









Quarterly Market Review: 2022-Q2

For ClearLogic Financial

The US equity market posted negative returns for the quarter and underperformed both non-US developed and emerging markets. Value outperformed growth. Small caps underperformed large caps. REIT indices underperformed equity market indices.

The first chart is a snapshot of the market performance for the second quarter. The second chart shows the world markets and events over the last twelve (12) months. Your 2022 second quarter portfolio review report is posted in your Tamarac portal.

	US Stock Market	International Developed Stocks	Emerging Markets Stocks	Global Real Estate	US Bond Market	Global Bond Market ex US
Q2 2022	STOCKS				BONDS	
	-16.70%	-14.66%	-11.45%	-17.22%	-4.69%	-4.01%
						
Since Jan. 2001						
Average Quarterly Return	2.2%	1.4%	2.6%	2.3%	1.0%	0.9%
Best Quarter	22.0% 2020 Q2	25.9% 2009 Q2	34.7% 2009 Q2	32.3% 2009 Q3	4.6% 2001 Q3	4.6% 2008 Q4
Worst Quarter	-22.8% 2008 Q4	-23.3% 2020 Q1	-27.6% 2008 Q4	-36.1% 2008 Q4	-5.9% 2022 Q1	-4.1% 2022 Q1

Past performance is not a guarantee of future results. Indices are not available for direct investment. Index performance does not reflect the expenses associated with the management of an actual portfolio. Market segment (index representation) as follows: US Stock Market (Russell 3000 Index), International Developed Stocks (MSCI World ex USA Index [net dividends]), Emerging Markets (MSCI Emerging Markets Index [net dividends]), Global Real Estate (S&P Global REIT Index [net dividends]), US Bond Market (Bloomberg US Aggregate Bond Index), and Global Bond Market ex US (Bloomberg Global Aggregate ex-USD Bond Index [hedged to USD]). S&P data © 2022 S&P Dow Jones Indices LLC, a division of S&P Global. All rights reserved. Frank Russell Company is the source and owner of the trademarks, service marks, and copyrights related to the Russell Indexes. MSCI data © MSCI 2022, all rights reserved. Bloomberg data provided by Bloomberg.

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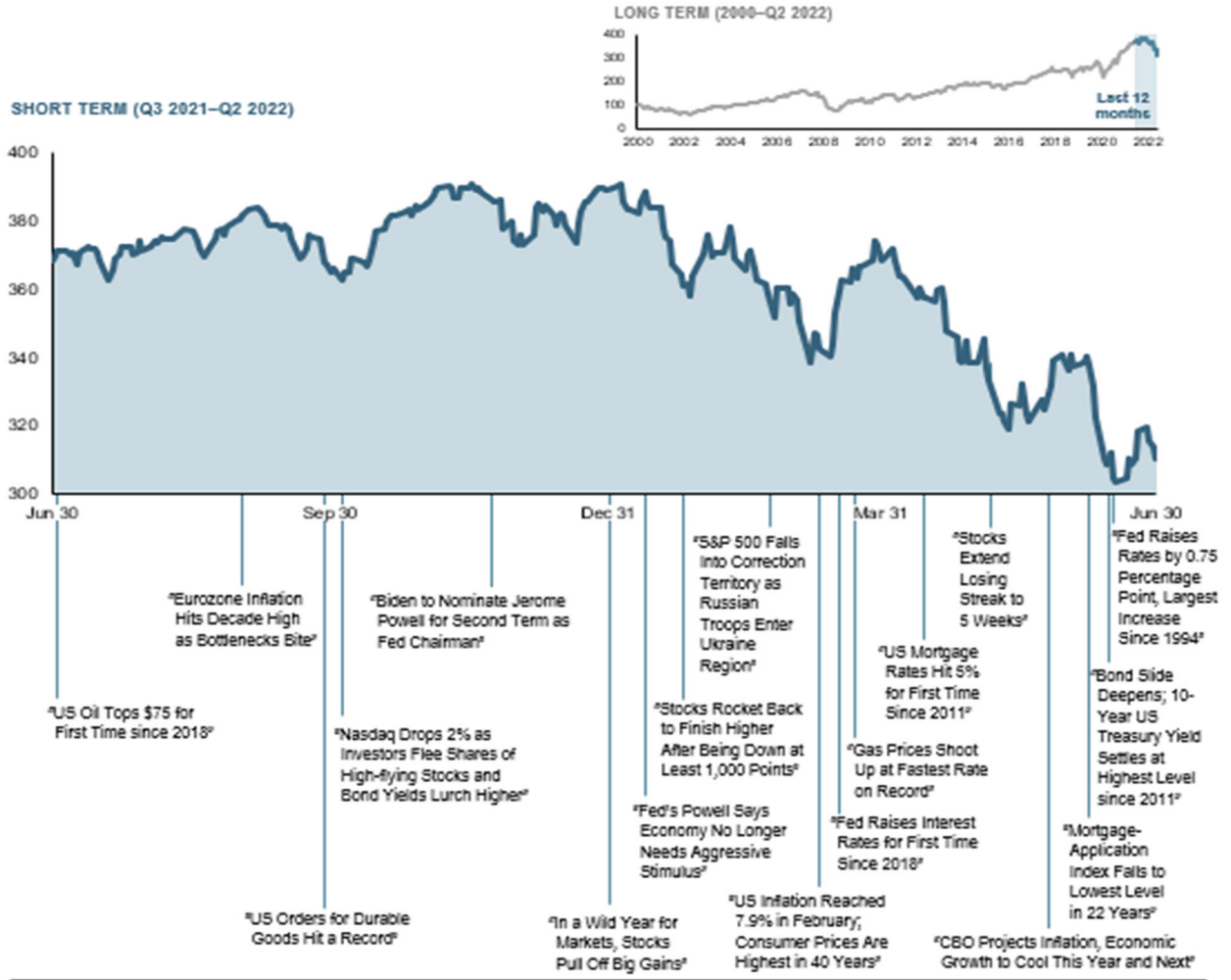
Past performance may not be indicative of future results. Indices are not available for direct investment. Any investor who attempts to mimic the performance of an index would incur fees and expenses which would reduce returns.

All investing involves risk, including the potential for loss of principal. There is no guarantee that any investment plan or strategy will be successful.



World Stock Market Performance

MSCI All Country World Index with selected headlines from past 12 months



These headlines are not offered to explain market returns. Instead, they serve as a reminder that investors should view daily events from a long-term perspective and avoid making investment decisions based solely on the news.

Graph Source: MSCI ACWI Index (net dividends). MSCI data © MSCI 2022, all rights reserved. It is not possible to invest directly in an index. Performance does not reflect the expenses associated with management of an actual portfolio. Past performance is not a guarantee of future results.



Take a Bow

Jonathan Clements | Jul 10, 2022

Published on the Humble Dollar website

As we watch our portfolios get pummeled by 2022's imploding financial markets, this might not seem like the time for self-congratulation. After all, Vanguard Total Stock Market Index ETF (symbol: [VTI](#)) is down 19% in 2022, while Vanguard Total Bond Market ETF ([BND](#)) has lost almost 11%.

But ponder this: If you'd been less sensible with your money, your results could have been far, far worse. In particular, take a bow if you:

- Didn't buy cryptocurrencies. [Bitcoin](#) has plummeted 53% this year—and that's better than many other [cryptocurrencies](#).
- Didn't invest in special purpose acquisition companies, otherwise known as SPACs. For instance, De-SPAC ETF ([DSPC](#)) has slumped 63% in 2022, Defiance Next Gen SPAC Derived ETF ([SPAK](#)) is off 36% and Morgan Creek Exos SPAC Originated ETF ([SPXZ](#)) is down 33%.
- Didn't purchase nonfungible tokens or the companies looking to make money from them. Defiance Digital Revolution ETF ([NETZ](#)), which [says](#) it tracks an index "comprised of equity securities of global publicly listed companies with relevant thematic exposure to the NFT (non fungible tokens), blockchain and cryptocurrency ecosystems," has nosedived 63% this year.
- Didn't buy Cathie Wood's ARK Innovation ETF ([ARKK](#)), which became the talk of the financial world after it soared 153% in 2020, only to shed 23% last year and another 50% this year.
- Didn't give up on international diversification. No, international stocks haven't been big winners this year. But they've held up slightly better than the broad U.S. stock market, as evidenced by Vanguard FTSE All-World ex-U.S. ETF ([VEU](#)), which is down 18%, its performance helped by emerging markets. Indeed, Vanguard FTSE Emerging Markets ETF ([VWO](#)) is off 15% this year, better than both the broad U.S. stock market and developed foreign markets.
- Didn't give up on value. Maybe your portfolio has a tilt toward value stocks, which have been one of this year's most resilient stock market sectors, with Vanguard Value ETF ([VTV](#)) sliding just 8%. Maybe you simply stuck with your total market index fund, resisting the urge to load up on growth stocks. Yes, Vanguard Total Stock Market ETF ([VTI](#)) has lost 19% in 2022. But Vanguard Growth ETF ([VUG](#)) has tumbled 27%.
- Didn't reach for yield. Vanguard Long-Term Treasury ETF ([VGLT](#)) is down 22% this year, Vanguard Long-Term Corporate Bond ETF ([VCLT](#)) has also fallen 22% and Vanguard Emerging Markets Government Bond ETF ([VWOB](#)) has slid 20%.

Lost "just" 11% on your bonds and 19% on your stocks? Cheer up. This year, that gets you bragging rights at the neighborhood barbecue.

We hope you are enjoying your summer.