



# RICHMOND BROTHERS

## Matt's Minutes: September 2022 "Closed Captions"

Watch the video online at: [www.richmondbrothers.com](http://www.richmondbrothers.com)

Hi everyone this is Matt Curfman here with Richmond Brothers for a September 2022 edition of Matt's Minutes. Thank you for tuning in.

Well unfortunately the market ended the quarter, which was September 30, on a pretty sour note. Both for the month, for the quarter, and ultimately for the year. This has been of course a very choppy year in the markets with lots of uncertainty and a lot of concern about what direction the world is going, what direction is the economy going?

So what are some of the reasons we're seeing some of this uncertainty? One is probably down to the Federal Reserve and interest rates. This is one of the first cycles in quite some time where the Federal Reserve is actually consistently raising the short-term rate. Now they would say their aim is to help bring overall inflation back down to their long-term target of about two percent. So at the last reading, we're seeing inflation numbers between eight and nine percent, which is really the highest we've seen in the U.S. in probably more than 40 years.

That should be good news for those of you on Social Security because soon the rate that Social Security will increase will lock in for 2023. So ideally we could be in a circumstance where if the Federal Reserve was successful and if inflation starts to come back down, by the time we get to January, you will start getting raises in Social Security benefits to help offset some of that. So we'll see how that plays out.

To give you some idea of how choppy markets have been: the Dow Jones was down year to date on September 30, three quarters in, just shy of 21% negative, the S&P was just shy of 25% negative, the NASDAQ was about 32% negative, and even AGG, which is a benchmark of broad measure of corporate bonds in the U.S. was down over 15.5% year to date. So a traditional stock/bond portfolio has really been challenged this year.

So this is where the possibility of some alternatives, such as guarantees, cash, money in the bank, perhaps Risk 1 fixed or fixed equity indexed annuities might kind of be the saving grace this year at least so far, three-quarters of the way in.

We still think it's really important to maintain a diversified plan. We still think it's really important as you talk to us individually, you know, reviewing your current Risk Scores. And as a frame of reference, remember that the current Risk Score of the broad markets, such as the S&P500, is around a Risk 76, according to Riskalyze right now. So any number your portfolio is less than that, means we should experience less volatility than the overall market, but the market still has been challenged this year.

Ultimately, the two factors I've mentioned are inflation and the Federal Reserve. And the third factor that is very unfortunate, and adds to uncertainty is war and geopolitical risk, specifically as it ties into Russia and Ukraine, which has been ongoing since the first quarter, unfortunately. So there's still a lot of uncertainty. We're still here to help guide you through no matter what the world throws at us. Feel free to reach out with questions to [questions@richmondbrothers.com](mailto:questions@richmondbrothers.com).

In the meantime, stay healthy, stay safe. We're honored to have the opportunity to help educate, inform and guide you through no matter what the world throws in our path. Thank you for tuning in!

---

The commentary in this video reflects the personal opinions, viewpoints and analyses of Richmond Brothers employees, and should not be regarded as advisory services provided by Richmond Brothers, and are subject to change at any time without notice. Any mention of a particular security and related performance data is not a recommendation to buy or sell that security. Investments in securities involve the risk of loss. Past performance is no guarantee of future results.

Richmond Brothers, Inc. does not provide tax advice. Please consult a qualified tax advisor regarding your personal situation.

*Sources:*

YCharts

Research Reports

<https://www.cnbc.com/2022/09/29/stock-futures-are-flat-following-thursdays-broad-sell-off.html>

Richmond Brothers, Inc. is a SEC-Registered Investment Adviser.  
3568 Wildwood Avenue, Jackson, MI 49202  
[www.richmondbrothers.com](http://www.richmondbrothers.com)