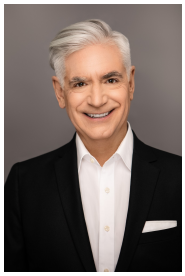
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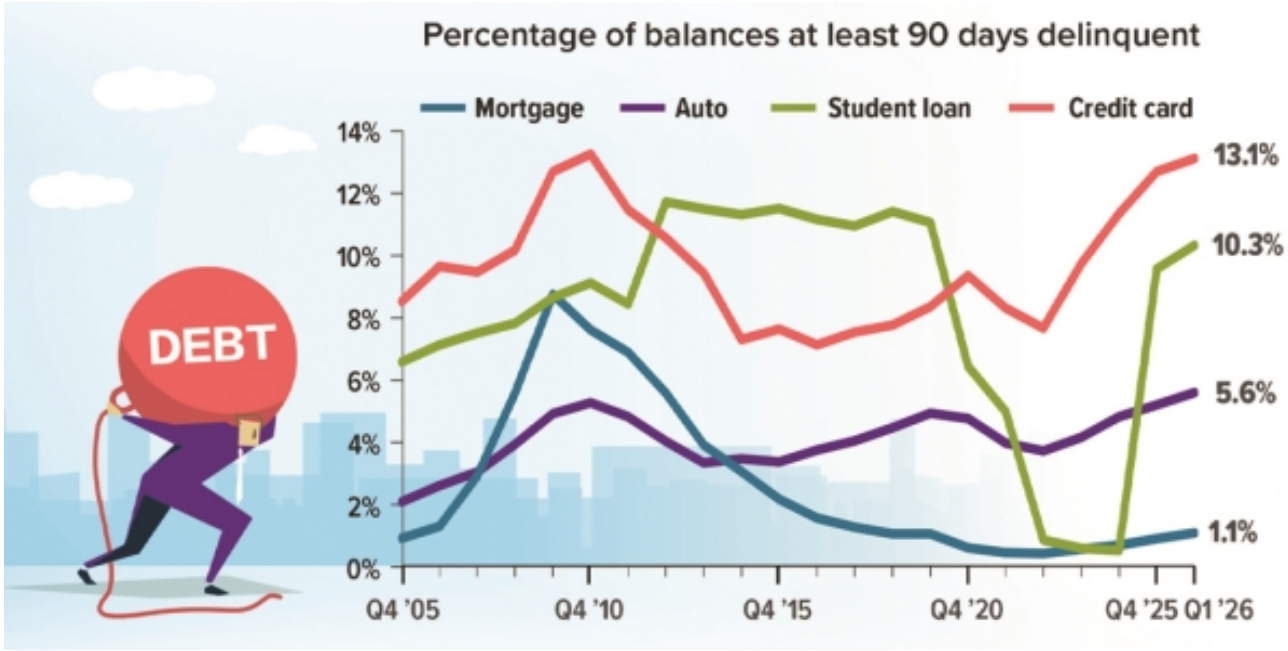


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Wealth Management

Consumer Debt Delinquencies Are on the Upswing

American consumers are falling behind on their debts, particularly on credit cards and student loans, as sticky inflation and prolonged high interest rates stretch many people to their financial limit. In the first quarter of 2026, the percentage of credit card balances that were 90 or more days delinquent hit 13.1%, the highest level in 15 years. The percentage of delinquent student loan balances was close behind at 10.3%, rising after several years of payment pauses during the pandemic.



Source: New York Federal Reserve, May 2026

HSAs: A Triple-Tax Perk with Short- and Long-Term Benefits

A health savings account (HSA) is one of the most powerful savings and investment vehicles available to individuals and families; however, in order to take advantage of one, you must be enrolled in a qualified high-deductible health plan (HDHP). According to health policy research organization KFF, about 31% of companies that provide health benefits offered an HSA-eligible HDHP in 2025. In addition, people can purchase HDHPs via a health insurance marketplace.[1]

While many people view an HSA simply as a way to set aside money for current medical expenses, it can also serve as a valuable retirement-planning tool. Thanks to its unique triple-tax advantage, an HSA offers benefits that few other financial strategies can match.

Understanding the triple-tax advantage

HSAs offer three opportunities to save on taxes:

1. Tax-deductible contributions: Contributions made to an HSA are generally tax-deductible, helping reduce taxable income for the year. In many cases, they can be made through payroll deductions, which makes the tax-saving opportunity that much easier.

2. Tax-deferred growth: Earnings generated within the account, including interest, dividends, and any potential investment gains, grow on a tax-deferred basis. That means that, unlike a savings or traditional brokerage account, participants don't have to pay taxes on earnings each year.

3. Tax-free withdrawals for qualified medical expenses: Qualified withdrawals — i.e., those that pay for eligible health-care expenses — are not subject to federal income tax. Eligible expenses include doctor visits, prescriptions, dental care, vision care, and many other common health-care costs. (See IRS Publication 502 for a list of permissible expenses.)

Note that nonqualified withdrawals prior to age 65 are subject to income taxes and a 20% penalty tax.

Short-term benefits

With an HDHP, participants typically pay a lower monthly premium in exchange for a high out-of-pocket deductible (see table). An HSA is often used to help individuals manage eligible deductible expenses. Combined with the immediate tax deduction associated with contributions, an HSA can be an effective tool in an overall financial plan.

Because HSA money belongs to the account owner, unused funds do not expire at the end of the plan year. That means that if participants don't have many health-related expenses or need the money to help pay them, the account can continue to grow.

HDHP out-of-pocket deductibles

	Individual	Family
2026		
Minimum	$1,700	$3,400
Maximum	$8,500	$17,000
2027		
Minimum	$1,750	$3,500
Maximum	$8,700	$17,400

Long-term wealth-building potential

Participants can also use the account as a reserve fund for future health-care expenses, which tend to increase as a person ages. In fact, once a balance reaches a certain threshold, many HSA providers allow account holders to invest the money. Investment earnings can compound tax deferred over time, potentially creating a substantial pool of assets to help manage future costs.

Participants should consider investment objectives, risks, charges, and expenses associated with available investment options before making any decisions. In addition, there is no guarantee that any investment strategy will be successful.

After age 65, HSA funds can be withdrawn for non-medical purposes without the 20% penalty, although ordinary income taxes will still apply. Essentially, the HSA will be treated like a traditional retirement savings account, providing additional financial flexibility.

Contribution limits

The IRS adjusts HSA contribution limits annually for inflation. For 2026, individuals with self-only HDHP coverage may contribute up to $4,400, while those with family coverage may contribute up to $8,750. Individuals age 55 or older may contribute an additional $1,000 catch-up contribution. For 2027, the limits increase to $4,500 for self-only coverage and $9,000 for family coverage. The $1,000 catch-up contribution remains unchanged for eligible individuals age 55 and older.

A valuable tool for financial wellness

As health-care costs continue to rise, maximizing HSA contributions can be a smart way to help manage both current financial wellness and long-term financial security. For those who qualify, the HSA remains one of the most versatile and tax-efficient accounts available today.

1) CNBC, May 29, 2026

A Historic Year for Mega IPOs

An IPO, or initial public offering, is when a private company offers its shares to the public for the first time, becoming a publicly traded company. In June 2026, SpaceX launched the biggest IPO in history, raising $75 billion upon its debut with a valuation of nearly $1.8 trillion.[1] The frenzied artificial intelligence (AI) race helped drive global IPO proceeds of $207 billion in the first half of 2026, by far the highest half-year total since 2021.[2]

Over the last couple of decades, many startups had access to private capital, so they could wait longer, and grow larger, before listing their shares. The median age of IPO companies was 12 years old in 2025, up from six in 2000 (at the height of the dot-com boom).[3]

IPOs help fuel the growth of innovative new companies and add more stocks to the pool of potential investments. To encourage more small and mid-size companies to join the public market, the U.S. Securities and Exchange Commission (SEC) has proposed to ease the regulatory burden by streamlining compliance and reducing reporting requirements for newly public companies.[4]

IPO hype

A large gain after the onset of trading (called a "pop") suggests that investor demand was greater than the supply of available shares. Of course, this doesn't mean that the company will outperform its peers in the long run.

Many investors who request allocated shares don't get the opportunity to buy shares at the offering price. And those who buy the stock after the market opens may miss out on the "pop," because much of the appreciation can take place between its pricing and the first stock trade.

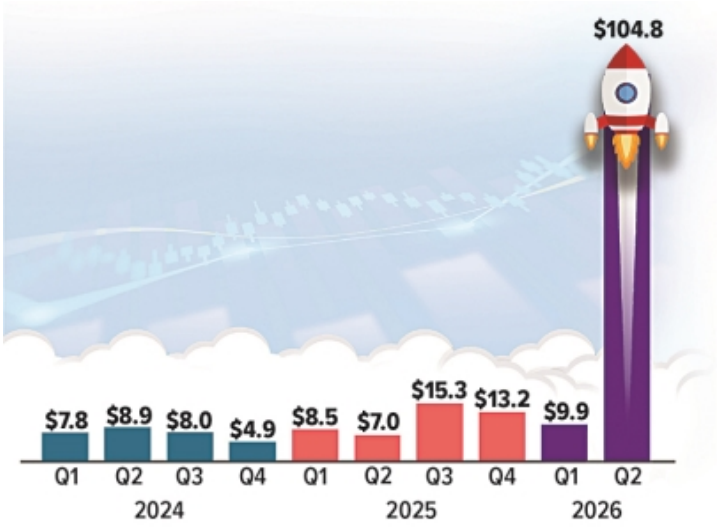
Investors who purchase the stock of a newly public company should have a relatively high tolerance for risk. A young company may have a limited track record, and an established one may have to disclose more information to the public soon after it's listed. Share prices can be volatile over the following weeks or months as the excitement dies down, and the focus turns to fundamental performance measures such as revenues and profits.

Index adjustments

SpaceX became one of the world's 10 largest companies overnight, and two leading AI companies are expected to go public in late 2026 or 2027.[5] Investors who own market-weighted index funds in a retirement or brokerage account might wonder how these and other mega IPOs could change the risk-return profile of their portfolios.

IPOs are added to indexes based on their listing exchange, size, and each index's specific rules. For example, new fast-entry rules allow Nasdaq indexes to add large IPOs in just 15 trading days. For MSCI indexes, the required waiting period is 10 days, and it's just five days for FTSE Russell and CRSP. The S&P 500, a well-known benchmark for large-cap U.S. stocks, chose to retain its profitability screen and longer 12-month seasoning period.[6]

U.S. IPO proceeds, in billions



Source: Renaissance Capital, July 2026

Moreover, most weighted indexes adjust a company's market value by how much of its stock is freely available to trade — or its "float." When an IPO's float is limited (like SpaceX at 5%), it significantly reduces the initial impact of the stock on indexes.

The return and principal value of stocks and funds fluctuate with changes in market conditions. Shares, when sold, may be worth more or less than their original cost. Investments offering the potential for higher rates of return also involve a higher degree of risk. The S&P 500 Index is an unmanaged group of securities considered to be representative of the U.S. stock market. The performance of an unmanaged index is not indicative of the performance of any specific investment. Individuals cannot invest directly in an index.

Funds are sold by prospectus. Please consider the investment objectives, risks, charges, and expenses carefully before investing. The prospectus, which contains this and other information about the investment company, can be obtained from your financial professional. Be sure to read the prospectus carefully before deciding whether to invest.

1, 5) Bloomberg, June 11, 2026; 2) Dealogic, 2026; 3) University of Florida IPO Initiative, December 31, 2025; 4) U.S. Securities and Exchange Commission, 2026; 6) Morningstar.com, June 12, 2026

Financial Lessons from Football

If you're a football fan, you know that not every game ends with a win. But you keep cheering on your team, believing that things will turn around next week. Managing your finances calls for that same commitment. Here are three football-inspired lessons that can help you tackle your financial challenges.

Review your game plan

You haven't saved enough for retirement...or for college. Your investments aren't performing as well as you had hoped. Your credit card debt is spiraling. You've been blindsided by unexpected expenses.

When your finances hit a rough patch, don't be tempted to throw in the towel or make quick, ill-informed decisions. Instead, do what your team would do: call a timeout and review your game plan. What is or isn't going well, and why? Maybe it's time to rethink your overall financial strategy to account for changes in your personal life, the economy, or market conditions.

Focus on fundamentals

Big plays are important, but so is steady execution. Even seasoned players need to focus on game fundamentals that can help them lay the groundwork for opportunities and better prepare for setbacks.

One important financial fundamental is your budget. Once you know exactly how much money is coming in and how much is going out, you should be able to identify what plays to call to get your finances back in shape. Other fundamentals include:

- Setting clear, actionable financial goals with specific time frames
- Having an emergency fund to avoid tapping long-term savings for unexpected expenses
- Revisiting your time horizon and tolerance for risk when implementing an investment strategy



Maybe it's time to rethink your overall financial strategy to account for changes in your personal life, the economy, or market conditions.

Make adjustments

Football teams make adjustments throughout the game. You can't always anticipate what will go wrong, but you can make changes as you go along. As you begin to make forward progress, keep the momentum going by regularly reviewing and fine-tuning your own game plan to balance competing priorities. Soon you should be better prepared to handle the challenges that stand between you and your financial goals.

All investing involves risk, including the possible loss of principal, and there is no guarantee that any investment strategy will be successful.

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