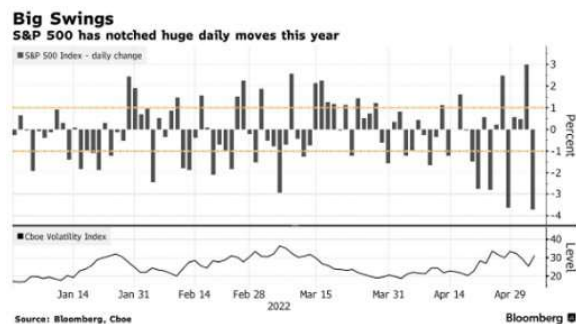


Quarterly Newsletter: *Quarter ending Mar. 2022*

Market Summary: One thing that remains consistent these days is volatility. The benchmark S&P 500 is again down approximately 15% for the second time this year. The tech – growth stock heavy NASDAQ is off 21+% from this year’s record high. The War in Ukraine, persistently high inflation, rising interest rates, and potential slower economic growth are part of the narrative.



It wasn’t until recently that FOMO [the fear of missing out] and TINA [there is no alternative] were the mantra to stock ownership. Now investors are experiencing simultaneous shocks in the stock and bond markets.

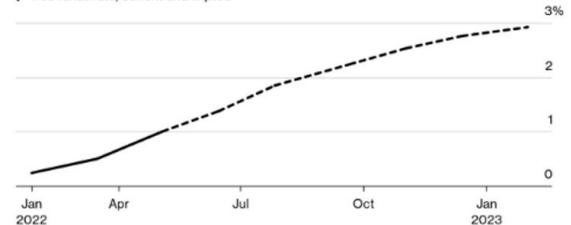
The War: This inhumane situation adds to the already clogged supply chain disruptions induced by Covid-19 Pandemic. And just when it seems to be over China implements more lock downs. Energy prices spiked on the on-set of the war, further exacerbating disruptions. Prices have not yet fully moderated despite best efforts.

Interest rates: The Federal Reserve increased the federal-funds rate by .50%, as expected-this was the first half point move in 22 years [setting the current rate at .75%]. The year started with rates at zero and is anticipated to be between 2.5 – 3% by year-end.

The Fed Goes Marching

Markets see the Fed quickening rate increases this year

▲ Fed funds rate, current and implied

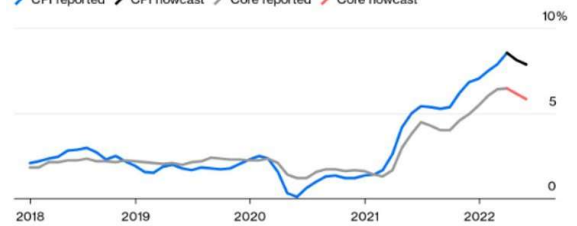


Inflation: March CPI (Consumer Price Index) increased by 1.2% from February, a 12-month increase of 8.5%. The verdict is still pending on whether inflation has peaked and will begin to come down. Until recently, CPI has averaged 2.2% over the last 20 years. 2021 showed an increase of 4.7%.

Peak Inflation?

Cleveland Fed's nowcast suggests U.S. inflation will fall from here

▲ CPI reported ▲ CPI nowcast ▲ Core reported ▲ Core nowcast



Economic growth: The US Consumer remains strong and the unemployment rate continues to fall to 50-year lows. Despite negative GDP growth in the first quarter of '22, the economy is expected to grow at 3.5% this year [Vanguard, [Morningstar, First Trust, Bloomberg, JP Morgan Chase Asset Management].

Should you sell your investments? – depends...

Christine Benz [Morningstar.com]

If you don’t have a well-maintained plan and one of these situations below speaks to you, perhaps:

LAB Wealth Management LLC

- You are close to retirement and need to take on less risk
- You have a short-term investment goal
- There's a chance you'll give up if things get worse
- You have tax losses that could be beneficial

Every situation varies. Keep calm and stay invested should be the most optimal decision for the long-term. Dollar cost averaging, diversification, re-balancing, passive/active management styles, and maintaining cash for near-term needs can be useful strategies to help us stay on track.

Educational Series via Zoom Continue

Every 2nd Thursday of the month at 4PM PST. Replays of past sessions are posted at www.labwealthmanagement.com click learning center.

May: Rumors of Recession

June / July: TBD

Business Up-date

Pictured: Sunset from Little Island, Manhattan NY in March and Phoenix, Arizona on a clear and warm day for a bike ride in the desert.



LAB Wealth made several trips to the East Coast before the Tax filing deadline to work closely with Kenneth Lewis, CPA. We helped clients with their tax needs. The process of gaining a deeper understanding of tax management and planning is a rapid and often daunting task, but rewarding. The goal is to continue to help clients save, spend, and share by adding this resource and expertise to the practice.

Thanks for your continued support! Wishing you a happy, healthy, and prosperous year.

Leon Augustine Boirard, MBA, CFP®, ChFC®
President/Owner

LAB Wealth Management, LLC

www.labwealthmanagement.com

Office:

1130 Wood Street

Oakland, CA 94607

510-735-9854o / 373-2449f / 925-354-4769c

leon@labwealthmanagement.com

Mail:

PO Box 70974

Oakland, CA 94612

Disclosure

These are the opinions of Leon Augustine and not necessarily those of Cambridge, are for informational purposes only, and should not be construed or acted upon as individualized investment advice. Securities offered through Registered Representatives of Cambridge Investment Research, Inc., a broker-dealer, member FINRA/SIPC. Advisory services through Cambridge Investment Research Advisors, Inc., a Registered Investment Adviser. Cambridge and LAB Wealth Management, LLC are not affiliated.