



### ***Ropes Wealth Reflects as the New Year Opens with Tragedy***

2025 has started with loss, both in the markets and in our world.

We lost Jimmy Carter, 39th president of the United States and winner of the 2002 Nobel Peace Prize, who died peacefully at his home in Plains, Georgia, surrounded by his family. He was 100, the longest-lived president in U.S. history. An outpouring of love from around the world has emerged in recent days as people celebrated Carter's life as a humanitarian, faith leader, politician, and Navy veteran. World leaders, nonprofit organizations, military personnel, and politicians from across the aisle, especially in his home state of Georgia, honored his work in eradicating disease, brokering peace in the Middle East, advancing civil rights, and overseeing free and fair elections across the globe, with many of them highlighting his moral compass and sense of decency. Carter will be given an official state funeral on January 9 and laid to rest with his beloved wife Rosalynn in Georgia. U.S. stock markets will be closed on that day in observance of a National Day of Mourning.

We also lost 14 American citizens in an ISIS-inspired terrorist attack in New Orleans during the early hours of New Year's Day. The rampage turned normally festive Bourbon Street into a horrific scene of violence as maimed victims, bloodied bodies, and scared pedestrians fled for safety inside nightclubs and restaurants. In addition to the confirmed dead, dozens were injured, but the carnage could have been even worse as undetonated IEDs were also discovered to have been planted by the suspect, who was killed after exchanging gunfire with police.

In what is now being described as an unrelated incident, a decorated active-duty military officer killed himself before allegedly exploding a Tesla Cybertruck in front of Trump International Hotel in Las Vegas on New Year's morning.

Like all of us, the financial markets were rattled by these losses, with stocks trading lower upon reopening after the holiday while bonds, the U.S. dollar, and oil caught a flight-to-quality bid. The market was also not impressed as Tesla reported its first yearly sales decline as well as disappointing fourth quarter deliveries of only 495,000, shy of the 510,000 that Wall Street had expected. Tesla sales have been hurt by cheap gasoline, competition from Chinese EV companies, and the growing popularity of hybrid vehicles. Nevertheless, the stock price has run up as Elon Musk's role and influence in the Trump administration became solidified following the election. With fundamentals back into focus, Tesla stock took a -6% hit. Apple also joined in on the downturn given worries about iPhone demand after it was reported the consumer electronics giant had to cut iPhone prices in China to compete with domestic rivals such as Huawei. On a more positive note, this morning the Institute of Supply Management (ISM) released the December manufacturing PMI, rising to a 9-month high of 49.3 from 48.4 in November. While factories faced higher prices into year end, orders and production appear to be rebounding, albeit still in contraction territory as the index remains below 50.

Today marks the 16th anniversary of bitcoin when pseudonymous founder Satoshi Nakamoto created the genesis blockchain. It is also the one-year anniversary of crypto spot price exchange-traded funds (ETFs), which have amassed over \$100 billion in assets, equivalent to about 5% of all bitcoin in existence and more than its creator allegedly controls. With the incoming Trump administration full of crypto-friendly appointees, and the president-elect himself saying he wants to make America the "crypto capital of the planet and the bitcoin superpower of the world," it would seem crypto could continue its meteoric rise, though institutional and high net worth investors remain wary of its volatility, with swings as much as 10% or more of its value in just one day. Unlike other financial assets, crypto is an asset whose entire value depends on what people are willing to pay for it at a point in time based on what they think someone else will pay for it in the future. It is not backed by anything else, such as tax revenue or corporate

earnings. That said, if bitcoin were to be considered as a government reserve, or given a statutory framework by Congressional legislation, it could become more mainstream. We shall see.

I spent the last few days in Washington D.C. with my children, taking in some sights and sporting events. On the National Mall, past two large pieces of granite, a 30-foot stone figure of Dr. Martin Luther King, Jr. stands, named the "Stone of Hope," symbolizing the line from King's famous "I have a dream" speech: "Out of a mountain of despair, a stone of hope." Let us all find our hope following this week's somber events and stay focused on our goals and our loved ones as we start the 2025 new year.

Thank you for your interest in our investment commentary. If you would like to speak personally with a member of our team at any time, please click [here](#).

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