

Quarterly Market Update – June 2023

The market has continued to be volatile in the last three months, but you may be surprised to hear that it is in an upward trend year to date. The down days and negativity tend to get a lot more attention on the news, which is another reason to watch less!

There are a few reasons for this upward trend. Increasing popularity of Artificial Intelligence (AI) has created a lot of growth for large technology companies, and currently the S&P 500 is 29% weighted in the technology sector! Keep in mind you are not invested in the market itself and we continue to keep your portfolios well diversified. The inflation rate is in a downward trend, but of course is still elevated from normal levels before 2020. At their June meeting, the Fed decided not to hike interest rates for the first time since March of 2022, which is a sign that the data coming in about labor and inflation is slowly working its way into the economy. This news doesn't mean that the Fed is at the end of their rate hike cycle but is still positive.

Since the market has run up, we continue to stay disciplined with your stock allocation. We want to make sure each of you are in line with your IPS (Investment Policy Statement), which outlines the target allocation within your accounts (how much we keep in stocks and bonds). We also have more cash on hand than usual in the money market in some of your accounts. The government money markets we utilize are currently yielding around 4% and are daily liquid.

The S&P 500 is presently within 10% of its all-time high from January of 2022. Over the last three years, the most important message we continue to share is to stay invested and always **Stay the Course**.

We have included a graph on the other side of this newsletter from Hartford Funds that speaks to the importance of staying invested through market volatility.

We hope you are enjoying your summer and are staying cool. As always, don't hesitate to reach out to us with any questions, 717-267-1426.



Client Appreciation Thursday, September 7th

Grant Street Loft
227 Grant Street

Chambersburg, PA 17201

Join us for lunch or dinner

Official Invite to Follow

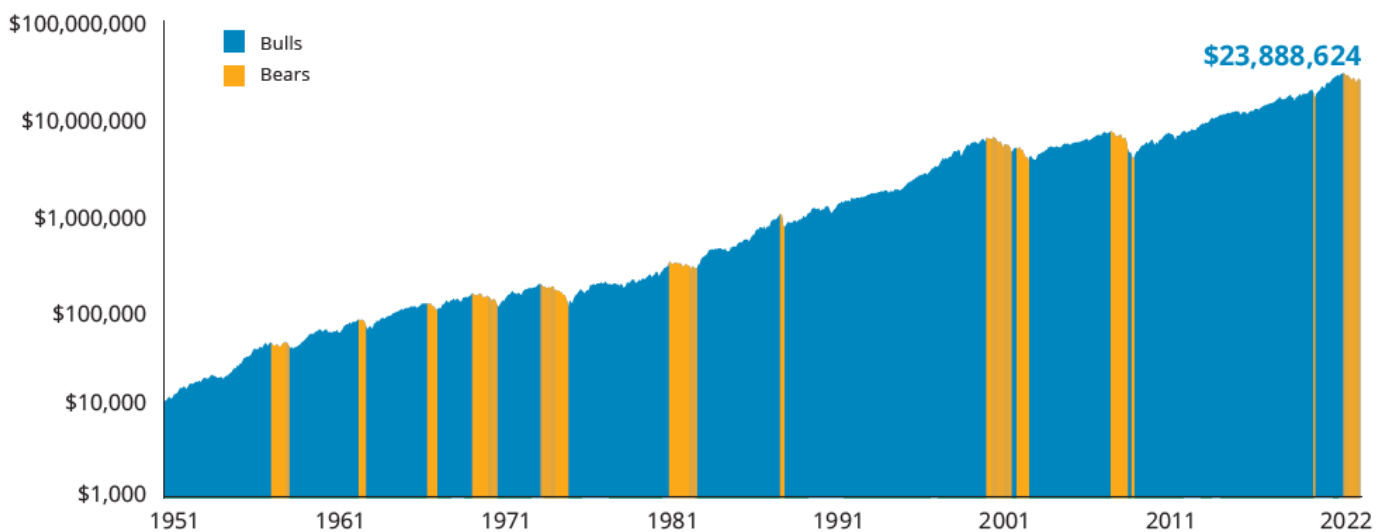
Included with your statement this quarter is a copy of our Privacy Policy, which we're required to send you annually. Please reach out with any questions.

Timing the Market Is Impossible

In times of volatility, timing the market may seem tempting. But doing so is impossible and may be a costly mistake.

A historical perspective of the market shows us a pattern of bull and bear markets that may be tempting to investors. Why not try to time the market and avoid those short-lived bear markets? Wouldn't that be more lucrative? Unfortunately, it's not that easy. Timing the market is impossible and could be a costly mistake.

Market Cycles – Hypothetical Growth of \$10,000 Invested in S&P 500 Index (1951-2022)



Past performance does not guarantee future results. Indices are unmanaged and not available for direct investment. For illustrative purposes only. Data Sources: Morningstar and Hartford Funds, 2/23.

Ribbon Cutting

Thank you to our clients and friends who celebrated with us during our Ribbon Cutting and Open House. Please note that our main entrance is now at 429 Phoenix Drive. We look forward to serving you in our expanded office!

