The Summit Financial Strategies
1905 NW 169th Place,Suite 201
Beaverton,Oregon 97006

FAVORITE RECIPES

Chickpea, Avocado, & Kale Salad

by Lisa Mesquit

Ingredients

- Kale (chopped)
- Chickpeas (canned)
- Avocado (diced)
- Fresh basil (chopped)
- Red Onion (minced)
- Garlic (minced)
- Salt, pepper,and red pepper flakes
- Extra Virgin Olive Oil,honey,and lemon juice

Instructions

This salad is vegan, raw and healthy... sweet, savory,and green !

1. Chop and mince ingredients, and mix all ingredients into a large bowl.

2. Sprinkle salt, pepper,and red pepper flakes (to taste).

3. Drizzle of Extra Virgin Olive Oil,honey, and lemonjuice.

4. Place in the refrigerator for a bit to let all the flavors melt together.

5. Serve and enjoy!

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NEWSLETTER
JUNE 2019

In this issue•••

EXPECTATIONS

by Brett Langer

A couple of the best traits an investor can have are patience and a cool head. Over the past six months, the stock market has had troubles figuring out what the trade negotiations mean for our economy. Last year the market was telling us that tariffs were raising the cost of goods and that our economy was slowing down. However, looking at past economic and inflationary data tells a different story. Between 2009 and 2017, our economy fluctuated between growth rates of 1 1/2 % to 2%. In 2017, our economy perked up and grew at 2 1/2 % annual growth. In 2018, amidst talks of tariffs and trade wars, our economy picked up again, at more than 3% growth. Another interesting piece of data from the past year is that inflation has been trending lower rather than higher. This runs very opposite to the warnings we have received from the media and financial analysts. While we have been bracing for really poor economic data in the first quarter of this year, the annualized growth rate actually came in above 3%. In fact, over the past decade, the first quarter has been generally the slowest of the year ,while the 2nd and 3rd quarter have been the fastest.

At this present time, the economic data shows our economy growing faster, not slower. Will new tariffs change this story? As you can see from last year,so far the answer has been no. The good news is that our economy is growing about twice as fast as it was two and three years ago. That means we have some room to soften if it actually does start to slow down.

One of the reasons why patience is such a great attribute for investors is that sometimes you just have to wait times like this out. As long as the economy is growing faster and volatility continues, the market will eventually price in the growth,we just don't know the exact timing of when this will take place. Often times it helps to look back at history. Even though this volatility seems new,it isn't. In 29 of 38 years between the time period of 1980 through 2017, the S&P 500 had sell offs of at least 8%. Keep in mind, when you hear that the market had sell offs at some point in the last 29 years of 8% or more, you would never guess that the S&P 500 actually averaged 8.8% growth during that same time. This is why it pays to be patient. The media and really intelligent people on T.V. constantly tell us how bad things are and how bad it's yet to get. As you can tell from my figures above, most of the time thes warnings just don't materialize.

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Contact us•••

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THE SUMMIT FAMILY PICTURES

Parker Langer and Alexis Engaged!

Mesquits Hawaii2019

Hamson and Sophie cousins at Biola

Brent and Lisa Mesquit 20th Anniversary

Courtney Boden and Chris Engaged!

Langer kids at Brazlyn Seattle Volleyball Tournament Champs!

Courtney Boden and Grandma Karen Langer

Bodens Sophie's graduation at Biola 2019

Fiona Bandettini Cal Poly Graduate

Denise's husband Mike and his Parents in CA

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EXPECTATIONS *continued from page 1*

Let's focus on what we know to be facts. The economy accelerated in the first quarter of this year at almost 3.2% annualized growth rate. There are more job openings than people looking for work. Middle to low income wage earners averaged nearly a 5% increase in their wages over the past year. The unemployment rate is at 3.6%, the lowest since 1969. This last year, worker productivity doubled what it had been averaging from 2009 through 2017. Consumer and business confidence are still at historic levels. Lastly, interest rates have been falling, making it still cheap to finance a new car or home. It is also still reasonable for companies to finance capital improvements or buy another company for growth.

Are we concerned over trade disputes? Yes, we think there are reasons to be cautious. For instance, I played golf with a door manufacture this past weekend. Tariffs will hurt his business because his doors are made in China. With that being said, it is becoming cheaper for him to choose elsewhere to manufacture his doors. His choices are ,the United States, Mexico, India, or even Vietnam. My concern is that it's very unfair to change the landscape on businesses so quickly once they have made certain plans. However, this is also why the United States is growing faster. Companies are finding it easier and cheaper to start manufacturing at home rather than on foreign soil. This also explains why China and Europe have been experiencing softening economies over the past year.

We expect volatility to continue as trade negotiations struggle for resolution. Often times, voices get loud and rhetoric gets worse before any deal can be made. We are on guard in our office and meeting together on a weekly basis to take whatever investment actions we think necessary. Our strategic goal is to make changes that make good business sense rather than making changes out of pure emotion.

Lastly, I think it's healthy to put tariffs into some type of context. When I listen to the news, it appears that tariffs are threatened as a tool to get what we want. What a lot of people don't know is that the tariffs charged in the United States are very low in comparison to the rest of the world. China has had 25% tariffs on our autos and auto parts that are sold there. According to CNN, Canada placed quotas on our dairy. Once they exceeded those quotas, they place tariffs ranging from 200% to 300% on US dairy products. On average, the United States places 2% tariffs on goods sold here according to www.ustr.gov. There is no doubt it's been a very lopsided trade that has worsened through the years. Is the Trump administration going about it the right way? Some say yes, and some say no. As an investor, I've grown tired of the back and forth of this issue, but we are staying focused on what is actually happening. We look forward to the time when we can be worried about something different than tariffs and get back to investment fundamentals.

In our next newsletter we will specifically address how the economy in the United States has become much more robust. We will talk about many of the new industries and type of jobs the US has to offer. I'll leave you with one new industry within the marketing sector. No longer do you need a degree to market for companies. We now call certain marketers ,influencers. If you can get an audience on social media and receive clicks on whatever you're trying to pitch ,you can earn an income. I know, for many of us this seems very odd. Our economy is very fascinating today and also more resilient than what it used to be.