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It is hard to believe that we are already through the first half of the year. The S&P 500 is up 14.48% and the Dow Jones Industrial Average is up a more normal 3.79% for the year, thus far. Why such a big disparity? The technology heavy S&P 500 has benefitted from a few very large companies that now make up 20% of the index while the rest of the stocks have acted much more like the Dow and had a modest year.

For this rally to continue, the market will need to broaden, and other companies will start to participate. It appears that is starting to happen. It also appears we have not just had a "soft landing" with inflation continuing to ease, unemployment staying low and economic growth staying strong, but many are calling it a "feather bed landing".

In addition to the Fed cutting rates at some point, we have the election to focus on as well as all of the geopolitical events ongoing around the world. Over time, the market will continue to climb the wall of worry. What matters is earnings growth and cash flow generation. There are ebbs and flows to both of those items, but well-run businesses like those we own will always find ways to grow and our ability to participate in that growth and meet your financial goals is what we focus on every day.

Many of you already know that Ryan Knabusch has left the firm to pursue other opportunities as of May 31st. We wish him well in his new endeavor and appreciate the work he did while employed here. We will not immediately hire anyone to replace Ryan. As luck would have it, we have invested in a piece of trading and rebalancing software that is truly revolutionizing the way we manage accounts. Once this new tool is fully implemented, we will know better where the gaps are and do what is necessary to add any needed capacity.

Enjoy the rest of the summer, and we will look forward to Caramel apple season. It will be here before you know it!

A blue ink signature of David J. Sculati, written in a cursive style.

David J. Sculati
President
Accredited Investment Fiduciary®

DJS/sam