

IMPACT CAPITAL STRATEGIES

“Never doubt that a small group of thoughtful, committed citizens can change the world. Indeed, it is the only thing that ever has.” *Margaret Mead*

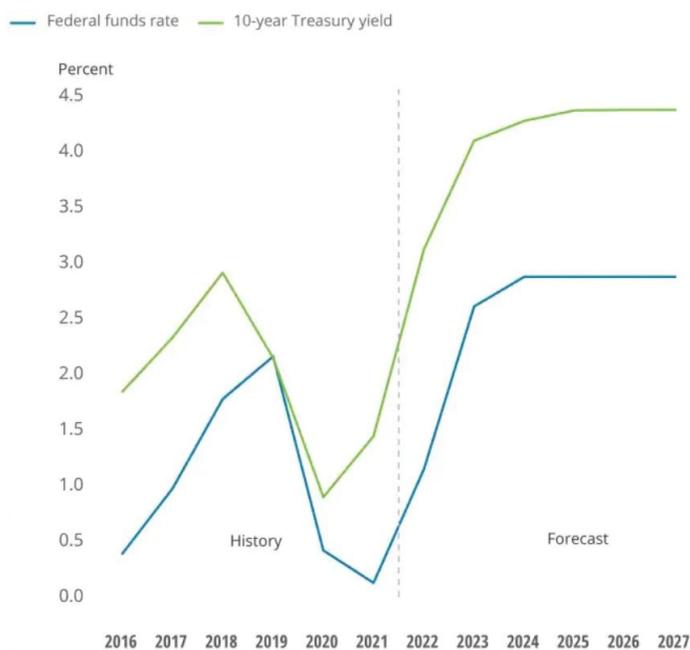
Investing During Inflationary Periods

As we pass the midpoint of 2022, fears of an economic recession grow stronger and stronger. The Fed is increasing interest rates, and many are wondering why they seem to be sabotaging the economy. Right now, the Fed must undertake a careful balancing act between recession and inflation, trying to find a happy middle ground that minimizes both. Unfortunately, the two exist at opposite ends of a spectrum, and a tug-of-war that pulls us away from one may pull us right into the other. Boosting the economy will cause inflation to rise uncontrollably, and slowing inflation means that the economy, too, will begin to drag. In short, something has to give.

The Fed has decided to prioritize combating inflation, resulting in the economy taking a hit now in exchange for keeping inflation under control in the long term. Thinking about the future, the government is using monetary policy as its tool to mitigate inflation, which has the potential to do more lasting damage to our economy than a brief recession would. The Fed is trying to use this tool delicately, and cause minimal collateral damage to the economy in the process, but there are no guarantees that we will successfully be able to avoid recession. Unfortunately, the stock market is a casualty of this decision to prioritize the inflation issue, but it is important to note that this is a normal part of economic cycles. If history is any indication, the market will rebound again.

Though it may be tempting to panic, we believe that now is not the time to sell. We are encouraging clients to hang tight, where appropriate, and know that there is both a reason for the climbing interest rates and potentially a light at the end of the tunnel. It is likely that by the end of this, we'll see asset prices drop to a more attractive level. However, at this point selling would lock in losses, something we don't want to see clients do. The key now is not to succumb to emotional investing and sell out of fear, but rather to hold out until the sky clears and the market may offer attractive buying opportunities once again.

Financial markets



Source: Deloitte analysis.

Deloitte Insights | deloitte.com/insights

<https://www2.deloitte.com/us/en/insights/economy/us-economic-forecast/united-states-outlook-analysis.html>

Nonprofit Spotlight

As our country continues to face extreme levels of gun violence, including the horrific Uvalde shooting in May, we highlight two nonprofits fighting to end school shootings and gun violence in America:

Everytown for Gun Safety: <https://www.everytown.org/>

Sandy Hook Promise: <https://www.sandyhookpromise.org/>



Zoom Seminar with Magdala Adeleke

Thank you to everyone who attended our first ever Zoom seminar with Certified Financial Therapist Magdala Adeleke! Magdala helps people consider their finances through a personal and emotional lens, and in this session she explained how to address the emotional aspects of intergenerational wealth transfer.

Estate planning can be an awkward topic due to fear of damaging relationships, discomfort talking about money and mortality, and aversion to planning for a loved one's or one's own passing. In her seminar, Magdala encouraged clients to view estate planning as an opportunity to create a legacy for people and causes that they care deeply about, rather than an uninvolved transfer of assets. She emphasized that successful intergenerational wealth transfer requires compassion, respect, and open communication between benefactors and heirs. An experienced Financial Therapist may be able to guide these critical conversations, and help benefactors and heirs understand each other better.

We are excited that our first Zoom seminar was such a success, and that our clients were able to gain value from the session. We plan to continue hosting events on different topics for the ICS community. Thanks again to those of you who joined us, and keep an eye out for more Zoom seminars in the future!

Magdala Adeleke is a Certified Financial Therapist I™ and owner of Financial TheraPeace LLC; her mission is to empower others to achieve a positive relationship with money, achieve financial freedom, and have purposeful lives.

In Other News...



Jon Ellenbogen (pictured above with Leslie Samuelrich, President of Green Century Funds) attended the June USSIF Forum for Sustainable and Responsible Investment in New Mexico.



We're Expanding – Welcome to Our New Office!

Impact Capital Strategies is thrilled to announce the opening of our new office in Maryland! We cordially welcome you to our third office space, where Ashley Lazarewicz will be the on-site partner. Ashley and her family live locally and she is pleased to support her ICS clients from a new home base in Maryland.

We are excited that our new location is in the heart of a community where ICS already supports multiple local organizations. Ashley is on the board of two Howard County nonprofits: MakingChange, which provides free financial education and counseling, and The Arc of Howard County, which provides individualized support services for people with developmental disabilities. She is also the former President and active with the Business Women's Network of Howard County, a nonprofit that promotes career growth and leadership development for professional women.

Finally, all are invited to join us for an Open House at the Maryland office - keep an eye out for an invitation to the event taking place this Fall. Our partners, clients, family, and friends from the community will gather for refreshments, a tour of the new space, and an inaugural ribbon cutting.



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We will use local products and support local vendors and artists.**



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Meet the Summer Intern:

Campbell (Intern): Campbell Snoddy is a rising senior at the University of Maryland studying Marketing and Supply Chain Management. At school, she participates in the co-ed Alpha Kappa Psi professional business fraternity, serves as the President of Maryland Irish Dance, and works in operations at the College Park Airport. She was drawn to ICS because of her belief in the power of businesses to spark positive change and her passion for corporate social responsibility. At ICS, she is focusing on marketing efforts such as establishing a drip marketing campaign, improving the firm's website and LinkedIn presence, and writing this newsletter! In her free time, she enjoys reading, listening to classic rock, traveling, and water-skiing.



CAMPBELL (INTERN)



IMPACT MUSIC OF THE MOMENT

Buffalo Springfield
For What It's Worth

55th anniversary of the release of this song and it is still just as relevant today.



“Hold on, the market is shifting again!”

<https://cartoonresource.com/product/finance-cartoons-2004/>

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