TheDiamondGroup
WEALTH ADVISORS

Weekly Focus – Think About It

““You may encounter many defeats, but you must not be defeated. In fact, it may be necessary to encounter the defeats, so you can know who you are, what you can rise from, how you can still come out of it.”

—Maya Angelou, poet

THE MARKETS

HERE’S THE TEA ON STOCK MARKETS AND PRESIDENTIAL ELECTIONS

Last week, a slew of headlines mentioned stock market bubbles and frothy valuations. The implication was that markets might be headed lower because they’ve risen so high. Last Wednesday, Lewis Krauskopf of *Reuters* reported:

“Some market participants believe the relentless U.S. stock rally is poised for a breather, even if it remains unclear whether equities are in a bubble or a strong bull run. The benchmark S&P 500…is up over 25% in the last five months, a phenomenon that has occurred just 10 times since the 1930s, according to BofA Global Research…the S&P has already made 16 record highs this year, the most in any first quarter since 1945, CFRA Research data showed.”

By the end of last week, we’d seen 17 record highs for the Standard & Poor’s (S&P) 500 Index.

If there is a market downturn this year, election sentiment is likely to be one of the reasons for the move. “Market moves during election years do tend to follow a similar pattern—declines leading up to early November, then a surge through year end once the winner is revealed.” While past performance does not guarantee future results, the S&P 500 has typically finished presidential election years higher, reported Nicholas Jasinski of *Barron’s*.

Despite the historic record, election rhetoric can make it difficult to remember that markets are efficient and adjust to changing risks. While election sentiment may sway stock markets over the shorter term, global economic growth, company fundamentals, central bank policies, and other factors, such as “the implications of the artificial intelligence [AI] boom on corporate earnings” are likely to matter more over the longer term, reported Jasinski.

No matter how emotional the election becomes, remember that your portfolio was built to meet your financial goals. If your longer-term goals and risk tolerance have not changed, making significant portfolio changes because of worries about the election outcome is not a sound idea.

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That said, if you're uneasy about the election and its potential effect on your savings and investments, please get in touch. We want to hear about your concerns and will help you identify potential solutions.

Major U.S. stock indices finished last week with mixed results. The bond market retreated amid inflation pressures, and U.S. Treasury yields moved higher over the week.

Data as of 3/15/24	1-Week	Y-T-D	1-Year	3-Year	5-Year	10-Year
Standard & Poor's 500 (Domestic Stocks)	-0.1%	7.3%	31.5%	8.8%	12.6%	10.7%
Dow Jones Global ex-U.S.	-1.0	2.9	15.4	-1.5	3.2	2.1
10-year Treasury Note (Yield Only)	4.1	N/A	3.5	1.6	2.6	2.7
Gold (per ounce)	-0.4	4.1	12.5	7.9	10.7	4.6
Bloomberg Commodity Index	1.2	0.6	-2.9	4.9	4.0	-3.0

S&P 500, Dow Jones Global ex-US, Gold, Bloomberg Commodity Index returns exclude reinvested dividends (gold does not pay a dividend) and the three-, five-, and 10-year returns are annualized; the DJ Equity All REIT Total Return Index does include reinvested dividends and the three-, five-, and 10-year returns are annualized; and the 10-year Treasury Note is simply the yield at the close of the day on each of the historical time periods. **Sources**: Yahoo! Finance, Barron's, djindexes.com, London Bullion Market Association. Past performance is no guarantee of future results. Indices are unmanaged and cannot be invested into directly. N/A means not applicable.

WHAT DO YOU KNOW ABOUT THE ECONOMIC POWER OF WOMEN?

For decades, the number of women in the U.S. workforce has increased, yet the gender pay gap persists. White women who work full time earn about 84 cents for every dollar men earn, and earnings are even lower for women of color and women with disabilities. Despite the gap, the economic power of women is growing.

"Women…start more businesses than their male counterparts. They earn as much or more than their husbands in 45 percent of heterosexual marriages. Among solo households, they own more homes. And by the end of this decade, a 2020 study by the business consulting firm McKinsey found, women are poised to control much of the $30 trillion in wealth expected to be possessed by baby boomers," reported Brittany Shammas of *The Washington Post*.

See what you know about the economic power of women by taking this brief quiz.

1. What percentage of the billionaires in the United States are women, according to MillennialMoney?
    a. About 2%
    b. About 12%
    c. About 32%
    d. About 50%

2. According to Pew Research, people in the 10 highest-paying occupations earn more than $100,000 a year, on average. That's more than twice the national average of $41,000. Overall, women hold 35% of the jobs in those occupations. They are the minority in every occupation except one. Which one is it?
    a. Lawyers
    b. Dentists
    c. Pharmacists
    d. Actuaries

3. A stay-at-home parent (SAHP) wears a lot of hats: childcare worker, housekeeper, cook, interior designer, event planner, and many others. A survey reported the median number of hours a SAHP worked was 106 per week. How much did Salary.com estimate a SAHP would earn if they were paid for their work?
    a. $31,000
    b. $56,000
    c. $103,000
    d. $184,000

4. Women in the United States are responsible for a significant percentage of household assets. The amount is equal to about one-third of 2023 U.S. gross domestic product, which is the value of all goods and services our country produced last year. About how much money do American women control?
    a. $5 trillion
    b. $10 trillion
    c. $15 trillion
    d. $20 trillion

Answers: 1) b; 2) c; 3) d; 4) b

Best regards,
Marilyn Suey

P.S. Please feel free to forward this commentary to family, friends or colleagues. If you would like us to add them to the list, please reply to this email with their email address and we will ask for their permission to be added.

Sources:

Marilyn Suey is a Registered Representative with, and Securities and Retirement Plan Consulting Program advisory services offered through LPL Financial, a registered investment advisor, member FINRA/SIPC.

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* Government bonds and Treasury Bills are guaranteed by the U.S. government as to the timely payment of principal and interest and, if held to maturity, offer a fixed rate of return and fixed principal value. However, the value of fund shares is not guaranteed and will fluctuate.

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* Corporate bonds are considered higher risk than government bonds but normally offer a higher yield and are subject to market, interest rate and credit risk as well as additional risks based on the quality of issuer coupon rate, price, yield, maturity, and redemption features.

* The Standard & Poor's 500 (S&P 500) is an unmanaged group of securities considered to be representative of the stock market in general. You cannot invest directly in this index.

* All indexes referenced are unmanaged. The volatility of indexes could be materially different from that of a client's portfolio. Unmanaged index returns do not reflect fees, expenses, or sales charges. Index performance is not indicative of the performance of any investment. You cannot invest directly in an index.

* The Dow Jones Global ex-U.S. Index covers approximately 95% of the market capitalization of the 45 developed and emerging countries included in the Index.

* The 10-year Treasury Note represents debt owed by the United States Treasury to the public. Since the U.S. Government is seen as a risk-free borrower, investors use the 10-year Treasury Note as a benchmark for the long-term bond market.

* Gold represents the 3:00 p.m. (London time) gold price as reported by the London Bullion Market Association and is expressed in U.S. Dollars per fine troy ounce. The source for gold data is Federal Reserve Bank of St. Louis (FRED), https://fred.stlouisfed.org/series/GOLDPMGBD228NLBM.

* The Bloomberg Commodity Index is designed to be a highly liquid and diversified benchmark for the commodity futures market. The Index is composed of futures contracts on 19 physical commodities and was launched on July 14, 1998.

* The DJ Equity All REIT Total Return Index measures the total return performance of the equity subcategory of the Real Estate Investment Trust (REIT) industry as calculated by Dow Jones.

* The Dow Jones Industrial Average (DJIA), commonly known as "The Dow," is an index representing 30 stock of companies maintained and reviewed by the editors of The Wall Street Journal.

* The NASDAQ Composite is an unmanaged index of securities traded on the NASDAQ system.

* International investing involves special risks such as currency fluctuation and political instability and may not be suitable for all investors. These risks are often heightened for investments in emerging markets.

* Yahoo! Finance is the source for any reference to the performance of an index between two specific periods.

* The risk of loss in trading commodities and futures can be substantial. You should therefore carefully consider whether such trading is suitable for you in light of your financial condition. The high degree of leverage is often obtainable in commodity trading and can work against you as well as for you. The use of leverage can lead to large losses as well as gains.

* Opinions expressed are subject to change without notice and are not intended as investment advice or to predict future performance.

* Economic forecasts set forth may not develop as predicted and there can be no guarantee that strategies promoted will be successful.

* Past performance does not guarantee future results. Investing involves risk, including loss of principal.

* The foregoing information has been obtained from sources considered to be reliable, but we do not guarantee it is accurate or complete.

* There is no guarantee a diversified portfolio will enhance overall returns or outperform a non-diversified portfolio. Diversification does not protect against market risk.

* Asset allocation does not ensure a profit or protect against a loss.

* Consult your financial professional before making any investment decision.

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* To unsubscribe from the **Your Weekly Journal** please email us at marilyn.suey@diamondgroupwealthadvisors.com

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