

SUMMIT PERSPECTIVE

REACHING NEW HEIGHTS: SUMMIT FINANCIAL GROUP, LLC PARTNERS WITH RAYMOND JAMES FINANCIAL

In the fast-paced world of financial services, success hinges on the ability to adapt, innovate, and serve clients with the utmost dedication. As financial advisors, we recognize the importance of aligning ourselves with a broker-dealer partner that shares our values and empowers us to deliver exceptional client experiences. That's why we proudly trumpet our partnership with Raymond James, a company that shares our culture of client-centricity, integrity, and unbiased advice. We would like to thank our clients for their patience and cooperation as we processed over 8,000 electronic documents in the process of moving platforms! Over the last 45 days, Summit has successfully migrated the entirety of our client base to the Raymond James platform, and we are excited for the client experience going forward.

Today, we'd like to delve into the driving forces behind our decision to move to Raymond James, and how we see them helping us reach unparalleled service to you, our clients!

Culture Alignment: Client First, Integrity, and Independence

At the core of our success lies a culture that places clients at the heart of everything we do. Our commitment to a client-centric approach and our mission of Enriching Lives ensures that your needs and goals take precedence. By providing unbiased advice and acting with integrity, we build trust and establish long-term relationships based on transparency and mutual respect. We take



pride in our independence, enabling us to offer unbiased guidance that serves your best interests. Raymond James mirrors these beliefs, and we look forward to working together to continue serving your needs at the highest level.

Integrated Technology: Online Client Access

Technology has become an integral part of the financial services landscape, and we are proud to be at the forefront of its integration. Our affiliation with Raymond James enables us to streamline processes such as client onboarding, outreach, and client experiences curated to each unique situation. One of the features we are most excited to offer you is the Raymond James Client Access Portal. As we are all accustomed to seamless online access in today's digital age, through Raymond James' user-friendly website and app, you will have real time access to your portfolio, along with online document storage, and a robust set of research tools. This technology will enhance the convenience and connectivity you deserve.

Empowering Advisors with Knowledge and Product Breadth

Our commitment to providing exceptional service extends beyond technology. Our affiliation with Raymond James provides a wealth of resources that grant us access to extensive investment and planning tools that were not previously available to our clients. Whether it is lending solutions through Raymond James Bank, investment research

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Without change there is no innovation, creativity, or incentive for improvement. Those who initiate change will have a better opportunity to manage the change that is inevitable.

- William Pollard



KUDOS!

Summit Spirit Award:

Susan and Hospice East Bay

Each quarter, Summit recognizes one team member who receives kudos from their peers and managers for going the extra mile. The winner receives \$1,000 to donate to the charity of his or her choice. Congratulations to Financial Planning Associate, Susan Bonde as the recipient of this quarter's Summit Spirit award!

Susan: I am donating my Summit Spirit Award to Hospice East Bay's Bruns House located in Alamo, CA.



Hospice East Bay has been serving patients and families in our community since 1977. They provide end-of-life care to terminally ill patients, while offering emotional, spiritual, and grief support for the entire family. As a non-profit organization, they accept all medically qualified patients, regardless of their insurance status or ability to pay. Hospice East Bay raises funds from donations, grants, special events, and six thrift stores to ensure their patients' needs are met.

Established in 2004, Bruns House is an adult hospice inpatient facility in the East Bay. Patients receive daily visits from one of their hospice physicians or nurse practitioners. The facility offers privacy and quiet that cannot be found in a hospital, combined with intensive around-the-clock care that cannot be achieved at home. The facility has cared for more than 3,000 patients and their family members.

Bruns House provides a special experience for patients and their families. As a family member of a patient, I am grateful for the compassionate people who work tirelessly to provide comfort and care. As such, I have continued to support them through my donations and regular visits to the house.

For additional information about Hospice East Bay visit: <https://www.hospiceeastbay.org>

SUMMIT UNIVERSITY



Upcoming Workshops



TEENS & MONEY: SETTING THE STAGE FOR FINANCIAL SUCCESS

Thursday, August 3

Virtual: 4:00-5:00pm

Chances are your kids first learned about saving by adding change to a piggy bank. As they grew, they traded in those piggies for a savings account. Now it is time to look ahead. Learning to become financially independent adults is vital for their future success. As parents, our goal is to provide our children with the tools they need to go out into the world and thrive. This fun and interactive workshop will lay a foundation that will last a lifetime. Your teen will discover practical strategies and essential skills that will empower them to navigate the world of personal finance with confidence. Here's a sneak peek at the curriculum:

Building a solid financial foundation: Teens will learn the importance of budgeting, saving, and setting financial goals to establish a strong financial base for the future.

Making money work for you: They will discover how investing can help them grow their wealth over time.

Smart spending and avoiding debt traps: We will cover the art of responsible spending, credit cards, loans, interest rates and how to avoid common financial pitfalls.

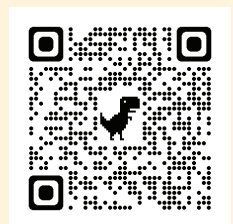
Q&A Session: Our professional financial advisor panelists will answer your teen's burning financial questions.

This complimentary webinar is open to teens 13 to 18. Scan the code or go to our website to register.

Learn more and register for classes through the Summit University page on our website:

[summitadvisors.com/
education/university/](https://summitadvisors.com/education/university/)

OR call 925-866-7800.



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MARKET INSIGHTS



Following a strong start to 2023, CIO Larry Adam and his team share their outlook for the remainder of the year.

July marked the official start of the Tour de France—one of the biggest cycling events in the world! Cyclists begin their journey in Bilboa, Spain and traverse through challenging terrain, covering a grueling ~2,200 miles in 23 days. While the race always has 21 stages, the route is different each year. And just like the Tour de France, no two economic and market cycles are alike. This cycle has been particularly challenging as the course weaved through a once in a generation pandemic, historic amounts of fiscal and monetary stimulus, soaring inflation, a war and the most aggressive tightening cycle in decades. With the economy and markets preparing to move onto the next stage, we use the Tour as a metaphor to describe our outlook. Here's a sneak peek of what to expect:

Economy Set to Normalize as Fiscal And Monetary 'Doping' Wanes

The US economy has continued to defy recession calls, thanks in part to all the fiscal and monetary support it received after the pandemic. All that 'doping' led to a strong recovery, which the markets initially cheered, but eventually led to the unpleasant side effect of soaring inflation. Federal Reserve (Fed) officials responded aggressively to clamp down inflation, lifting interest rates at their fastest pace in decades. The Fed's medicine is working, with growth and inflation downshifting from 2022's pace. And now that the 'doping' effects are wearing off, consumers are showing signs of fatigue (i.e., dwindling excess savings, higher debt servicing costs). Going forward, the economy will need to grow on its own merits, without all that artificial stimulus. The combination of higher interest rates, tighter credit conditions and slowing job growth should steer the economy into a mild recession, starting in Q4 2023.

The Fed Is Nearing the Tightening Cycle 'Finish Line'

After 500 basis points (5%) of cumulative tightening over the last fifteen months, the Fed is getting close to the finish line. Restrictive interest rates are having the desired effect— inflation is rapidly decelerating (4.0% YoY in May*), growth appears to be slowing, and the labor market is becoming more balanced (i.e., rising jobless claims, declining quits rates, fewer job openings). While growth and inflation are moving in the right direction, Fed policymakers have maintained their tightening bias as inflation remains above their 2.0% target. Given the long and variable lags in monetary policy, Fed officials are slowing down the pace of tightening to see what impact higher rates are having on the economy. However, one more rate hike may still be needed, which will push the fed funds rate up to 5.25% to 5.5% by year end. But as the disinflationary trend continues and growth decelerates to a 0.5-0.7% pace in 2024, a 4.0% fed funds rate is now in sight by year end 2024.*

Next Stage for Interest Rates Is A 'Downhill Glide'

Interest rates have endured a tumultuous climb, but as we near the peak in the fed funds rate, Treasury yields are set to enter the next stage. Slowing growth, declining inflation and the prospect of less restrictive policy in 2024 suggest Treasury yields are poised for a downhill glide. In fact, we expect the 10-year Treasury yield to reach 3.25% by year end as these economic trends become more visible in the official statistics.* With the yield curve still deeply inverted and cash equivalents yielding above 5%, investors should be mindful of reinvestment risk (i.e., the possibility of reinvesting at a lower yield). The combination of healthy coupon yields and the opportunity for capital gains once yields start to decline (as they typically do after the Fed concludes its tightening cycle) suggests it may be prudent to lock in longer maturity yields. A prolonged period of subdued growth could create challenges for lower-quality credits (i.e., high yield), therefore we prefer to play it safe and focus on high-quality bonds (i.e., Treasuries, investment grade corporates and munis).

Equities to Enter a New, More Challenging Stage

Our out of consensus, positive outlook on the equity market at the beginning of the year has paid off, with the S&P 500 delivering a ~15% gain YTD and nearing our 4,400 year-end target earlier than we expected. As we discussed in prior Weekly Headings, we have become more cautious on the equity market in recent weeks. Our rationale for dialing back our optimism was due to the steady climb in bullish sentiment flagged in the AAll Investor Sentiment Survey and relative strength indicators moving into overbought territory. These technical indicators, combined with other Wall Street firms rushing to lift their year-end S&P 500 price targets in recent weeks, indicated that much of the good news had been priced in—suggesting the market had entered into a more vulnerable position, susceptible to disappointment. However, longer term, we remain optimistic and expect the S&P 500 will grind higher over the next twelve months to at least 4,600 as macro tailwinds (i.e., the Fed concludes its tightening cycle, declining interest rates, resilient margins, and record cash on the sidelines) provide a more supportive backdrop for equities.

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REACHING NEW HEIGHTS

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from Raymond James Analysts, or customized high net worth solutions through the Private Institutional Client Desk, we have vast resources at our fingertips. While our core of comprehensive financial advice will never change, we are grateful to broaden the financial solutions we can bring to bear on any planning situation. Leveraging the tools available at Raymond James in combination with our expertise allows us to design solutions that help our clients reach their unique goals. We truly feel armed for any financial situation that could arise on behalf of clients!

Moving Forward

We look forward to shifting our focus back to client reviews and guiding clients towards their goals. We look forward to meeting you during the second half of the year, and diving into your planning and the new tools to assist in the effort. Furthermore, we look forward to being introduced to the next client that will benefit from experiencing the "Summit Way" of planning and serving clients. After a temporary hiatus on accepting new clients during the transition, we are ready to serve, and look forward to those opportunities. Thank you for entrusting your financial hopes and dream to us! We are filled with gratitude for our relationship with you, and excited to serve you in the new ecosystem!

SUMMIT TRIVIA CHALLENGE



The answer to this quarter's question can be found on the Summit Facebook page facebook.com/summitfinancialgroup/. Each person to submit the correct response will be entered to win a \$25 Starbucks gift card.

Ready? Here it is ...

What animal was featured in our May paper shredding event post?

Know the answer?

Email it to angela@summitadvisors.com by August 18. The Trivia Challenge winner will be notified via email.

STAFF SPOTLIGHT

Meet Summit's newest arrival!

Welcome Baby Peabody

Financial Advisor Aaron Peabody and his wife, Liz, welcomed Audrey Grace on May 7. Brothers Luke (6) and Ben (3) are smitten with their new sister! She's one lucky girl!



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