

Monday, June 27, 2022

Good afternoon:

As has been the pattern all year, stocks staged a sharp reversal to the upside last week, recovering all of the prior week's losses on the major indices. By Friday's close, the Dow gained 5.39%, the S&P 500 rose 6.46%, while the even more oversold NASDAQ added 7.51%. The week was another example of the level of extreme volatility that investors have had to endure in 2022 and further evidence of the difficulty in trying to time such an erratic market.

The rebound appears to have been primarily based on the extreme nature of recent declines and perhaps some seller exhaustion. Short-term investors who wanted or needed to sell likely already have, while longer-term investors are mostly holding firm, if not using the pullback as a buying opportunity, realizing we may be much closer to an ultimate market bottom. However, without any actual catalyst behind last week's surge, we may be witnessing yet another counter-trend rally. Rebounds within an otherwise bear market decline are often among the most powerful.



Just because we have not yet had a piece of concrete positive news that may signal the end of this bear market does not mean one will never come. Markets and economies go through cycles of boom and bust, rising and falling interest rates, as well as increasing and moderating inflation. Remember though, the stock market is rarely in synch with the timing of these cycles, preferring instead to be many months ahead in an effort to anticipate the business and earnings climate to come.

The market can, and often does, overshoot with its attempts to predict the future. This may be what we have witnessed in the past 12 months. Overly optimistic forecasts of endless growth and prosperity fueled by massive liquidity and low interest rates have been replaced by fear mongering calls for higher inflation and an impending severe recession. After declines in the major averages of 20-35%, and many individual stocks down 50-75% or more, it appears that perhaps much of such a dire outlook may be priced into current equity market levels. Without any obvious positive catalyst, market bottoms are often only recognized in the rearview mirror, long after they occur. We prefer to stick to core investment fundamentals and our clients' longer-term investment objectives as we navigate these very choppy waters.

Although we are prepared for heightened market volatility to continue for the foreseeable future, equity averages have opened fairly flat today, this last week of the quarter. In an effort to keep our clients informed and in touch with other perspectives from the industry, we will be hosting another exclusive Loftus & Preusser Wealth Partners zoom/dial-in client call/webinar on July 13<sup>th</sup> at 1:00 CT. Mark your calendars and watch for a separate email invitation to follow with all the specifics.

Have a great week!

Mark and Jeff

Managing Partner & Founder, LPWP  
Registered Principal, RJFS

**Jeffrey C. Preusser, CFP®**  
Senior Partner, LPWP  
Registered Principal, RJFS

O: 630.566.9200 // T: 844.890.8750 // F: 630.566.9292  
1901 Butterfield Road, Suite 100, Downers Grove, IL 60515  
[www.loftus-preusser.com](http://www.loftus-preusser.com)



Loftus & Preusser Wealth Partners is not a registered broker/dealer and is independent of Raymond James Financial Services. Securities offered through Raymond James Financial Services, Inc., Member FINRA/SIPC. Investment advisory services offered through Raymond James Financial Services Advisors, Inc.

Raymond James Financial Services does not accept orders and/or instructions regarding your account by e-mail, voice mail, fax or any alternate method. Transactional details do not supersede normal trade confirmations or statements. E-mail sent through the Internet is not secure or confidential. Raymond James Financial Services reserves the right to monitor all email.

Any information provided in this e-mail has been prepared from sources believed to be reliable, but is not guaranteed by Raymond James Financial Services and is not a complete summary or statement of all available data necessary for making an investment decision. Any information provided is for informational purposes only and does not constitute a recommendation. Raymond James Financial Services and its employees may own options, rights or warrants to purchase any of the securities mentioned in e-mail. This e-mail is intended only for the person or entity to which it is addressed and may contain confidential and/or privileged material. Any review, retransmission, dissemination or other use of, or taking of any action in reliance upon, this information by persons or entities other than the intended recipient is prohibited. If you received this message in error, please contact the sender immediately and delete the material from your computer.

**DISCLAIMER:**

If you no longer want to receive this Monday Outlook email, simply reply to this email with "REMOVE" or "OPT OUT" in the subject line and we will remove you from our email list.

Opinions expressed in this email are those of the author and are not necessarily those of Raymond James. The information contained in this report does not purport to be a complete description of the securities, markets, or developments referred to in this material nor is it a recommendation.

The information has been obtained from sources considered to be reliable, but we do not guarantee that the foregoing material is accurate or complete.

All investments are subject to risk regardless of strategy selected. Individual investor's results will vary. Past performance does not guarantee future results. Forward looking data is subject to change at any time and there is no assurance that projections will be realized. Diversification and strategic asset allocation do not ensure a profit or protect against a loss.

The Dow Jones Industrial Average (DJIA), commonly known as “The Dow” is an index representing 30 stocks of companies maintained and reviewed by the editors of the Wall Street Journal.

S&P 500 Index is an unmanaged, market value-weighted index of 500 stocks generally representative of the broad stock market. An investment cannot be made directly in a market index.

The NASDAQ Composite Index is a broad-based capitalization-weighted index of stocks in all three NASDAQ tiers: Global Select, Global Market and Capital Market.

The Russell 2000 Index measures the performance of the 2,000 smallest companies in the Russell 3000 Index, which represent approximately 8% of the total market capitalization of the Russell 3000 Index.

Investing in small cap stocks generally involves greater risks, and therefore, may not be appropriate for every investor.

The companies engaged in the communications and technology industries are subject to fierce competition and their products and services may be subject to rapid obsolescence.

International investing involves special risks, including currency fluctuations, differing financial accounting standards, and possible political and economic volatility.

Investing in emerging markets can be riskier than investing in well-established foreign markets. Investing involves risk and investors may incur a profit or a loss.

Diversification does not ensure a profit or guarantee against a loss. Sector investments are companies engaged in business related to a specific sector. They are subject to fierce competition and their products and services may be subject to rapid obsolescence. There are additional risks associated with investing in an individual sector, including limited diversification.

Holding stocks for the long-term does not insure a profitable outcome. Investing in stocks always involves risk, including the possibility of losing one's entire investment.

Market return and statistical data obtained from: [https://am.jpmorgan.com/blob-gim/1383452890099/83456/weekly\\_market\\_recap.pdf?segment=AMERICAS\\_US\\_ADV&locale=en\\_US](https://am.jpmorgan.com/blob-gim/1383452890099/83456/weekly_market_recap.pdf?segment=AMERICAS_US_ADV&locale=en_US)

Links are being provided for information purposes only. Raymond James is not affiliated with and does not endorse, authorize or sponsor any of the listed websites or their respective sponsors. Raymond James is not responsible for the content of any website or the collection or use of information regarding any website's users and/or members.

Keep in mind that individuals cannot invest directly in any index, and index performance does not include transaction costs or other fees, which will affect actual investment performance. Individual investor's results will vary.

In the event that you no longer wish to receive these commercial emails please reply to this email and in the body of the email request that we remove you from our email list. The information contained within this commercial email has been obtained from sources considered reliable, but we do not guarantee the foregoing material is accurate or complete.

Raymond James and its advisors do not offer tax or legal advice. You should discuss any tax or legal matters with the appropriate professional.