

What's New(s)?

We've officially reached the halfway point of 2023, where you either look back and wonder how the time slipped through your fingers – or you might already be getting a head start on your Christmas shopping list with all the July specials! **In any case, it's time to reflect on the year's progress and what we anticipate for the remaining months.**

Despite the ongoing economic uncertainties, the US economy has proven stronger than we might have predicted. Did you know that the S&P 500 declared the start of a new bull market on June 8, 2023? The preceding bear market, which spanned 282 days – from January 3, 2022, to October 12, 2022 – was as average in length as you can get. The last 27 S&P 500 bear markets lasted an average of 286 days.

Tech stocks have played a key role in the stock market's upward trajectory this year, taking the credit for much of the recent rally. The housing market seems to be relaxing, which is a welcome signal that the worst could be behind us.

Role of the Fed

Even with the newly declared bull market, the potential for a recession is still on everyone's mind. From the Federal Reserve's perspective, a careful balancing act is underway. Although they held rates steady at their most recent June announcement, the possibility of as many as two rate hikes in the latter half of the year hasn't been ruled out and is, in fact, already being "priced in." The lack of reassurance can make anyone uneasy.

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Bits 'n Pieces...

The heat is on! Several 100+ days are still in the forecast for south Texas, as well as many other places in the South, and that means extra vigilance is needed. Remember – lots of water, sunscreen, frequent breaks when working outside, and compassionate check-ins on elderly neighbors who might be vulnerable.

Here's to a long life – Many Americans, especially women, underestimate how long they might live, and therefore underestimate their lifetime financial needs. Don't make this mistake in *your* financial planning – message us if you'd like to review your assumptions.

A summer of fun! Whether your tastes run toward art exhibitions, musical productions, interesting lectures, volunteer opportunities – or all of the above – you'll find lots of offerings to spice up your summer at [San Antonio Chamber of Commerce](#).


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SUMMER CALENDAR

Here are some dates for Q3 2023 to keep in mind.

- **August 20** National Senior Citizens Day
- **August 26** Women's Equality Day
- **September** Hispanic Heritage Month
- **September 4** Labor Day
- **September 10** National Grandparents Day
- **September 15** Quarterly Estimated Taxes due

The Fed has a stated goal of bringing inflation down to 2%, and **so far their strategy is working**. One year ago, inflation reached 8.9% and in June it was down to 3% year-over-year. The Fed may have hoped for even more change, but **the trend is definitely in the right direction**. And no doubt playing a part in the trend: Supply chain issues caused by the shutdown during the pandemic are continuing to improve.

As we cast our eyes forward to the rest of 2023, several crucial factors are set to influence the economic landscape. The subsiding inflation rates are a welcome relief, but this may lead to a corresponding slowdown in consumer demand. Combined with rising wages and persistent high interest rates, we foresee a scenario where costs remain high for a while longer.

As the Federal Reserve's next meeting approaches at the end of this month, we're waiting to see how they'll respond to the twin challenges of easing inflation and the possibility of rising unemployment. While the Federal Reserve's next steps are currently unknown, *we're actively monitoring for any indications of change*.

Economic Indicators

Unemployment may resume an upward trend, but we're not expecting another sharp rise. Employers are desperate to find employees and there remains a shortage of workers in the US, exacerbated by retiring

baby boomers and slower legal immigration since the beginning of COVID.

In the background, slower growth, higher interest rates, and a tightening credit environment remain factors of concern. That said, we're optimistic that rising wages will provide individuals with the financial buffer needed to manage these conditions.

Maximizing Opportunities

To sum up, **we anticipate growth for the rest of 2023, albeit at a slower pace**. We're committed to helping you navigate this evolving financial landscape with vigilance and careful planning. Key to this approach is maintaining a diversified portfolio – positioned to take advantage of sectors that show the most potential – and exhibiting patience as we stay the course.

We encourage you not to let how you feel about the economy misguide you on how you should feel about investing. As we navigate this journey together, we remain optimistic about the opportunities ahead, and we thank you for your trust and your commitment to working with us.

Tying it all up...

Did you know that September 6 is [Fight Procrastination Day](#)? Don't put it off! You might need to make a will, organize for next year's taxes, your life insurance, re-evaluate your portfolio, or get that 401(k) rolled over.

Do it now – or at least before September 6!