Champion Advisors LLC
Wealth Management

January 2026

Dear Client,

The fourth quarter of 2025 finished out a rewarding year for investors, even if it might have felt to be anything but smooth. The markets navigated volatility from interest-rate changes, trade policy uncertainty, and political disruptions—yet global stocks delivered strong gains. So what happened this past year?

- US stocks rose for the third straight year, with the S&P 500 gaining nearly 18% and finishing close to record highs – but international stocks led the way. Developed international markets gained roughly 32% and emerging markets rose more than 33%.

- The Federal Reserve cut interest rates three times, and bond investors benefited as US Treasuries and broad bond markets posted their best annual returns in years.

- Tech stocks remained strong and enthusiasm around AI continued to drive innovation and investor interest – but this reaches beyond just a few mega-cap companies. A well-diversified portfolio allows participation in long-term growth without relying on concentrated bets.

Overall, short-term volatility felt intense, but over longer periods, the markets showed steady upward progress – further emphasizing the reality that staying invested through uncertainty has been consistently rewarded: strong long-term results often come alongside short-term uncertainty.

Some of our clients will remember the period between 2000 and 2010 commonly referred to as the "Lost Decade" when the S&P 500 had an overall return of less than 1%. Because Champion had been investing in DFA Globally diversified portfolios since 2004, we saw returns in this time frame at around 7%. While this stagnation is not what we're seeing in the markets currently, we feel that our relationship with DFA allows us to navigate even the worst downturns and volatility to produce the best outcomes for our clients by offering more investment options and tax-minimizing/advantage opportunities than ever before.

Every quarter we try to reiterate the same message: despite wars, recessions, political uncertainty, and market shocks, long-term investors have been rewarded for patience and discipline. This year has been another example of that enduring principle.

As always, your portfolio is designed with these realities in mind—focused on diversification, long-term growth, and alignment with your personal goals. If you ever have questions about recent market movements or your personal strategy or if you'd like to discuss changes to your current financial position, feel free to reach out to us at any time.

Thanks always for your continued trust!

Thomas E. Tucker