



AUTUMN PLANNING IS IN THE AIR

I hope you and your loved ones have enjoyed your summer and are looking forward to the rest of the year.

The change of seasons presents a perfect time to revisit your financial plan and make any adjustments that reflect life changes and account for planning opportunities on the horizon.

For example, the anticipated sunset of many provisions of the Tax Cuts and Jobs Act of 2017 (TCJA) has provided a lot to consider—particularly when it comes to tax consequences of your investments and how they relate to your income. Now is the time to understand these implications and the strategies that may help mitigate tax risks and provide planning opportunities.

Also, if you are already in retirement or about to retire, Medicare Open Enrollment for coverage beginning January 1, 2024, runs from October 15 to December 7, 2023. This is the time to ensure your financial plan aligns with your health care needs and to make any changes.

Please speak with your Financial Advisor to discuss how the TCJA expiration may impact your financial plan, how to navigate Medicare enrollment, and any other issues you may need to address.

Janney continues to enhance client service offerings to help you manage and organize your finances.

We recently launched a new financial wellness tool—the Estate Organizer—that helps you to centrally manage estate planning documents and contacts so loved ones, beneficiaries, and personal representatives know exactly what to do when the time comes. Available through our secure client portal, Online Access, you can learn more and begin to bring this information together by logging on at www.myjanney.com.

Janney will soon be making process improvement to account household grouping and presentation in order to increase consistency across various account summaries and services. You can read more about this initiative on page three.

As always, thank you for your continued trust and business. We are here for you to discuss your financial needs, listen to what's on your mind, and chart a path forward. ■

— Tony Miller, Interim President



Have You Appointed a Trusted Contact?

Appointing a trusted contact—an individual Janney can share information with in the event concerns arise about your health status, or if we believe you may be the victim of fraud or exploitation—can help ensure the safety and security of your account(s).

Add another layer of protection for your peace of mind. Contact your Financial Advisor to designate a trusted contact today.



ECONOMIC OUTLOOK

AUTUMN 2023



Mark Luschini, Chief Investment Strategist

Mark serves as Janney's Chief Investment Strategist, a recognized thought leader among industry and national media with more than 30 years of investment industry experience. He is a sought-after speaker for professional conferences and events.

Following a lengthy period of surprisingly robust economic activity, indications of a slowdown are beginning to emerge. The Citigroup Economic Surprise Index reflects statistical data released by the government and other institutions and compares it to consensus expectations. This index rises and falls, depending on whether the news is better or worse than expected, as reports on measurements of manufacturing activity and consumer sentiment to jobs, housing, retail sales, and more get released. The news has been strong, of course, so the index has moved up precipitously for months until recently. To be sure, its decline from an elevated level does not mean the reports are necessarily bad, rather it is partially due to expectations that are no longer being exceeded. While that could just be a case of overly frothy projections needing a reset, it may also indicate that those pundits hyperventilating over the prospects of averting a recession may have to temper their forecasts.

Risk of recession

While, in our view, the risk of a recession ensuing before this calendar year expires is remote, some of the data's shortcomings relative to expectations were not just underwhelming but rather weak. For instance, the manufacturing gauge reported by S&P Global dipped further into contractionary territory and the once vibrant measure of the services industry slipped lower nearing a level that too would be indicative of falling activity. In addition, the Conference Board Consumer Confidence survey dropped in August by the most in two years, falling

across most income cohorts. Collectively, these and other inputs to the index's composition are not foreshadowing an imminent threat to the current economic expansion. However, the effects of the Federal Reserve's 11 rate hikes over the last 18 months, tightening credit conditions enacted by lending agents to stem the slow but rising number of delinquencies on consumer debts, and embryonic signs that the labor market may be loosening, warrant notice. For those reasons, even as other data points continue to point to underlying strength in the economy, we still judge the risk of a recession in 2024 to be non-trivial.

Gains in equity market

Investors have been treated to handsome gains in the equity market driven mostly by the enormous outperformance of technology stocks, especially those that are direct participants in the artificial intelligence space or have tertiary exposure but benefits to be gained from its development. Still, other sectors have produced rewarding returns as well, including industrials and materials, therefore diversified portfolios have also posted flattering results so far this year. Even bonds are attractive, offering the most appetizing yields in a decade or more at these levels. We believe there is room for the advance to continue should conditions fail to deteriorate which, in turn, would cause the Citigroup Economic Surprise Index to plummet and likely the commensurate risks of an economic contraction move uncomfortably higher. ■

JANNEY IN THE COMMUNITY



Soles of Love

Team members across multiple Janney locations and our Women's Interactive Network supported Soles of Love by donating over 250 pairs of shoes. Soles of Love works with 10 nonprofit partner agencies to distribute shoes to children in need.



Food Drive

Our Meadville, Pennsylvania, Branch Office recently hosted a food drive benefitting two local food pantries. Team members collected nearly 200 pounds of food and provided an additional monetary donation.



Girls on the Run

Attendees of our Wealth Management Conference raised over \$20,000 benefitting Girls on the Run (Philadelphia & Baltimore chapters), a national nonprofit committed to encouraging positive emotional, social, mental, and physical development for girls.

UPDATES TO JANNEY HOUSEHOLDING METHODOLOGY

Beginning in October, Janney will improve how client accounts are grouped into households with the creation of a single household to serve as a baseline account group. The purpose is to increase consistency across such areas as statement mailing group(s), performance account groups, and your Online Access experience. As a result, you may experience changes to how your accounts are grouped together. Please contact your Janney Financial Advisor at any time to add or remove specific accounts to and from your household, or if you have any questions about this process improvement. ■

PREVENT CHECK FRAUD WITH JANNEY BILL PAY

Due to an uptick in check fraud cases across the country, consider eliminating the practice of paying with checks and convert to Janney's electronic Bill Pay service, which is accessible via our secure client portal Online Access. If you're not already enrolled in Online Access, visit www.MyJanney.com to register today. ■



JANNEY DEI DIRECTOR IS DIVERSITY IN BUSINESS HONOREE

Erika Whyte, MBA, Janney's Director of Diversity, Equity and Inclusion, was named a Diversity in Business honoree by the Philadelphia Business Journal.

This recognition is a testament to her hard work and dedication to advancing DEI both at Janney and in the community. ■

THERE'S STILL TIME TO REGISTER FOR OUR NEXT VIRTUAL INVESTOR EVENT!

**Tax & Estate Planning:
Things You Should Know**
October 11, 2023 | 12:00 PM EST

Register Here: www.janney.com/year-endstrategies

Join [Ed Smith](#), Janney's Senior Tax and Estate Planner, and [Shurdonna Joseph](#), Janney's Director of High Net Worth Consulting to learn about what to do before the 2017 Tax Cuts and Jobs Act sunsets and how new provisions in the Secure Act and Secure Act 2.0 may impact you. ■



DISCLOSURES

Statement of Financial Condition

Janney Montgomery Scott LLC is subject to the Uniform Net Capital Rule of the Securities and Exchange Commission, and is required to maintain a minimum amount of net capital. As of June 30, 2023, Janney's Net Capital and Net Capital Requirement were \$214,958,747 and \$16,569,555, respectively. You may obtain a copy of the Statement of Financial Condition as of June 30, 2023, at no cost by accessing our website at www.janney.com or by calling our tollfree number at 800.526.6397.

MSRB Rule G-10

Pursuant to Municipal Securities Rulemaking Board Rule G-10, on Investor and Municipal Advisory Client Education and Protection, Broker-Dealers are required to provide certain written information to their clients which include the following:

- Janney Montgomery Scott LLC is currently registered with the U.S. Securities and Exchange Commission and the Municipal Securities Rulemaking Board as a broker-dealer.
- Within the Municipal Securities Rulemaking Board ("MSRB") website at www.msrb.org, our clients may obtain the investor brochure that is posted on the MSRB website. The brochure describes the protections that may be provided by the MSRB Rules along with how to file a complaint with financial regulatory authorities.

Annual Disclosure Statement To Accounts Approved For Margin

Janney is providing this disclosure to inform you of some basic facts about purchasing securities on margin and to alert you to the risks involved with trading securities in a margin account. Before trading securities in a margin account, you should carefully review the margin agreement provided by Janney. Consult your Financial Advisor or contact Janney regarding any questions or concerns you may have with your margin account(s). When you purchase qualified securities, you may pay for the securities in full, or you may borrow part of the purchase price from Janney. If you choose to borrow funds, you must open a margin account. The securities purchased as well as other securities in your margin account are Janney's collateral for the loan to you. If the securities in your account decline in value, so does the value of the collateral supporting your loan, and as a result, we can take action, such as issuing a margin call and/or selling securities or other assets in any of your accounts held at Janney in order to maintain the required equity in the account.

It is important that you fully understand the risks involved in trading securities on margin. These risks include the following:

You can lose more funds than you deposit in the margin account. A decline in the value of securities that are purchased on margin may require you to provide additional funds to Janney to avoid the forced sale of those securities or other securities or assets in your account(s).

Janney can force the sale of securities or other assets in your account(s). If the equity in your account falls below the maintenance margin requirements or Janney's higher "house" requirements, the firm can sell the securities or other assets in any of your accounts held at Janney to cover the margin deficiency. You will also be responsible for any shortfalls in the account after such a sale.

Janney can sell your securities or other assets without contacting you. Janney will attempt to notify our clients of margin calls; however, we are not required to do so. Even if Janney has contacted a client and provided a specific date by which the client can meet a margin call, we can still take necessary steps to protect our financial interests, including immediately selling the securities without notice to the client.

In the event of a forced liquidation, you are not entitled to choose which securities or other assets in your account(s) are liquidated or sold to meet a margin call.

Because the securities are collateral for the margin loan, Janney maintains the right to decide which security to sell in order to protect our interests.

Janney can increase "house" maintenance margin requirements at any time, and we are not required to provide you with advance written notice. These changes in firm policy often take effect immediately and may result in the issuance of a maintenance margin call. Failure to satisfy the call may require Janney to liquidate or sell securities in your account(s).

You are not entitled to an extension of time on a margin call. Janney is required to send clients with margin accounts the preceding information on an annual basis. We believe the following additional information will assist our clients in understanding the various aspects of margin borrowing, especially the risks.

Margin Interest

Janney will charge interest to margin accounts based on the Janney Base Rate. The Janney Base Rate is an internally calculated rate established by Janney and changes from time to time based on Janney's cost of funds as well as Janney's assessment of the rates charged in the financial markets.

To determine your margin account's interest rate, we will use the schedule below. The interest rate you will be charged for borrowing on margin will increase or decrease as the Janney Base Rate increases or decreases. The Janney Base Rate is published below and on our website and is subject to change without prior notice to you. We encourage you to check our website frequently to be sure you are aware of the current Base Rate at all times.

The following schedule of the annual interest rate that will be charged on all margin debit balances is as of July 1, 2013:

If the Debit Balance Is:	Percentage of Interest Charged:
Less than \$25,000	Janney Base Rate Plus 5.875%
Between \$25,000 & \$49,999	Janney Base Rate Plus 5.25%
Between \$50,000 & \$99,999	Janney Base Rate Plus 4.75%
Between \$100,000 & \$249,999	Janney Base Rate Plus 4.25%
Between \$250,000 & \$499,999	Janney Base Rate Plus 4.00%
Between \$500,000 & \$999,999	Janney Base Rate Plus 3.75%
Between \$1,000,000 & Up	Janney Base Rate Plus 3.50%

The Janney Base Rate as of July 27, 2023, is 8.5%.

For example, a margin client with a debit balance or margin loan of \$300,000 will pay an interest rate of 12.5%. As the Janney Base Rate changes, so does the rate charged to the margin borrower.

Enhancements to Janney's Adviser's MSP Program

On or about October 9, 2023, Janney's Adviser's MSP Program will offer the option to delegate full investment discretion to your Financial Advisor when selecting or modifying investments held in your MSP account. This new capability will be offered in addition to our current MSP program offering, in which you have the option to continue partnering with your Financial Advisor in investment decision-making. With this change, the Client Agreement has been updated. You may learn more by obtaining a copy of the updated Client Agreement from your Financial Advisor or via Online Access, or by reviewing our Managed Account disclosures at: <https://www.janney.com/wealth-management/disclosures-agreements/disclosures-agreements-service/managed-accounts>.

Working With Janney

Depending on your financial needs and personal preferences, you may opt to engage in a brokerage relationship, an advisory relationship or a combination of both. Each time you open an account, we will make recommendations on which type of relationship is in your best interest based on the information you provide when you complete or update your client profile.

When you engage in an advisory relationship, you will pay an asset-based fee which encompasses, among other things, a defined investment strategy, ongoing monitoring, and performance reporting. Your Financial Advisor will serve in a fiduciary capacity for your advisory accounts.

For more information about Janney, please see Janney's Relationship Summary (Form CRS) on www.janney.com/crs, which details all material facts about the scope and terms of our relationship with you and any potential conflicts of interest.

Janney Montgomery Scott LLC

1717 Arch Street, Philadelphia, PA 19103 | 1.800.JANNEYS | www.janney.com

This is for informative purposes only and in no event should be construed as a representation by us or as an offer to sell or solicitation of an offer to buy any securities. Neither Janney Montgomery Scott LLC nor its Financial Advisors are tax advisors. Please consult your tax advisor before implementing any tax-related strategies mentioned in this publication. The information given herein is taken from sources that we believe to be reliable, but is not guaranteed by us as to accuracy or completeness. Opinions expressed are subject to change without notice and do not take into account the particular investment objectives, financial situation, or needs of individual investors. ■