



The Boulware Buzz



Wealth Management

2ND Quarter 2019 | Issue #29



John Boulware
Senior Vice President –
Financial Advisor

(623) 334-2602
john.boulware@rbc.com



Shea Boulware
First Vice President –
Financial Advisor

(623) 334-2630
shea.boulware@rbc.com

What's new at RBC? RBC Total Wealth

Total Wealth helps organize your information and delivers a Comprehensive view of your financial life in one convenient place.

Visit Total Wealth the next time you log on to www.boulwareinvestment.com to view your investment accounts. Total Wealth seamlessly connects your outside accounts that you would like to add to your RBC Webpage. Once authenticated, your Total Wealth is visible to both you and your advisor via your account on RBC Wealth Management Online and your RBC WealthPlan.

If you have any questions on Total Wealth, please contact us. If it is after hours, please call our Client Support Services at 1 (800) 933-9946.

Steady but Ready

Our portfolio investment approach is straightforward:

- To get financial markets right you need to get the economy right;
- The economy that investors need to get right above all others is the U.S. economy, far and away the largest in the world and the one that sets the cyclical rhythm for the global economy;
- As long as there is no U.S. recession/global economic downturn looming, an investor should remain committed to holding equities at some predetermined, long-term target exposure in a portfolio; and
- Once the path shifts decisively toward an eventual U.S. recession, equities should be approached more cautiously and defensively.

We use a number of indicators to assess the likelihood of a U.S. recession arriving. Until just a few months ago all six were unequivocally signaling no recession in sight. Recently one indicator, the closely watched gap between short- and long-term interest rates, crossed a threshold that would indicate a U.S. recession could be underway in about a year. Two others—the ISM New Orders Minus Inventories measure and the Conference Board Leading Economic Index—have moved closer to, but so far have not crossed, their respective negative signal boundaries. Three others have not yet approached a negative turning point.

We are treating this occurrence as a “shot across the bow”; one that should provoke an extra degree of vigilance. We are closely watching to see if more indicators lose their positive rankings in the coming months, if so, our defensive leanings would intensify.



Carrie Hamen
Senior Registered Client Associate
(623) 334-2642
carrie.hamen@rbc.com



Tommi Von Reeden
Senior Registered Client Associate
(623) 334-2602
tommi.vonreeden@rbc.com

All that said, the other five indicators we track have yet to raise any alarm. The U.S. economy continues to grow, especially the all-important and dominant consumer sector. Credit conditions remain largely accommodative—i.e., interest rates are low and banks are willing to lend.

We counsel investors to revisit the question of “risk appetite” should an economic and earnings downturn play out sometime in the coming year or so. We continue to focus on dividend growing companies which have historically held up better than the overall stock market during times of economic downturns.

Personal Corner

The Creed Family hiking in Sedona, Arizona in May 2019.



PhotoScid

It's easy to refer friends and family!

The biggest compliment is a referral of your friends and family.

The Boulware Investment Group

16150 N. Arrowhead Fountains Center Dr., Suite 300 | Peoria, AZ 85382
Phone: (623) 334-2602 | Toll free: (800) 753-3428 | Fax: (623) 334-2633
www.boulwareinvestment.com



Wealth Management