



COMMENTARY

QUARTER 2 - 2025



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Market/Index	2022 Close	2023 Close	2024 Close	2024 Change	As of 6/30/25	2025 Change
DJIA	33,147.25	37,689.54	42,544.22	12.88%	44,094.77	3.64%
NASDAQ	10,466.48	15,011.35	19,310.79	28.64%	20,307.88	5.16%
S&P 500	3,839.50	4,769.83	5,881.63	23.31%	6,204.95	5.50%
Prime Rate	7.50%	8.50%	7.50%	-11.76%	7.50%	0.00%
10-year Treasury	3.88%	3.88%	4.58%	18.04%	4.23%	-7.64%

Why We Don't Panic on Bad News Staying the Course Pays Off

There is a saying in our business that "the stock market is the only market in the world that when everything goes on sale, everyone runs for the doors." The saying speaks to the natural reaction that many people have to turmoil in the markets. At Anchor Investment Management, we try to help our clients stay focused on their long-term goals and not short-term news cycles.

This quarter has been a textbook example of how our long-term outlook helps our clients.

April 2 marked a sharp drop in markets, coinciding with the administration's announcement of the most sweeping tariff hikes in recent memory. It felt like bad

news everywhere you looked — and the headlines were full of reasons to sell. But if you had done that, you would have locked in losses and missed one of the strongest rebounds of the last few years.

Since the lows on April 7, the S&P 500 is up nearly 25%, the NASDAQ over 32% and the Dow has fully recovered. Investors who stayed invested not only avoided selling at the bottom, they captured the gains from the bounce back.

As an investor, you want to walk in when others walk out. We aim to help you do that.

The Hidden Divide in the Housing Market

What Today's Real Estate Trends Say About the American Consumer

At first glance, the United States consumer looks remarkably healthy. Unemployment is low. Spending is strong. And many Americans are sitting on impressive gains in both their investment portfolios and their homes. But dig a little deeper, and you will find a story of two very different Americas — especially when it comes to housing.

Here's the headline: The timing of when you bought your home may now matter more than whether you own one at all.



Homeowners who bought before 2021, when mortgage rates were near historic lows, are in an enviable position. Many are locked into 30-year fixed loans with rates under 4%, even as current rates hover near 7%. Their monthly housing costs have not changed, but their home values and investment accounts have likely grown. In an inflationary world, that is an incredible advantage.

Contrast this situation with that of recent buyers. Those who purchased in the past few years are often spending two to three times more of their monthly income on their mortgage. That does not leave much room for error — or for savings. And as rates remain high, many would-be movers are choosing to stay put, creating a “lock-in” effect that has kept housing inventory low — until recently.

In the past year and a half, inventory has started to rise, particularly in states like Florida, Texas and the Carolinas. This has led to some early signs of price softening in those regions, though nothing like the crash we saw in 2008. In fact, mortgage credit remains strong overall and foreclosures are still rare.

What does this all mean for investors and homeowners? First, it is a reminder that national averages can be misleading — some consumers are thriving while others are under pressure. Second, it highlights the power of long-term planning. Those who were able to purchase with stable, low-cost financing now have a cushion against today’s higher prices and interests. Those who have had to enter the market during an era of higher rates should keep an eye on conditions so they can improve their situation when the opportunity arises.

As always, our job at Anchor is to help clients navigate both the headlines and the fine print. If you have questions about how the current environment affects your financial picture, let’s talk.

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At Anchor, our goal is to keep your best interests in mind as we follow trends and events that can impact the economy and your investments. Market declines are a normal part of investing and often present opportunities to buy quality companies at a discount. Long-term investment success depends on creating a financial plan and acting consistently on that plan. If you have any concerns about the year ahead, let’s review your goals and make sure your investments are aligned with them.

Disclaimer – This synopsis is based on research of information available at this time and is provided for general information purposes only. Every attempt has been made to ensure the information contained herein is valid at the time of publication. If you are a client of Anchor, please notify us if there have been significant changes in your financial situation or investment objectives.

Celebrating our 25th Anniversary

This year marks a meaningful milestone for Anchor: **25 years in business!**

Since opening our doors in 2000, Anchor has stayed focused on doing what’s right. That means giving honest, personalized guidance and building long-term relationships. It also means always putting our clients first.

We’ve grown from serving a small group of families to working with clients in more than 20 states. Along the way, we’ve added to our team, sharpened our skills and stayed grounded in the values we started with: integrity, humility and service. No matter what’s happening in the world, our goal remains the same: helping people make smart financial choices that support what matters most to them.

Over the years, we’ve helped clients through market ups and downs, major life moments and unexpected turns. Whether you’ve been with us from the beginning or just joined the Anchor family, thank you. We’re glad you’re here and excited for what’s ahead.

Marking Employee Milestones

As Anchor celebrates its 25th anniversary, we are also proud to recognize two incredible team members for their own milestones.

Birgit “Sam” Lumpkin

Sam recently marked 20 years of service and was promoted to Director of Operations. Sam first joined Ward Financial Advisors in 2004 and became part of the Anchor team during its merger in 2013. Born and raised in Germany, she brought years of experience across industries — and an unwavering dedication to client service.



Known for her warmth, efficiency and steady presence, Sam has become a cornerstone of our operations. Her love for Anchor’s office culture and team runs deep, and we are grateful to celebrate both her longevity and her leadership.

Dawn Scholl

We also celebrate Dawn Scholl, who marked her 10-year anniversary with Anchor this year. What began as a part-time role for Dawn in 2015 quickly turned into something more permanent and invaluable. As a client services associate, she brings curiosity, heart and a can-do spirit to every task. With a background in graphic design and corporate advertising,



Dawn thrives in dynamic environments and views both colleagues and clients as extended family.

Thank you, Sam and Dawn, for everything you do to make Anchor stronger. We are lucky to have you.