



Happy Friday...

And Happy Father's Day to all our "Dads". May you have a wonderful weekend and cherish the love of your family. We all know that there was not an instruction manual when we became fathers, and we also know that we would not have read it if there was one!! But we have always done the best that we can.

The past two weeks provided the good news that everyone was hoping for and expecting.

The debt ceiling was resolved, thus avoiding a government shut down. While everyone was not happy with every aspect of the agreement, it did have bi-partisan support. I personally would have liked to have had more of an emphasis placed on reducing government spending, as that only seems to be a common-sense goal. Hopefully in the future!

The Fed's took a pause on raising the rates this week, but Powell just couldn't help himself from speaking and causing a sell-off. How he could say that he expects two more rate hikes this year, just blows my mind because just about every report is indicating that inflation is cooling, and consumer spending is slowing.

I believe that with over 10,000,000 job openings throughout the United States that we should let the natural cycle of capitalism go to work. Of course, the Feds can monitor and make minor adjustments, if need be, but for now they should be hands off.

I do not want to rain on the Dow and S&P recovery that we enjoyed the past two weeks, but we are still about 5% below the all-time high for the DOW, which was only a 1 ½ years ago. So, we still have some work to do in order to be made whole.

I remain optimistic in regard to our overall economy, especially with the strong job market. I am also holding to my belief that there will be a rate cut within the next 6-9 months in order to jump start the home sales again. I do not think it will be a huge decrease, just enough to make people feel like they did the right thing by waiting to purchase their new home.

So, staying the course has worked well for the past 1 ½ years, and I believe that is the best thing to do now. The higher interest rates have provided the opportunity for some to implement income planning for their future. While this is not important to everyone, for those who would like to have a certain level of protected income, the peace of mind that this type of planning provides is powerful.

Enjoy the next two weeks. I find it hard to believe that the next letter will be the Friday of July 4th weekend. YIKES.

Be well and never forget that you can call or email anytime that you have a question or concern.

Take care,

Brett