

Leigh Baldwin & Co.

Investment Brokerage

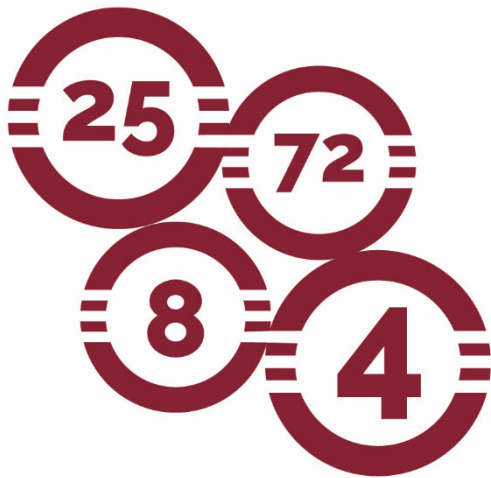
"Never Bet Against America"

-Warren Buffet

It may be the smell of barbecue, the sunshine on a lake, or watching Joey Chestnut win his 16th Nathan's hot dog eating contest that makes us all a bit more patriotic. The fourth of July is a reminder of the freedoms we are lucky to have and provides a moment of reflection for investors as we have reached halftime for the global markets.

The first half of 2023 was a pleasant surprise for many as global equity and bond markets rose across the board rebounding from a difficult 2022. Artificial Intelligence (AI) remains the focus for many market participants as the leaders continue to be tied to its growth prospects. The S&P 500, NASDAQ, and Dow Jones are up 16.9%, 32.3%, and 4.9% respectively year-to-date (YTD). The major contrast and performance dichotomy between the NASDAQ and Dow Jones can be partly attributed to the style tilts of the indices. The value tilt of the Dow Jones provided ballast for the index in 2022 as it outperformed on the downside, but the index trails this year due to its lower correlation to the AI trade. However, regardless of the US equity index, it's been America's ingenuity and strong labor market that continues to push equities higher and reminds investors to "Never Bet Against America" (Warren Buffet).

As we look out into the quarters and years ahead, we may be in for a choppy equity market than the first half of 2023. The Federal Reserve continues to fight elevated inflation with higher interest rates putting pressure on the growth of the US economy. We believe interest rates may remain higher for longer, benefiting wealth distributors with higher yields and lower risk, but creating a challenge for housing and small business loans due to the rising costs to service debt. It is in moments like these where we need to continue to remind ourselves of our investing principles.



Wall Investing Principles:

25 – Spend less than you make

72 – Start investing and be consistent

8 – Invest for the long-term

4 – Actively stick to your Plan

We push our clients, family and friends, and our community to actively stick to their financial plan. We created our "Wall Principles" to make the complex simple and will provide more details around our wall principles in future blogs and commentary.

We look forward to our next conversation to review your financial plan or possibly create one for your family, to see how our wall principle may help you build a strong financial foundation. We thank you for your continued support of our firm. As always, "you do the dreaming, we'll do the math."

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