

# The Di Rocco Keenan Wealth Advisory Group



## What's HOT?

**US politics are front and centre right now**, especially after what most people would consider a disastrous presidential debate. The 10-year yield curve immediately steepened as the polls increased in Trump's favour. Why? A few reasons. There is a higher likelihood Trump's tax cuts will be extended in 2025 under his leadership (inflationary). There is also a lot of talk around tariffs if Trump is on the winning ticket (inflationary). The 10-year yield curve quickly reversed course, but it was a hot topic in the short term as investors digested the impact of the potential winner of the 2024 presidential election on the stock and bond market.

While no one can argue that Trump is on Wall Street's side, we remind clients of this reality; **stock market returns are far more dependant on where we are in the business cycle and the direction of interest rates vs. who is in office.** Great example – Barack Obama was elected just months before the March 2009 official bottom of the stock market post the financial crisis. Was it Barack Obama's policies that lead to one of the greatest rebounds in stock market history or was it the market recovering from extreme oversold territory? We would argue the latter.

*Lianne and Jamie*



## JULY 2024

### The Di Rocco Keenan Team's Top Summer Reading Picks!

The summer flies by way too quickly! We hope everyone can make some time to do the things they enjoy the most. On our team, we all love to squeeze in a good read when we can. See below for our personal top choices.

#### Jamie's pick:

**Good to Great** by Jim Collins

After seeing Jim Collins speak at the Women President's Organization conference in Colorado Springs, Jamie is deep into **Good to Great**. In this best-selling book, Jim breaks down the key factors that drive a good company to becoming a GREAT company.

#### Lianne's pick:

**The Women** by Kristin Hannah

Recently added to one of my favourite books. Not only did it educate me on the Vietnam War, but also highlighted the critical role women played in the war and the lack of support when they returned to America. It's a page turner!

#### Joti's pick:

**How to Talk So Kids Will Listen & Listen So Kids Will Talk** by Adele Faber & Elaine Mazlish

A classic, down-to-earth book that lays out practical and logical approaches to improving your relationships with children... or perhaps with anyone!

#### Bailey's pick:

**Edible Economics** by Ha-Joon Chang

Chang explores the history of this favourite dishes and uses them to explain economic theories; it's weird, but it works!

#### Teresa's pick:

**Branding Queens** by Kim Derrick Rozdeba

Kim guides you through the world of 20 remarkable, self-made women entrepreneurs. This book inspires me to work harder, persevere, and stand out as extraordinary. Still reading it... fascinating!

## INDUSTRY TRENDS



**US CPI came in below consensus on July 11<sup>th</sup>** with the better-than-expected reading marking a September rate cut by the Fed a strong possibility. BMO Economics' Doug Porter released an interesting article exploring 10 myths of inflation. To read about the "Ten Inflation Fables", see the attached Focus report (starting on pg. 8).



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