

## Investment News

### Structured Income Notes

Many of our clients hold structured notes in one or more Schwab accounts. The notes that we buy for our clients are primarily income notes. These notes pay a relatively high annual coupon, but these interest payments are contingent upon the value of specific market indices.

Income notes such as these fluctuate in value just as you would expect from a more conventional corporate or treasury bond or note. We have found that the valuation of income notes is a function of several market parameters, such as interest rates, and is inversely influenced by the volatility in the market.

However, while valuations may decline over some time, you are still receiving your regular interest payments in cash into your account. Market conditions remain well above any thresholds that would result in an expected interest payment not being paid. We believe the income notes that our clients hold are an ideal investment during these volatile times.

### Market Summary as of March 31, 2022

Index/Market	YTD
S&P 500 Index	-4.95%
DJ Industrial Average	-4.57%
Russell 3000	-5.61%
Russell 2000	-7.80%
Nasdaq	-9.10%
MSCI EAFE Index	-6.61%
Barclays US Agg Bond	-5.93%
10-Year U.S. Treasuries (Yield)	2.90%
WTI Crude Oil	38.23%
DJ Commodity Gold Index	6.86%
CBOE Market Volatility	19.40%

Index/Market	YTD
Basic Materials	-1.71%
Communication Service	-11.12%
Consumer Cyclical	-10.84%
Consumer Defensive	-1.86%
Energy	37.21%
Financial Services	-3.41%
Healthcare	-4.40%
Industrials	-4.57%
Real Estate	-6.93%
Technology	-9.84%
Utilities	3.68%

Source: [ycharts.com](https://ycharts.com)

March saw US markets post the first winning month of 2022. However, a volatile April has led to a reversal of those gains. Treasury yields continued moving higher as the Federal Reserve aggressively raised rates. This led to multiple inversions in the yield curve, with the 3-year and 5-year rates rising above the 10-year and 30-year, respectively. March also saw another increase in inflation as it rose for the sixth straight month to 7.8%.

## SECURE Act 2.0

A new retirement savings bill nicknamed "Secure 2.0" has recently passed in the House of Representatives. The passage of this bill into law would provide a variety of benefits, including larger catch-up contributions to 401(k)/403(b) plans, 401(k) eligibility for part-time employees, and enhanced tax credits for small businesses that provide greater access to retirement plans for their employees.

[Read more.](#)

## 2022 Changes to Federal Gift & Estate Tax Thresholds: Estate Planning for Singles

In our January newsletter, we provided our updated 2022 Tax Reference Guide. Updates to the guide's federal gifts and estate tax section reflect the changes introduced under the American Taxpayer Relief Act. It may be necessary for unmarried individuals to revisit their estate plan to take advantage of certain changes to current tax rules.

The federal estate tax exemption is now \$12.06 million for estates of individuals who die in 2022, up from \$11.7 million in 2021. A 40% tax rate applies to the value of an estate more than the exemption. Likewise, the federal gift tax exemption is also set at \$12.06 million for 2022.

**Singles With an estate of Less than \$12.06M**

If your estate is worth less than \$12.06

**Singles With an estate of More than \$12.06M**

It may be worthwhile to consider directing

million and you die in 2022, everything you own can be left to relatives and loved ones without any federal estate tax bill.

Even if your estate is less than the exemption threshold, there may still be implications to consider if your planning documents are multiple years old as the exemption was much smaller 10 years ago.

the executor of your estate to give away more to charity in order to get your taxable estate below the exemption threshold.

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## Cyber Security & Disclosure Notices

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### Annual Offer Notice

CCM recently completed the annual update of firm disclosures that outline our services, fees, and conflicts of interest, a requirement of all investment advisers registered with the United States Securities and Exchange Commission. We are required to offer these disclosures annually and provide a summary when material changes are made. Disclosures can be found in the [resources section on our website](#) or provided upon request.

### Top Scams to Watch for in 2022

In cybercriminals' non-stop pursuit of stealing money and identities, they are constantly reworking old scams and creating new ones. These eight scams are quickly emerging as the top threats in 2022:

- Google Voice Scam
- Rental Assistance Cons
- Fake-Job Frauds
- Fake Amazon Employees
- Cryptocurrency ATM Payments
- Local Tax Imposters
- “Favor for a Friend” Gift Cards
- P2P Payment Requests



[Here is a closer look](#) at the mechanisms of these scams and some advice on how to avoid them.

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## Office Updates & Upcoming Events

## Upcoming In-person and Virtual Events



### Tar Heel Traveler

We look forward to hosting clients and guests at our upcoming Evening with the Tar Heel Traveler on April 28th at the Jiddi Space in downtown Raleigh. More information [can be found here](#), and any questions or registration requests can be sent to Hannah Abernethy at [habernethy@collegiatecapital.com](mailto:habernethy@collegiatecapital.com).

### Chamber Music Raleigh Concerts

Collegiate Capital Management is sponsoring two Chamber Music Raleigh concerts- The [Aurora Musicalis](#) concert on June 12th and the [Amernet String Quartet](#) on October 23rd. We will have tickets available for both concerts and will host in-person events during each, so stay tuned for more information. These concerts will also be available to view virtually, and we will provide updates on registering as we learn more.

## CCM Office News

### Congratulations to Jennifer Blanton, MBA

We are proud to announce that after three years of diligent work, Jennifer Blanton will be completing her degree of Master of Business Administration with an Emphasis in Finance. She will participate in the commencement exercises at Charleston Southern University on May 7, 2022.



### Best Wishes to Abe in his Marriage

Abraham Gonzalez married his fiance Diana Downward on April 23 in western North Carolina. We wish them both the best in this new life chapter!

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