

THE ORWELLIAN CHARACTER OF INVESTMENT MARKETS

Another summer solstice has peaked. The earth's rotational axis begins its swing in the other direction. Alas, the seasonal pendulum continues its to-and-fro. Unlike most things in life, only an unimaginable black swan event could demolish this seasonal certainty.

On the other end of the certainty spectrum – the investment markets, where up can be down, left can be right and white can be black. So, continuing with the spirit of last month's spotlight on pinning investment success hopes solely only on a few investment wizard quotes, it goes without saying that the only certainty in their words is lurking chronic uncertainty.

Not long ago, when the June 2022 Market Numbers board was painted almost entirely in red and signalling the potential end of "good times" in the markets, little now seems able to stop the maddening march higher. Debt at all time highs? Markets climb higher. Central banks signal higher interest rates? Markets climb higher. Central banks signal lower interest rates? Markets climb higher. Intensifying geopolitical strife? Markets climb higher. Indeed, up is the new down.

The most recent 30 days of June saw neither green nor red controlling dominance on the board. In fact, as weakness took hold in some markets, other indices – such as S&P 500, Nasdaq, OMX Nordic 40 – continued booking all-time highs. Of course, for regular investors like you and me, such news leaves nothing to little upon. Besides, most "mom and pop" investors' money sits in these big-name markets, so who cares what happens to the other no name segments, right?

Back to the sages' words. One would be hard pressed to find an investor who doesn't know of Warren Buffett, dubbed by some as the greatest investor of all time. Alas, anyone who latched on completely to his "Be fearful when others are greedy..." mantra, are very likely licking financial wounds right now. In the last 12 months alone, the Nasdaq has climbed nearly 42%, the OMX Nordic has printed 26%, and even the Nifty 50 in sub-continental India has rewarded investors 25% to the positive. Never you mind the shaky months of last September and October. Could this not be viewed as the "greed" we should be fearful of?

Believe it or not, that question I pose not only to you, dear reader and investor, but to myself as well. For anyone who has regularly immersed themselves in my monthly words, you know I take a cautionary approach to reading the investment tea leaves. At times like these, I too can buckle to the "what gives" enigma. But ask thee for answers, and ye shall receive...though maybe not always directly.

Much attracted my attention this month in the markets, though many crossed signals persist. Some signals are pulling the market string up while others are pushing the string. As with Orwellian newspeak, one can't help but wonder if the polarity of the financial world is also in flux. This only goes to show that it's not as easy as "price go up" in the world of investing. The bout of human emotion versus instinct is also mixed in. It's the endless tug-of-war between greed and fear, buy and sell, bull and bear. And that's where the intrigue and opportunities prevail. Otherwise, we'd all just "invest" in the boring but certain segment of Guaranteed Investment Certificates (GICs), all the while being lulled into poor submission by the promises of "guarantees".

While there may be no outright answer to all the ongoing investment conundrums, Pinnacle Sovereign Investments of ACPI takes on the responsibility of navigating our clients not only through the news and numbers but also the ever-present human emotion and instinct. We revel in the balance between science and art form found in portfolio construction and maintenance, which makes our work all the more edifying.

We welcome you to connect with us for an informal and no obligation conversation about your investment portfolio. Share with us your life's vision, your investment portfolio's assigned mission and learn more about how we operate beyond the conventional as "commanders" of your investment legion.

All My Best,

Adrian Harasymiw
Investment Advisor

QUOTE OF THE MONTH

"Everyone has the brainpower to make money in stocks. Not everyone has the stomach."

~ Peter Lynch

<u>10-YEAR BOND YIELDS</u>	<u>June 2024</u>	<u>May 2024</u>	<u>Quarter 2 2024</u>	<u>Year-to-Date 2024</u>
Canada	-2.66%	-4.85%	0.86%	8.64%
U.S.	-2.16%	-3.89%	4.76%	13.81%
Switzerland	-39.31%	19.09%	-28.40%	-32.25%
Japan	-2.05%	21.93%	40.88%	69.79%

<u>MAJOR STOCK INDICES</u>	<u>June 2024</u>	<u>May 2024</u>	<u>Quarter 2 2024</u>	<u>Year-to-Date 2024</u>
S&P/TSX (Canada)	-1.74%	2.66%	-1.40%	4.65%
DOW (U.S.)	1.06%	2.22%	-1.73%	4.13%
S&P 500 (U.S.)	3.08%	4.94%	3.85%	15.07%
Nasdaq (U.S.)	5.44%	6.64%	7.67%	18.09%
NYSE (U.S.)	-0.32%	2.73%	-1.56%	6.96%
FTSE 100 (U.K.)	-1.34%	1.61%	2.66%	5.57%
Euro Stoxx 50 (EUR)	-2.28%	0.35%	-3.98%	8.07%
Nikkei 225 (Japan)	2.19%	1.00%	-2.62%	19.25%
Shanghai (China)	-3.84%	-1.46%	-2.68%	-0.18%

<u>MAJOR COMMODITIES</u>	<u>June 2024</u>	<u>May 2024</u>	<u>Quarter 2 2024</u>	<u>Year-to-Date 2024</u>
Gold (USD)	-0.36%	2.07%	3.56%	12.88%
Silver (USD)	-3.48%	14.65%	17.58%	22.94%
WTI Crude Oil	5.94%	-5.51%	-1.92%	13.71%
Natural Gas	-1.70%	31.55%	47.31%	0.00%
Uranium	-4.57%	-3.27%	-1.78%	-6.55%
Wheat	-15.43%	12.28%	2.03%	-8.78%
Cotton	-4.52%	-3.02%	-20.60%	-10.09%

<u>OTHER</u>	<u>June 2024</u>	<u>May 2024</u>	<u>Quarter 2 2024</u>	<u>Year-to-Date 2024</u>
USD Index	1.17%	-1.59%	1.30%	4.41%
CAD/USD	-0.38%	1.07%	-1.02%	-3.15%
Bitcoin	-7.06%	11.30%	-11.94%	48.46%
Ethereum	-8.65%	24.64%	-5.68%	50.51%
VIX	-4.82%	-18.03%	-8.52%	-5.82%

For more investment information, be sure to check out the INVESTMENTS segment of www.PinnacleSovereign.com

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High Interest Savings Fund (net): CAD @ 4.51% & USD @ 5.75%

1-Year GIC (net): 4.93%

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