Portfolio Shift Commentary: January 15, 2016

As the People's Bank of China wrestles with the Yuan and powerful market forces as it tries to provide stability versus a basket of trading partners currencies, there is no shortage of geopolitical risks and turmoil to begin 2016 and ending 2015 including weakening growth in China, Russia asserting influence in both Eastern Europe and the Middle East and lower oil prices along with a strengthening dollar.

Unfortunately, we see more of the same volatility in the markets in 2016 as we saw in 2015. The current weakness is more than likely and overreaction to the trading restrictions in the Chinese marketplace rather than just the ongoing weakness in the Chinese economy although that is not helping the markets stabilize. Oil prices dipped below $30 on Brent Crude this morning and we are heading into a three day Martin Luther King holiday weekend. Investors are climbing the wall of worry and more funds are shifting into the 10 year treasury bonds and cash.

If things continue spiraling out of control globally, it's likely that the US will become the go-to safe haven as it tends to be in times of trouble. If global capital is looking for a place to go, then the US markets are an obvious place to look. Technology in the US is still innovating in areas and our economy is growing around 2% currently.

As always, we thank you for your continued support and we welcome your calls to discuss your portfolio or any concerns during this period of volatility.

Best Regards,

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