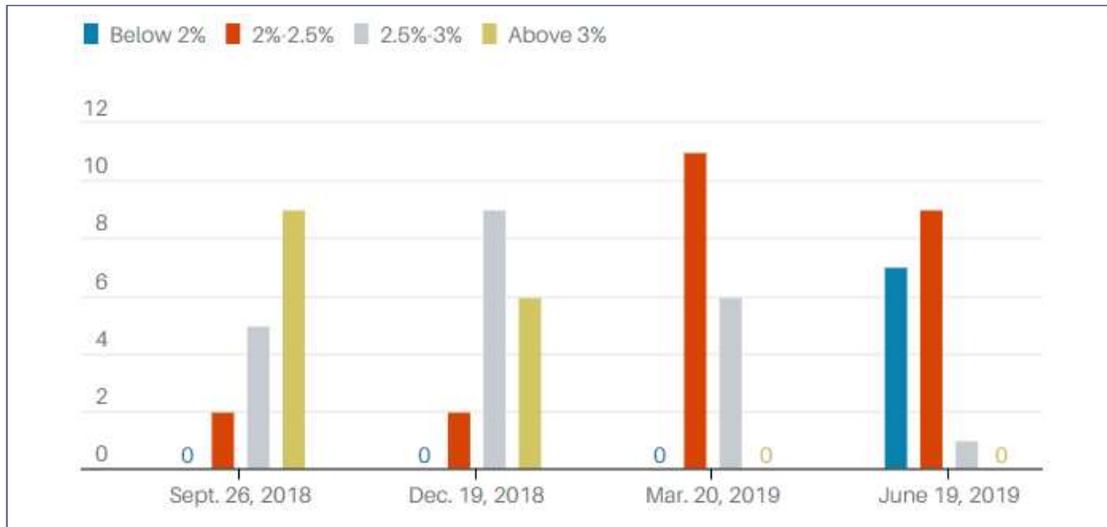


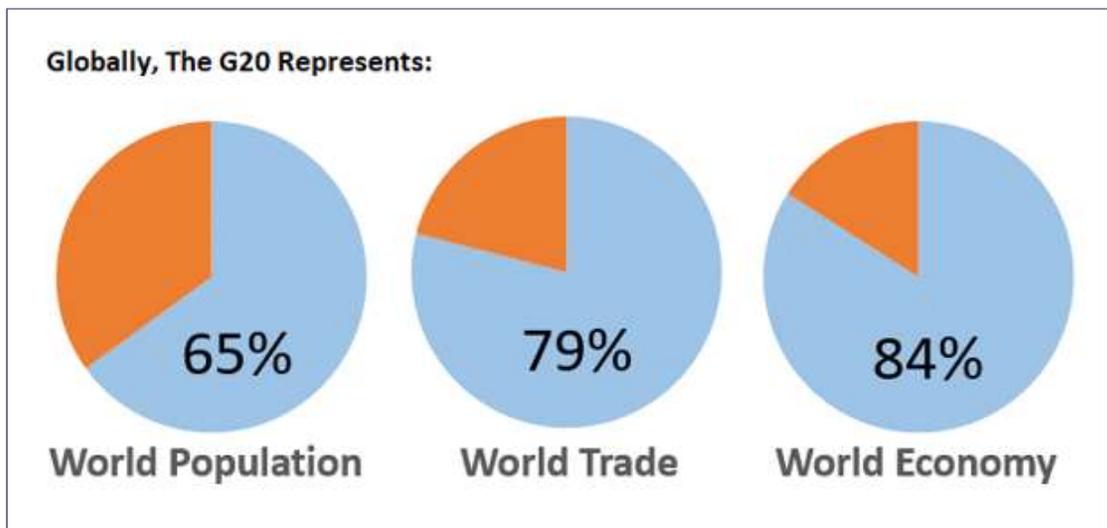
Market Recap

The Pendulum Swings Towards Lower Rates



Source: Barron's

What Is the G20?



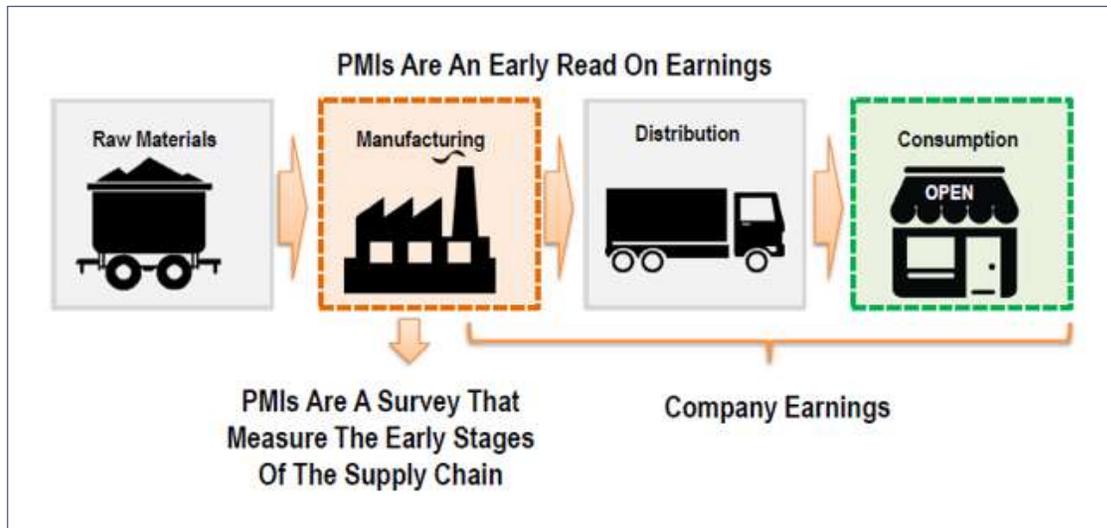
Source: Source: G20 Studies Centre, The Lowy Institute, theconversation.com

An increasing focus on the downside risks to growth (e.g. the fallout from escalating trade tensions) have quickly shifted the conversation around interest rate policy. At last week's Fed meeting seven FOMC members indicated that they expect a 50 basis point rate reduction this year (two cuts), and one sees rates 25 basis points lower. Just one member still expects a hike, while the rest see rates staying flat for the remainder of 2019. While bullish investors have cheered on this development, anticipating that lower rates will lead to a steepening yield curve, the bears worry that the market is underestimating the probability that waning business confidence may cause the economy to fall into recession.

The G20 (Group of Twenty) is an annual meeting of the world's largest economies to discuss economic issues, encourage global growth, international trade, and regulation of financial markets. The G20 is not a legislative body, though it aims to shape and influence policy amongst its member countries. The agenda of the annual summit attempts to reflect current global challenges, with last year's meeting including talks on cryptocurrency regulation and the U.S. and China trade war—both topics that will most likely be revisited this weekend. In addition to the weekend conference, the host country of the G20, referred to as the G20 presidency, holds relevant themed meetings for member countries to attend throughout the year. The current focus includes energy and the environment and women's empowerment, amongst others.

Market Recap

The Significance of PMI Survey Data



Source: Cornerstone Macro

The Purchasing Managers' Index (PMI) is an oft-referenced indicator summarizing the economic health of the manufacturing sector. The PMI is based on five major indicators: new orders, inventory levels, production, supplier deliveries, and the employment environment. While manufacturing is a smaller percentage of the U.S. economy than it used to be, PMI data remains a reliable leading indicator of future economic activity given that manufacturing is at the front end of the supply chain. An uptick in manufacturing often occurs because firms project rising consumer demand, stimulating growth not only in manufacturing, but also in distribution. Put simply, monthly PMI readings offer insight into changing economic activity trends – changes that eventually flow through to earnings data and have significant effects upon the overall performance and underlying sector performance of equity markets.

Thank You, John Adams



Source: Galactic Fireworks

Many say that fireworks were invented by the Chinese around 900 CE, and were commonly used to create “loud bangs” with hopes to scare off evil spirits. Fast forward a handful of centuries—fireworks have become a tradition in the U.S. for commemorative purposes, especially on the 4th of July, thanks to John Adams. Fireworks have been an Independence Day staple since the nation declared independence—in 1776, with fireworks and cannons illuminating the Philadelphia skyline. A day before the celebration, John Adams wrote to his wife, Abigail:

“I am apt to believe that it will be celebrated, by succeeding Generations, as the great anniversary Festival...It ought to be solemnized with Pomp and Parade, with Shews, Games, Sports, Guns, Bells, Bonfires and Illuminations from one End of this Continent to the other from this Time forward forever more.”

Contact: If you have any questions or comments, please do not hesitate to contact us at 703.992.6164. For more information about Harbour Capital Advisors, please visit our website at www.harbourcapitaladvisors.com.

Disclosure: Harbour Capital Advisors, LLC (“HCA”) is an SEC-registered investment adviser located in McLean, Virginia. HCA and its representatives are in compliance with the current filing requirements imposed upon SEC-registered investment advisers by those states in which HCA maintains clients. HCA may only transact business in those states in which it is registered or qualifies for an exemption or exclusion from registration requirements. A direct communication by HCA with a prospective client shall be conducted by a representative that is either registered or qualifies for an exemption or exclusion from registration in the state where the prospective client resides. For information pertaining to the registration status of HCA, please contact the SEC or the state securities regulators for those states in which HCA maintains a notice filing. A copy of HCA’s current written disclosure statement discussing HCA’s business operations, services, and fees is available from HCA upon written request. HCA does not make any representations or warranties as to the accuracy, timeliness, suitability, completeness, or relevance of any information prepared by any unaffiliated third party and takes no responsibility therefor. All such information is provided solely for convenience purposes only and all users thereof should be guided accordingly. Past performance may not be indicative of future results. Therefore, there can be no assurance (and no current or prospective client should assume) that future performance of any specific investment or investment strategy (including the investments and/or investment strategies recommended or undertaken by HCA) made reference to directly or indirectly by HCA will (i) be suitable or profitable for a client or prospective client’s investment portfolio or (ii) equal the corresponding indicated historical performance level(s). Different types of investments involve varying degrees of risk. Historical performance results for investment indices and/or categories generally do not reflect the deduction of transaction and/or custodial charges, the deduction of an investment management fee, or the impact of taxes, the incurrence of which would have the effect of decreasing historical performance results. The material contained herein is provided for informational purposes only and does not constitute an offer to buy or sell or a solicitation of an offer to buy or sell any option or any other security or other financial instruments. Certain content provided herein may contain a discussion of, and/or provide access to, HCA’s (and those of other investment and non-investment professionals) positions and/or recommendations as of a specific prior date. Due to various factors, including changing market conditions, such discussion may no longer be reflective of current position(s) and/or recommendation(s). Moreover, no client or prospective client should assume that any such discussion serves as the receipt of, or a substitute for, personalized advice from HCA, or from any other investment professional. HCA is neither an attorney nor an accountant, and no portion of the content provided herein should be interpreted as legal, accounting, or tax advice. The tax information contained herein is general in nature and is provided for informational purposes only. HCA does not provide legal, tax, or accounting advice. HCA cannot guarantee that such information is accurate, complete, or timely. Laws of a particular state or laws which may be applicable to a particular situation may have an impact on the applicability, accuracy, or completeness of such information. Federal and state laws and regulations are complex and are subject to change. Changes in such laws and regulations may have a material impact on pre- and/or after-tax investment results. Rankings and/or recognition by unaffiliated rating services and/or publications should not be construed by a client or prospective client as a guarantee that he/she will experience a certain level of results if HCA is engaged, or continues to be engaged, to provide investment advisory services, nor should it be construed as a current or past endorsement of HCA by any of its clients. Rankings published by magazines, and others, generally base their selections exclusively on information prepared and/or submitted by the recognized adviser.