

MARKET WATCH

| Market Index | Close | Week | Y-T-D |
|--------------|-----------|--------|---------|
| DJIA | 32,403.22 | -1.40% | -10.83% |
| NASDAQ | 10,475.25 | -5.65% | -33.04% |
| MSCI-EAFE | 1,730.74 | -1.04% | -25.91% |
| S&P 500 | 3,770.55 | -3.35% | -20.89% |

TODAY'S TOPICS

- Market Outlook: Midterms
- What We Are Watching
- Key Market Levels
- What's New: Meet Expedition
- Social Security Seminar on Wednesday!

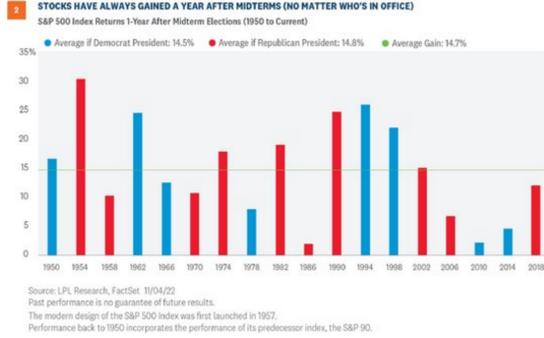
MARKET OUTLOOK

The financial markets are turning their attention to the Midterm election results this week on Tuesday, November 8th, as well as the monthly CPI inflation report set to release on Thursday, November 10th. Republicans are strongly favored to win the House, and the Senate is race is extremely tight with prediction markets currently giving a slight edge to Republicans.

We believe either **Midterm outcome will be a positive for the stock market given its historical performance** after a midterm year, as well as its above average performance in the last couple months in the year of the Midterm election.

LPL put together this great chart (see below) that shows the average S&P 500 return in the year after a Midterm going back to 1950. Interestingly, the average return is about the same no matter what party is in the White House with the Republican Party slightly higher at 14.8% versus 14.5% for the Democrats.

The S&P has been higher 18 out of 18 times in the following year after a Midterm election going back to 1950.



The rationale behind better than average stock markets following Midterm years is due to the fact that markets hate the uncertainty heading into an election, so the added clarity after its over is preferred for market participants. In addition, markets prefer mixed control of the government instead of one party controlling both Congress and the Executive branch, which is almost certain following this election.

Why do the markets prefer better policy balance from Washington?

When one party controls both branches of government, they are much more able to enact sweeping new legislation as opposed to a gridlocked, albeit a more balanced government.

For example, a mixed government is much less likely to raise taxes because both sides won't agree on it. **Less to worry coming out of Washington means the markets can continue to focus on the monetary policy side** of the equation which is more important than ever right now. There are some exceptions of course as it relates to potential discord when it comes to raising the debt ceiling and funding the government. The hope though is that Congress learned its lesson when these issues popped up over the last decade.

WHAT WE ARE WATCHING

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

Monday: ---

Tuesday: NFIB Small Business Optimism (Oct.)

Wednesday: ---

Thursday: Jobless Claims, CPI (Oct.)

Friday: Univ. of Michigan Consumer Confidence (Nov. Prelim.)

MARKET SUPPORT



The next **level of support** to watch for the S&P 500 on the downside is at around 3,500.

The next **level of resistance** to watch for the S&P 500 on the upside is at around 3,900.

Recall 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.

SOCIAL SECURITY SEMINAR



One of the most confusing but most important steps in your retirement strategies is understanding Social Security retirement benefits. Many believe it is cut and dried and do not realize there are options. However, it is a retirement income source with some control and a variety of elections you will need to make. In addition, since Social Security may be the basis of all your retirement income decisions, it is important to fully understand the implications of the decisions you make.

Managing your Social Security income benefit is an important part of your retirement income process.

We will discuss these seven topics:

1. General Social Security benefit basics
2. We'll cover income benefits
3. When to start benefits
4. Working in retirement
5. Tax implications
6. Spousal and survivor benefits
7. And finally, we will wrap it up with Medicare basics.

Date: Wednesday, November 9th, 2022

Time: 5-6pm MT

Location: Zoom

RSVP: http://us06web.zoom.us/webinar/register/WN_E9vBxkrBQga2p-plBv8kfA

WHAT IS NEW: EXPEDITION



EXPEDITION
a colorado only portfolio
an elevated state of investing

The Expedition Portfolio provides an investment vehicle for Coloradans to support the businesses, people, and community in which they live. The goal is to create a unique and meaningful way for clients to support their home state.

[Learn more!](#)

Craig Johlfs, CFP®, MBA

craig.johlfs@pl.com

303-626-2446

Johlfs Financial Group

President

<http://www.johlfsfg.com/>



Securities and advisory services offered through LPL Financial, a registered investment advisor. Member FINRA/SIPC

The information contained in this e-mail message is being transmitted to and is intended for the use of only the individual(s) to whom it is addressed. If the reader of this message is not the intended recipient, you are hereby advised that any dissemination, distribution or copying of this message is strictly prohibited. If you have received this message in error, please immediately delete.

This informational email is an advertisement and you may opt out of receiving future emails. To opt out, please click the "Unsubscribe" link below.

This message was sent by
Johlfs Financial Group
303-626-2446
5299 DTC Blvd.
Suite 1170
Greenwood Village, CO 80111

[Unsubscribe](#)