

**Spring 2023 Newsletter**

**Market Commentary**

The Fed announced its newest 0.25% interest rate hike on Wednesday. The markets then paused to end the day in modestly lower territory. The amount of this interest rate hike had been mostly expected. One potential reason that the Fed felt comfortable with this interest rate increase is the recent bank failures of Silicon Valley Bank and Signature Bank. These failures could also be seen as having a similar effect of an interest rate hike on the economy, meaning banks could pull back on their lending which could slow down the economy. As we have discussed previously, the Fed has been trying to walk a tightrope to slow down the economy while not tipping the economy into a recession.

Of course, bank failures are never good, but these come at a delicate time for lenders, particularly commercial lenders. As we all know, the work environment for employees has changed drastically because of the pandemic, with many employees now working remotely or with some type of hybrid schedule. Because of this change in the work environment, lending in this sector had slowed down considerably during the pandemic. Signs of recovery in this sector had just started to surface when the bank failures occurred. As lenders, consumers and investors sift through the ramifications of these failures, it is likely we will see gyrations in the financial markets for the near future as the beginnings of the recovery in the commercial sector could be stalled.

Recession fears have been running high since the beginning of the year and these recent bank failures only amplify those fears. The Fed has its work cut out for itself to try and dance lightly on that very thin tightrope.

The reminder to investors is to keep bank balances below \$250,000 per depositor per bank per ownership category to be covered under FDIC insurance. These limits insure the account/s of bank customers in the event of a bank collapse. Certain banks have additional coverage limits. Ownership category refers to registration of your funds at the bank. Per the FDIC website, ownership categories include single accounts (e.g., an account titled in one's individual name), trust accounts, certain retirement accounts and joint accounts.

**Team Announcements**

After over 20 years of service with our firm, we share the news that Terri Wysocki has recently retired. Over the years we have enjoyed working with Terri and are incredibly grateful for her care and dedication to our clients. We know many of you have worked very closely with Terri for many years – she wishes everyone well. As she embarks on this new chapter of retirement, we wish her the absolute best. She will be missed!

We are excited to announce that our group is growing with the addition of two team members.

Lucia Reed joins the team as a Financial Planner and is a CERTIFIED FINANCIAL PLANNER™ Practitioner. She has a Master of Theological Studies from Boston College and a B.A. from Union College. Lucia enjoys playing golf, softball, basketball, and hockey.

Paige Clausen joins us in the role of Paraplanner and is a CERTIFIED FINANCIAL PLANNER™ Practitioner. She earned her bachelor's degree in Business Administration from Central Michigan University where she majored in Personal Financial Planning. In her free time Paige loves to cook, hike, bike, and enjoy the outdoors.

### **Service requests**

For any service requests that were directed to Terri in the past, please contact the office (413-253-9454) or email [team@hartpatterson.com](mailto:team@hartpatterson.com).

### **Distribution Requests**

Should you need a distribution from your portfolio, please call the office and leave a detailed voicemail if you do not reach us live. We will contact you if we need additional details. Otherwise, we will process the request and follow up with a confirmation email or phone call.

### **Amherst Office**

For those of you who meet with us in the Amherst office we have a new entry to the building. You will see our logo on the portico that leads to our new space directly to the left of the old entry.

On behalf of the entire Hart & Patterson team, we wish you a wonderful start to the spring season!

Vikki D. Lenhart  
Registered Investment Adviser

