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RESEARCH CAPITAL CORPORATION

The second quarter of 2025 has been another reminder of how noisy and unpredictable markets—and headlines—can be. Tariff threats come and go. Geopolitical tensions persist, with ongoing wars in Ukraine, Gaza, and now new escalations involving Iran. Inflation has declined but still lingers in the background. Talk of recession reappears regularly. And yet, despite it all, markets rallied into quarter-end.

We've been here before. Volatility like this isn't new—it echoes what we saw in 2020, 2018, and even as far back as 1985. In those past moments of uncertainty, I remained focused on the fundamentals: high-quality companies that continue to pay—and often raise—dividends. That's exactly what many have done again this quarter. Portfolios remain diversified, and where needed, we hold cash to cover income needs. There's no need to sell strong investments and lock in losses during a period of temporary instability.

To illustrate: managing your portfolio is a bit like yacht racing—a discipline I know well. You don't win by reacting to every gust of wind or distraction. You win by keeping your eye on the course, trimming your sails in rough weather, and steering toward a finish line that may not always be visible through the waves. Sometimes that means reefing the sails and holding steady at the tiller; other times, the wind fills the spinnaker, and progress comes easily. Either way, you keep moving forward with the goal in mind.

The same applies to investing. We build portfolios not based on what's happening today, but on where you want to be: retirement, steady income, or legacy planning. Markets don't move in a straight line—but over time, with patience and discipline, they trend upward.

It's easy to get caught up in the noise—headlines, clickbait, and endless opinions from media, influencers, and unregulated "experts". Much of it is designed to provoke fear, not offer insight. When I see research saying markets "could", "might", or "should" behave a certain way, I take it with a large grain of salt. The truth is, no one knows—especially in a world where global policy is unpredictable and U.S. leadership can change course overnight.

What I do know is this: quality companies, steady dividends, broad diversification, and patience continue to be the best path forward. Markets recover. Capital grows. Dividends compound. Your portfolio is built with that in mind—and it's working, even when it doesn't always feel like it.

Online Fraud Is on the Rise

Scams, malware, and ransomware remain serious concerns. Research Capital Corporation currently employs five firms to monitor and protect our systems. For individuals, there are subscription services that offer basic screening, but the best defense remains caution. Always check the sender's email address before clicking links—even messages that appear to be from trusted companies like Rogers can be fraudulent. If you receive a request for personal or financial information, call the company directly using a known phone number.

Tax returns, both personal and business, should now be submitted. If anything unusual has come up in your return, please let me know. I'm happy to review it and always glad to meet with you and your accountant.

Thank you, as always, for your trust. Please don’t hesitate to reach out if you have questions or if your circumstances have changed.

Warm regards,

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