

October 24, 2018

Good Afternoon,

Stock market volatility is back in full force after several summer months of calm. While corporate earnings continue to look strong, uncertainty about inflation, interest rates, and the mushrooming Federal debt have investors on edge. The tech-heavy NASDAQ has reached correction territory (down 10% from its high) and the S&P 500 is not far behind. The decline in stock prices and increase in corporate earnings have resulted in stock valuations that are now below the long-term average. A true buying opportunity - perhaps.

President Trump's comments about Fed policy are not helping the situation. The president's statement that Fed Chair Powell represents "the single greatest threat" to his reelection campaign calls into question the independence of monetary policy and creates an unprecedented market and political dynamic that could prompt additional volatility.

Global issues have added to investor uncertainty, as well. There are clear signs that the Chinese economy is slowing. Geopolitical tensions are high with Saudi Arabia and Europe faces major hurdles with BREXIT and turmoil in Italy. Global stock markets are faring no better than ours.

To top it all off, the Buffalo Bills just stink. Thank goodness for the World Series. Go Sox.

Please visit our website at www.canfg.com or the link below for the last Market Update from Commonwealth Financial Network® – the broker/dealer that supports us in helping you manage your financial life.

http://www.commonwealth.com/RepSiteContent/weekly_comm/commentary_redirect.htm

As always, if you would like to discuss this or anything regarding current market conditions or your portfolio, feel free to contact me at any time.

Enjoy your week.

Wade

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