

July 31, 2025

Fed's Tightrope: Rates, Dissent, and Discipline

The Federal Reserve held interest rates steady again in July, as expected. But beneath the surface, something unusual happened: for the first time in Jerome Powell's tenure, two Fed governors dissented. That kind of public split hasn't occurred in decades and reflects just how uncertain the current environment really is.

Markets didn't react dramatically to the news. Indexes remain near all-time highs, but not because investors are thrilled with the Fed's policy stance. If anything, the rally seems driven more by optimism about tech earnings and soft-landing hopes than by any confidence in monetary leadership.

The Fed's challenge remains: inflation has cooled at the headline level—with the latest CPI reading just under 3%—but core pressures persist. Oil prices are trending upward again, wage growth remains elevated, tariff impacts are still to come, and the federal deficit is projected to exceed \$1.9 trillion this year.

Personally, I think a case can be made for modest rate cuts—not to stimulate demand, but to acknowledge how restrictive policy already is in real terms, especially in the housing sector. Still, I strongly believe the Fed should remain independent of political influence or market pressure. Whatever credibility it still holds is more important than any short-term move.

At ALTIUS, we continue to lean on durable principles: owning companies with pricing power, exposure to real assets, and building portfolios that don't rely on predicting the Fed's every move. Uncertainty is a given—but with clarity and discipline, we can navigate it confidently.

Quote of the Day:

"It had long since come to my attention that people of accomplishment rarely sat back and let things happen to them. They went out and happened to things."

— Leonardo da Vinci

2025 EVENTS

July 17 – Client Appreciation Party

Sept 16 – Q3 Workshop

Nov 19 – Q4 Workshop

Dec 4 – Holiday Party

TAKE A LOOK INSIDE

Fed's Tightrope: Rates, Dissent, and Discipline

Taylor's Take: Big Bill, Bigger Questions?

Jenn's Jangle: Thank You for Joining Us!

250 Years Later: Stepping Toward Independence

Save the Date for ALTIUS' Q3 Workshop: September 16

More details coming soon!

RSVP EARLY!

Taylor's Take: Big Bill, Bigger Questions?

The “Big Beautiful Bill” finally passed—though whether it lives up to the name depends on which part you’re looking at. On the surface, it extends most of the 2017 tax cuts, including marginal rate reductions and the higher standard deduction. It also introduces a few new wrinkles:

- Surprisingly, overtime and tips are now tax-exempt up to certain thresholds.
- A larger cap on HSA contributions.
- Expanded access to Roth-style retirement plans for middle-income earners.
- “Trump Accounts” (AKA “Baby Bonus”) – A one-time \$1,000 deposit from the U.S. government is made into an account created for each eligible child born between 2025 and 2028.

On the flip side, the bill does little to address spending or deficits, and its long-term impact on debt could be substantial. It's a tax cut without a serious attempt at reform—big and bold, but not necessarily beautiful.

We've updated our Key Financial Data sheet on our website (under Resources) with all the new thresholds and limits. We'll be discussing all this and more in an upcoming ALTIUS podcast episode, where Mike and I will break down what this means for your planning strategy. Keep an eye out—it's worth a listen.

Jenn's Jangle: Thank You For Joining Us!



We are truly grateful for your presence at our Client Appreciation Event. Ladrón Cellars kindly closed their doors just for us, creating a special, intimate evening – and having you there made it even more meaningful. Sharing this experience with you reminded us how valued your support and partnership are to us at ALTIUS.

We hope you enjoyed exploring the wonderful wines and had a chance to savor the tasting if you wanted to participate. The delicious food catered by Postino was another way of saying thank you, and we're glad you could enjoy it.

Your time and honest feedback mean the world to us. Thank you for completing our survey – your insights help us grow and serve you better every day.

Here's to many more memorable events together. We truly appreciate you.



250 Years Later: The Founders Knew – *Trade is Liberty*

As we approach the 250th anniversary of the Declaration of Independence next year, I'm reflecting each month on the enduring spirit of liberty that drove real people to risk everything—not the slogans or stagecraft we often see today, but as a lived commitment to self-determination, dignity, and financial freedom. That same spirit continues to shape our values and the work we do at ALTIUS.



In August of 1775, the British Parliament passed the Prohibitory Act, declaring the American colonies outside the King's protection and banning all trade with them. It was a final, forceful rejection of the colonies' attempts at reconciliation. The message was clear: you're either with us, or you're on your own.

For the Founders, this wasn't just a trade dispute. It was a moral fork in the road. If freedom was to mean anything, it had to include the freedom to exchange goods, ideas, and effort without arbitrary control. While free trade was a new idea, many of the Founders understood that such mutual exchange of goods and ideas was really the root of civilization.

Today, financial freedom and prosperity still rest on that same foundation. When governments spend beyond their means, restrict trade, or manipulate currency, the consequences may be delayed—but they are real. Independence, whether national or personal, requires discipline, prudence, and a willingness to chart your own course when the system won't steer straight.

Freedom begins with ownership—of your choices, your money, and your future.

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