in conversations that matter to families. Whether nationally or here at home, we are trying to educate, simplify, and make wealth planning more useful to real people living real lives.

That included contributing to national "Where to Find the Top Yields For the Rest of 2026" and local conversations "Exploring children's financial options" this quarter, including discussions around income planning, family financial education, and the role of new tools like Trump Accounts in next-generation wealth building.

It also included a steady drumbeat of weekly content from various employees at Members Wealth, much of which circled the same central idea from different angles: the world is noisy, but clarity still matters.

This quarter's themes included inflation, market concentration, private markets, the psychology of risk, long-term discipline, and what it means to prepare children not just to inherit wealth, but to steward it with purpose.

We are grateful to have those conversations with you, and we are grateful to be trusted with a role in them.

Closing Thoughts: Stewardship

If there is one word I keep coming back to this quarter, it is stewardship.

America's founders were stewards, not owners. They inherited ideas, improved upon them imperfectly, and passed forward a system capable of evolving. Every generation since has been handed the same responsibility.

The same is true inside a family.

The same is true inside a business.

The same is true inside a portfolio. And the same is true of each of us individually. None of us owns our role forever. None of us gets perfect foresight. None of us escapes uncertainty. Our responsibility is simpler and harder than that. We are asked to preserve what deserves preserving, improve what can be improved, and hand it off better than we found it.

At Members' Wealth, that is how we think about the work. Preserve the values. Grow the opportunity. Endure through the inevitable volatility and uncertainty. Evolve as life, markets, and families evolve.

America at 250 is a reminder that the best things we build are rarely finished. They are simply handed from one steward to the next.

Our hope is that your wealth plan feels the same way: thoughtful enough to protect what matters today, flexible enough to adapt tomorrow, and purposeful enough to improve the lives of the people who will one day inherit more than just your money.

Thank you for trusting us to help steward that work with you.

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