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We hope you are making it through the new tax forms with the change in the tax code. On top of the confusing tax changes (with some opportunities), we have experienced a considerable amount of market volatility over the last six months.

The markets dropped considerably through December, 2018 and then started to rise in 2019. Some of the factors seemed to be: The Feds decision to stop raising interest rates for now, continued low inflation and historically very low unemployment, continued decent earnings reports from many companies, and a “potential” trade deal between the USA and China (although that deal seems to be on and off again almost daily).

While the market has declined and substantially recovered, that is not the case for each company in the stock market. Some were overpriced, and now are a lot less expensive, although may still be overpriced. Others went down with the market decline fairly or unfairly, and some are going back up with robust earnings and decent growth prospects as long as the economy continues to grow.

The economy is still growing, but at a slower pace than last year. Eventually the expansion of the economy may falter and reverse however; there is no preponderance of evidence of when that will occur. We keep reading, watching the markets, and preparing for the inflection point in the economy. Some investors thought it was in October and sold off their investments but in hindsight may have been mistaken.

What to take away from all of this? Don't put your short-term money in the stock market. Make sure you have an adequate emergency fund (and remember sometimes there are good emergencies). Also, if you need income from your investments, try to have multiple income sources without taking too much risk by chasing very high yielding investments.

We always are trying to balance your personalized asset allocation with you individually. But always feel free to call us as many of you do if you have a question about your mix of investments or are thinking about a new asset allocation.

REFINANCE, REFINANCE, REFINANCE! I never thought I would say those words again for many years but the mortgage rates are now below 4% again in many places. If you were on the fence about it give us a call and we can discuss. Refinancing is not for everyone, but the current rates are very favorable for those of you who are considering it.

As so many of you have asked, I thought I would give you an update on our families. Julie Hawk's son, Justin, is senior in high school, and deciding between some of the colleges where he has been accepted. His robotics team out of Bensalem High School won first place at Hatboro Horsham's competition and won first place at the FIRST Mid-Atlantic District Championship Event at Lehigh University. They are now on their way to Detroit for the world championship robotics competition. Check out his TV interview at [PBS 39 News - Ready for Robots](#). David Novick's daughter, Eva, is in 4th grade and just won an award for her artwork at Council Rock School District in Newtown, PA. Steve's son, Nicholas is graduating from Fordham this year and starting at Goldman Sachs as an Investment Banker in July. Steve's other son, Brendan, graduated from Rider and is now running a landscaping and seal coating business. Tom Schneberger is enjoying life traveling between Cape May, NJ and Florida and playing golf with clients as he can. Dave Hoyer is enjoying retirement and stops in once a week or so to say hello when he is having lunch in Yardley. Bill Hubbard is still keeping all our software and hardware and cybersecurity updated. He is in high demand as a consultant and we are lucky to have him.

And remember: Please call us if you have any questions about your financial planning or investments with us at any time. We are here to serve you and very happy to help at all times.

Take care and talk to you soon.

Sincerely Yours,



Steve Wetzel

President-Prometheus Capital Management Corp.

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Sources: Wall Street Journal, Financial Times, The Economist, Charles Schwab News, various general financial publications and news reports.