

Wednesday, August 26, 2020

Good Afternoon,

Stocks continue to march higher with the S&P 500 and NASDAQ both reaching all-time highs. While we anticipated a rally off the March lows, the new highs were unexpected in this uncertain economy. Markets have had the tailwinds of low interest rates and tech stock growth due to COVID economy dynamics. Interest rates really can't get much lower and tech company growth rates will ease. Just as trees don't grow to the sky, this rally can't go on indefinitely and investors probably shouldn't chase it. All-time highs are great, and they often lead to further highs. But they can also signal increased risk. Let's keep that in mind as we look at our portfolios.

American Airlines received \$6 billion in government funds under the CARES Act. Now they have announced they will lay off 19,000 employees by October 1st. CEO Doug Parker, who sold hundreds of millions of dollars of AA stock in the past several years, has written a letter to employees encouraging them to petition their representatives in Congress to extend additional assistance to the airline industry. Essentially, he is telling them that they will lose their job unless the government steps in. Is it any wonder why some see corporate America as a greedy shakedown? Employees lose their jobs and CEOs make millions. Private gains and socialized losses.

It's National Convention season! What a great learning opportunity. Last week I learned that President Trump has killed 175,000 Americans because he single-handedly spread COVID-19. This week I learned the election will be rigged and Joe Biden is against God and religion. I feel smarter and more confused. If I find out that one of them doesn't like ice cream, they're going to lose my vote. Unless it's mint pistachio because that's just disgusting.

Please visit our website at www.canfg.com or the link below for the last Market Update from Commonwealth Financial Network® – the broker/dealer that supports us in helping you manage your financial life.

http://www.commonwealth.com/RepSiteContent/weekly_comm/commentary_redirect.htm

As always, if you would like to discuss this or anything regarding current market conditions or your portfolio, feel free to contact me at any time.

Try to have a great week anyway!

Wade

Wade A. Sarkis, CFP®, AIF®
Managing Partner
Canandaigua Financial Group
45 Ontario Street
Canandaigua, NY 14424
(585) 396-2720

Securities and Advisory Services offered through Commonwealth Financial Network, Member FINRA, SIPC, a Registered Investment Adviser
Note: Trade orders cannot be accepted via email or voicemail.