

INVESTMENT NEWSLETTER—JULY, 2016

LET'S HEAR IT FOR JULY!

The three months of May, June and July started off with nervousness coming out of the Great Britain vote to withdraw from the EU. This pulled down the markets, and then was summarily forgotten. May and June were rather lackluster. In July the markets shot up nicely. Overall, stocks rose about 5% and fixed yields came in ahead 2% over these three months. Of course, averages are always deceiving and they mask all manners of sector and individual company gyrations. So far this year, value oriented investments, such as; those paying stronger dividends, those based more in the USA, or those backed with hard assets (i.e., real estate or natural resources) are out performing growth investments. We have seen this before and it appears to be a pendulum which has give and take over time.

A factor which has not shown much impact as of yet is the current political cycle. Perhaps, the markets cannot make any more sense out of what is happening politically than the rest of us? However, my observations have been, the markets hold up well enough until September or October in an election year, and then kick back. Once again, predicting the market is a frustrating task. If, for whatever reason, you want to consider adjusting your investments, please give me a call.

Of course, please do call me anytime that you have financial or investment issues, while you are enjoying the rest of your summer,

Roger Werner

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