

Market Update – March 11, 2025 Uncertainty Driving Volatility

Tariffs or no tariffs? Will the economy now go into recession? Will I have a job tomorrow? Is peace coming to Ukraine? These are but four of the many questions people are asking themselves in the wake of the whirlwind start to Donald Trump's second term. The past six weeks have brought lots of change and uncertainty while rattling markets, which are poised to have their worst week of the year.

We have said many times that the market above all else does not like uncertainty. Stunning earning reports by the likes of Nvidia have been largely ignored, lost in the haze of Executive Orders and tariff proclamations. Even good news – like Thursday's announcement of a month delay in many tariffs against Canada and Mexico – has not calmed the markets.

Unfortunately, this uncertainty is likely to continue for the near-term. In the case of Thursday's tariff announcements, markets were not placated. Even though many tariffs will not go into effect for a month, that just means another month of uncertainty rather than an end to the drama. The US stock market rose after the announcement but later reversed course and finished the day lower.

As hard as it is to see lots of red in the markets, we recommend that you stay calm and stick to your long-term investment plan. Because none of us know when things will calm down – where the bottom in stocks will be. Rather than try and guess, history has shown that staying the course is the best strategy.

We are monitoring events on an on-going basis and will strategically take advantage of the market volatility to buy good companies that are selling at a discount. We will also take advantage of any strength to sell any companies whose fundamentals have deteriorated.

Please don't hesitate to reach out to us if you have any questions about your portfolios or our strategy.