TRINITY

INSURANCE & FINANCIAL SERVICES

Good afternoon and Happy Friday

I hope that you have been enjoying our weather roller coaster this week! It is almost like the stock market roller coaster.

This week's mini rally has been a welcomed reprieve from what we experienced the week before as the DOW is back to where it was on October 16th, 2023, and it is still about 1400 points below the close on July 23rd of this year. So, we still have a long way to go before we are whole for this year and even longer to equal the December 2021 high of 36,398.

So, can we expect this rally to continue? I am not going to start the celebration yet, but the recent jobs reports are supporting speculation that the FED will not raise rates in December. One of the articles I read this morning had a headline that read like this: Bad news for the economy, is good news for the Markets. The article then tried to balance that statement with the following: "as long as the news is not that bad".

What the article is trying to say to its readers is that Powell and the FED committee may finally feel good with the slowing of the economy. If they are, they may not raise rates again out of fear of going too far and causing our economy to go into a tailspin. For those who read my letters regularly, you know that has been my fear since Powell and his board have begun raising the rates even when there were indications that the economy was slowing.

The balance with raising the rates is to find the happy medium between slowing the economy and cooling inflation while avoiding a recession. If the rates can hold at the current level, then I am confident that the balance may have been reached.

What this could mean is that the current rates could be the norm longer than expected with no future rate reductions. This is ok, because if my prediction would have come to fruition and there would have been another rate hike before year's end, the expected rate reduction in 2Q 2024 would have brought us back to the current level.

So, all in all I am satisfied with the FED's decision this week. I also believe that this decision will give us a bit more time to restructure assets in order to take advantage of the higher rates. The downside to all of this good news is if the market continues to rebound then we may begin to see interest rates on money markets, CD's, and fixed products start to decrease because the speculation may be that the yields will begin to decrease.

During this past week, I received notices three days in a row with announcements of rates increasing on some products by .15% to .2%. I do not expect to see these types of announcements in the upcoming weeks. In fact, I believe that we may start to see announcements by the end of the year about rates decreasing if everything stays status quo as it is today.

I believe that I have talked to or visited with every person we serve during the past 8 months, so we already may have a plan in place, but if you would like to review other options or just refresh what we discussed, please call the office today to schedule a meeting or a phone call.

In closing, I would like to announce our newest team member, Roy Hummel. He is going to be a mentee for some time, but while he is learning, he may be joining us during our meetings. He is also going to help a lot with the Medicare Supplement division of Trinity.

May you and your family continue to be blessed as we approach the Thanksgiving season.

Take care,

Brett