

The Answers You've Earned.



Delphi

Wealth Management Group

To Our Delphi Family —

As we approached our Fifth Anniversary during 2022, we were struck by all that has occurred. We established Delphi to create better financial outcomes for our clients, enlisting the highest levels of service and empathy. We wanted lasting relationships that would grow beyond numbers and percentage points.



During these five years, we have expanded with intention, mentoring advisors and staff, growing together to responsibly guide your future.

In celebration of our milestone, we began a series of conversations to determine how close we have stayed on track with our original intentions.

Your input allowed us to create a new message and tagline that reflects what's most important to you.

Looking back, we appreciate the way you have welcomed our team into your most important decisions. Moving forward, we are committed to providing the answers you've earned.

With Sincere Gratitude,

Kevin McDermott and John Kane

A Working Relationship That's Not All Business

The reward for a lifetime of hard work is peace.

You'd expect an advisor to be responsible with your finances. What may surprise you is how involved we are in the process. Listening. Choosing only the moves that make sense just for you. We work to protect you for the big picture. A wise partnership for the major decisions.

Living fully now doesn't neglect what's ahead. Our Comprehensive Financial Planning allows us to look at more — together. Not only the opportunities just around the corner, but those even further out on the horizon. Knowing more allows you to travel, be generous and say yes to today's chances, with reassurance that we're keeping the future steady and smart.

Your passions start our planning, and we keep working, behind you and behind the scenes to protect the progress you've earned, together as we go.

The **Explanation**
You've Earned.

The **Confidence**
You've Earned.

The **Observation**
You've Earned.

The **Decision**
You've Earned.

The **Analysis**
You've Earned.

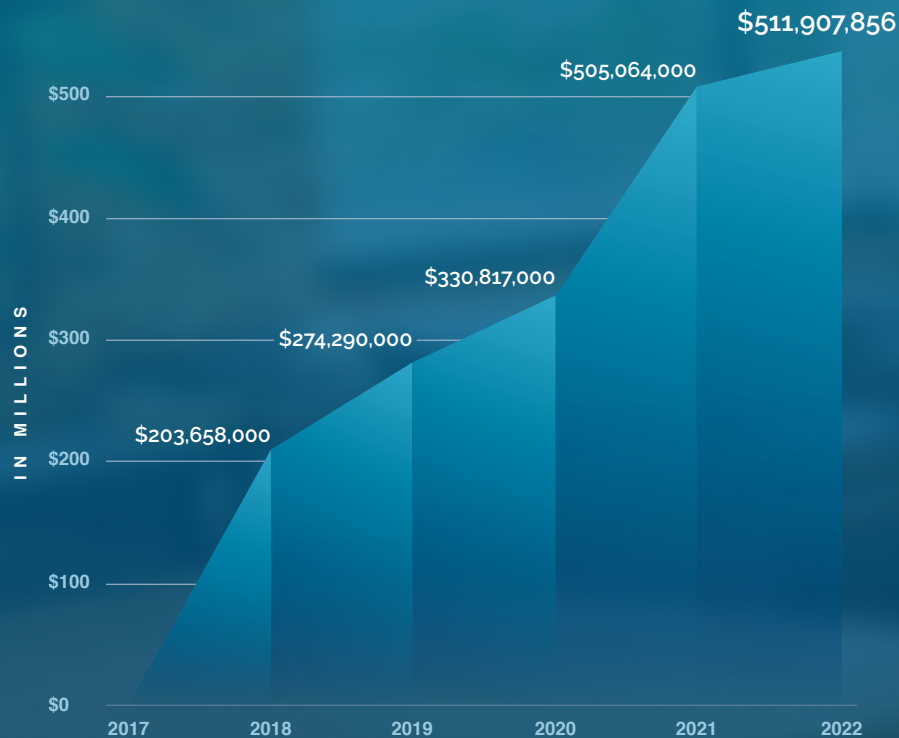
The **Answers**
You've Earned.



Significant Growth

Client Assets Under Management

as of 12/31/2022



The source of this growth is primarily from referrals made by our existing clients to their children, family and friends.

Economic and Market Outlook

After more than a decade of strong returns across most asset classes, rarely interrupted by sustained declines, investments turned rocky in 2022. While in previous years markets did encounter their share of challenges, 2022 brought a new litany of concerns.

Unlike the pandemic and the resulting shutdown, this time, with an overheating economy, the Fed was unable to ride to the rescue. Against this backdrop, declines were both deep

and broad. The S&P 500* fell 18% for the year. The NASDAQ 100** index suffered even more with losses over 32%. Other equity indices, from small caps to international, also dropped.

The bond market was also left flat-footed by the sudden reversal. In January 2022, bond markets were predicting the upper limit of the federal funds rate would rise to 1% by the end of the year. Rates instead charged upward and currently stand at 4.5%. Bonds, which often hold up better during challenging times, dropped as the Fed ratcheted up rates, vowing to do whatever it took to tame inflation. The Barclays Aggregate, a measure of the total U.S. bond market, declined with a 13% loss.

*S&P 500 Index is considered a reflection of the large capitalization U.S. stock market. It is the benchmark against which judging the overall performance of money management is used.

**NASDAQ 100 Index is a stock market index made up of 101 equity securities issued by 100 of the largest non-financial companies listed on the Nasdaq stock exchange.



Perspective on a Negative Year

During 2023, the media has been busy reporting the performance of 2022.

A headline that has been repeated many times is a jarring one:

“Worst S&P 500 market decline since 2008.” As usual, examining the numbers rationally can put the decline into perspective. During the thirteen calendar years between 2008 and 2022, the S&P 500* was down a total of... (*brace yourself...*) once. That was 2018, when the S&P 500* edged down 4.4%.

So, there are at least two ways to interpret the “worst decline since 2008” headline. One is that equities logged the worst annual returns since the Great Recession — so things must be really bad. The second, which we believe is correct, is even considering bad years that come along, stocks, driven by human resilience and ingenuity, have produced solid returns over time.

Our Path Forward

We see several positives emerging among the declines.

First, for markets to be healthy, excessive valuations and behaviors

need to be periodically wrung out of the system. With the crushing declines in speculative investments and excessive risk-taking behaviors, that has definitely been happening. Secondly, bond yields have been artificially depressed for many years, robbing investors of future cash flow. The declines of bond prices have not been pleasant, but they likely portend higher returns in the future.

Investments have been great vehicles for building wealth over time. Markets are also volatile, unforgiving, and defy short-term predictions. Discipline and mathematics can help find the path. Common sense also helps. The goal is to carefully build risk-aware portfolios that can weather the inevitable declines and build wealth responsibly over time. We call that getting clients “all the way home.” It is at the core of what we do.

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We're Right Here

Part of our job here at Delphi is to do the math and manage capital. It is also our job to communicate, inform and most importantly, to listen. We're right here if you need us.

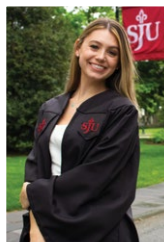
Our Team News A-Z

We are grateful for the discussions you've shared this year and for the way you have included us in your life's celebrations and challenges. We appreciate your equal enthusiasm for our milestones as well. We're proud to share some moments we've earned together.



AMANDA attended Lincoln's National Symposium in Washington, DC. She and her family celebrated Sophie Jean's First Birthday. She also traveled with family to Florida, The Finger Lakes, Maine, Canada and the shore.

ANDREW celebrated a promotion and his first full year in Delphi's insurance practice. He hosted the Delphi family at the Coatesville Grand Prix and in his free time was able to do some hunting, fishing and hiking in Potter County.



Following graduation from college, **ASHLEY** passed her Series 7 and Series 63 exams and moved to her first apartment with her boyfriend Tyler.

BRANDON passed his Life, Accident and Health Exam. He moved to a new apartment with his friends. He spent time at St. Pete's Beach in a house with his friends from high school and witnessed the NFC Championship game with his Dad.



CJ was promoted to Financial Planner and began onboarding his own clients. At home, he started brewing beer with his hockey friends, and fostered two dogs, Betsy and Frank. CJ and his fiancé LeighAnn will marry in 2023.

DAVE joined the Delphi Team this year and completed two courses toward his CFP exam. He celebrated with his nephew James who landed his first job following graduation from Penn State, and took his godson Marco to the see the Yankees in the first Playoff game.



FRANK joined the Delphi team this year. He coached his daughter's 2014 FC Brandywine soccer team to a 12-3 fall record and Welsh Cup Title. He visited Disney world in November, and bravely journeyed 6 hours to the Outer Banks with his family and close friends.

GRIFFEN passed the SIE exam this year. He traveled to Turks & Caicos and Cabo and enjoyed the Phillies World Series run.

JADE completed all licensing by passing the Life, Accident and Health Exam. Out of the office, she spent time with her family on camping and beach trips and explored new cities across the US including Scottsdale, Charleston, St. Pete's, Tampa, Raleigh and Chestertown. The winning Phillies and Eagles brought her back to Philadelphia to cheer them on.



JANET joined the Operations Team at Delphi this year. She appreciates her time with family and attends her daughter Kamryn's dance shows and her son Tyler's Ice Hockey games at Drexel University. She moved her oldest daughter, Liv, into her new apartment this year.

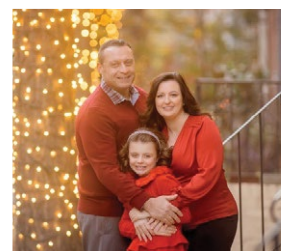
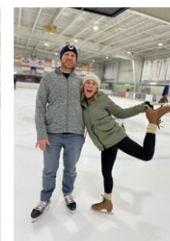
JOCEYLN is part of a new advisory team at Delphi with **DAVE**. She and her family took their annual trip to OCMD. While she had to say goodbye to her sweet 16 ½ year old pup Babee, she welcomed a new grandpuppy, Scout adopted by her son Ryan and daughter-in-law Lauren.

JOHN attended the Lincoln Financial Advisors (LFA) trip in Aruba with Steph as well as the LFA Orlando trip with Steph, Kevin and the kids. He coached LJ and Conor's Quickball team with EBYA and spent time with his extended family in OCMD and West Wildwood.

KELLEY finished all her licensing, passing her insurance exam in January. She traveled to Greece with her daughter Anna to celebrate her High School Graduation. She shared the excitement of setting up her son **JP** in his first solo apartment in NYC. She enjoys hiking in Maine and around Chester County with her husband Joe and their two Bernese Mountain dogs.

KEVIN checked off a bucket list item this year when he played golf at Pebble Beach in California. He serves on the Board of the Chester County Food Bank. He hosted his family for their annual Father's Day celebration and spends his time fishing, boating and relaxing with family and friends in St. Pete Beach, Florida.

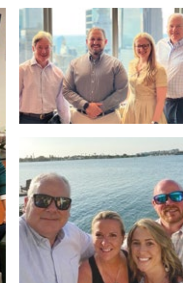
KRISTEN joined the Delphi team this year and took advantage of our proximity to Philadelphia's other winning teams. Along with her girls, Mother and cousin, she



attended Phillies playoff games, and she witnessed the Eagles in person during the regular season. Traveling with her husband Lester, their girls and grandparents, she spent time enjoying Orlando and St. Augustine.

MICHELE E's children are in elementary school — Kyle in 1st grade and Brooke in 5th. She and her family took a cruise to the Bahamas and spent their summer weekends in OCNJ.

MICHELLE B celebrated her second year at Delphi on **TARA'S** Harrisburg team. She and her daughter support her youngest granddaughter by volunteering for her Girl Scout troop. She was happy to host a long-awaited family Christmas at her house surrounded by all her grandchildren.



TARA celebrated her second year in the Delphi Harrisburg office. She enjoyed a mommy-daughter day in Philadelphia visiting the Harry Potter Experience and saw the Lion King on Broadway. Her daughter Annabelle served in two family weddings as flower girl this year.





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