

September 8, 2022

Good Morning,

The late summer selloff continued last week with declines in all stock indices. Unfortunately, it was just in time to make your August account statements look ugly. We remain above the June lows for stocks, but the jury is still out on whether or not we'll fall to those levels again this year. Inflation remains the big concern and recent strong economic data will allow the Fed to remain aggressive in raising rates in the near term. Wednesday's strong rally was a welcome relief to the recent selling pressures.

Higher interest rates in the US have helped boost the value of the dollar vs. all other currencies across the globe. As we are a country that imports more consumer goods than we export, a stronger US dollar makes imports less expensive and could help the Fed with the fight against inflation. Conversely, most large US companies derive significant revenue from international markets. Their sales are transacted in local currencies, and upon conversion back to US dollars, the stronger dollar has a negative impact on profits (they get less dollars in the conversion).

Football returns tonight with the opening game of the NFL season featuring the Buffalo Bills against the LA Rams. While Bills fans are excited about the team's prospects for this season, the Rams are the defending Super Bowl champs. As a long-time Cincinnati Reds fan, I know it's best to temper expectations. But still.....Go Bills!!

Please visit our website at www.canfg.com or the link below for the last Market Update from Commonwealth Financial Network® – the broker/dealer that supports us in helping you manage your financial life.

http://www.commonwealth.com/RepSiteContent/weekly_comm/commentary_redirect.htm

As always, if you would like to discuss this or anything regarding current market conditions or your portfolio, feel free to contact me at any time.

Enjoy your week,

Wade

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