

MARKET WATCH

| Market Index | Close | Week | Y-T-D |
|--------------|-----------|--------|---------|
| DJIA | 33,300.62 | -1.11% | +0.46% |
| NASDAQ | 12,284.74 | +0.40% | +17.37% |
| MSCI-EAFE | 2,130.19 | -0.67% | +9.58% |
| S&P 500 | 4,124.08 | -0.29% | +7.41% |

TODAY'S TOPICS

Market Outlook
Key Market Levels
This Week / What We Are Watching
7 Things No One Told You About Retirement!
Small Social Security Bump Ahead

Market Outlook

The markets are struggling for direction as the S&P 500 has not experienced a weekly move of 1% up or down during the last six weeks, the longest such streak since 2019. The latest Bank of America global fund manager survey shows that allocations to bonds are at a 14-year high, with cash levels up to 6% amid persistent recession concerns.

Has the residential housing market bottomed out? – We've seen more and more chatter from market strategists that the US residential housing market may have already bottomed out and could even provide somewhat of a boost to US GDP in the back half of 2023 and early 2024. Separately, there are worries about the state of the commercial real estate loan market and questions surrounding these loans on regional banks' balance sheets.

The market capitalization of Apple has surpassed that of the entire Russell 2000 for two weeks straight now, the **longest stretch on record according to Bloomberg data**. With a market capitalization of roughly \$2.7 trillion, Apple is now worth roughly \$100 billion more than the combined value of all 2,000 stocks in the Russell 2000.

Last week, the April CPI report showed consumer prices rose +4.9% year-over-year, the tenth consecutive month that the headline inflation rate has declined. This was a slight improvement over March's 12-month increase of 5.0%. April's monthly inflation rate was 0.4%, above March's 0.1% rise. April's increase was driven by higher housing, gasoline, and used car costs.

Job openings in March fell for a third straight month to 9.6 million—the lowest level seen in two years—while layoffs increased to the highest level seen in more than two years. These signs of cooling in the labor market could signal that Federal Reserve's rate hikes are paying off. (Source: Hartford Funds, The New York Times)

MARKET SUPPORT



The next level of resistance to watch for the S&P 500 on the upside is at 4,180.

The next levels of support to watch for the S&P 500 on the downside are at around 4,100 and 3,800.

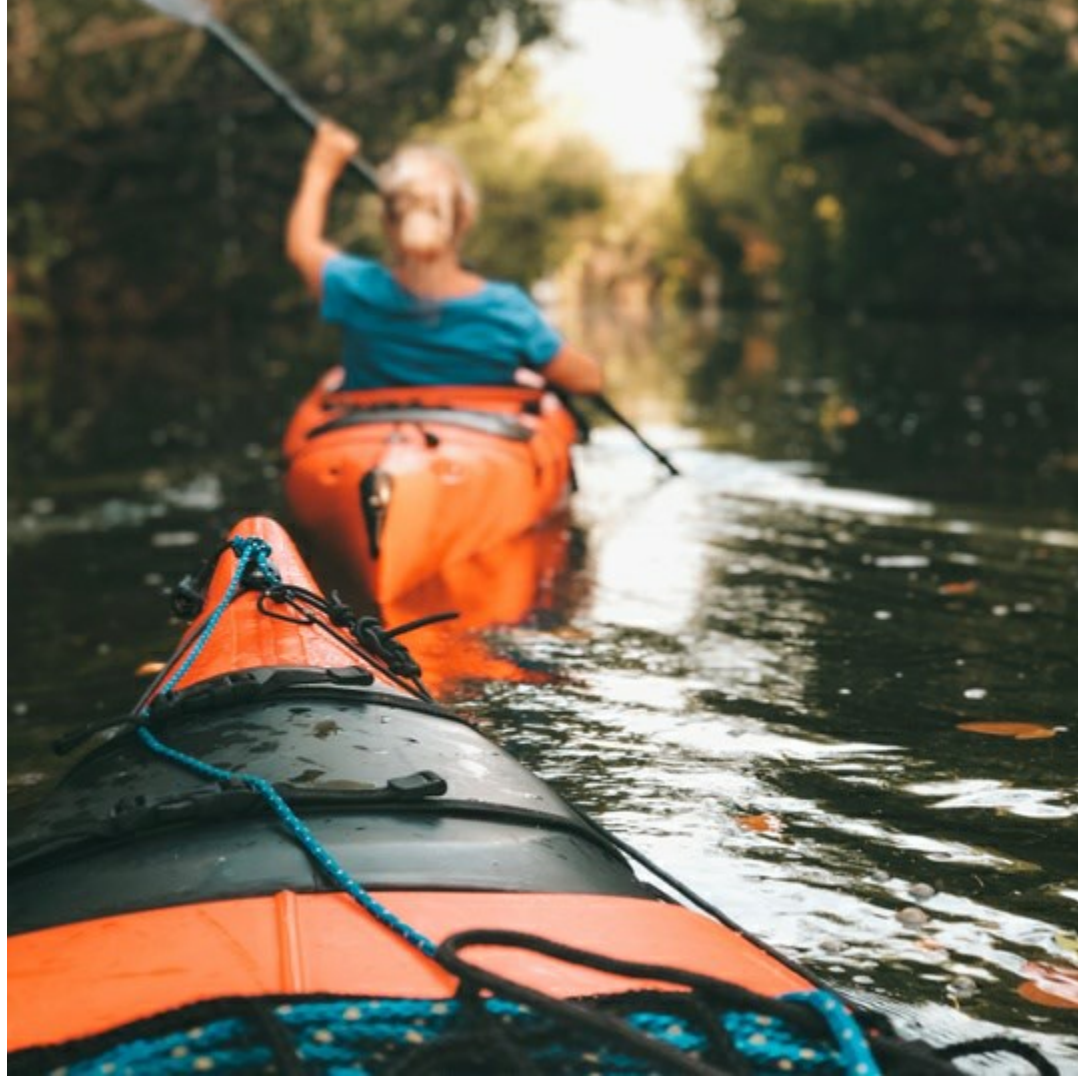
These are key technical levels we look for the market to either hold or push through when look at the potential for future moves. Common support levels can be the 50- and 200-day moving averages as well as other technical levels such as previous market highs or lows.

WHAT WE ARE WATCHING

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

Monday: --
Tuesday: Retail sales (Apr.), Industrial production (Apr.), NAHB housing market index (May)
Wednesday: Housing starts (Apr.)
Thursday: Weekly initial jobless claims, Existing home sales (Apr.)
Friday: --

Upcoming Event: 7 Things No One Told You About Retirement



Date: May 24th

Time: 5-6pm MT

Location: Zoom

Join us for an eye-opening look at what life might look like after work and develop a more personal and creative approach to everyday life in retirement. Learn the '7 things no one tells you' and gain insight into the next chapter!

What is your path to a successful retirement?

- Retirement is an emotionally charged topic.
- There is no single, universal definition for a successful retirement.
- A successful retirement isn't one without problems but rather one in which you learn to overcome them.
- Resilience, positive mindset and support are key.

RSVP HERE

Small Social Security Bump?



The Social Security Administration calculates annual cost-of-living adjustments (COLA) based on the Consumer Price Index (CPI) and inflation. However, **recent projections show that as inflation starts to subside, the COLA for 2024 may be less than 3%.¹**

That's a drastic drop compared to the past two years. Social Security beneficiaries saw a **5.9% bump in 2021 and a record-setting 8.7% increase in 2022.²**

This projection is very much an early assessment. Gauging the increase for 2024 will be clearer toward the second half of the year. Remember that even with a possibly *smaller* COLA this year, cooling inflation may also help create an even stronger economic environment overall.

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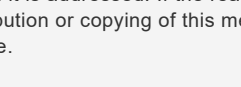
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