

Barenaked Money

QUARTERLY UPDATE | SEPTEMBER 30, 2025



Recent developments

TARIFF RESILIENCE: The economy keeps on chugging. Businesses seem to be getting better at dealing with policy uncertainty.

ECONOMIC RESILIENCE: Although weakening, most employment and GDP growth numbers remain positive.

MARKET RESILIENCE: The US government has shut down 20 times since 1976. As dysfunctional as that sounds, stock markets have not noticed much and tend to continue along their (usually) positive path.

AI EXUBERANCE: Any companies that sniff AI are seeing surging stock prices. We'll shortly be known as Verecan AI!!



Implications for portfolio positioning

IGNORE THE NOISE: Much news is only noise. Try to ignore it, even when it's rock-concert-on-a-jet-plane loud.

EMBRACE UNCERTAINTY: Diversification requires building natural contradictions into a portfolio. Doing so will ensure the portfolio is resilient and can thrive under many potential outcomes.



Reasons for Optimism

DECENT IS SUFFICIENT: 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

IRRATIONAL EXUBERANCE: AI is having a profound impact, but is the world too excited? Even a revolution as monumental as the internet had its bubble burst in the early 2000s.

TIPPING POINT: Slowing employment and economic growth eventually tips into contraction. It's hard and maybe impossible to identify the precise tipping point.



Investment Principles

No person, artificial or otherwise, will change our minds.

- 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.



clientexperience@verecan.com
1-800-782-2345 | verecan.com