

Quarterly Newsletter

Market Commentary

As we enter the 4th Quarter, we continue to endure market pressure in both the equity and bond markets. To help get a grip on inflation, the Federal Reserve continues to raise interest rates in order to slow down the economy. Recent inflation data shows that overall price of goods and services remain elevated as a result of the pandemic. In addition, the Russia/ Ukraine saga continues and changes to oil and gas policy have kept energy prices high. As we know, oil and gas prices flow to every component of our economy. Furthermore, the damage caused by Hurricane Ian may require federal-level disaster relief. As inflation sticks, the economy will weaken. In response, the market has continued to pull back.

At this time, we believe we are in some degree of recession. It will take time, patience, and proper policies to help us get through this, but we will. Over the past forty years, we have seen market stress many times, such as inflation of the early 80's, the tech bubble, 9/11 and the war in Afghanistan, the mortgage crisis, Covid-19, etc.... and each time, we have rebounded on the upside.

Corey, Keith, Stacy, Sara, Casey and I are all here for you. We work as a team, all in your best interest. At this time, we have seen value/dividend stocks fair better than growth stocks and as interest rates stabilize, we believe bond portfolios should rebound and bond holdings will become more attractive as a result of higher yields. For some time now, we have been looking at building cash, buying value equities and short term bonds, finding opportunities to dollar cost average into the market and looking at annuities as alternatives, all with your investment objectives in mind. As always, if you should have any questions about the markets or your portfolios, please call us. We work as a team, for you. We have worked for many of you over the last 10, 20, 30, and even 40 years, and as in the past, we will get through this.

Transfer on Death (TOD)

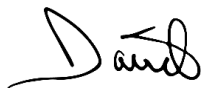
One thing we have been suggesting to clients who have individual and joint brokerage accounts, is adding a "Transfer on Death" designation. With "TOD," you can name beneficiaries like you would for your retirement accounts. It helps with the transfer of assets avoiding probate.

"Buy Low, Sell Why?"

Similar to some of the literature we have shared over recent quarters, please see the attached piece (pages 1-2) from MFS Investment Management that illustrates the impact of staying invested through a down market.

We thank you for your continued business and trust.

Sincerely,



David J. Callahan, *Principal/ Managing Director/ Financial Advisor*

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