



Good morning and Happy Friday

I hope that you and your family enjoyed a wonderful Easter weekend. We were not blessed with the warmest weather, but those warm days are coming soon.

Well, this week has not been very enjoyable as we watched the markets shed about 1 ½% over the past two weeks. Today's rebound has helped ease the pain that the first 4 days of this week brought us.

The headlines this week blamed the sell-off on inflation worries. There was concern that the Feds were not going to lower rates as soon as some are expecting, if at all. One headline today indicated another rate hike may be possible by the end of the year according to Fed Reserve Governor Bowman.

My take on this week's market action is that we witnessed some good ol' profit taking by the big guys on wall street. The quarter ended last week, and they waited until this week to lock in some gains and reposition their holdings during the first week of a new quarter. There were no reports released this week that indicated anything different about our economy as compared to a few weeks ago. That was until today when the jobs report was released, and it was a wonderful report. So, if inflation was the concern, then why would the markets be up almost 400 points on a strong jobs report, which by itself could signal higher inflation? Because, and I am repeating myself, I do not believe inflation is that much of a concern. A strong jobs report signals a strong economy. If the economy is still producing jobs, then why should the Fed raise or lower rates? I do not believe they will do anything unless prices for goods and services start to surge again or the real estate market comes to a grinding halt. In other words, if it ain't broke don't try to fix it.

I believe we will experience modest growth in the equity markets for the rest of this year. The election outcome will impact what we can look forward to in 2025. We are still able to take advantage of the higher rates, especially for those who are looking for a lifetime income; single or joint.

We will continue our normal review process, but if you would like to discuss your portfolio before then please call or email anytime.

Enjoy the upcoming warmer weather, and the first mowing of the 2024 summer!

Take care,

Brett