

Dear Friends,

We enjoyed a very strong close to the market to finish the year - November and December's performance was excellent at 7% and 6%, respectively. January's performance has been somewhat subdued even as the S&P 500 has reached new highs. We continue to emphasize the importance of diversification and rebalancing to target allocations within your portfolios.

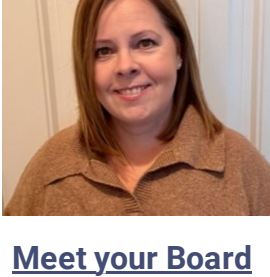
We've included CAPTRUST's quarterly commentary and Headwinds / Tailwinds – this is always a nice concise summary of the markets and forces that can affect it. Beginning with this newsletter, we are also including Balentine's market commentary. Balentine is the manager of our new Global Opportunities Fund that officially launched on January 1st as we closed the SSF Hedged Directional Fund. We think you'll find their commentary and market approach interesting. As the only manager within the Sedgwick portfolio that takes a macro approach to investing, their perspective into the major themes and areas of opportunity in the market will be very insightful and informative for our office, the SSF Board, and we hope, for all of you as investors.

We are coming off a very busy 2023, we opened the Global Opportunities Fund, closed the Hedged Directional Fund, and finalized the commitments to the new private equity fund ("PE 2024") - which launches on February 1. We also just announced a new "single sign-on" process whereby once you log onto the Sedgwick website, you can seamlessly enter your Archway portal to download your monthly statement. Please contact our office with any questions.


Thank you for your support and continued engagement. Please reach out to us with any questions or concerns you may have.

Tim
Tim Thompson


IN THIS
ISSUE



Meet your Board Member
Read about Samantha Mayer-Ledet



CAPTRUST
Market Commentary
The higher-for-longer interest rate message reiterated ...



Assets and Managers
Sedgwick started the year with assets of \$271.7 million... (see below)

MEET YOUR SEDGWICK BOARD

Samantha Mayer-Ledet



Sedgwick Stats

- Elected to the Sedgwick Board in 2022
- Member of the Communication and Education Committees

Background

- Gen 4
- The eldest child of G. Philip Mayer, Sr. My brothers are William G. ("Bill") and G. Philip Mayer Jr. ("Phil").
- Born in Santa Monica, CA and raised in both Huntington Beach, CA and Boise, ID; recently relocated to McKinney, TX.
- Married to Matthew Ledet since 1992. My children are Lucas (26), Caleb (23), and Noah (21).
- BA in International Business from Dominican University of California.
- I am currently teaching a Pre-K class.

In her own words...
Thankful for Family

I have been enjoying my time on the Sedgwick Board, especially getting to know other family members. Over the years we have been able to attend more of the Oscar/GO family reunions and enjoy meeting more of the Oscar side of the family and watching our boys bond with many others as well.

I lived the first nine years of my life in Huntington Beach, CA with our cousins, the Coombs's, down the street and the Durbin family just 30 minutes away. Then we moved to Boise, ID where my mom was from, and she had family there. I didn't know my grandfathers since my mom's dad passed away when she was 23 and my grandpa G.O. passed away when I was only one. Fortunately, both my grandmas were very much a part of our lives and showed us the importance of family. My grandma on my mom's side (who was an only child), Mary, lived in San Francisco for 28 years - which was a fun place to visit and where Matt and I met in college. My grandma Ruth (Dad's mom) had a home in Santa Barbara and always had family reunions that were so much fun. I had friends that would ask me if I wished I could get out of going to our reunions, which seemed strange to me because we did everything we could just to be there! There were 20 of us grandchildren and we were spread out among various states so because of those gatherings we all grew up knowing each other. Over the years, in each state we have lived, there has been family living close by which always made moving easier. When we moved with the kids, they had instant friends! Now I see my own kids as they move around getting to know cousins they may not have known well - or at all - and forming new friendships. I am thankful for the family bond my grandma's created for us all on both sides of my family.

Lucas and Claudia were recently engaged, and we look forward to expanding our family with hers.

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CAPTRUST Market Commentary



[Click HERE for the Video Update](#)

The higher-for-longer interest rate message reiterated by the Federal Reserve through the first three quarters of 2023 was essentially dismissed by investors late last year as inflation data showed continued easing. Consequently, expectations for future interest rate changes were reset significantly lower. Nearly all asset classes soared.

- Along the capitalization spectrum, the decline in rate expectations was most impactful to small-cap stocks. The small-cap value segment of the market benefited most, driven by sizable exposure to regional banks.
- Broader large-cap equities also surged, and multiple sectors within the index ended the quarter with double-digit gains. The interest-rate-sensitive real estate sector led the pack. Only the energy sector failed to gain ground, erasing its year-to-date achievements.
- Bond investors also captured the value of falling rate expectations, with fixed income markets recouping their modest year-to-date losses.
- Outside the U.S., international stock market gains were more minimal, but a weakening U.S. dollar filled the gap.
- Declining oil prices weighed heavily on commodity markets.

See the CAPTRUST Economic Outlook below for the "Headwinds and Tailwinds" impact on the market and economy.

market commentary

Period Ending 12.31.23 | Q4 23

ECONOMIC OUTLOOK

The resolution of pandemic effects and successful monetary policy has led inflation downward toward the Federal Reserve's long-term 2% target. It's likely the Fed will start lowering rates in 2024, supporting an already robust labor market. Still, the lagging effects of rate hikes will be felt as consumers grapple with debt and housing affordability. These challenges could be offset by artificial intelligence-led productivity gains.

HEADWINDS

Consumer Challenges Ahead

- Credit card balances are high, and excess mostly depleted. Despite higher borrowing costs, consumers continue to spend and are now facing high interest payments on loans.

Housing Market Upended

- In 2023, higher interest rates created an inventory shortage and pushed home prices higher. Although mortgage rates have declined, it will take time for housing affordability to return to historical norms.

Election Uncertainty

- While markets generally perform well in election years, market leadership can be fluid, especially when candidates have fundamentally different policy agendas.

Investor Optimism Creates Risk

- The prospect of lower interest rates has inspired high optimism, which may drive volatility if reality falls short of expectations.

TAILWINDS

Economic Soft Landing

- As inflation wanes to pre-pandemic levels without having spurred a recession, a soft landing seems likely. Fed rate cuts and a lower drive economic growth.

Inflation-Adjusted Wage Growth

- Real wage growth remained positive in 2023, leaving consumers better positioned to tackle rising debt.


Productivity-Fueled Growth

- The potential for operational efficiency and revenue enhancement has driven heavy investment in artificial intelligence across industries. Widespread implementation over the next decade has the potential to boost productivity growth above long-term averages, thereby increasing gross domestic product (GDP).

Uptick in Government Funding

- Funds from programs targeting infrastructure and clean energy will be deployed in 2024, adding liquidity to the economy.

While many of the risks faced in 2023 have been resolved positively, it is still prudent for investors to move forward with caution. Investor optimism is near all-time highs and may create disappointment, which is another reason to remain vigilant, diversified, and prepared for volatility.

CAPTRUST

ASSETS and MANAGERS

2023 Status of Assets

Sedgwick started the year with assets of \$271.7 million (not including SEP). By year-end, investors withdrew \$9.5 million (net of additions) and income distributions were \$2.8 million. Net income/loss, mainly market appreciation, was \$41.8 million for the year and Sedgwick ended the quarter with assets of \$301.2 million, including cash receivable from Pointer of nearly \$6 million, to be received in January. The investments held in Sedgwick Equity Partners ("SEP") add another \$36.0 million, for total assets of \$337.2 million.

Sedgwick's performance is up 18% for the full year across all investment options (excluding SEP). Your December 31 monthly statements from Archway are now available and include information on the performance of our funds.

Use our new "single sign-on" functionality by logging into www.sedgwickstreet.com, and directly entering into your Archway portal from there!


Global Opportunities Fund

This fund, managed by Balentine, opened for investment on January 1. By February 1, we expect assets to increase to about \$12 million. Balentine is unique in its approach to investing and can tactically and quickly move between asset classes and sectors based on market conditions and themes. We are excited for our investors to get to know this manager better and will incorporate Balentine's quarterly commentary in our newsletters.

2023 Capital Gains / Losses

Through year-end, Sedgwick has realized capital losses of less than \$1 million across its liquid portfolios, not including the hedge funds-of-funds and SEP. The funds with net realized capital gains are few and the amounts are minimal.

BALENTINE COMMENTARY



In 2023, the U.S. stock market soared close to its all-time peak level rather than sinking into a recession, as many feared, and the Fed seems anxious to declare victory in its campaign to raise interest rates and drain excess cash from the system. However, we believe an inverted yield curve in the bond market suggests it is too early to say "Mission Accomplished" with certainty just yet. Until our discipline signals that stocks have become less expensive relative to interest rates, we remain cautious and selectively positioned in public markets. Read more about Balentine's performance and our interpretation of market activity in our latest report.

[CLICK HERE for BALENTINE 4Q23 COMMENTARY](#)

2023 TAX FORM CALENDAR

Fidelity 1099	February
Sedgwick Street Fund LLC K-1 *	Late February
Sedgwick Absolute Return Fund LLC K-1 *	Late August / Early September
Sedgwick Hedged Directional Fund LLC K-1 *	Late July / Early August
Sedgwick Equity Partners LLC Substitute K-1s *	Late August / Early September
- Private Equity programs	May / June
- Real Estate programs	

*** If you are an investor in this entity, your tax return MUST BE EXTENDED.**

SEDGWICK EQUITY PARTNERS

SEP has gathered \$9.775 million in commitments from 55 family members and entities for its newest offering, PE 2024. **A capital call for this fund, as well as PE 2020 and REP V, will be combined with at least partially mitigating cash distributions on February 2, 2024.**


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MFA CORNER

Hello Family!

We hope that everyone enjoyed a happy and healthy holiday season, and that 2024 is off to a good start!

It's hard to believe that just last summer we were together in Colorado Springs - reminiscing over brats, taking pictures with the Wienermobile, and raising a glass to Hoch Soil Sie Leben. We had 260 family members from 5 generations in attendance. There was pickleball, there were lederhosen and dirndls, there was a pool party, there was dancing.



Everyone's experience was unique, and your family Historians (Jeff Cleary, Chip Allen, and Vivien Hudig) would love to see photos of your favorite moments from our days together in Colorado. If you have a few reunion photos that you would like to share with the family on the MFA website, please send them to: MemoryMemories@gmail.com. It would help us greatly if you could identify the family members in the photos, either as part of your email or by labeling the actual photo with names. We look forward to seeing your favorite Reunion moments! Also, as a reminder, if you would like to order the professional photos taken on Saturday at the Wienermobile (like the awesome group shot above), please visit the MFA website for the link and details.

Looking forward in 2024, the Ledertisch is starting the search for new Board members. If you are interested in learning more about MFA leadership, please reach out to Cindy Shea at cindy@shea10@gmail.com or call to chat at 206-818-8002 or contact Carolyn Glah at Tudogol1@comcast.net or 970-309-4116.

With best wishes from your Ledertisch,

Cindy Shea, Ben Ostarello, Peter Medgyesy, Kyle MacDonald, Viv Hudig, Carolyn Glah, and McKenna Boit

EDUCATION CORNER

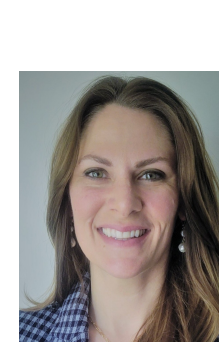
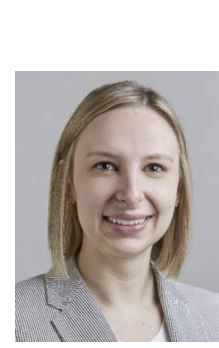

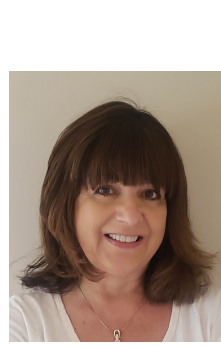
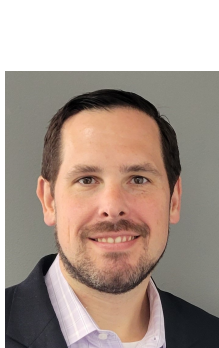
Types of IRAs and 2024 Limits – It's always the right time to save for your retirement.

For 2024, an individual can contribute \$7,000 (or \$8,000 if over age 50) to an IRA or Roth IRA. Further, an individual can contribute up to \$23,000 (or \$30,000 if over age 50) to a 401k plan.

VEHICLE	TAX DEDUCTIBILITY OF CONTRIBUTIONS	TAX-DEFERRED OR TAX-FREE GROWTH OF ASSETS	TAX-FREE DISTRIBUTIONS
Traditional Retirement Accounts (401(k), 403(b), IRA)	✓	✓	✗
Roth Retirement Account (401(k), 403(b), IRA)	✗	✓	✓
Health Savings Account	✓	✓	✓

Do you have Feedback? Click the box above and give us some feedback

FREQUENTLY ASKED QUESTIONS - Click here to read the FAQs



YOUR SEDGWICK
ADVISERS TEAM

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