



HERITAGE CAPITAL LLC

Invest for Tomorrow. Live for Today.™

As the calendar turns to August, we see a month that has not been kind to the bulls, regardless of whether stocks began the month in an up or downtrend. Bulls have been lucky to escape the month in the black as the average return is right around the unchanged mark. Additionally, the two-month period of August and September has been the weakest two months of the year.

While staying on the calendar, let's hone in on election years overall and then election years where the incumbent is up for reelection. Yes, I know that there are not enough instances to make this statistically relevant, but it's still interesting nonetheless.

Since 1952, election year Augusts have averaged +0.94%.

Since 1952, election year Augusts where the incumbent is up for reelection have averaged +1.21%.

However, in these numbers is an outlier of +10.63% in August 1984. While I am not one to exclude or qualify numbers, the median return was +0.58%.

Finally, the first day of August is the single worst first day of any calendar month of the year, for whatever that's worth. I think 8 of the last 10 have been down very mildly.

Seasonal factors should be treated more like mild tailwinds and headwinds than anything actionable.

A new video is up at <https://youtu.be/GfGxXwWgJPA>

I update my previous comment about a "window of opportunity" for a broad stock market decline in August and talk about a possible bubble in the NASDAQ along with evidence that suggests this extreme period of NASDAQ outperformance is ending. With pundits and media falling over themselves regarding gold, I offer a different take on gold and the dollar, a very unpopular one.

Below are three recent media segments which I would classify as "spirited". Most of you know me. I am never shy to offer my opinion or make a bold statement or forecast. I received lots of comments on the

Yahoo one regarding China, everything from saying I am shill for the CCP to worrying that China is going to take over the world.

<https://finance.yahoo.com/video/stocks-cling-gains-ahead-big-142717855.html>

<https://tdameritradenetwork.com/video/rB4AoXOEGmSBc5F5I40CwA>

<https://finance.yahoo.com/video/china-orders-u-close-chengdu-185519949.html>

As always, please don't hesitate to call, email or Skype with any questions, comments or concerns.

If you are looking to schedule a call, Skype or Zoom meeting, here is the link to my calendar. <https://schedulewithpaul.as.me/>

Early mornings, evenings and weekends should be scheduled directly with me.

Thanks

To Your Financial Success,

A handwritten signature in blue ink that reads "Paul Schatz". The signature is fluid and cursive, with the first name "Paul" and the last name "Schatz" clearly legible.

**Paul Schatz
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