



## MARKET Highlights

## January Brings Broad Market Advance

The markets, despite a rocky start, posted gains for January, with the advances beyond its recent reliance on *Technology*. Nevertheless, issues including earnings reports, the Federal Reserve meeting, Chinese AI startup *DeepSeek*, and the announced implementation of tariffs challenged investor sentiment.

The Fed left interest rates at current levels while providing no specifics on further cuts. The expectation for “higher for longer” interest rates creates a dilemma for investors long accustomed to near zero rates even though current rates are near historical norms. The recent rise in long-term rates largely reflects concerns about government debt and tariffs.

Markets may be choppy for a period as investors reassess the markets and the economy to identify the best opportunities.

*See our [Weekly Recap](#) or [Quarterly Investment Update](#) for in-depth commentary. [Click here](#) to subscribe.*

## INVESTMENT Spotlight

## Energy Opportunities: Looking Beyond the Price of Oil

**Finding investment opportunities in a sector goes beyond analyzing headlines.** In *Energy*, for example, many investors tend to base decisions on the current price of oil even though the commodity may experience wide price fluctuations.

We believe **the *Energy* sector includes companies that are uniquely positioned to benefit in 2025 without regard to oil prices.** For example, oil production declined dramatically during the 10-year energy bear market beginning in 2014 as investments for drilling and capital equipment diminished. As a result, there was little construction of new ships to support offshore drilling and move petrochemicals, as well as inland barges. Prices could not justify the investment. Additionally, many ship manufacturers closed or cut capacity. Therefore, replacing the vessels which had reached the end of their usable life became more expensive. Rising demand for barges and ships enables current fleet operators to increase prices and generate greater profits.

*Read more about our 2025 market outlook in our latest [Portfolio Manager Insight](#) from George Henning.*

### FINANCIAL Planning

#### 401(k) Contribution Limits Increase in 2025

**Take advantage of new contribution limits to save more for retirement!**

- **Under 50:** You can contribute up to **\$23,000** to your 401(k).
- **Age 50-59:** You get an additional **\$7,500 catch-up contribution**, bringing your **total to \$30,500.**
- **Age 60-63:** You can make a **catch-up contribution of \$11,250**, bringing your **total to \$34,250.**

If you're younger, maximize your contributions to capitalize on tax-deferred growth for your retirement savings. If you're older, take advantage of catch-up contributions to boost your savings as retirement approaches.

Now is a great time to revisit your 401(k) contributions and investments. Our financial planners can help you review your savings plan.

*To schedule a free consultation with a financial planner, call Client Services at (800) 404-6693.*

### PROFESSIONAL Highlight

#### Lianna Kzirian



**Financial Planner & Portfolio Associate**

- Joined Pacific Global in 2011

Excels in **collaborating with clients** in the financial planning process **to help crystallize their goals and investment objectives.**

- Develops financial plans, partners with portfolio managers to evaluate client portfolios
- Over 15 years in the financial services industry
- B.S. degree in Economics with a Finance Minor
- Dedicated to volunteering in her community

*Read more about Lianna and our Team at [www.pacificglobal.us](http://www.pacificglobal.us)*