



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

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Dear Clients,

Since COVID descended upon the world's population there have been new and effective medications developed by biotechnology companies. After reaching high prices, their stocks have retreated over the past couple of years. So, this might be a good time to consider investments in this growth area. On June 23, 2023, The New York Times Magazine published an article, "Suddenly, It Looks Like We're in a Golden Age for Medicine." Since it is beyond my ability to analyze the scientific nature of this business, I have added to client accounts the Fidelity Select Biotechnology Mutual Fund (trading symbol: FBIOX). <https://fundresearch.fidelity.com/mutual-funds/summary/316390772#!>

During the month of June, we added shares of Daikin to client accounts. This is a large Japanese company that is a global supplier of advanced, highly efficient air-conditioning and refrigeration equipment for commercial and residential use. Daikin's products are designed to make efficient use of electrical consumption - which will be economical to clients and reduce stress on the electrical grid. I feel this is a good long-term investment since Daikin's products are a viable alternative to replace gas and oil systems which contribute to global warming.

Speaking of electrification, BorgWarner has completed the spin-off of their Fuel Systems and Aftermarket Segments businesses into a new, publicly traded company called PHINIA. The remaining businesses with BorgWarner will be eProducts that will service the electrification of transportation. I think the old Fuel Systems segment will wind down and the new eProducts business will grow. Therefore, we will be selling the PHINIA and buying more BorgWarner.

The distance from earth's surface to the International Space Station (ISS): approximately 200 miles. If you could drive to the Space Station at 70 miles per hour, you could be aboard the ISS in about three (3) hours. It seems like we are filling the atmosphere with a lot of smoke from burning oil, gas, and coal. During the very early days of the COVID shutdown, we saw pictures of cities all over the world with beautiful, clear skies. As people went back to work and travel, the haze of pollution returned for all of us to breathe. I think some investments in electrification (Albemarle, BorgWarner, and Daikin) help the environment while offering us long term growth and appreciation.

Hopefully everyone enjoyed a restful and fun 4th of July holiday. As always, thanks very much for your business and feel free to call me with any questions or concerns.

Most sincerely,
