

August 15, 2024

Good Afternoon,

Stocks have rebounded nicely since the sharp selloff began in Mid-July, but the S&P 500 Index still sits about 3% below its July 16th high point. That pullback was nearly 9%, which is actually a common occurrence most years. In fact, 94% of years since 1928 have experienced a pullback of at least 5%, and 64% of years have had at least one 10% correction. Following those 10% declines, the S&P 500's median return over the next one and three months was +4.54% and +6.1%, respectively.

After an in-line inflation report showing things aren't too hot, the economic focus moves to retail sales and jobless claims — as investors hope they're not too cold. Today's July retail sales data show the consumer remains steady. Now we must wait and see if the job market holds up. While the Fed's interest rate policy has been effective in reducing the rate of inflation, remember that the Fed has a dual mandate – controlling inflation and maintaining full employment. The Olympics are over, but we're not yet sure if the Fed stuck the landing.

Don't look now, but those Cincinnati Reds are starting to play better baseball and have moved into second place in the National League Central division. Are they the best team and could they possibly make it to the playoffs? The truth is they are not even the best team in Ohio. That would be the Cleveland Guardians. But you gotta have dreams!

Please visit our website at www.canfg.com or the link below for the last Market Update from Commonwealth Financial Network® – the broker/dealer that supports us in helping you manage your financial life.

http://www.commonwealth.com/RepSiteContent/weekly_comm/commentary_redirect.htm

As always, if you would like to discuss this or anything regarding current market conditions or your portfolio, feel free to contact me at any time.

Have a great weekend,

Wade

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