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Newsletter

Financial Planning and Advice

Fall Economic and Market Outlook – How Far? How Fast?

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The U.S. economy has shown resilience in 2025, weathering elevated inflation, spring tariff disruptions, and government shutdown uncertainty. Now, as the Federal Reserve begins its rate-cutting cycle, investors are asking: "How far, how fast?"

As of this publication, the Fed has cut its benchmark interest rate 0.25%. Looking ahead to 2026, the trajectory of interest rates will likely shape how markets and the U.S. economy perform.

An aggressive series of rate cuts could signal cracks in the labor market. While such cuts might initially support equity valuations, rising unemployment could weaken an economy heavily reliant on consumer spending, potentially pulling U.S. equities back from elevated valuations.

On the other hand, if the Fed pauses after 2025's cuts, it might suggest inflation remains stubbornly high. Consumers who benefited from extended tax cuts could find those gains eroded by rising costs as inflation takes hold.

The worst-case scenario? A combination of rising unemployment and persistent inflation. This would leave the Fed walking a tightrope, under political pressure to sustain the economy while managing conflicting forces. Investors, however, should hope for the opposite: moderating unemployment and cooling inflation. Such conditions would allow the Fed to normalize rates, giving fundamentals like earnings and margins room to drive equity performance.

A Global Perspective

The international landscape is equally complex. In Europe, Great Britain continues to adapt post-Brexit, France is once again attempting to form a government, and Eastern European nations like Poland remain vigilant as Russia's invasion of Ukraine drags on without resolution.

Meanwhile, China is leveraging the geopolitical environment to strengthen ties with Russia and North Korea while seeking opportunities in countries alienated by U.S. tariffs.

In Japan, the Bank of Japan (BOJ) is moving in the opposite direction of the Fed, considering rate hikes for 2026—the first since early 2025. This shift follows minimum wage increases and decades of ultra-low or negative interest rates aimed at addressing demographic challenges that have constrained domestic growth. Investors have taken notice, with the NIKKEI 225 up over 25% in the past year.[1]

The Importance of Diversification

We're no longer in a world where global economies move in sync. Central banks are no longer coordinating policies to combat pandemics or banking crises. Geopolitical conflicts can dim as quickly as they can ignite, as seen by the recent and welcomed ceasefire in the Middle East. In this environment, the only "free lunch," as the saying goes, is diversification. Predicting the short-term path of any single market is a fool's errand.

At Bryn Mawr Trust, we continue to advocate for thoughtfully constructed portfolios with ample diversification and the flexibility to act tactically when opportunities arise. Talk to your advisor today to ensure your portfolio is aligned with your financial goals.

1 The Japan Times. (2025, September). Japan to hike minimum wage by record amount, backing BOJ's rate hikes.https://www.japantimes.co.jp/business/2025/09/05/economy/japan-to-hike-minimum-pay-by-record/

Retiring Soon? Make Healthcare Planning Your Top Priority

By Valeri Boclair, AIF®
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Did you know healthcare could be one of your largest expenses in retirement? According to Fidelity, a 65-year-old retiring this year will need around $172,500 to cover healthcare expenses throughout retirement. That figure excludes essential services such as vision, dental, or long-term care, which are not covered by Medicare.[1] Just like employer-sponsored plans, Medicare has gaps that can lead to significant out-of-pocket spending.

Here's a breakdown of common Medicare costs in 2025:

- **Part A:** No premium for most, but a $1,676 hospital deductible.
- **Part B:** $185 monthly premium, $257 deductible, and 20% coinsurance for approved services.
- **Medicare Advantage:** Average $17/month with fixed co-pays.
- **Part D (Prescription Coverage)**: $46.50/month with a $2,000 annual out-of-pocket cap.
- **Medigap Policies:** Help cover costs not paid by Parts A and B, though premiums vary widely.[2]

Why It Matters

Healthcare planning in retirement is essential for financial stability, quality of life, and peace of mind.
As medical needs and costs rise with age, unprepared retirees risk draining savings or facing tough choices between care and other essentials. While Medicare helps, it doesn't cover everything.

Understanding these realities allows you to make informed decisions—choosing the right coverage, managing income to avoid surcharges, and setting aside enough savings to handle future medical needs.

Smart Planning Tips for 2026 and Beyond

To prepare financially for healthcare in retirement, especially with rising costs in 2026, retirees should budget for higher expenses, maximize HSA contributions before enrolling in Medicare, and manage income to avoid premium surcharges. With Affordable Care Act subsidies set to expire at the end of 2025 and Medicare premiums increasing, early planning is key. Long-term care insurance is also worth considering, since Medicare doesn't cover extended care. These steps help protect savings and ensure more stable coverage.

Planning ahead also allows retirees to maintain flexibility in their healthcare choices and avoid making decisions under financial pressure. By taking action early, individuals can better align their coverage with their long-term needs and enjoy greater peace of mind throughout retirement.

Healthcare in retirement isn't just a line item—it's a major financial commitment that requires thoughtful planning. Understanding Medicare's structure, anticipating changes, and budgeting wisely can make the difference between financial stress and lasting peace of mind. Start planning today by speaking with your financial advisor to ensure your healthcare needs are covered for the future.

1 Fidelity Investments. (2025). Fidelity Investments® Releases 2025 Retiree Health Care Cost Estimate, a Timely Reminder for All Generations to Begin Planning. Fidelity Investments®
2 National Council on Aging. (2025). What You'll Pay in Out-of-Pocket Medicare Costs in 2025. What Are the Medicare Out-of-Pocket Costs for 2025?

Tax-Smart Retirement Income Planning Strategies

By Garrett Spangler, J.D., LLM
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Retirement is a goal we set with dreams of traveling, playing golf, relaxing, pursuing passions, spending time with loved ones, or ticking off bucket list items. As retirement nears, the big question is: Will you be financially secure for this exciting stage of life?

1. **Diversify Your "Tax Buckets":** Many retirees hold most of their savings in tax-deferred accounts like 401(k)s and IRAs. While these accounts are great for growth, withdrawals are fully taxable as ordinary income, which can add up quickly. By diversifying savings across three types of accounts—tax-deferred (like IRAs), tax-free (such as Roth IRAs or Roth 401(k)s), and taxable brokerage accounts—you can create flexibility, manage your income more effectively, and reduce your tax bill during retirement.
2. **Manage Required Minimum Distributions (RMDs):** RMDs from tax-deferred accounts become mandatory at age 73 (rising to age 75 in 2033).[2] These distributions can push you into higher tax brackets, trigger Medicare premium surcharges, and make more of your Social Security benefits taxable. Planning ahead with Roth conversions, staggered withdrawals, or charitable gifts can help soften the impact.
3. **Use Roth Conversions Strategically:** A Roth conversion involves moving money from a Traditional IRA or 401(k) into a Roth IRA and paying income tax on the conversion now in exchange for tax-free withdrawals later. The benefits are twofold: Roth IRAs are not subject to RMDs, and qualified withdrawals are entirely tax-free. This strategy is especially attractive in years when your taxable income is temporarily lower, such as early retirement years before Social Security or RMDs begin.
4. **Sequence Withdrawals Thoughtfully:** The order in which you draw funds matters. Consider your current and future taxable income to determine if drawing modest amounts from tax-deferred accounts early is prudent. The goal is to spread your tax liability more evenly throughout retirement, avoiding large tax hits in later years.
5. **Time Social Security Benefits Carefully:** Up to 85% of Social Security benefits may be taxable, depending on your other income.[3] Delaying benefits until age 70 not only increases your monthly payout but also creates a window to take withdrawals or perform Roth conversions before Social Security begins. Coordinating these decisions can significantly reduce your lifetime tax exposure.
6. **Consider Qualified Charitable Distributions (QCDs):** If charitable giving is part of your plan, once you reach age 70½, you can make donations directly from your IRA to a qualified charity.[4] These QCDs count toward your RMD but are excluded from taxable income, making them one of the most tax-efficient ways to give.
7. **Factor in State Taxes:** State tax rules vary significantly. Some states exempt retirement income, others tax it fully, and a few impose no income tax at all. Being mindful of your state's tax treatment—or even considering relocation—can improve your overall tax efficiency.

Tax-smart retirement income planning is an ongoing process that requires balancing cash flow needs, tax considerations, and long-term goals. By working with a financial advisor or tax professional, you can create a plan that's tailored, flexible, and built to last—helping you enjoy your retirement years with confidence and less stress.

1 U.S. Census Bureau, 2021 Survey of Income and Program Participation.
2 SECURE 2.0 Act of 2022. Division T of the Consolidated Appropriations Act, 2023, Pub L. 117-328, 136 Stat. 4459 (2022).
3 https://www.irs.gov/newsroom/irs-reminds-taxpayers-their-social-security-benefits-may-be-taxable
4 https://www.irs.gov/retirement-plans/retirement-plans-faqs-regarding-iras-distributions-withdrawals

The Mega-Donor Mindset: Strategies to Maximize Your Philanthropic Impact

By Julien Franklin, CAP®
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Bryn Mawr Trust

While we don't all have billions of dollars to give away, the mindset and strategies of billionaire philanthropists like Melinda French Gates and MacKenzie Scott can be adopted to make anyone more impactful, intentional and fulfilled in their giving. Giving requires having the right mindset and a thoughtfully integrated approach. Here are a few things to consider when making the most of your charitable giving as year-end approaches:

- **Lead with Values, Not Just Dollars:** Philanthropists making headlines are typically guided by deeply held values. This means they have thought about their core beliefs; how they think the world should change, and what causes they should prioritize. Our giving is most fulfilling when we deploy dollars to issues that have personal meaning, and when we support solutions that we believe in and truly understand.
- **Consider Giving as Part of a Larger Financial Plan:** Consider all the assets available to you and incorporate your giving into a larger financial plan. Do you have appreciated stock, mutual fund shares or even a closely held business interest? Are you taking required minimum distributions (RMDs) but don't need them in full to meet your needs? All of these are viable options within your charitable toolkit. You might utilize many strategies and vehicles that provide tax advantages, benefit you or your family and allow you to impact causes that are important to you in ways you never thought imaginable.
- **Don't Go it Alone:** Giving doesn't have to be a solo journey. As year-end approaches, consider how giving can bring families together and offer a way to connect. Help younger generations understand your values and the importance of giving back. Allow them to voice their views on how to improve our communities and determine how you might partner. Additionally, consider a financial advisor, accountant or charitable consultant as a key member of your "impact team" who can help integrate your giving more holistically within your financial plan.
- **Trust in the Charities You Support:** After establishing your values and determining what causes you want to support, ensure you are investing in nonprofits you trust. Organizations today are working in ever-complex environments with unprecedented uncertainty and change, particularly in 2025. When you can, give unrestricted gifts and trust the organization to know how best to deploy your support towards its mission. They may determine whether it is best used for immediate programmatic needs or if it should be used for capacity building, administration or long-term sustainability planning. Typically, the nonprofit knows where resources should be prioritized.

You don't need billions to make a difference—you need a mindset rooted in purpose, trust and vision. At Bryn Mawr Trust, we offer a wide array of subject matter experts who can help you home in on your charitable strategy and make your giving transformative for nonprofits, you and your family.

The Planning Perspectives Podcast

Hosted By

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Whether you're looking to optimize your financial strategy, navigate the ups and downs of growing a business, or planning for retirement, you need more than generic advice—you need direction tailored to your unique situation.

That's exactly what we're diving into on **The Planning Perspectives Podcast.** Through real, relatable conversations, we explore financial strategies that actually work, share entrepreneurship insights from those who've built successful businesses, and provide guidance through life's major transitions—all backed by over a century of wealth management experience.

Christine Benz

Chris Buccini

Our first episode features Christine Benz, Director of Personal Finance and Retirement Planning for Morningstar. Christine shares her expert insights on retirement planning and personal finance, setting the tone for the thoughtful, actionable advice you can expect from every episode. In our second episode, we interview Chris Buccini, co-founder of the Buccini Pollin Group (BPG), to explore how a local dream grew into a $6 billion enterprise.

In today's rapidly changing world, the decisions you make today shape your financial future tomorrow. This podcast goes beyond day-to-day finances to explore the strategic choices that matter most, featuring insights from industry-leading guests and proven strategies from our decades of working with families and businesses.

When it comes to planning for the future, you don't know what you don't know—and that's where The Planning Perspectives Podcast comes in.

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The Importance of Updating Your Estate Planning Documents

By Brandon McFadden
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Wealth Director
Bryn Mawr Trust Advisors

Consistently updating your estate planning documents is essential to ensure your wishes are accurately reflected and legally enforceable as your life circumstances change. Consider these top eight life situations or events that highlight the importance of regular updates.

1. Life Changes

Major life events often require updates to your estate plan. These include:

- Marriage or divorce
- Birth or adoption of children or grandchildren
- Death of a beneficiary, executor, trustee or guardian
- Changes in relationships like estrangement or reconciliation
- Purchase or sale of a home or second home

If your documents don't reflect these changes, assets may be distributed in ways you didn't intend.

2. Adjustments in Your Financial Situation

Increases or decreases in your wealth—such as receiving an inheritance, selling a business or accumulating debt—can impact how you want your estate divided. Ensure your plan aligns with your current financial reality.

3. Tax Law Changes

Tax laws, particularly estate and inheritance tax regulations, are subject to frequent changes. An outdated plan may not take advantage of new tax-saving strategies, potentially costing your heirs money.

4. Relocation Considerations

Moving to a different state or country can affect the validity of your estate planning documents. Each jurisdiction has its laws governing wills, trusts, powers of attorney and advance directives.

5. Outdated Beneficiary Designations

Beneficiary forms for assets such as life insurance, retirement accounts and pensions often override your will. Review them regularly to ensure they align with your current preferences.

6. Trustees and Executors

The people you initially chose as executors, trustees or guardians may no longer be appropriate. They could move away, become incapacitated or no longer be trusted to carry out your wishes.

7. Probate Issues

Outdated documents can lead to complications in probate, including contests or confusion. Keeping them up to date helps ensure a smoother process and reduces stress for your loved ones. Additionally, each state has distinct rules regarding probate. It is important to familiarize yourself with your state's laws.

8. Your Preferences Change

Your vision, values or goals for medical care and end-of-life decisions may change over time. Revisiting advance directives and living wills helps ensure these are honored.

How Often Should You Update Your Estate Plan?

- Review your estate plan every 3–5 years and your financial plan every year.
- Update it after any major life event, such as a new family member or the loss of a family member.
- Consult with an estate planning attorney and a financial advisor periodically.

Keeping your estate planning documents up to date is vital for ensuring that your wishes are honored and your loved ones are protected. Don't wait for a major life change to revisit your plans. Take the proactive step to review your estate plan and financial situation to ensure your legacy today.

Associate Spotlight:
Michael Mendelson

Senior Vice President

Chief Operating Officer

Bryn Mawr Trust

Mike joined Bryn Mawr Trust in July 2025. As Chief Operating Officer, he partners with leadership to drive strategic growth, operational excellence, and financial performance across the private wealth management group.

Mike has more than 20 years of experience in financial services, focused on wealth management, private banking, and retail banking. Prior to joining the company, he spent nearly two decades at JPMorgan Chase in New York City, where he held several leadership roles. His responsibilities included driving strategy and execution, optimizing operations for efficiency and scale, and leading financial planning and analysis to support business growth.

Mike holds an MBA from Duke University's Fuqua School of Business and a BS in Accounting from Lehigh University.

About Mike:

A Journey Home

After earning his accounting degree from Lehigh University, Mike headed to New York City — kicking off a 20-year adventure in one of the world's most dynamic cities. After two kids, a goldendoodle named Brody, and living through COVID, Mike and his wife, Ruth, realized it was time to plant their roots somewhere new — a place where life could revolve more around their kids than the commute. That opportunity came when he transferred to an internal role with JPMorgan in Newark, Delaware, allowing the family to relocate to the Philadelphia area.

After exploring suburbs across Philadelphia, Mike ended up right where his story began. He grew up in Ambler and, after two decades away, found himself back just a few miles from his childhood home. Now he drives the same streets, passes the same fields where he played as a kid, and still orders from the same pizza place — this time with his daughter, Eliza, and son, Theo, who will attend the same schools he once did. Life has truly come full circle.

The last piece of Mike's journey home was finding a locally headquartered wealth management firm where he could channel his passion for helping people. He found that at Bryn Mawr Trust, whose deep local roots and community commitment immediately resonated with him.

Passionate About Wealth Management

Mike's interest in wealth management started early. He remembers sitting beside his dad, who would pull up spreadsheets to update his retirement plan — and patiently explain what it meant to save and prepare for the future.

By sixteen, those lessons turned practical. When Mike wanted a car, his parents made it clear they wouldn't be buying one for him. So, he got a job as a busboy at Blue Bell Country Club when it first opened in the 1990s. After a few months of rides back and forth, his parents helped him get a loan for a used Toyota Corolla — and every paycheck from that point on went straight toward paying it off.

Looking back, Mike feels grateful for those early lessons in responsibility, saving, and planning ahead — values that became the foundation for his lifelong passion for helping others plan for their own financial futures.

Is Now the Time to Consider Alternative Investments in Your Portfolio?

By Michelle Jones, CFP®
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Bryn Mawr Trust

Most people are familiar with traditional investments, such as stocks and bonds; however, alternative investments may be foreign to many investors. Although alternative investments can be traced back to the 1800s, they gained notoriety in the 1980s to protect assets from market volatility.[1]

What Are Alternative Investments?

An alternative investment (also known as Alts) is an investment that falls outside of traditional stocks, bonds and cash; hence, it is an "alternative" to stocks and bonds. The most known form of an alternative investment is real estate; however, some other forms include commodities (e.g., gold, oil, agriculture), art/antiques, and private equity.

Types of Alternative Investments

Alternatives fall into two broad categories: public and private investments.

Real Estate Investment Trusts (REITs) are public alternatives that may be familiar to many investors. They provide an attractive yield and can adjust rental income, making them a great hedge against inflation.

However, studies show that investing in private investments through private equity firms has the potential to provide even higher returns and is appealing to investors seeking long-term growth. Of course, the potential of higher returns comes with higher risk. Therefore, it is important to do proper due diligence and understand the associated risks. For example, these firms invest in assets ranging from private real estate and debt to oil and gas and contain lock-up periods restricting when you can sell the investment and convert it to cash. Thus, they are illiquid.

Why invest in Alternative Investments?

Investing in alternatives helps to protect your portfolio during periods of market volatility because they are generally uncorrelated with stocks and bonds. This means they may hold their value or even appreciate during a market downturn. As a result, alternatives provide diversification when combined with stocks and bonds, and therefore, can help smooth out returns. For example, in 2022, both stocks and bonds (which are historically thought of as a safer investment) declined by double digits as inflation peaked and the Federal Reserve increased interest rates, but the average alternative was only down less than 3%.[2]

Why Invest in Alternative Investments Now?

Due to their liquidity constraints and lack of regulation, the landscape has changed considerably from when only wealthy and institutional investors had access to alternative investments. However, recent changes have improved transparency, reporting and regulations to help protect investors. In addition, alternatives continue to evolve and are becoming more liquid, enabling individual investors to participate in this growing asset class.

Given current economic conditions, the uncertainty around tariffs and geopolitical risks, the benefits of a diversified portfolio are more important than ever. Adding alternative investments to your portfolio can mitigate risk, enhance potential returns and provide a hedge against inflation.

In today's unpredictable economic landscape, it's an ideal time to consider the benefits of alternative investments for your portfolio. By diversifying your assets and including alternatives, you can better prepare for market volatility while potentially increasing your returns. Consult with a financial advisor to explore the opportunities available to you to create a more dynamic and secure investment strategy.

1 Kelly+Partners Team, "History of Alternative Investments", kellypartners.com, (2024, October 10), History of Alternative Investments.
2 Katherine Lynch, "Alternative Funds Are Winners in 2022", Morningstar.com, (2022, December 8), Alternative Funds Are Winners in 2022 | Morningstar.

Protect What You've Built: Use Life Insurance in Your Planning

By David Stork, J.D.
Wealth Director
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Life insurance can be a powerful tool to incorporate into your estate and broader financial plan, particularly if you are a business owner. This is due, in large part, to the tax-free nature of income tax treatment of life insurance death benefits.

Life insurance serves as a tax-efficient tool that allows you to pass wealth to your loved ones while minimizing tax liabilities. By incorporating life insurance, you can ensure distributions to your heirs are equalized, making the process fair and equitable. Additionally, life insurance can help replace any wealth lost due to death taxes, allowing you to preserve the financial legacy you intend for your beneficiaries.

In an estate plan, life insurance:

1. **Benefits your loved ones in a tax-efficient way.** Proceeds paid from life insurance due to the insured's death are income-tax-free for federal income tax purposes. Additionally, life insurance ownership can be structured so proceeds can pass to heirs free of death taxes.[1]
2. **Equalizes distributions to heirs.** There are times when it may be challenging to distribute assets equally among heirs. This can often be the case for the business owner who has a child involved in the family business, but not for the other children. Life insurance can be a great way to equalize the distribution of the estate.[2]
3. **Replaces wealth lost due to death taxes.** The federal government and some states impose a death tax on the assets one has at the time of their passing. Utilization of life insurance, when ownership is appropriately structured, can be a great way to pay death taxes without affecting illiquid assets or assets that are depressed due to cyclical market conditions.[3]

As a business owner, life insurance also plays a critical role in estate planning. It provides you with efficient means to transfer ownership of your business to your heirs while addressing the illiquid nature of business assets. Furthermore, life insurance can mitigate the risk associated with the premature passing of a key person within your company. This allows for a smoother transition of the business to surviving partners, ensuring continuity and stability in operations.

In business planning, life insurance:

1. **Passes the business to heirs in a tax-efficient manner.** In addition to providing liquidity for the business that may be needed at a crucial time (at the death of the owner), if properly structured, life insurance can supply money to pay possible death taxes while protecting the business and future growth for heirs.[4]
2. **Serves as a safeguard against the risk of unexpected death.** If you or a key employee plays a crucial role in the success of your business, it's important to consider what would happen if you were to pass unexpectedly. This situation can create significant emotional distress for both your family and colleagues. If you were the key driver of the business's success, it may struggle to operate in the same capacity.[5] Life insurance can offer important protection in the event of such a loss.
3. **Can play a crucial role in helping you transition your business to the surviving partners.** There is more than one way to structure the buyout of a deceased partner's ownership interest. One option is a cross-purchase arrangement, where you and your partner each own a life insurance policy on the other to help fund a buyout of the deceased partner's interest.[6] Another option is a redemption agreement, in which the business itself owns the insurance policies for each partner. The proceeds can be used to redeem the interest of a deceased owner.[7] Both methods have their advantages, so it's important for you to consider which option best fits your business's needs.

Incorporating life insurance into your estate and business planning can provide significant financial security for your loved ones and ensure a smooth transition of ownership. Start evaluating your life insurance options today to safeguard your legacy and protect your business's future. Reach out to a financial advisor to discuss how life insurance can be tailored to meet your unique needs and goals.

1 How to Use Life Insurance to Leave an Inheritance - NerdWallet;
2 Should You Add Life Insurance to Your Estate Plan? | Charles Schwab;
3,4 The Role of Life Insurance in Estate Planning: Ensuring Financial Security;
5 Keyman Insurance – Forbes Advisor UK;
6,7 Cross Purchase vs. Stock Redemption: What's the Difference? | JRC Insurance Group™

Plan your 2025-2026 Taxes with Confidence

Download our 2025-2026 Tax Guide for the latest updates on tax codes and regulations, along with our Year-End Planning Checklist to ensure you're fully prepared for the upcoming tax season.

Both resources are designed to help you navigate tax changes with ease.

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