



July 11, 2025

Dear Money Management Client,

We are delighted to share the enclosed portfolio statements after a heroing second quarter. Confusion from Trumps on-again, off-again tariffs set the stock market on a roller coaster ride all quarter long. We managed to avoid the worst of the decline with abundant cash balances, but our nerves may never be the same.

Companies across all sectors have been withdrawing their forward guidance because of all the uncertainty. Tariffs function as both a tax on consumers and a source of margin pressure for businesses. Constantly changing tariffs are a budgeting nightmare, resulting in indecision and procrastination. In spite of all this uncertainty, the stock market has recovered and is challenging new highs.

The stock market's recovery is difficult to explain, and that's why "timing" the market is such a mug's game. Investors have come to realize that Trump backs off his tariff threats before the real pain begins; they even coined him with the moniker "TACO," because ("Trump Always Chickens Out"). That belief has given investors more confidence in the durability of the economy. The Big Beautiful Bill that just passed is also encouraging for its stimulative tax and spending provisions. On balance, less regulation and taxes with the current administration have helped offset the tariff uncertainty.

In conclusion, the market is acting better because of less uncertainty and more liquidity. There is \$7.4 trillion dollars sitting in money market funds today, and that money represents a huge supply of buying power. As the market works higher, FOMO ("fear of missing out") will motivate those fence sitters back into the market. We have been fully invested for weeks now, and our portfolios are enjoying the ascent. Like our politicians, we'll worry about the government's unsustainable fiscal spending and burdensome debt levels another time. Enjoy your summer vacation!

As always, we remain committed to a conservative investment philosophy, which emphasizes the preservation of capital. If you have any questions or would like to discuss your portfolio, please do not hesitate to call.

Very truly yours,

Clay Campbell

Kyle Campbell