



### The Quintessential Outlook

#### Summer Trend and Volatility - Hidden Blessing

The choppy markets of late may have you reaching for the *Dramamine*. If so, you're not alone in feeling a bit seasick from the recent surge of volatility. Fifteen of nineteen trading days in the month of June have seen the Dow Jones Industrial Average (DOW) move up or down by at least 100 points. The NASDAQ, the QQQ's counterpart, has also been up proportionately. According to the *Wall Street Journal*, we haven't seen this type of trading since October of 2011.

This volatility may become par for the course for the rest of the year based upon the uncertainties of Fed policies. Both the timing and scope of the reduction of QE3, as well as the drama surrounding who is going to be the next Fed chairman in the new year has traders nervous as a cat, jumping at every whisper.

Some market analysts have pointed out the fact that trading volume on down days has been substantially higher than on the up days, yet, the last three days (June 25 - 27th) is a demonstration that the bull market is still alive and kicking up dust based on a string of economic data that has been more positive. The biggest driver to this market is in sentiment and psychology.

Despite the positive mood of the moment, the jitters and volatility are not likely to disappear. The next six months are bound to be lively. Volatility can be unnerving when it comes to long buy and hold strategies, but it can be what dreams are made of on short term strategies like the Quintessential QQQ Fin strategy.