

# Barenaked Money

QUARTERLY UPDATE | JUNE 30, 2025



## Recent developments

**TARIFFS... OR MAYBE NOT?!** We've been whipsawed by on-again, off-again tariffs.

**TARIFF UNCERTAINTY:** The chaos surrounding tariffs, not just the tariffs themselves, make it very difficult for businesses to make sound plans.

**VOLATILITY IN MARKETS:** April, especially, was a very volatile month for stock markets. Uncertainty breeds volatility.

**BUT MARKETS ARE OK:** Despite volatility, many stock markets have recovered and hit new highs. Go figure!



## Implications for portfolio positioning

**REMINDER:** Narratives can change quickly, which we observed in April. It's dangerous for portfolios to rely on any one narrative or one potential outcome.

**FLEXIBILITY AND RESILIENCE:** Diversification requires building natural contradictions into a portfolio. Doing so will ensure the portfolio is robust and can thrive under many potential outcomes.



## Reasons for Optimism

**ECONOMIC RESILIENCE:** Economies continue to be fine. Not great, but fine. That's enough for stock markets to continue growing.

**DYNAMISM:** Businesses are incredibly adaptable. In time, solutions to current uncertainty will be found and new highs will continue to be made.



## Key Risks

### WHEN DOES SLOWING BECOME STOPPED?

Economic growth is slowing, but hasn't quite stopped or contracted. A recession would be decidedly negative for stocks.

**GEOPOLITICAL WILDCARDS:** We have seen several unpredictable geopolitical events over the past several years. They can't be predicted, so they are always a risk.



## Investment Principles

The second quarter emphasized how important these are.

- Markets go up over the long-term.  
That's the headline.  
It's a boring one, that's why you don't see it.
- Market timing is impossible. The world is unpredictable and being reliably able to catch the up days and avoid the down days just isn't a thing.
- Time is your protection for long term money.  
Cash is your protection for short term money.
- Emotion destroys wealth. Rash decisions or decisions made with a lack of logic or sound advice can really wreck your retirement plans.



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