



Are you concerned about stock market volatility of late? It's an emotional time, but what are we looking at really?

Is this the start of a sustained bear market?

I don't think so; it's more a very needed correction. Bear markets are a result of a recession which are a result of a drop in earnings for corporations across the board.

There are no signs of a recession at this time. Even Fed Fund rate increases have not stopped a strengthening economy in the US.

The US Federal Fund Reserve makes money tight by raising short-term interest rates, increasing the cost of borrowing and effectively reducing its attractiveness.

Recent volatility in the markets are because the powers that be are concerned that the US economy may overheat; the opposite of what would cause a recession.

It's possible that the market could have a sustained downtrend but without the seeds for a recession it's highly unlikely.

For more information connect with me to discuss.

