

## Midyear Outlook: Acknowledging Where We Are

To start, I hope everyone had a safe and restful July 4<sup>th</sup> holiday. Time spent with family and friends is what matters most. The older I get the more that reality sinks in.

I have spent a lot of time over the past few weeks thinking about the world that we are living in and what that means for each of us as investors and as a collective society. I very much understand that it is often necessary to suffer some pain in order to grow and emerge better and stronger. This is true of human beings, our businesses, and even our country. With that said, I am 53 years old and I don't believe I have ever felt such a divide among us. The undercurrent of frustration and anger is palpable. At least it is in Arkansas, and I suspect it is elsewhere. Between rabid political polarization, racial inequality, the COVID-19 pandemic raging in huge swaths of the country, and the never-ending onslaught of media (professional and social) - it can and does feel overwhelming. Sometimes it is important to just acknowledge where we are. That can be the first step in figuring out how we got here and, more importantly, how to get out. Let us be still for a minute or two and remember that we are all inherently good. We want the best for our children and our neighbor's children. We are all made stronger by giving more than we receive. There are heroes all around us if we take the time to see.

The world equity markets continue to hold firm in the face of all manner of threats, domestic and biological. I suggested several times over the past few weeks that markets could move up rapidly if the major indices held above their 200-day moving averages after two rapid and steep selloffs during June. We may be seeing that start to play out now. The S&P 500 is within 2% of being positive for the year. That fact alone is amazing, and in my opinion the foundation for prices moving higher. After all, if you haven't sold by now, what more bad news would it take? Look for a move above 322 on the SPY to cause additional money to move out of cash and back into equities.

Last week's market commentary can be found [here](#).



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