

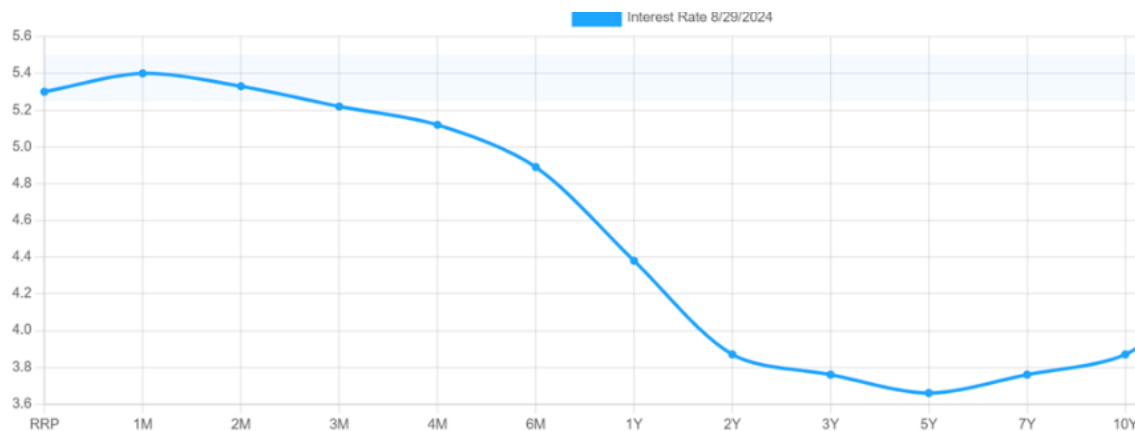
August 2024

## Allocations and Update on Performance.

We are happy to report that Zuma Wealth client portfolios continues to deliver productive returns in 2024, despite some recent volatility. Accounts are oriented to risk-on participation in global stock uptrends, including buffered ETFs designed to participate in market gains while providing guardrails against losses. Bonds are in safe Treasury securities delivering consistent returns over 5%. We remain confident in your allocation delivering double-digit gains year-to-date.



**What an Interest Rate Cut Means for You.** The Federal Reserve Chair Jerome Powell made it clear this month that a cut in interest rates is likely in September. What does that mean for you? It depends.



Right now, interest rates are unusual: the rate for longer term Treasury bonds is *lower* than for shorter maturities, as shown in the chart. The Fed controls shorter-term rates, the left hand side of the chart. Those rates will likely fall in the near future while longer-term rates may stay about where they are.

How the Fed's coming rate cuts impact you will depend. For instance, if you are looking for a long-term mortgage, the rate may not fall much from today's levels whereas an ARM may see faster declines. Stock investments will generally benefit while bonds present a more mixed picture. Overall, the move is a positive one, in our view.

**Investment Philosophy.** We reiterate our shared goals of growing wealth and guarding the future. We do this by looking at risk and return both strategically and protectively. Strategically, through good offense, we combine different asset classes to create an allocation with great prospects for delivering the growth you seek while guarding against unnecessary risk. Protectively, through great defense, we incorporate data to flexibly respond to market information and to help guard against losses. Thank you for your loyalty to Zuma Wealth.



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