



Two Minutes With Todd

Supporting Charts + Commentary

April 8, 2024

Last Week's Performance



	VAL
SPDR® S&P 500 ETF Trust Price % Change	-0.89%
iShares MSCI EAFE ETF Price % Change	-1.11%
iShares Russell 2000 ETF Price % Change	-2.78%
iShares Core US Aggregate Bond ETF Price % Change	-1.29%
Invesco DB Commodity Tracking Price % Change	3.40%



Commodities

US Large Stocks

International

Developed Mkt Stocks

US Total Mkt Bonds

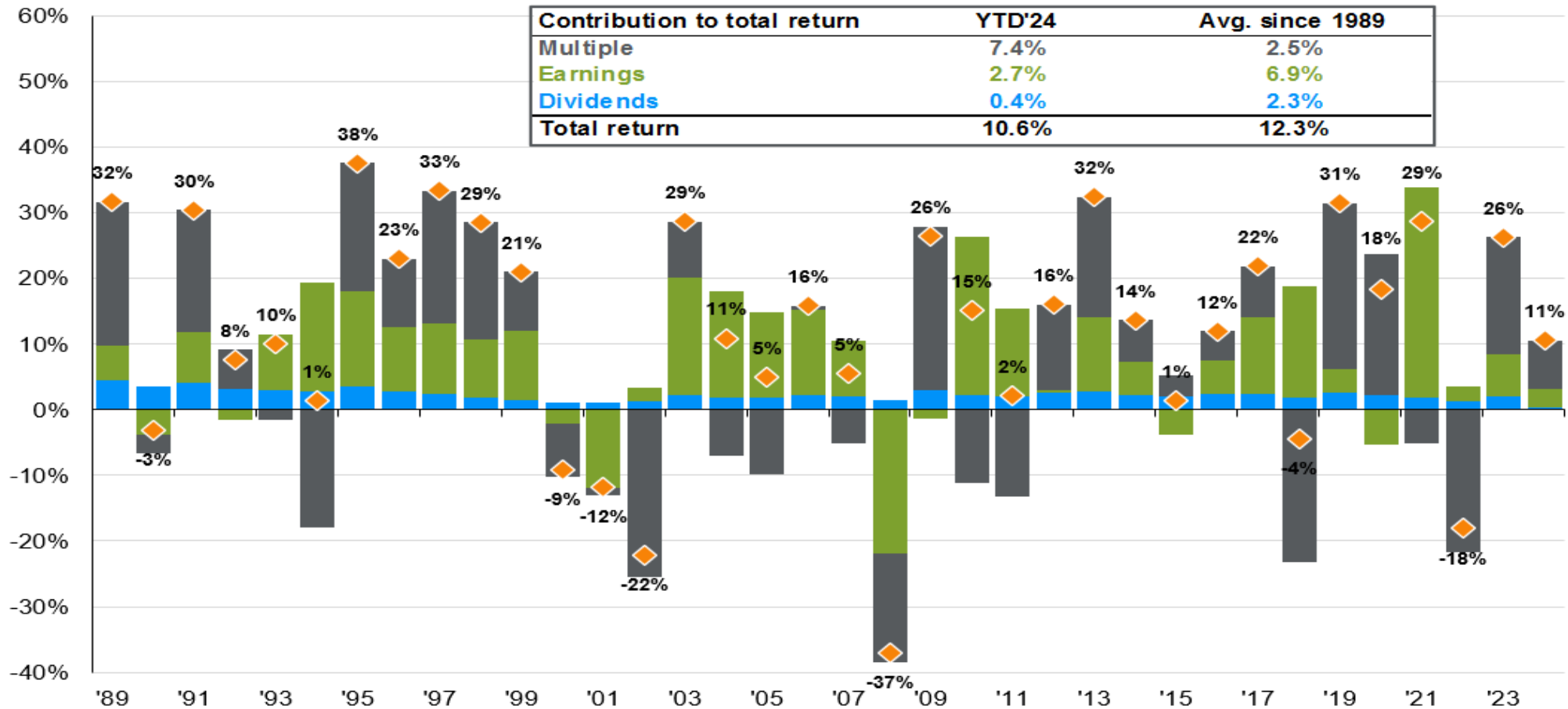
US Small Company
Stocks

Chart #1: Yields Pressing Higher



Over the last couple of weeks since our last TMWT, US Treasury yields have been inching higher. A combination of more “hawkish” comments from Federal Reserve governors plus better-than-expected growth in the economy have investors questioning the ability of the Fed to get inflation back down below 3%. Our position remains that the risk in yields remains to the upside.

Chart #2: What Could Derail The Rally In Stocks?



With US economic data supportive (and strengthening) valuations on the overall S&P 500 are reflecting little turbulence on the horizon. While levels of valuation are approaching “stretched” conditions, it’s important to remember that stocks don’t collapse without a catalyst. Catalysts are notoriously difficult to spot ex ante. This is one reason we remain overweight US Large companies with a bias to trimming back holdings, while adding to midcap and international positions.

Source: JP Morgan as of 3/31/2024

Appendix

Correction / Recession Indicators



Market Price Indicators		
Commodities Trend (50 Day Moving Average) ¹	Advancing	
S&P 500 Trend (200 Day Moving Average) ¹	Above	
High Yield Credit Spreads (579 bps ave) ²	324	
BBB Credit Spreads (172 bps ave) ²	115	
Yield Curve 10yr - 3M (175 bps ave) ²	-104	
Yield Curve 10yr -2yr ²	-34	
NYSE Advance/Decline Line (month/month) ¹	Advancing	

Economic Indicators		
Continued Unemployment Claims (mln) ²	1,939	
GDP Nowcast (1.5-2.5% ave) ⁵	2.5%	
Case-Schiller HPI (y/y) ⁶	5.1%	
US ISM Manufacturing (>50= expansion) ²	50.3	↑
US ISM Services (>50= expansion) ²	51.4	
Headline Consumer Price Index (y/y) ²	3.15%	
Leading Economic Index (m/m) ²	-0.1%	

Sentiment Indicators		
CNN Fear/Greed Index ³	Greed	
AAII % Bulls Sentiment (39% ave) ⁴	47.3%	
Volatility Index (13-19 ave) ¹	13.06	
CBOE Total Put/Call Ratio (range = 0.9 to 1.1) ¹	1.19	
% S&P 500 Above the 200 Day Moving Average (40-60 ave) ¹	79.2%	↑
Total Positive	7 / 19	
Total Negative	7 / 19	

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