



Global Insight Weekly Report

June 17, 2021

Dear clients,

Please find enclosed the most recent version of the Global Insight Weekly. This report provides an update about the recent actions from the Federal Reserve in the United States, and also some context for what that will mean for investors. We would particularly like to highlight the “Implications for investors” section on Page 2, which echoes our opinion about focusing on diversification, asset allocation and rebalancing.

Earlier this week at their June meeting, the Federal Reserve started to signal that they may be starting to discuss timing of asset purchase tapering and future interest rate increases. Stock market participants

have been waiting for signals from the Fed for several months about this, as some are concerned about inflation levels running too hot before the Fed starts to make moves to soften the effect.

While the Fed may be “talking about talking about” the potential for asset tapering and rate increases, there is still a long way to go for this to become reality. Short-term market gyrations aside, the Fed has committed to be extremely accommodative to make sure the economic recovery continues to be strong in the US.

As an aside: market volatility has picked up a bit this week (from recent lows). This can be attributed to both the Fed’s announcement this week; and also a major options expiration date today that quite often leads to a bout of market volatility, as positions are covered before the end of the trading day. This “quadruple witching” day occurs once a quarter, and has seen significant volatility the last several times it has occurred. As investors, we look through this type of event as noise, as it does not reflect the positive setup equity markets have going forward. Owning a diverse portfolio of strong businesses continues to be the right way to invest in equities.

Please take some time to review the attached report. As always, reach out to us directly if you have any questions related to your portfolio.

Best regards,

Ord Private Wealth Management
John, Tim, Liam & Kristen