Greetings,

Fears of recession have been hitting the markets hard since last week when a weak jobs report showing job growth slowed sharply in July. When coupled with earnings disappointments and underwhelming forecasts, fears of a global recession have intensified. Today the selloff has continued around the globe with U.S. markets down around 4%.

Big bets from investors who crowded into the "Magnificent Seven", seven technology companies who have driven much of the U.S. stock performance over the past year, are starting to unwind as investors look for safer investments. The sell-off in the stock market has driven the bond market higher as investors rush to allocate to safety. The higher demand and elevated prices for bonds are pushing interest rates lower, with the 10-year Treasury yield trading around 3.7%, down from well over 4%.

Many are now looking at the Federal Reserve's decision to postpone several rate cuts planned for 2024. The question is, did the Fed wait too long and will they now have to play catch up? It looks more and more likely they will have to lower rates in September.

During turbulent times like this, we want you to know that we are here for you and paying attention as events unfold. Most importantly, our investment philosophy is to create Remarkable Retirement for you and your family by establishing portfolios that will weather the storms of volatility, like we are seeing.

Please reach out to me directly if you have any questions.

Warm Regards,

Brad Mickelson, CFA
Director of Portfolio Management

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