



Welcome to June!

What a relief to have May in the rearview mirror after a volatile month (in both the markets and the headlines). Surprisingly, despite weeks of negative performance, the major stock indexes actually finished flat, thanks to an end-of-month rally. Not surprisingly, May's bumpy ride left many investors feeling buffeted from all sides, due to several contributing factors:

Higher interest rates. The Federal Reserve (the 'Fed') increased rates half a percentage point to kick off the month, the largest rate increase since 2000. Fed Chairman Jerome Powell confirmed that economic conditions remain uncertain, and additional rate hikes are expected over the next few months, as the Fed works to combat inflation.

Tech stock selloff. Traders and investors alike have lightened up on their tech stock exposure, with mega-cap names like Apple, Google, Amazon, and Facebook all down double digits year-to-date. There is speculation that higher interest rates may be problematic for tech companies due to potentially higher borrowing costs.

Disappointing retail earnings. Supply chain issues and higher costs due to inflation dragged down earnings for major retailers like Target and Wal-Mart. Some retailers reported a drop in the number of transactions, suggesting that shoppers are limiting purchases to more essential items. Smaller retailers reported more encouraging figures, a positive sign for the health of the US consumer.

While we don't know when things will settle down, we remain confident that a diversified, disciplined, long-term financial approach can weather the storm.

On another note...

'Top Gun' Soars. 'Top Gun: Maverick' premiered to a stunning \$156 million domestic box office over the long Memorial Day weekend, breaking the previous record of \$153 million set by 'Pirates of the Caribbean: At World's End' in 2007. The film blew past analyst expectations, with performance nearly twice the revenue projections. And, if you can believe it, it was Tom Cruise's first \$100 million opening weekend in his 40-year career.

...All of which has Hollywood and movie theaters across the country exclaiming, "You can be my wingman anytime, Tom Cruise."

We're grateful to be part of your financial team. If there's anything you need, please schedule some time with our office.

MARKET & ECONOMIC COMMENTARY

Stocks

After a volatile start to the month, US large-cap stock indexes managed to eke out a flat return. The tech-heavy NASDAQ 100 struggled last month, weighed down by stocks like Tesla, Facebook, and Apple.

US Large-Cap Stocks

As of May 31, 2022

Index	Month-to-Date (MTD) %	Year-to-Date (YTD) %
S&P 500 Index	+0.18	-12.76
Dow Jones Industrials	+0.33	-8.43
NASDAQ 100	-1.53	-22.27

Source: Morningstar Direct courtesy of Ladenburg Research

Sector Performance

Energy stocks continue to significantly outpace the rest of the market, adding another 15.77% in May, with the year-to-date total up more than 58%. Utilities notched another positive month as investors and traders alike rotate towards less volatile sectors. The Tech and Communications sectors both treaded water in May while Consumer Discretionary fell nearly 5%. The Consumer Discretionary sector contains stocks like Amazon, Tesla, and Nike, all of which are down nearly -30% year-to-date.

US Sector Performance, ranked by YTD performance

As of May 31, 2022

Top 3

Sector	MTD %	YTD %
Energy	+15.77	+58.47
Utilities	+4.32	+4.65
Cons. Staples	-4.61	-3.16

Source: Morningstar Direct courtesy of Ladenburg Research

Bottom 3

Sector	MTD %	YTD %
Info Tech.	-0.85	-19.39
Comm. Svcs.	+1.79	-24.35
Cons. Disc.	-4.85	-24.69

Bonds

Corporate bonds were a rare bright spot in May, posting a positive return for the first time this year. Despite the good news, bonds continue to face headwinds as the Fed pursues an aggressive interest rate policy to combat inflation.

US Bonds, ranked by YTD performance

As of May 31, 2022

Index	MTD %	YTD %
US Treasury Bond Index	+0.19	-8.23
US Aggr. Bond Index	+0.64	-8.92
US Corporate Bond Index	+0.93	-11.92

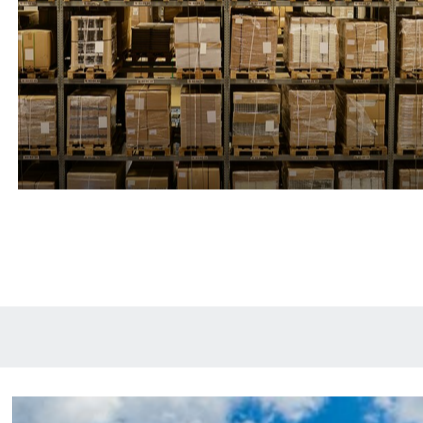
Source: Morningstar Direct courtesy of Ladenburg Research. US Corporate Bond Index, US Aggr. Bond Index, and US Treasury Bond Index represented by the Bloomberg US Corporate Bond Index TR, the Bloomberg US Aggregate Bond Index TR, and the Bloomberg US Govt Bond Index TR

Economic Update

US economy remains strong. May offered a good example of the fact that the *stock market* is not the same as the *economy*, as the US **economy** continues to show signs of strength in key areas:

- The unemployment rate held at 3.6%, while a more encompassing jobless rate edged higher to 7.1%.
- US employers added 390,000 jobs in May, outpacing projections.

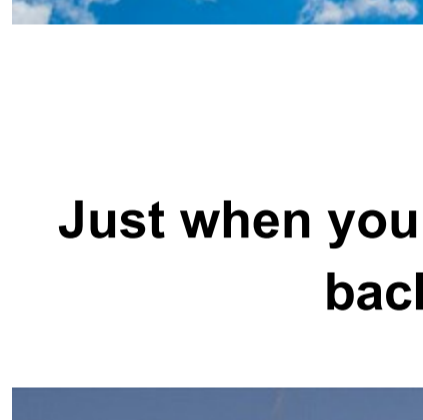
YOUR MONEY MATTERS



Inflation & Your Money

It's important to understand how inflation is reported and how it can affect investments.

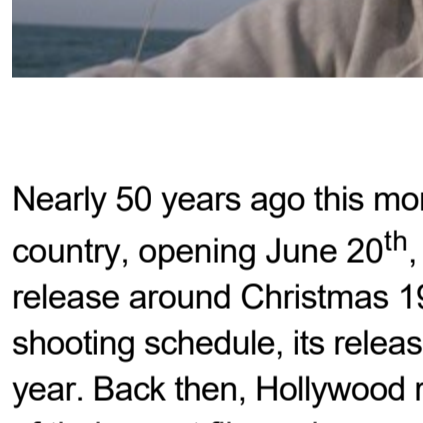
[Learn More](#)



Saving on Subscription Service Costs

There are ways to improve your physical fitness without denting your fiscal fitness.

[Learn More](#)



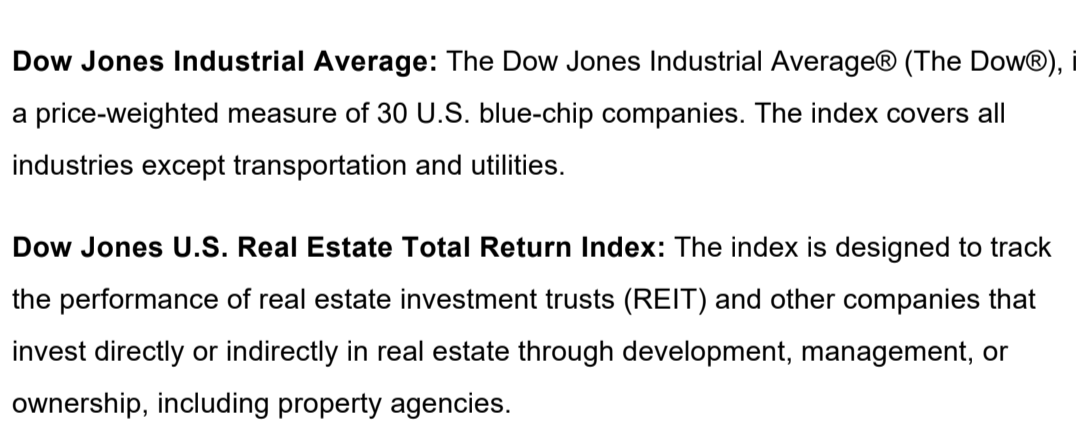
Inventorying Your Possessions

Creating an inventory of your possessions can save you time, money and aggravation in the event you someday suffer losses.

[Learn More](#)

MONTHLY DOSE OF POSITIVITY

Just when you thought it was safe to go back in the water...

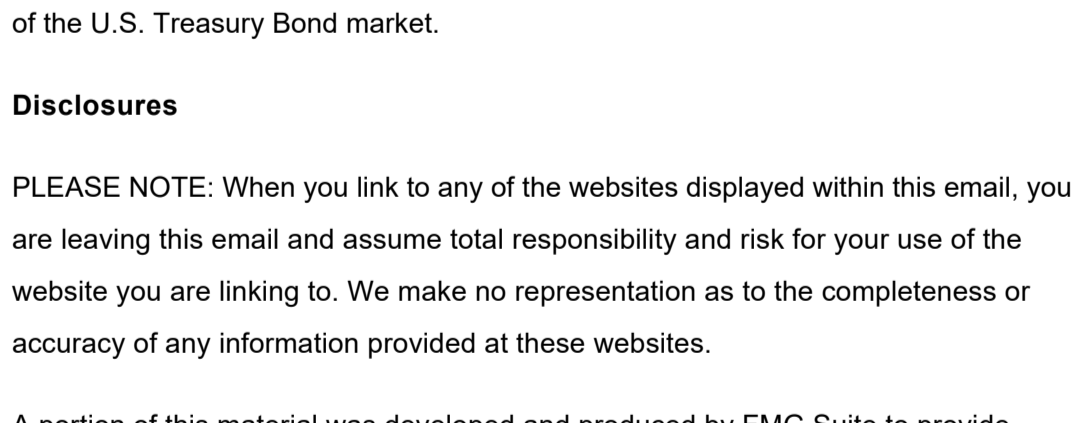


Nearly 50 years ago this month, 'Jaws' hit movie theaters around the country, opening June 20th, 1975. Interestingly, Jaws was intended for release around Christmas 1974, but because filming ran far past the shooting schedule, its release was pushed back to summer of the following year. Back then, Hollywood reserved the summer months to offload some of their worst films, since many Americans chose outdoor activities instead, so it seemed like Jaws was destined to be a bust.

However, thanks to the quality of the film and the positive word of mouth, more than 67 million people in the US saw the film the first weekend it was released, bringing in more than \$7 million in box office receipts (about \$37 million in today's dollars). The film went on to gross \$260 million (\$1.4 billion in current dollars) over a 28-week cinematic run. Many Hollywood insiders credit 'Jaws,' and director Stephen Spielberg, for creating the modern blockbuster as we know it today!

Check out [more fun Jaws facts](#) on IMDB.com. We're gonna need a bigger boat!

THOUGHT FOR THE MONTH



“When I was a boy and I would see scary things in the news, my mother would say to me, 'Look for the helpers. You will always find people who are helping.'”

Mr. Rogers

Index Definitions

Dow Jones Industrial Average: The Dow Jones Industrial Average® (The Dow®), is a price-weighted measure of 30 U.S. blue-chip companies. The index covers all industries except transportation and utilities.

Dow Jones U.S. Real Estate Total Return Index: The index is designed to track the performance of real estate investment trusts (REIT) and other companies that invest directly or indirectly in real estate through development, management, or ownership, including property agencies.

NASDAQ Composite: The NASDAQ Composite is a market-cap weighted index of all issues listed on the Nasdaq stock exchange. It is heavily weighted towards the technology sector.

S&P 500 Bond Index: The S&P 500® Bond Index is designed to be a corporate-bond counterpart to the S&P 500, which is widely regarded as the best single gauge of large-cap U.S. equities. Market value-weighted, the index seeks to measure the performance of U.S. corporate debt issued by constituents in the iconic S&P 500.

S&P 500 Consumer Discretionary: The S&P 500® Consumer Discretionary comprises those companies included in the S&P 500 that are classified as members of the GICS® consumer discretionary sector.

S&P 500 Consumer Staples: The S&P 500® Consumer Staples comprises those companies included in the S&P 500 that are classified as members of the GICS® consumer staples sector.

S&P 500 Energy: The S&P 500® Energy comprises those companies included in the S&P 500 that are classified as members of the GICS® energy sector.

S&P 500 Financials: The S&P 500® Financials comprises those companies included in the S&P 500 that are classified as members of the GICS® financials sector.

S&P 500 Index: The S&P 500® index is a market-cap weighted index of the largest 500 companies headquartered in the United States. The index covers approximately 80% of available market capitalization.

S&P 500 Utilities: The S&P 500® Utilities comprises those companies included in the S&P 500 that are classified as members of the GICS® utilities sector.

S&P U.S. Aggregate Bond Index: The S&P U.S. Aggregate Bond Index is designed to measure the performance of publicly issued U.S. dollar denominated investment-grade debt. The index is part of the S&P Aggregate™ Bond Index family and includes U.S. treasuries, quasi-governments, corporates, taxable municipal bonds, foreign agency, supranational, federal agency, and non-U.S. debentures, covered bonds, and residential mortgage pass-throughs.

S&P U.S. Treasury Bond Index: The S&P U.S. Treasury Bond Index is a broad, comprehensive, market-value weighted index that seeks to measure the performance of the U.S. Treasury Bond market.

Disclosures

PLEASE NOTE: When you link to any of the websites displayed within this email, you are leaving this email and assume total responsibility and risk for your use of the website you are linking to. We make no representation as to the completeness or accuracy of any information provided at these websites.

A portion of this material was developed and produced by FMG Suite to provide information on a topic that may be of interest. FMG Suite, LLC, is not affiliated with the named representative, broker-dealer, state- or SEC-registered investment advisory firm. The opinions expressed and material provided are for general information and should not be considered a solicitation for the purchase or sale of any security.

Index performance does not reflect the deduction of any fees and expenses, and if deducted, performance would be reduced. Indexes are unmanaged and investors are not able to invest directly into any index. Past performance cannot guarantee future results.

Investing involves risk, including the potential loss of principal. No investment strategy can guarantee a profit or protect against loss. In general, the bond market is volatile; bond prices rise when interest rates fall and vice versa. This effect is usually pronounced for longer-term securities. Any fixed-income security sold or redeemed prior to maturity may be subject to a substantial gain or loss. Vehicles that invest in lower-rated debt securities (commonly referred to as junk bonds or high-yield bonds) involve additional risks because of the lower credit quality of the securities in the portfolio. International investing involves special risks not present with U.S. investments due to factors such as increased volatility, currency fluctuation, and differences in auditing and other financial standards. These risks can be accentuated in emerging markets.

The statements provided herein are based solely on the opinions of the Advisor Group Research Team and are being provided for general information purposes only. Neither the information nor any opinion expressed constitutes an offer or a solicitation to buy or sell any securities or other financial instruments. Any opinions provided herein should not be relied upon for investment decisions and may differ from those of other departments or divisions of Advisor Group or its affiliates.

Certain information may be based on information received from sources the Advisor Group Research Team considers reliable; however, the accuracy and completeness of such information cannot be guaranteed. Certain statements contained herein may constitute "projections," "forecasts" and other "forward-looking statements" which do not reflect actual results and are based primarily upon applying retroactively a hypothetical set of assumptions to certain historical financial information. Any opinions, projections, forecasts and forward-looking statements presented herein reflect the judgment of the Advisor Group Research Team only as of the date of this document and are subject to change without notice. Advisor Group has no obligation to provide updates or changes to these opinions, projections, forecasts and forward-looking statements. Advisor Group is not soliciting or recommending any action based on any information in this document.

Securities and investment advisory services are offered through the firms: FSC Securities Corporation, Royal Alliance Associates, Inc., SagePoint Financial, Inc., Triad Advisors, LLC, and Woodbury Financial Services, Inc., broker-dealers, registered investment advisers, and members of FINRA and SIPC. Securities are offered through Securities America, Inc., a broker-dealer and member of FINRA and SIPC. Advisory services are offered through Arbor Point Advisors, LLC, Ladenburg Thalmann Asset Management, Inc., Securities America Advisors, Inc., and Triad Hybrid Solutions, LLC, registered investment advisers. Advisory programs offered by FSC Securities Corporation, Royal Alliance Associates, Inc., SagePoint Financial, Inc., and Woodbury Financial Services, Inc., are sponsored by VISION2020 Wealth Management Corp., an affiliated registered investment adviser. Advisor Group, Inc. is an affiliate of these firms.

Jonathan Greenwich

jgreenwich@virtuscap.com

571-527-4955

Virtus Capital

Managing Principal

<http://www.virtuscap.com>

FINRA/SIPC. RAA is separately owned and other entities and/or marketing names, products or services referenced here are independent of RAA. This message and any attachments contain information, which may be confidential and/or privileged, and is intended for use only by the intended recipient; any review, copying, distribution or use of this transmission is strictly prohibited. If you have received this transmission in error, please (i) notify the sender immediately and (ii) destroy all copies of this message. If you do not wish to receive marketing emails from this sender, please reply to this email with the word REMOVE in the subject line.

This informational email is an advertisement and you may opt out of receiving future emails. To opt out, please click the "Unsubscribe" link below.

This message was sent by
Virtus Capital
571-527-4955
4250 North Fairfax Drive
Suite 600
Arlington, VA 22203