



FOCUS

SWS Partners Market Outlook: How to Navigate a Volatile Investment Landscape

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The past few months have been a whirlwind for markets—policy shifts, trade spats, and economic headlines have all stirred investor uncertainty. But instead of trying to predict the next twist or turn, we at SWS Partners believe it's more important to understand the deeper forces driving these disruptions—and what they could mean for the road ahead.

At SWS, we focus on long-term opportunities that can arise even in the face of short-term turbulence. Our outlook is shaped not by chasing quick fixes or headlines, but by examining the root causes of market disruption and evaluating how industries—and companies—are likely to adapt.

A Self-Inflicted Disruption

Unlike previous crises like the 2008 financial meltdown or the COVID shock, today's market challenges stem largely from trade policies, particularly tariffs used as political tools. These abrupt changes can stall business planning and global supply chains, leading many executives to adopt a "wait and see" posture. The ripple effect? Delayed investments, cautious hiring, and in some cases, inventory shortages.

What's important to recognize is that while the volatility may feel extreme, the underlying damage appears more fixable than in prior crises. We're not staring down a broken financial system or a global pandemic. The current disruptions are man-made—and potentially reversible. This gives us cautious optimism that the eventual recovery could be swifter than some expect.



The Case for Strategic Onshoring

One of the most promising shifts we're seeing is a growing commitment to onshoring—moving production and supply chains back to the U.S. Major companies like Apple, TSMC, and Hyundai have pledged hundreds of billions in domestic investment. These aren't just headline numbers—they represent real momentum toward rebuilding America's industrial backbone.

This shift will require massive investments in automation, infrastructure, and specialized materials. At SWS, we believe this trend is more than a political talking point—it's a durable economic driver. And it's creating opportunities in areas that might otherwise be overlooked, such as companies supporting domestic manufacturing or enabling next-generation supply chains.

Not All Growth Is Created Equal

As we move through this uncertain environment, we continue to ask: which companies are best positioned to adapt? In our view, firms that control unique assets, serve essential needs, or provide mission-critical technology have a better chance of weathering volatility and gaining market share.

Take MP Materials, for instance. It operates the only rare earth mine in the Western Hemisphere—an asset that's increasingly important given geopolitical tensions. With plans to stop exports to China and expand domestic refining, MP is building strategic value that could endure regardless of short-term policy changes.

Or look at a company like Okta, which specializes in digital identity verification. As AI expands and cybersecurity needs evolve, businesses will need tools to ensure that people—and machines—can safely access their systems. Okta is uniquely positioned in this space and has already seen strong momentum from expanding demand.

For more details behind our investment theses on these issuers, please see our recent [quarterly update](#).



Navigating Forward With Purpose

We don't pretend to have all the answers—no investor does. But we do believe that discipline, research, and a clear-eyed view of long-term trends offer a better path than reacting to every headline.

That's why we remain focused on businesses with enduring advantages, even as market conditions shift. While SWS Growth Equity is one of the more growth-oriented and potentially volatile strategies we offer, the broader principles guiding it reflect our firm-wide investment philosophy: pursue opportunity with clarity, not hype.

As an investor, that means staying grounded. Don't let momentary drops—or surges—distract from the bigger picture. We're not chasing the next “hot stock.” We're looking for the next enduring leader.

If you're feeling uncertain about where things stand, that's completely normal. In fact, most of the greatest opportunities emerge from uncertainty. What matters most is how we position ourselves to respond—not with fear, but with a plan rooted in research, perspective, and a focus on long-term outcomes.

We appreciate your trust in us as stewards of your capital. As always, we're here to help you make sense of what's happening—and more importantly, what to do next.



SWS Partners

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