

Coping with multiple economic and global concerns

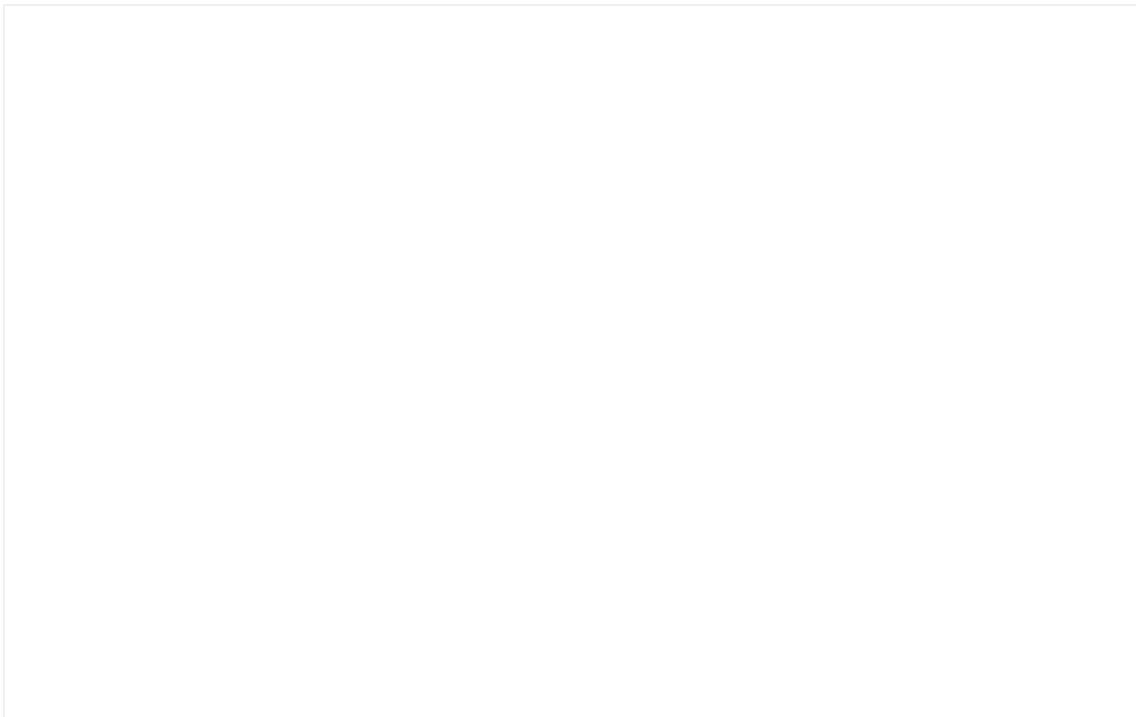
While previous generations have had to cope with war and pandemics, investors have not historically been faced with the trifecta of a pandemic, inflation, and war all at one time. Interestingly, pandemics and wars have diverging effects on economies including the likelihood of inflation. These simultaneous events are creating speculation as to what affect the converging events will have on markets, economies, interest rates, and the potential of a recession.

Most acknowledge the war and terrible destruction and suffering to be paramount, yet the stress and uncertainty caused by multiple events piling on top of one another is very real. Coping takes resources and patience. I can't speak to levels of patience, but most of us have available resources to count on and to turn to. In addition to financial and earnings resources we have our family, friends, and community to count on to bolster our resolve and provide comfort and reassurance. Harbor is also a community that we all share. We have many years of accumulated knowledge. Our Harbor community resources, and a shared history make trying and sad times like we are experiencing easier to navigate. Lucky for us, trust and a sense of safety are built into our community which also reassure.

Given our current global and domestic situation, we at Harbor understand that while we look to history to supply answers to investing and economic questions, the current challenges require new solutions. In addition to our usual activities of frequent monitoring of portfolios, economic and political events both domestic and abroad, we are paying close attention to market reactions to current events to develop considerations and ideas to employ for our portfolios. Our decisions become the basis for each individual's advisory.

Please contact us with questions and concerns that you have. We hope you enjoy this quarter's newsletter!

Elyse





Strong vs Weak Dollar - What are the Effects? - Harbor...

One might consider how currencies add or subtract volatility from a market in any given part of the cycle. After all, currency does affect and change the fundamentals of many economic indicators. Interestingly enough though, historical data tells ...

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Fund Focus: iShares Semiconductor ETF (SOXX)

The iShares Semiconductor ETF (SOXX) provides broad exposure to the semiconductor industry and has been part of Harbor portfolio models since 2018. Semiconductor manufacturers are responsible for creating the computer chips inside most of our modern electronics. Smart home devices, video

Quarter Market Recap

The first quarter of 2022 has been a tumultuous one. Global markets declined drastically as the Omicron variant of the Covid-19 virus raced around the world, with major U.S. indices entering correction territory. Although much less deadly than previous variants, the highly contagious variant injected fear into investors across all sectors. Following a brief respite in the market volatility, Russia mobilized its military and invaded Ukraine sending

games, cell phones, cars, medical equipment and computers are all powered by the chips and memory produced by the semiconductor sector. Manufacturers include well-known companies such as Qualcomm, NVIDIA, Texas Instruments and Advanced Micro Devices. The supply chain disruption during the pandemic highlighted how integral chips have become to our economy. The chip shortage created by COVID-19 lockdowns and other factors caused a slowdown in factory production, fueling inflation as demand outweighed supply. However, tight supplies are expected to ease in the second half of 2022. The sector has the potential for long-term growth as the need for semiconductors becomes more widespread.

Karen Didde

shockwaves across financial markets and causing a massive humanitarian crisis. The Ukrainian resistance has shown to be much more than Russia bargained for, and unprecedented sanctions imposed by Western nations are crippling Russia's economy. Since the invasion, most markets have begun to climb back from their quarterly lows.

Domestically, the Federal Reserve announced an interest rate increase of 0.25% in order to combat surging inflation. More interest rate hikes are expected throughout the year, with the Fed signaling that their target rate will be around 2%. Analysts expect several hikes which will likely include half point raises for the remainder of this year and into the next.

Although markets remain volatile, balance sheets and earnings in the U.S. remain strong. Unemployment continued to decrease to 3.6%. These are very low and strong numbers to indicate a strong labor market. Additionally, there are millions of job openings across the US which is another positive sign for workers and their wages.

The S&P 500 declined by 4.95%, while the Russell 2000 posted a return of -7.80% during the quarter. The MSCI EAFE returned -6.61%, while bonds lost 5.93% over the period.

Griffin Young



Protecting Against Financial Elder Abuse - Harbor Wealth ...

Part of our job as an advisor is advocating for our clients. This includes being alert when it comes to the financial exploitation of our elderly and at-risk clients. It has become more important than ever for us, our clients, and their families...

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Want to hear more about the work we do here at Harbor? Check out our newly launched [Lifeworks Podcasts](#)

We can't wait for you to hear more of our stories that can help you make your Life Work. Be sure to subscribe wherever you listen to podcasts.

American Red Cross

The American Red Cross is a non-profit humanitarian organization that provides emergency assistance, disaster relief, and disaster preparedness education in the United States. Red Cross volunteers and staff work to deliver vital services - from providing relief and support to those in crisis, to helping you be prepared to respond to emergencies.



Harbor donates to numerous charitable organizations annually on Colorado Gives Day and we've dedicated this section of our newsletter to share information about these charities.



Staff Spotlight Interview with Megan Miller - Harbor...

As part of our new blog series, we're doing Staff Spotlights! In this fun interview, we talked with Megan Miller who's been with Harbor since 2012. What do you like most about your job at Harbor? I can't choose one, I really enjoy my co-workers...

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HARBOR HAPPENINGS

Privacy Policy & New ADV:

A full copy of our updated ADV (the form used by investment advisors to register with the SEC) and Privacy Policy is now available on our website - [Click here](#). Please notify us if you would like a hard copy sent to you by mail.

Have you visited us on [Instagram](#)? Take a look at Harbor's Instagram account for fun facts and tips on managing your finances, financial planning, investments, and more. Watch for our Instagram Stories too!

Say
Hello!



2022 Office Closures

Our office is closed on the following New York Stock Exchange holidays in 2022: May 30, Memorial Day; July 4, Independence Day; September 5, Labor Day; November 24 and the afternoon of Nov 25, Thanksgiving; and December 26, Christmas.

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