



## WEALTH & WELLNESS GROUP

### BALANCING OUR UPSIDE AND DOWNSIDE RISK

#### Did You Know? “Real Estate Trends”

Since 2015, the demand for second homes has grown by 99%. The estimated total of second homes in the U.S. is 7.5 million or 5.5% of the total housing stock.

1 in 10 Americans sell their home due to paranormal activity: 10% of Americans have sold their home due to a paranormal experience with 50% of those experiences on a 2nd floor.

The average house price in America is \$428,700. It has increased by 416% since 1980 and created an average monthly mortgage payment or \$1,230 per month for a 30-year, fixed-rate loan.

44% of millennials would buy a home based on listing photos: Millennials are more comfortable ordering items online and often turn to celebrities and influencers to help them make decisions on everything from real estate to furniture.

85% of real estate agents report that staged homes sell three times faster than non-staged properties.

67% of buyers want a detached home, 15% of buyers would like a townhouse and 8% want to buy a multi-family condo.

Source: iBuyer.com



The popular Wall Street adage, “Sell in May and go away,” hasn’t exactly panned out this year. The Dow moved in lock step with the seasonal warning by dropping 3.5% for the month. However, the S&P 500 ended on the plus side of things with a 0.3% increase while the tech-heavy Nasdaq logged an impressive 5.8% monthly gain that flies in the face of Wall Street wisdom. While long-term historical averages for the period of May - Sept are negative, stocks in six of the past seven summers have been positive for this period. Equities, it seems, have gotten into the habit of drifting higher during the summer months as trading volumes fall and large daily moves become scarce.

Something that may not be evident in those month returns above, is the significant dispersion between the Nasdaq and the Dow. A quick look at the numbers illustrates that big tech bested the blue-chip Dow by 9.3% in May, the widest margin of outperformance since October 2001. Two of the causes for such a disparity seems to be the artificial intelligence craze and the monumental performance of a small group of mega stocks called the Magnificent Seven. A group that includes Google parent Alphabet, Meta, Tesla, Nvidia, Apple, Amazon, and Microsoft Corp. Together, these seven companies were responsible for nearly 50% of the Nasdaq-100’s gains in May.

As you can imagine, with so few companies being responsible for so much return, it’s no wonder some investors have begun to worry, how long can a handful of companies continue to sustain this rally. Especially since some Federal Reserve officials are talking up the prospect of another rate hike later this year. Higher interest rates typically work against the technology stocks that have driven much of this year’s gains, and as the media seems to remind us everyday, any further slowing could plunge us into a recession.

Frankly, we think this is the most over-hyped potential recession ever. Yes, the economy is slowing but the U.S. consumer has remained resilient. And yes, the Feds are talking about another possible rate hike, but one or two outliers don’t make up the full committee and we think there is too much to risk on another rate hike and see the Fed standing pat.

As a result, we see opportunities in fixed income and international stocks. Historically, we know that once the Fed begins to pause, rates can drop fast. One report found that the 10-Year Treasury can fall by as much as 69 basis points in 3 months and over 100 basis points or 1% in five months. That means rates on money markets, CD’s and short-term bonds could drop rapidly, thus making the case for buying some longer-term maturities. For example, by buying bonds with maturities of 3-5 years instead of 1-year, an investor can delay the need to re-invest maturing assets at a much lower interest rate.

As far as international equities go, stocks overseas have outperformed U.S. markets by 14% since the lows of Oct. 2022. Not to mention, when the dollar is weak, international funds go further. We also know that international value-oriented stocks have historically outperformed growth stocks following previous Fed pauses. Therefore, we feel it’s optimal to stay invested in high-quality stocks here and abroad, while adding some longer-term fixed income to help balance out upside and downside risk.

#### Trivia

- 1) What is the name of the little boy on the Play-Doh can?
- 2) What was the occupation of Charlie Brown’s dad?
- 3) How many spikes are atop the Statue of Liberty’s head? Extra Credit: What do they represent?



One of the primary ways we grow our business is through client referrals.

We never charge to meet with new clients and discuss their current situation.

Many times people just don't know who to trust and want an **unbiased second opinion** from a trusted expert and **fiduciary**.

**Direct Referral Calls:**  
**248-890-0834**

#### Our Services...

- Flat-Fee Second Opinion
- Investment Management
- Do-It-Together Investing
- Retirement Plan Reviews
- Seminars and Workshops



Robert Laura, AAMS, CMFC, CRPC

Wealth & Wellness Group  
690 Hope St., Suite B  
Brighton MI 48116  
(888) 267-1138  
[rl@robertlaura.com](mailto:rl@robertlaura.com)

## The Benefits Of Awe And Wonder

When people think of the concept of “awe,” it conjures up extraordinary moments like seeing the Grand Canyon, summiting a mountain, having a child, or watching a live performance. But researchers who study it say the emotion shouldn't be reserved for only rare events. They argue that daily experiences of it have been shown to make us happier, care more about other people, and it can increase our humility.

Awe can also make us think more critically, expand our perception of time, lead to less materialism, and has even been shown to help at risk communities including young people from underserved communities and military veterans with PTSD.

We feel awe when we encounter something with qualities so extraordinary it seems incomprehensible. In other words, it doesn't fit nicely into an existing category in our mind. For example, you may have marveled at a beautiful waterfall, but the sheer size, scope and capacity of Niagara Falls suddenly feels incomprehensible compared to previous experiences.

Fostering awe is really about developing the right mind-set. We need to slow down, to pause, to be present and observe the world around us. The problem is, it can be difficult to experience awe when there are so many things competing for our attention. When we're at the Grand Canyon, it's impressive enough that it grabs our attention regardless of what else we're doing, but in our day-to-day lives, when so much of our attention is taken up by mobile devices, it's harder to notice these little awe-inspiring things in our environment. So, here are four ways to can create awe in your life every day:

**Write An Awe Experience:** This practice involves reflecting on a personal experience of awe and then writing about it in as much detail as possible. Recalling the experience in vivid detail can conjure up the feelings you had at the time.

**Take An Awe Walk:** Travel can be a great source of awe, but awe can also be found closer to home. This practice involves taking a stroll somewhere that has the potential to inspire awe. This could be a natural setting, like a tree-lined trail; an urban setting, like the top of a skyscraper; or an indoor setting, like a museum.

**Watch An Awe Inducing Video:** Even if you're stuck at home, awe can be found on your TV or computer screen since the internet provides an endless supply of goosebump inducing images.

**Read An Awe Inspiring Story:** Written words can also evoke awe. This practice involves reading a detailed story about someone's unique experience or even your own writing of a special experience.

Overall, the goal is to stop treating awe as luxury or rare and unexpected bonus that is reserved for monumental moments. We need to take the time and energy to notice it each and every day for our well being. Something Henry Miller captured nicely in this quote, “The moment one gives close attention to anything, even a blade of grass, it becomes a mysterious, awesome, indescribably magnificent world in itself.”

## Trivia Answers

- 1) Play-Doh Pete
- 2) A Barber
- 3) Seven and they represent the seven seas and seven continents

Source: Ultimate Book of Pub Trivia