



Two Minutes With Todd

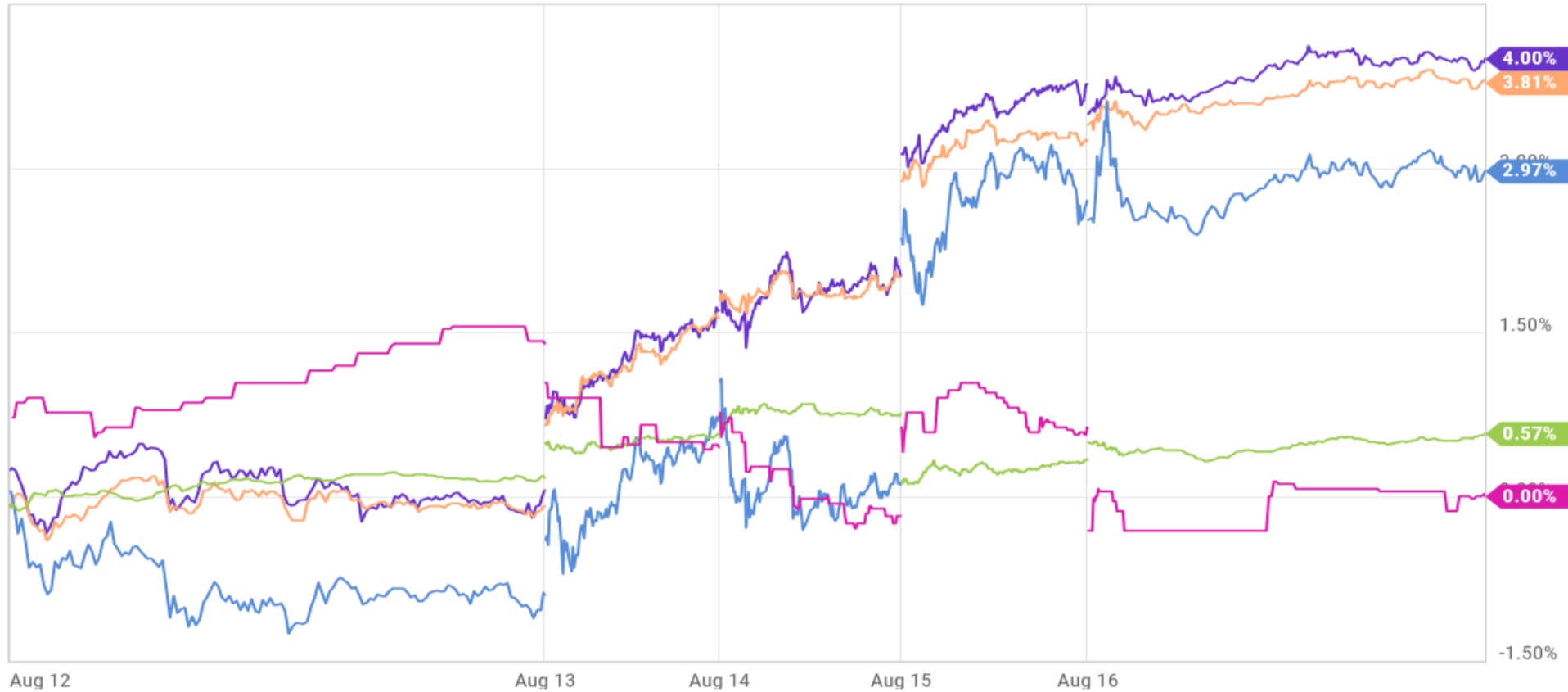
Supporting Charts + Commentary

August 19, 2024

Last Week's Performance



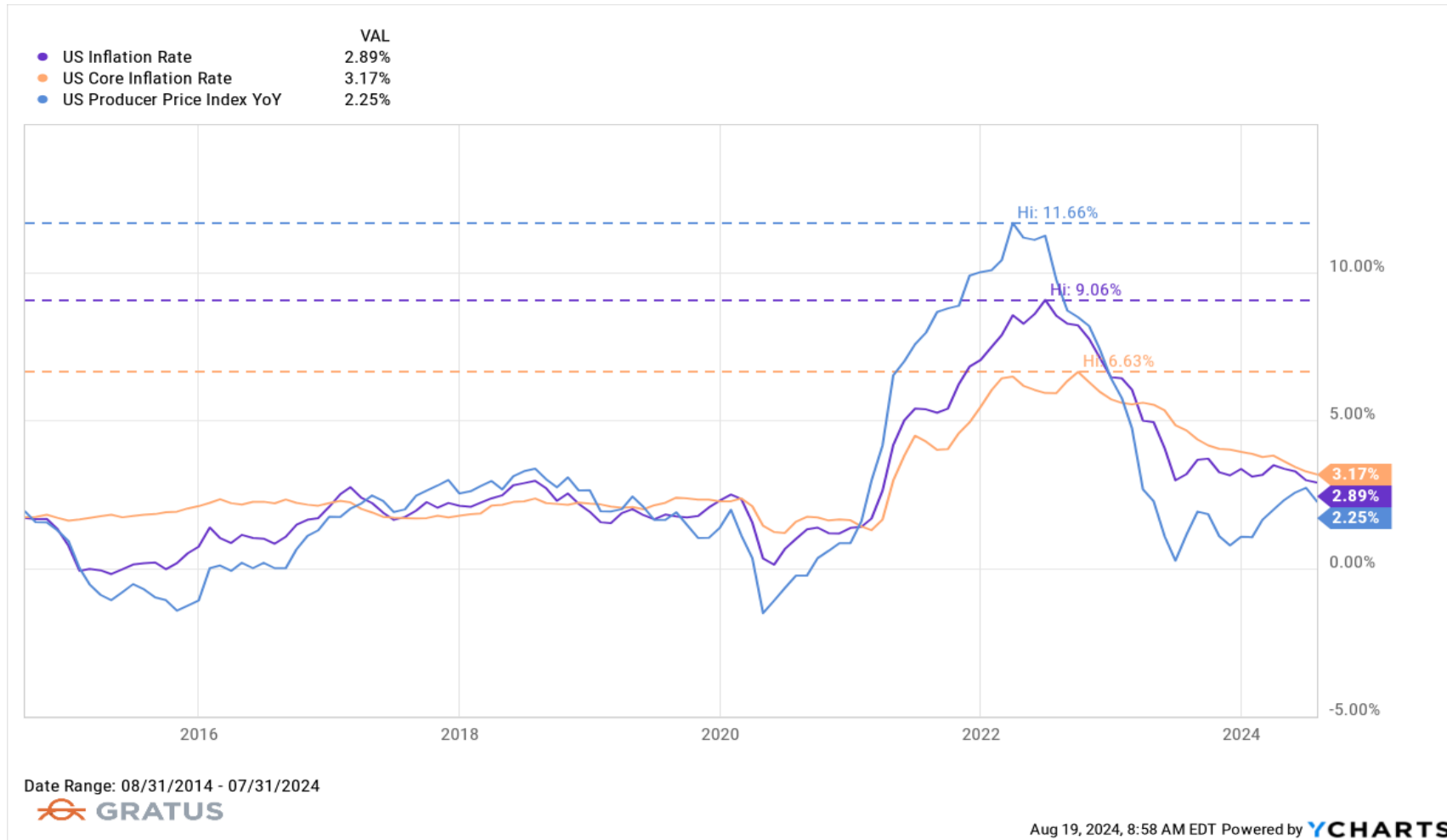
	VAL
SPDR® S&P 500® ETF Trust Price % Change	4.00%
iShares MSCI EAFE ETF Price % Change	3.81%
iShares Russell 2000 ETF Price % Change	2.97%
iShares Core US Aggregate Bond ETF Price % Change	0.57%
Invesco DB Commodity Tracking Price % Change	0.00%



Aug 19, 2024, 9:27 AM EDT Powered by YCHARTS

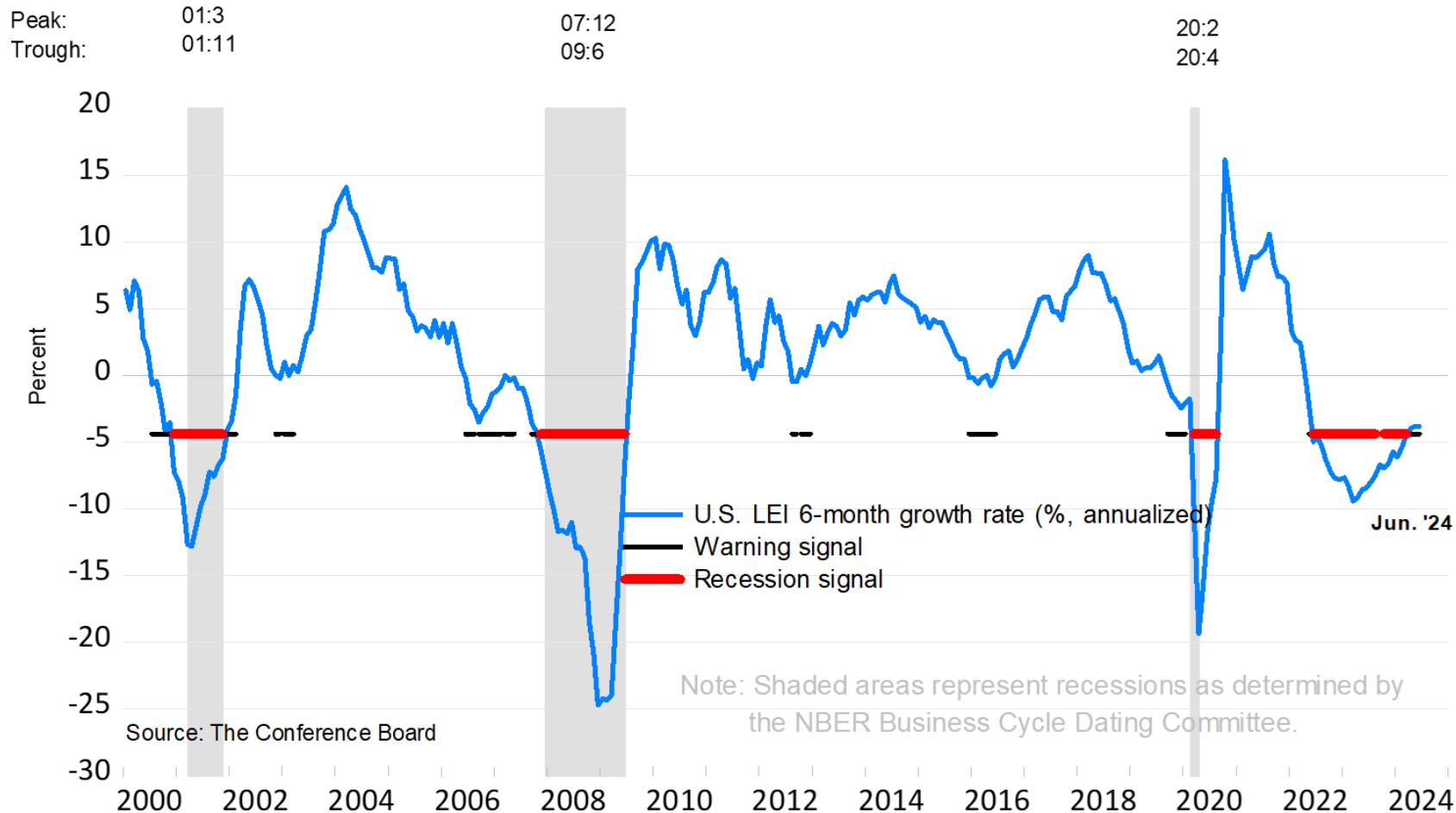
Index returns are gross of fees. Past performance does not guarantee future results

Chart #1: Inflation Continues To Trend Lower



One factor that put the market in a positive direction last week was the July inflation report which showed headline inflation (the CPI index that includes both food and energy prices) dipping below 3% for the first time since 2021. This recent evolution of inflation tracks with market expectation and could allow the Federal Reserve to start cutting interest rates as soon as September of this year.

Chart #2: Mixed Signals In Recession Indicators



One of the correction/recession indicators we've listed in the appendix, which has been a reliable recession indicator, is the Conference Board's "Leading Economic Index" (seen above). Similar to other recession signals, the Leading Economic index has, so far, generated a false-positive. Our take on this and other reliable recession indicators, is that distortions from the post-COVID era remain in effect and will take time to work through the economy.

Appendix

Correction / Recession Indicators



Market Price Indicators		
Commodities Trend (50 Day Moving Average) ¹	Declining	
S&P 500 Trend (200 Day Moving Average) ¹	Above	
High Yield Credit Spreads (579 bps ave) ²	329	
BBB Credit Spreads (172 bps ave) ²	121	
Yield Curve 10yr - 3M (175 bps ave) ²	-144	
Yield Curve 10yr -2yr ²	-17	
NYSE Advance/Decline Line (month/month) ¹	Advancing	

Economic Indicators		
Continued Unemployment Claims (mln) ²	1,889	
GDP Nowcast (1.5-2.5% ave) ⁵	2.0%	
Case-Schiller 20 Mkt HPI (y/y) ⁶	6.74%	
US ISM Manufacturing (>50= expansion) ²	46.8	
US ISM Services (>50= expansion) ²	51.4	
Headline Consumer Price Index (y/y) ²	2.89%	
Leading Economic Index (m/m) ²	-0.2%	

Sentiment Indicators		
CNN Fear/Greed Index ³	Fear	
AAII % Bulls Sentiment (39% ave) ⁴	42.5%	
Volatility Index (13-19 ave) ¹	15.5	
CBOE Total Put/Call Ratio (range = 0.9 to 1.1) ¹	0.88	
% S&P 500 Above the 200 Day Moving Average (40-60 ave) ¹	66%	
Total Positive	4 / 19	
Total Negative	8 / 19	

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