



Q2 2021 Insights

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Q2 2021 Insights

- Back to Business
- The COVID-19 Delta Variant
- Inflation and Long-Term Return Expectations
- Falling Interest Rates
- Earnings Season Kick-off
- *invest right, live right™*



Back to Business

- Pent-up demand flowing into the economy
- Travel and leisure sector being flooded
- Clunkiness in employment trends
- Stock markets continue to reach all-time highs
- As always, be prepared for the typical temporary 15% dip in the market despite a growing economy



The COVID-19 Delta Variant

- COVID cases falling
- Delta variant cases rising
- Early indications show vaccine efficacy against Delta
- We will continue to watch both severity and growth of all variants for any potential impact
- Australia, South Africa, Japan and areas of Europe reinstating restrictions



Inflation and Long-Term Return Expectations

- CPI elevated due to supply/demand imbalances
- Europe and Japan numbers well below averages
- Lower birth rates, boomers retiring, immigration falling
- Plan well – people living longer in retirement and returns will be lower



Falling Interest Rates

- Yield curve flattening
- Fed may slow bond buying and raise rates sooner rather than later

Current U.S. Treasury Yields:

Date	1 Mo	2 Mo	3 Mo	6 Mo	1 Yr	2 Yr	3 Yr	5 Yr	7 Yr	10 Yr	20 Yr	30 Yr
08/04	0.05	0.05	0.05	0.05	0.07	0.17	0.34	0.67	0.96	1.19	1.74	1.83



Earnings Season Kick-off

- Noisiness in the numbers
- Profitability at all-time highs – Q2 13.1%
- Concerns of corporate tax increases
- Listen to guidance and commentaries
- Beware of bubbles – SPAC's, meme stocks, crypto, non-profitable retail and tech stocks
- Be careful of overweight in equities for those taking income

Crypto Dogecoin! →



“The simple act of paying attention
can take you a long way.”

- Keanu Reeves



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