

MARKET WATCH

Market Index	Close	Week	Y-T-D
DJIA	33,274.15	+3.22%	+0.38%
NASDAQ	12,221.91	+3.37%	+16.77%
MSCI-EAFE	2,084.49	+3.34%	+7.23%
S&P 500	4,109.31	+3.48%	+7.03%

TODAY'S TOPICS

Mid-Week Outlook: 7 Things You Need to Know This Week – Is the Bear Market Over?

Key Market Levels

This Week / What We Are Watching

April is Financial Literacy Month! Let's Talk Scores!

OUTLOOK

7 Things You Need to Know This Week – Is the Bear Market Over?

This week we've compiled 7 timely market related headlines to share in a new format! With the recent rally in the broader market, many investors are understandably asking if the bear market is over.

We think the market will finish the year with positive gains if not solid gains, but still believe there will be more downside in the short run.

Let's review...

1. The below chart is a year-to-date look at the S&P 500 in orange, and the S&P Regional Bank index in purple. For us to truly believe the worst is behind us, we'd like to see a rally in the regional banks (purple line) before we'd give the "all clear" signal for the markets.



2. The S&P 500 Index has climbed 11% from its recent low in October 2022, but if we're indeed in a new bull market, it's the weakest one in history. Since the 1970s, the S&P 500 Index has typically gained an average of 32% in the six months that follow a low. This makes sense given the natural tendency of markets to exhibit violent rallies coming off a bear-market bottom. *(Source: Hartford Funds, Barron's, as of 3/25/23)*

3. This stat is about a week old but still very much relevant - The S&P 500 has returned about +4% year-to-date, but five companies (Apple, Microsoft, Amazon, NVIDIA, and Tesla) have contributed 105% of those returns. The remaining 495 companies are collectively negative. At the beginning of a new bull market *almost* everything rallies, so we'd like to see broader participation in more stocks here on the upside. *(Source: Hartford Funds, FactSet, as of 3/24)*

4. The tech-heavy NASDAQ Composite is up more than 10% year-to-date, yet the consensus earnings estimate for the tech sector is a decline of more than 10% year-over-year during the first quarter. *(Source: Hartford Funds, FactSet, as of 3/27/23)*

5. Morgan Stanley's top stock strategist said the recent rally in technology stocks won't last much long. The tech-heavy Nasdaq 100 is coming off its second-best quarter in a decade, the downside risk isn't quite gone yet, Mike Wilson explained: "We see little evidence that a new bull market has begun and believe the bear still has unfinished business." *(Source: Phil Rosen, Insider 4/4/23)*

6. On Sunday, OPEC surprised markets by announcing it would unexpectedly cut crude production by more than 1 million barrels per day, with Saudi Arabia leading the way with a 500k barrel per day reduction. The move clearly shows the cartel wants higher oil prices for its own benefit despite the move being inflationary. WTI Crude climbed \$5/barrel on Monday to \$80/barrel. The price of oil was at just \$66/barrel a few weeks ago in mid-March.

7. All four #1 seeds were eliminated from the NCAA Men's Basketball Tournament before the Elite Eight for the first time since the NCAA Tournament began seeding teams in 1979.

(Source: Hartford Funds, CBS Sports)

MARKET SUPPORT



The next level of resistance to watch for the S&P 500 on the upside is at 4,100.

The next levels of support to watch for the S&P 500 on the downside are at around 3,800 and 3,666.

These are key technical levels we look for the market to either hold or push through when look at the potential for future moves. Common support levels can be the 50- and 200-day moving averages as well as other technical levels such as previous market highs or lows.

WHAT WE ARE WATCHING

The following economic data is slated to be released during the week ahead:

Monday: ISM Manufacturing (Mar.)

Tuesday: JOLTS Job Openings (Feb.)

Wednesday: ISM services index (Mar.)

Thursday*: Weekly initial jobless claims

Friday:** Nonfarm Payrolls (Mar.), Avg. Hourly Earnings (Mar.)

****We** wanted to send a friendly reminder that the stock market and our offices are closed on Friday, April 7, for Good Friday.

***The** bond markets will shut down early, at 2 p.m. on April 6, for Holy Thursday, also known as Maundy Thursday.

WHAT IS YOUR SCORE?

April is Financial Literacy month and we would like to kick it off by asking, have you checked your credit score lately?

Understanding the value of your credit score and taking steps to maximize your credit rating are important for improving your financial health. Anyone who has ever applied for a loan to purchase a car or house has encountered their credit score. This elusive figure can be perplexing, a three-digit assessment of your credit worthiness that has the potential to impact your financial health.

What's In a Number?

You can get a general sense of your credit worthiness by checking your credit score. The score commonly used by lenders is FICO, a three-digit number from 300 to 850. It fluctuates continually, reflecting the interest rate of your credit cards, outstanding loans, and even a lack of credit.

A score of 700 or above is considered good by many lending standards. You can request a copy of your credit score (there is a small fee) from the three major credit reporting companies, Experian, Equifax, and TransUnion. The score is a snapshot that captures your credit history and current financial status.

Your credit report will generally include the following (in addition to your personal information):

- Your employer's name and contact details, along with your income
- Those parties that have requested your credit history in the past six months
- A list of your charge cards and mortgages, along with their terms and payment history
- Your maximum charge amount for each card, your current debts with repayment details, and how many times you have made a delinquent payment
- Past accounts that are paid in full
- Repossessions, liens, bankruptcies, foreclosures, and court judgements against you for money
- Debtor names
- All debts cosigned to you
- Bill disputes

CREDIT SCORE + INSURANCE RATES



Your credit score may influence how much you pay for auto and home insurance.

[Learn More](#)

UPCOMING EVENTS

May 13th - Paper Shredding Event

May 24th - '7 Things No One Tells You About Retirement' Seminar

June 21st - A Closer Look At Social Security

August 2nd - Medicare 101

October 3rd - Cybersecurity

[Visit the events page](#)

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