

MARKET WATCH

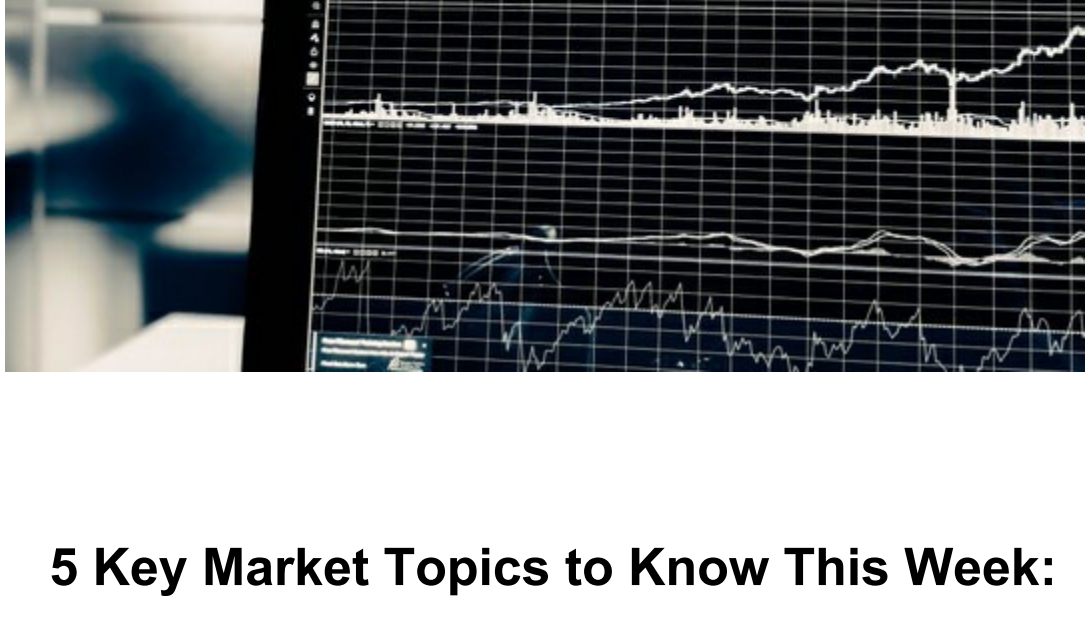
Market Index	Close	Week	Y-T-D
DJIA	34,098.16	+0.86%	+2.87%
NASDAQ	12,226.58	+1.28%	+6.82%
MSCH-EAFE	2,133.38	-0.60%	+9.75%
S&P 500	4,169.48	+0.87%	+8.59%

TODAY'S TOPICS

5 Market Topics

Key Market Levels

This Week / What We Are Watching



5 Key Market Topics to Know This Week:

1. Busy Week - From the market's perspective there is a lot going on this week including the Fed's May interest-rate announcement midday on Wednesday (5/3) as well as renewed worries over the US Banking sector after the collapse of First Republic Bank over the weekend. The next two banks in the market's crossfire are PacWest Bancorp and Western Alliance which are down -30% and -20% each respectively in Tuesday trading. **We are monitoring financial conditions closely to ensure proper portfolio positioning changes if need be.**

2. Debt Ceiling Headaches - Also raising anxiety for the markets this week is the debt ceiling debate. On Monday evening the US Treasury said it will run out of money by June 1st if we don't raise the debt ceiling. It was previously thought that lawmakers had until July to get a deal done so the news was a wakeup call to financial markets and lawmakers early this week. A US default on its debt would be a highly negative development for financial markets. We went through this drama and stalemate in 2011 where lawmakers eventually made a deal to raise it at the very last second. **We believe a deal will eventually get done, so we don't recommend making any rash investment change decisions to avoid a whipsaw scenario like 2011.**

*"There is little time to negotiate a deal, with the House and Senate in session at the same time for only two weeks before early June. **This raises the odds of a temporary extension in our view, though we expect the parties to initially begin negotiations toward a deal with the possibility of a short-term extension as a fallback.**"*

(Source: Goldman Sachs, May 1st, 2023)

3. Key Levels to Watch on S&P 500 - The S&P is trading near key technical levels of 4,100 and 4,200 this week, both of which are closely being watched by market strategists trying to figure out the market's next move.

The S&P 500 *"was turned back by resistance near 4200 for the third time since last August. That is an extremely strong resistance area now. Moreover, there is further resistance at 4300. On the downside for SPX, there is technical support at 3970, where the small gaps exist on the SPX chart. A close below 3950 would be extremely bearish and likely generate a retest of the December 2022 lows at 3760."*

(Source: MarketWatch's Lawrence G. McMillan, 4/29/23)

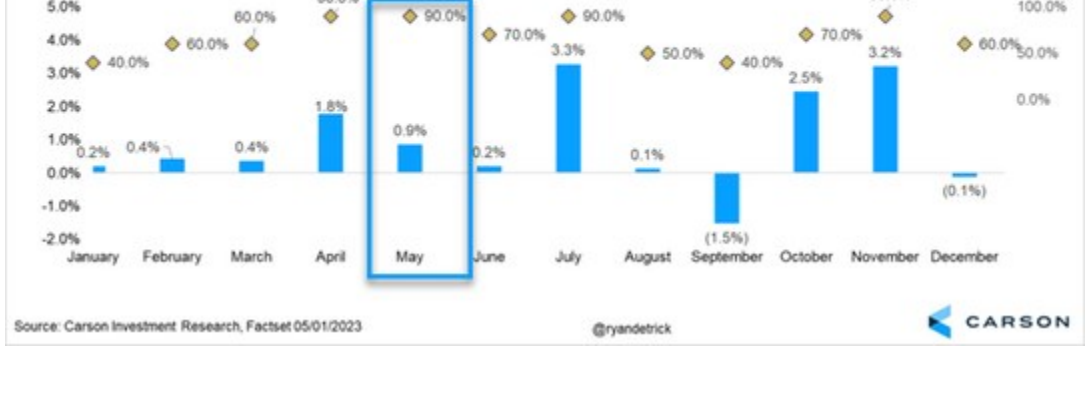
4. Another Heavy week of Q1 earnings reports and key economic data – about 170 companies in the S&P 500 report earnings results again this week including Apple, Berkshire Hathaway, Pfizer, Starbucks, and ConocoPhillips. Overall, earnings have come in notably stronger than expected and have squashed fears of an earnings collapse for the first quarter. Notable economic data being released this week includes ISM manufacturing and services data, along with the April nonfarm payroll jobs report on Friday.

5. The old 'Sell-in-May' market adage hasn't worked for the last 10 years (chart below).

Ryan Detrick put together these market stats together over on Twitter:

"Did you know that the S&P 500 has closed higher in 9 of the past 10 months of May? April, July, and November are the only other months to be up as often. The only drop was the last pre-election year in 2019, down more than 6%."

(Source: Twitter, Ryan Detrick, CMT, 5/1/23)



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: ISM Manufacturing (Apr.)

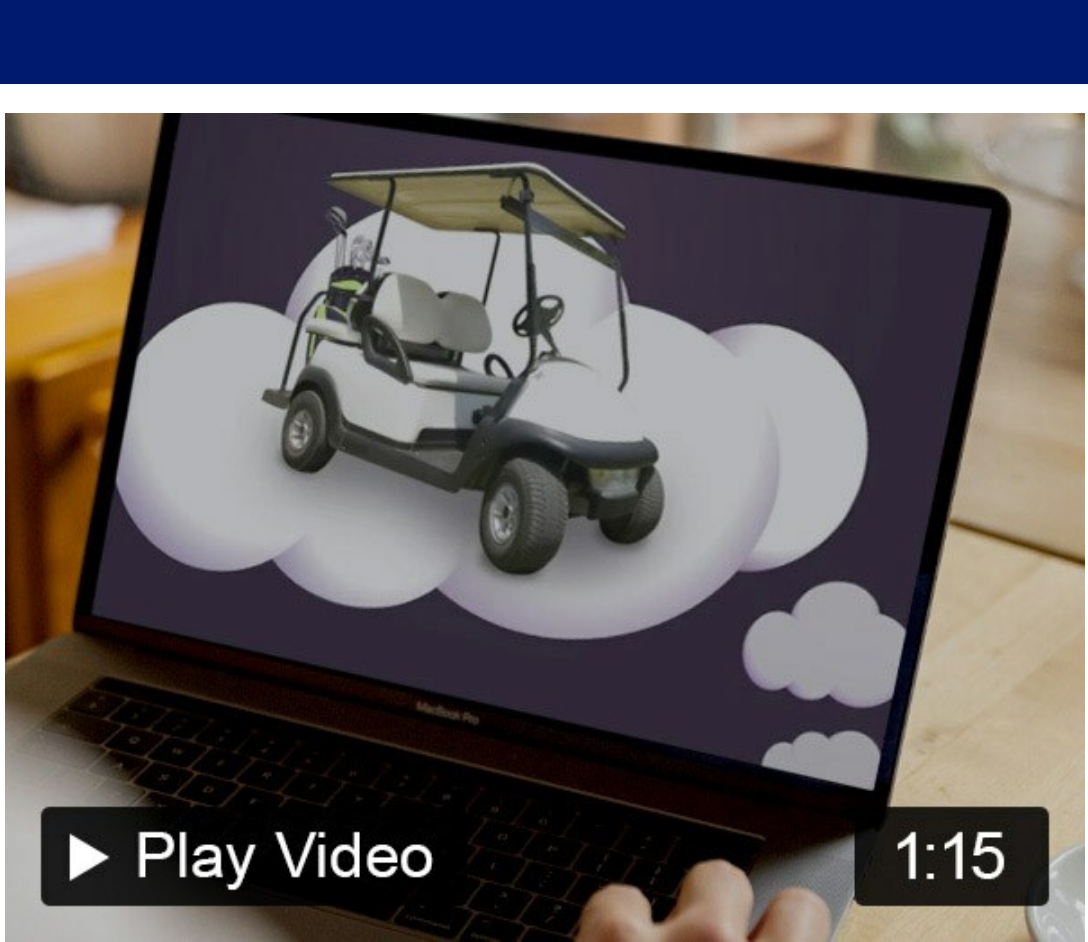
Tuesday: JOLTS Job Openings (Mar.)

Wednesday: Fed's FOMC Interest Rate Announcement, ISM services index (Apr.), ADP Nonfarm Employment Change

Thursday: Weekly initial jobless claims

Friday: Nonfarm Payrolls (Apr.), Avg. Hourly Earnings (Apr.)

PERCEPTION vs. REALITY



There's an alarming difference between perception and reality for current and future retirees.

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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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