



*Registered Investment Adviser
Division of Kevin Hart Kornfield & Co. Inc.
Originally Established 1986*

August 3, 2021

Dear Clients,

The summer Olympics are quiet – just like the financial markets during the month of July. Fortunately, the markets still have plenty of observers. Other than some small adjustments, we continue researching but we did not take any new positions in July.

Our balanced accounts have a lot of cash balances due to:

- a. Bonds maturing;
- b. At this time, bonds available with short to intermediate maturities pay almost nothing; and,
- c. Since balanced accounts must have a certain percentage in fixed income (i.e. bonds), we have no choice but to exercise prudence and allow the funds to accumulate in the money market funds.

Even with these cash balances, the equity side of most balanced accounts have contributed a lift to give nice overall returns during the past year.

I feel we are at another inflection point in financial market history. At this point in history, investors start taking excessive risk to generate higher returns in a low interest rates environment. Examples include junk bonds in the 1980's and subprime bonds in the 2000's. We continue to search for viable investment opportunities.

Plus, we do have some cash balances in capital appreciation accounts. Again, we are looking for opportunities.

For client accounts, we purchased iShares Thailand ETF in June. Since this issue is focused on buying a single country's stocks (Thailand) we are treating it as an equity and billing that holding like a stock.

As always, thank you very much for your business. Please contact us if you have any questions or concerns.

Very best regards,

A handwritten signature in blue ink, appearing to read "Kevin", is written over a faint, larger version of the signature.

Kevin Hart Kornfield, MBA
President