



Starfox Financial Services, LLC

June 27, 2016

**MARKET SNAPSHOT**

<b>DJIA</b>	<b>17140</b>
<b>Nasdaq</b>	<b>4594</b>
<b>S&amp;P 500</b>	<b>2000</b>
<b>Comex GOLD</b>	<b>\$1324</b>

(closing values June 27, 2016)

Recent volatility in the markets has resulted in more fear and anxiety among investors, but it may have also created a fresh opportunity for longer term investors. Keeping the proper perspective may help to see the opportunities that exists in the volatility. With earnings season behind us, the volatility was partly caused by anticipation of what the Fed might do with interest rates. But more than interest rates was the pending vote by Britain on whether it would remain in the Euro or break away.

Britain's exit from the European Union is complex and unprecedented. It is the unprecedented nature of this change and the uncertain path that is ahead that has spooked investors, causing the largest 2 day market declines since August of last year. Steep the steep declines, the S&P500 has remained above a key technical level, and is far from the lows experienced in February of this year. We think it is important to recognize the significance of the "Brexit" and all that it will entail both financially and geopolitically. We also believe it is important not to over react to the noise that has been created in the short term. Although it remains to be seen whether the stock markets will push lower, we don't believe we will see a retracement to, or near, the lows we saw earlier this year.

In the weeks and months ahead more will be known about the potential path to separation and what the likely impact will be. As more is known, the markets may become less volatile as unchecked fear is replaced with cautious optimism. Changes in volatility may create unique tactical opportunities in equities as well as increased risk (and potential opportunity) in certain fixed income assets. We generally view the current levels (3-5% off the most recent highs) as buying opportunities, but remain cautious, allowing for a small potential that a more significant 8-10% correction becomes likely in the near term.

At this time we are suggesting investors remain calm and view the current market volatility as a transient issue, buying into dips and selling into rallies as needed to achieve proper balance in their portfolio.

**\*Please contact us if you would like to discuss how our recommendations may apply to your specific situation.  
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