



Two Minutes With Todd

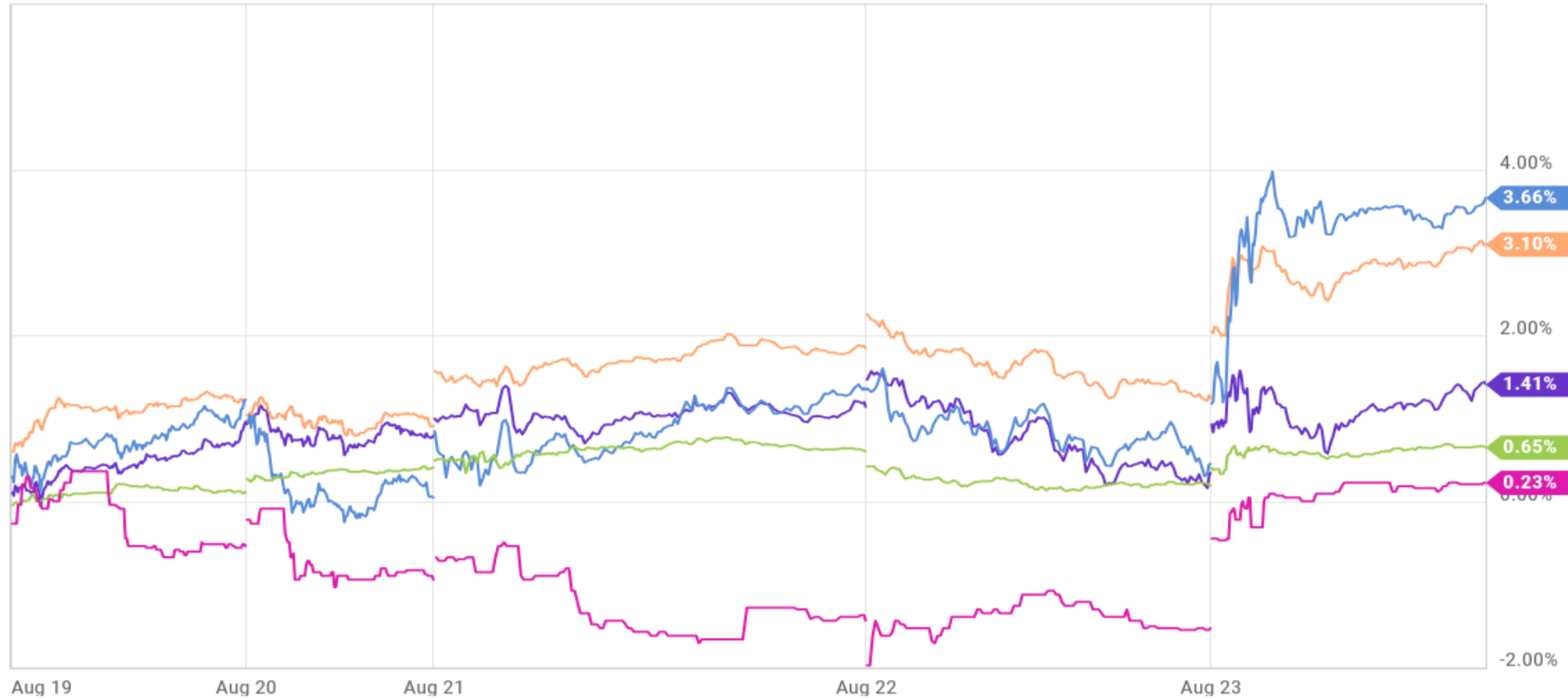
Supporting Charts + Commentary

August 26, 2024

Last Week's Performance



	VAL
SPDR® S&P 500® ETF Trust Price % Change	1.41%
iShares MSCI EAFE ETF Price % Change	3.10%
iShares Russell 2000 ETF Price % Change	3.66%
iShares Core US Aggregate Bond ETF Price % Change	0.65%
Invesco DB Commodity Tracking Price % Change	0.23%



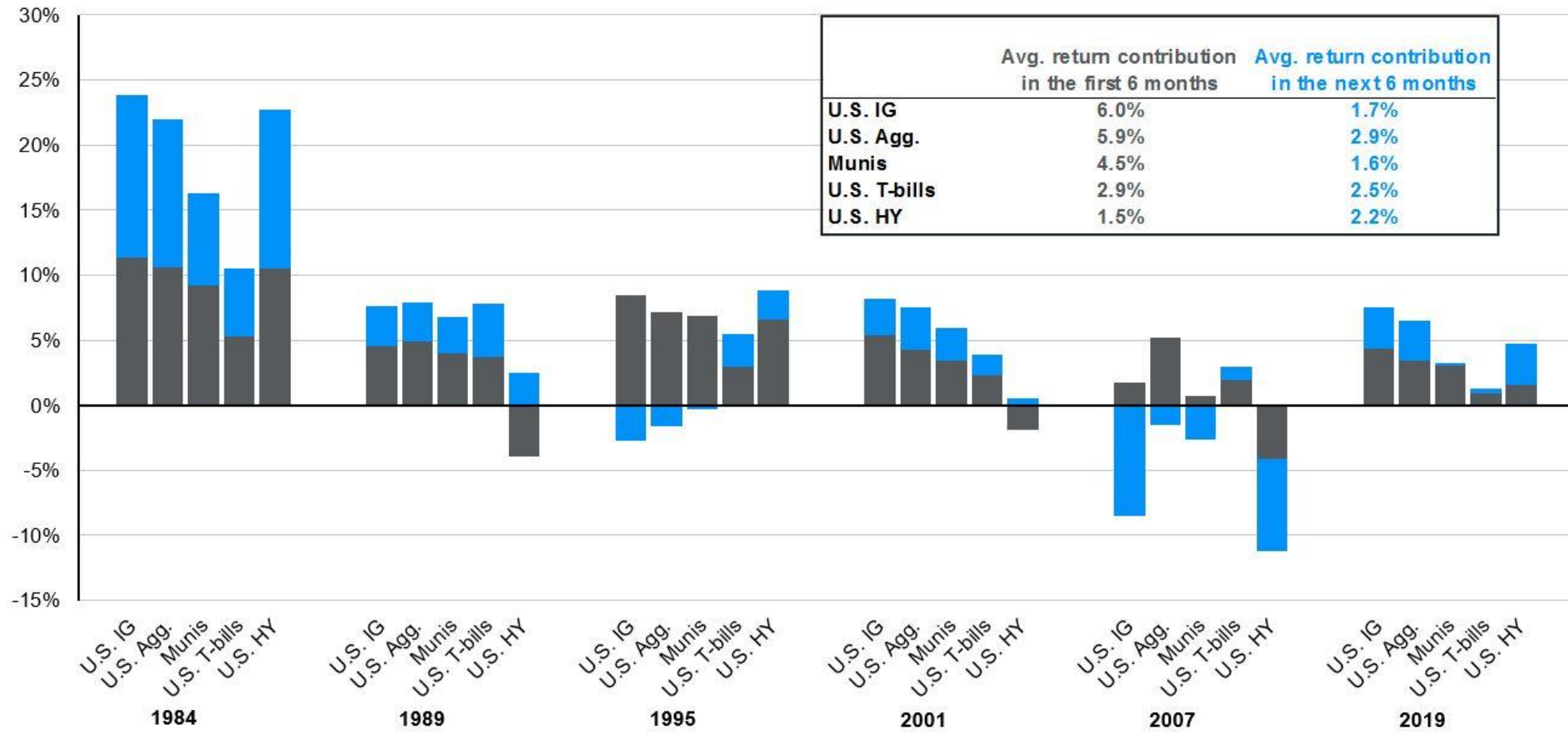
US Small Company Stocks
International Developed Mkt Stocks
US Large Stocks
US Total Mkt Bonds
Commodities



Aug 26, 2024, 9:25 AM EDT Powered by YCHARTS

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

Chart #1: What Happens To Bonds When The Fed Cuts Rates ?



Last week at the Jackson Hole Economic Symposium, Federal Reserve Chairman Powell reiterated the commitment to start cutting the Federal Funds Rate (FFR) as inflation expectations continue to moderate. While there will always be an element of uncertainty, most market participants feel confident the Federal Reserve will start cutting rates in September. If this plays out, the experience in bonds has historically been positive.

Source: JP Morgan as of 8/26/2024

Please see important disclosures at the end of this presentation.

Chart #2: Office REITs Signaling All Clear In CRE?



Another asset class that (recently) has been more closely correlated with interest rates has been commercial real estate, specifically office REITs. Noted above are the two largest publicly traded office-focused REITs (Vornado and SL Green). Importantly, because public markets are forward-looking, we find it very encouraging for the real estate sector that both companies have seen a significant recovery in their share price.

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	321	
BBB Credit Spreads (172 bps ave) ²	121	
Yield Curve 10yr - 3M (175 bps ave) ²	-144	
Yield Curve 10yr -2yr ²	-9	
NYSE Advance/Decline Line (month/month) ¹	Advancing	

Economic Indicators		
Continued Unemployment Claims (mln) ²	1,865	
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	Neutral	
AII % Bulls Sentiment (39% ave) ⁴	51.6%	
Volatility Index (13-19 ave) ¹	15.9	
CBOE Total Put/Call Ratio (range = 0.9 to 1.1) ¹	1.07	
% S&P 500 Above the 200 Day Moving Average (40-60 ave) ¹	77%	
Total Positive	4 / 19	
Total Negative	8 / 19	

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