

### **Monthly Market Commentary**

We hope that you were able to enjoy the 4<sup>th</sup> of July Weekend with family and friends! As much of the country has returned to normal, we hope that you are able to get out and enjoy all the things that you like doing! As we head through the rest of summer, make sure to get in some cookouts, sporting events, and enjoy the nice weather while you can!

Global equity markets closed the first half of the year on a positive note despite a few setbacks and bouts of volatility along the way. Strong performance this year is reflective of the strength in the underlying economy, driven by demand outpacing supply as things start to get back to normal as economies open globally. This dynamic has put upward pressure on inflation, which itself is running hotter than seen in the last decade. As we enter the second half of the year, the biggest debate will circle around whether demand will continue to remain strong post the initial pent-up demand we have seen so far and whether inflation will remain sticky vs transitory as the market expects currently. On the economic front, rate of change in growth and inflation seems to have peaked for the cycle and are expected to slow going forward. However, despite the slowdown, we expect both growth and inflation to remain elevated and above trend levels seen in the last few expansionary periods.

Markets are generally forward looking and some of this positive backdrop could be priced into the markets already. Second quarter earnings are starting to be reported which should be a good tell on the momentum for growth and demand going forward. We have maintained a risk on posture so far this year, but as we progress through the rest of the year, we believe in having a more balanced risk/reward exposure.

Not FDIC Insured	No Bank Guarantee	May Lose Value
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