



Concenture Week Ahead

Robert G. Gilliland
Managing Director

 Week of October 7, 2024

It's A Goldilocks Economy

The September jobs report was significantly stronger than expected. This report alone simply takes the possibility of a 50-basis point rate cut by the Federal Reserve (Fed) in November off **the table!**

But a 25-basis point cut is likely to be served up as the Fed itself said it is recalibrating monetary policy. The Fed is looking to remove the tightness of its policy in favor of moving to what it considers a more neutral rate also known as r^* ("r-star"). We still have one more jobs report before the next Fed meeting in November. There is concern now that the recent devastation from Hurricane Helene can impact the jobs data.

This strong jobs report has moved interest rates higher across the yield curve. It is seasonally normal for rates to rise in the back end of the year and into next year. But the key point is that rates currently remain in a downtrend. This gives investors the opportunity to lock in higher interest rates as we do expect the major trend in interest rates to remain down

Port Strike Resolved....For Now

The Port Strike lasted days not weeks, and this blip will likely have little to no major impact on the economy. The resolution is only temporary, and it will be revisited in the new year, but this risk factor is now removed from the markets – *a tremendous relief to investors.*

Stocks On Fire

The combination of a growing economy at full employment and significantly moderating inflation has ignited stocks. The seasonals call for volatility and the CBOE VIX index is very elevated, but stocks are still able to rally. The Nasdaq index has been in a consolidation and has not reached new record highs, unlike the S&P 500 and Dow Jones Industrials. This latest jobs report is likely to move the Nasdaq index sharply higher.

3Q Earnings Season Begins

This week begins the 3Q24 earnings season. What investors will likely pay close attention to is the outlook offered by corporate managements – especially how they see 2025 shaping up. Corporate profits have been expanding, and with the Fed now moving into an easing cycle with lower rates, this shift should support further growth in corporate earnings.

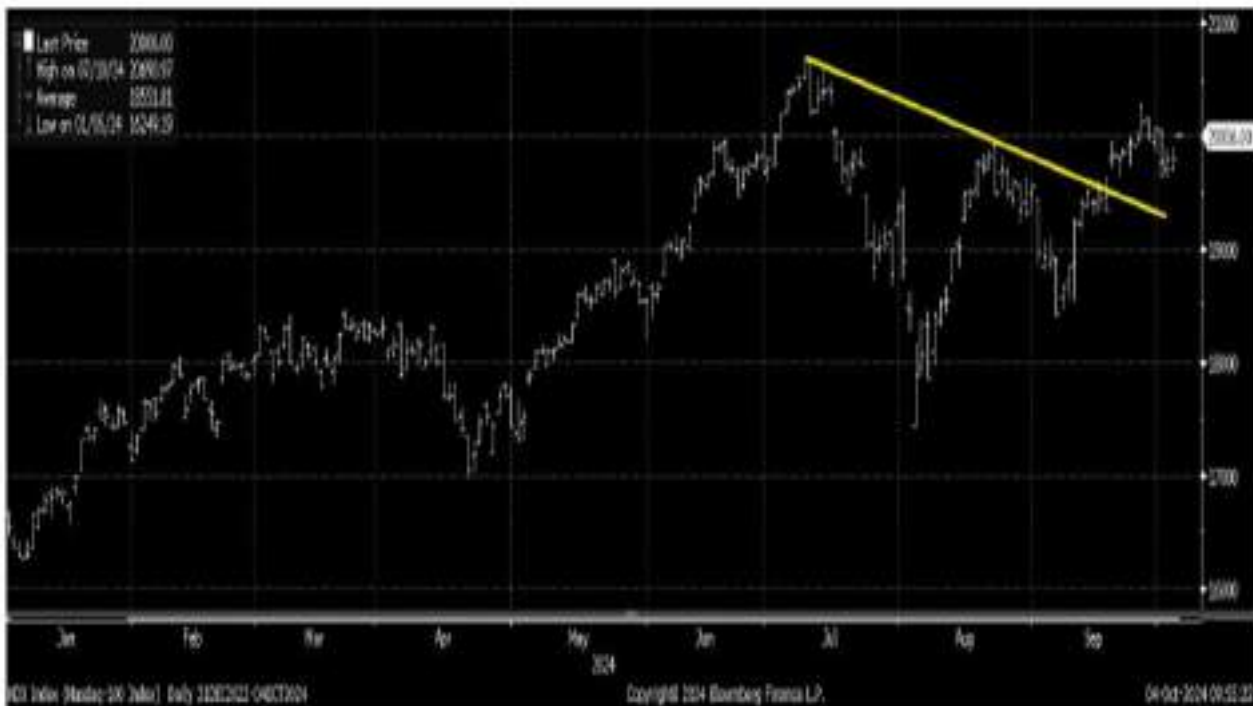


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CBOE VIX Volatility Index Is High Into The Buy Zone Near 20



Nasdaq 100 Poised To Rally To New Highs



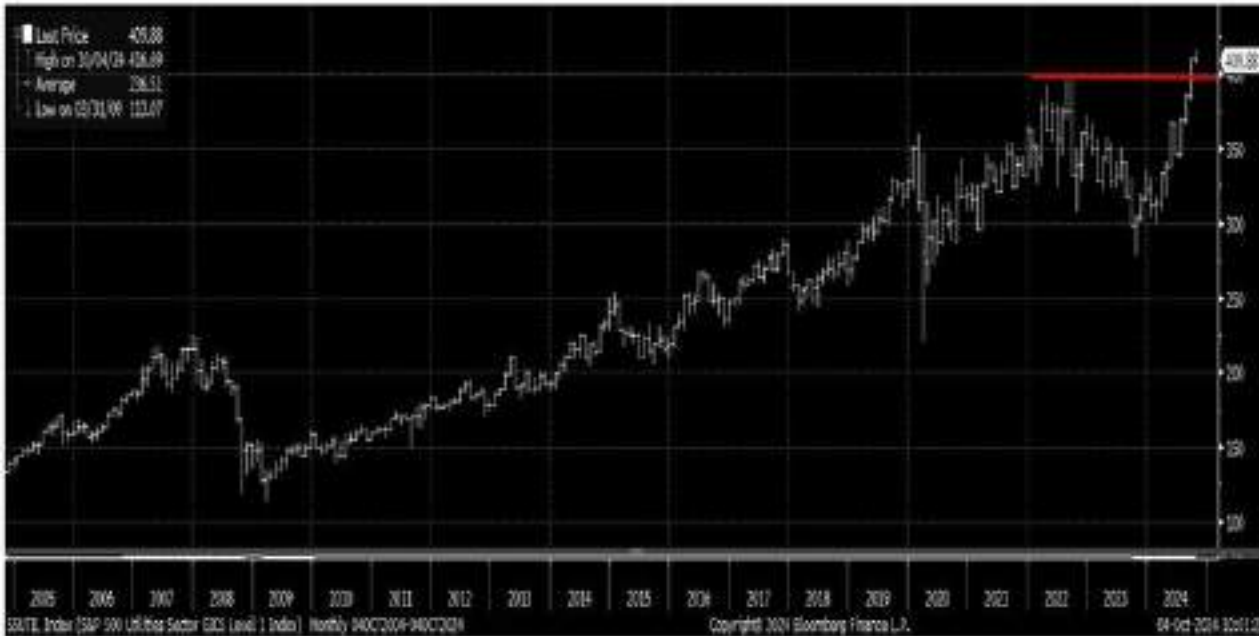


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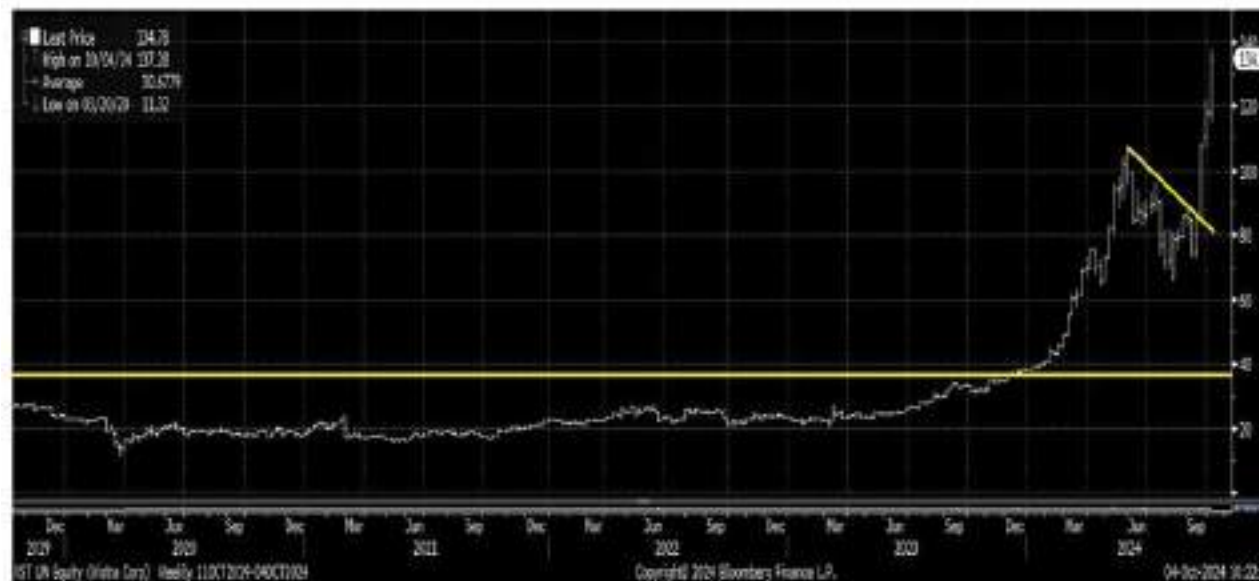
Utilities Still Favored – Pullbacks Are A Buying Opportunity

A lower interest rate environment benefits Utilities. Traditionally, Utilities have been used as income in a portfolio. The increasing demand for power (think: electric and, yes, nuclear!), fueled by the meteoric rise in artificial intelligence, is transforming Utilities into growth stocks. For a sector to be both growth and income is highly unusual – *but a double positive for investors!*

S&P 500 Utility Index In A Bull Trend Yields ~ 2.8%



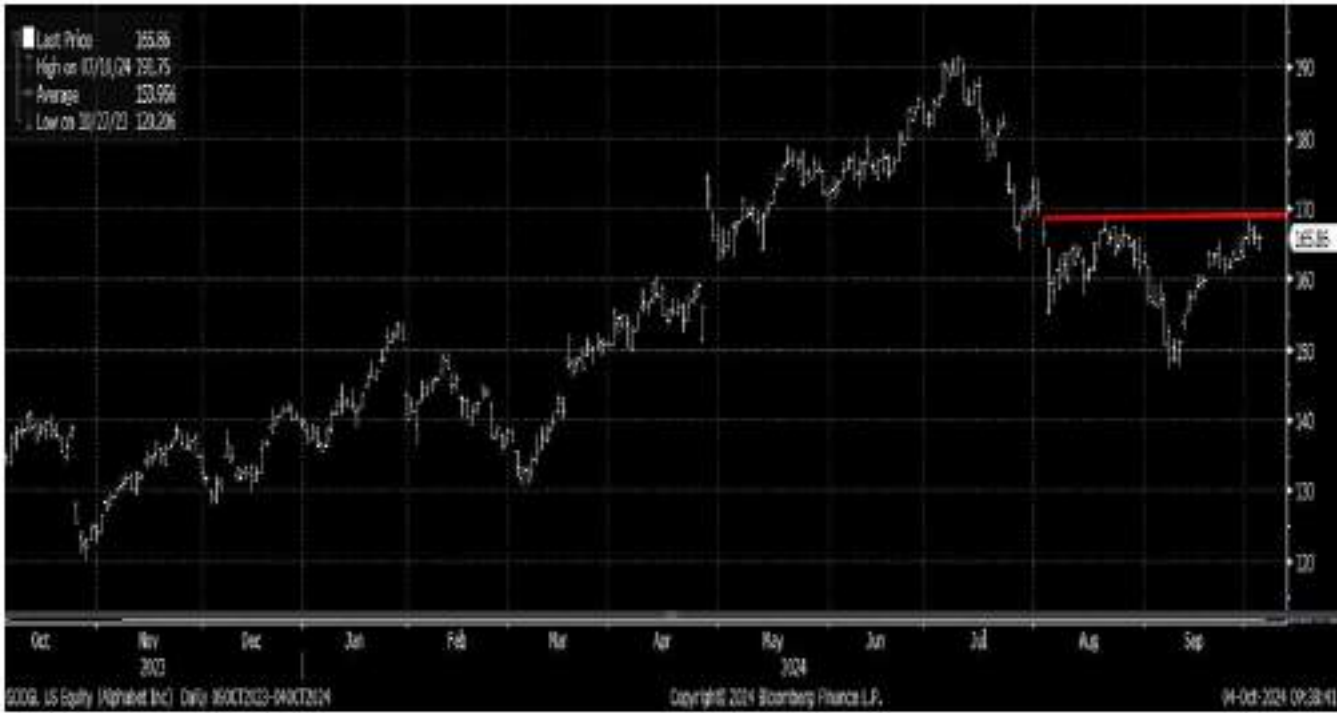
Vistra (VST) The NVIDIA Of The Utility Sector iShares MSCI





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Alphabet (GOOGL) Positioned To Breakout Above \$170 & Trading Below Market Multiple



We Expect VanEck Semiconductors ETF To Breakout





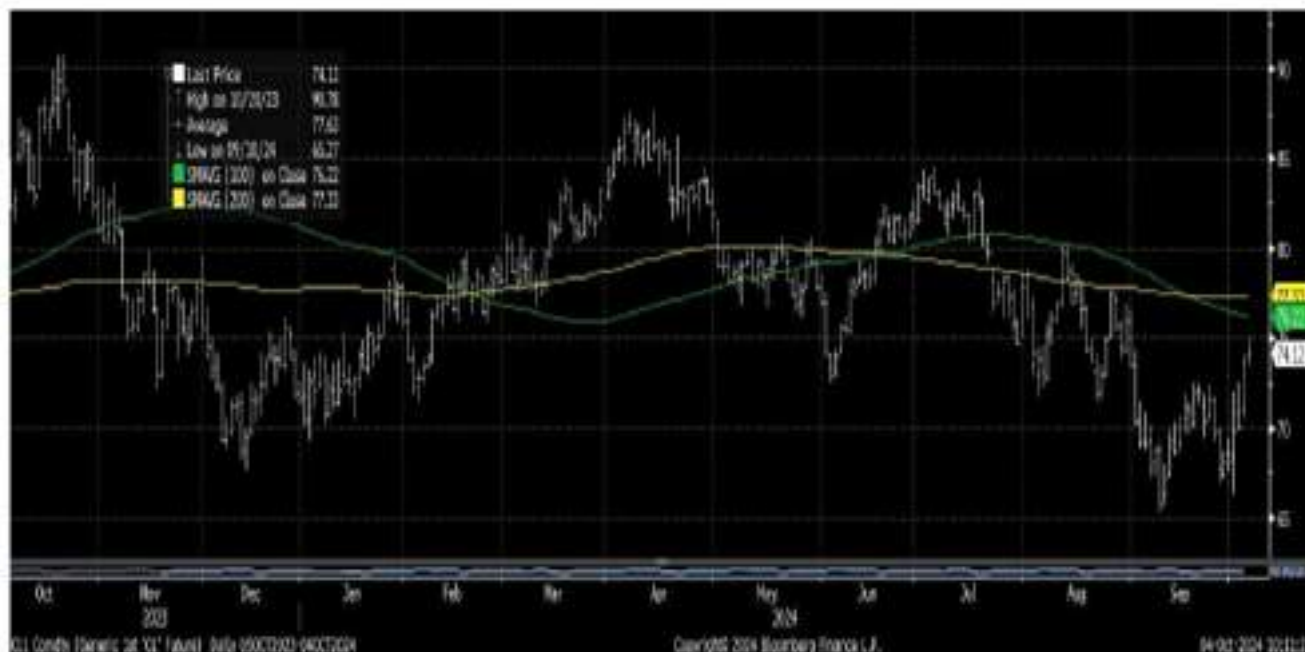
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Looking For Income & Price Appreciation: BINC

BlackRock Flexible Income ETF (BINC) ~ 5.5%



WTI Crude Oil Rises From Lows But Limited Given Middle East Tensions Oil Could Bounce To \$77 – \$80 At Most – Based On Current Supply & Technicals If Iran Crude Oil Supplies Are Cut Off, Expect Temporary Bounce As U.S. Is At Record Production, OPEC +Indicates Increased Supplies In December, And Saudis Have Spare Capacity We Maintain WTI Crude Oil Below \$100 Is Bullish For The Economy & Markets WTI Crude Oil Above Lows But Still Trending Down





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Market Performance

	Last 10/4/2024	Month End 9/30/2024	Month to Date	Quarter End 9/30/2024	Quarter to Date	Year End 12/29/2023	Year to Date	Year Ago 10/5/2023	Year To Year
S&P 500	5751.07	5762.48	-0.2%	5762.48	-0.2%	4769.83	20.6%	4258.19	35.1%
NASDAQ Composite	18137.85	18189.17	-0.3%	18189.17	-0.3%	15011.35	20.8%	13219.83	37.2%
NASDAQ 100	487.32	488.07	-0.2%	488.07	-0.2%	409.52	19.0%	358.69	35.9%
Russell 2000	2212.80	2229.97	0.8%	2229.97	-0.8%	2027.07	9.2%	1731.51	27.8%
S&P Consumer Discretionary Sector	1689.97	1605.41	-1.0%	1605.41	-1.0%	1418.09	12.1%	1261.95	27.0%
S&P Consumer Staples Sector	873.04	887.78	-1.7%	887.78	-1.7%	762.32	14.5%	707.91	23.3%
S&P Energy Sector	717.98	676.47	6.1%	676.47	6.1%	640.05	12.2%	654.99	9.8%
S&P Financial Sector	759.61	754.16	0.7%	754.16	0.7%	626.35	21.3%	544.91	39.4%
S&P Health Care Sector	1769.05	1796.48	-1.5%	1796.48	-1.5%	1590.36	11.2%	1500.88	17.9%
S&P Industrials Sector	1146.22	1147.06	-0.1%	1147.06	-0.1%	964.73	18.8%	841.30	36.2%
S&P Information Technology Sector	4380.83	4403.72	-0.5%	4403.72	-0.5%	3397.15	29.0%	2934.14	49.3%
S&P Materials Sector	599.28	607.70	-1.4%	607.70	-1.4%	539.62	11.1%	486.23	23.3%
S&P Real Estate Sector	273.09	280.46	-2.6%	280.46	-2.6%	251.58	8.5%	209.82	30.2%
S&P Communications Sector	318.99	314.60	1.4%	314.60	1.4%	245.00	29.7%	224.89	41.8%
S&P Utilities Sector	413.01	410.28	0.7%	410.28	0.7%	321.92	26.3%	286.59	44.1%
S&P 500 Total Return	12588.91	12608.07	-0.2%	12608.07	-0.2%	10327.83	21.9%	9184.81	37.0%
3 month Treasury Bill Price	98.85	98.85	0.0%	98.85	0.0%	98.65	0.2%	98.63	0.2%
3 month Treasury Bill Total Return	254.13	253.94	0.1%	253.94	0.1%	243.98	4.2%	240.82	5.5%
10 Year Treasury Bond Future	112.84	114.28	-1.3%	114.28	-1.3%	112.89	0.0%	107.31	5.2%
10 Year Treasury Note Total Return	302.23	305.92	-1.2%	305.92	-1.2%	294.42	2.8%	277.64	9.1%
iShares 20+ Year Treasury Bond ETF	95.55	98.10	-2.6%	98.10	-2.6%	98.88	-3.4%	85.83	11.3%
S&P Municipal Bond Total Return	281.59	280.82	0.3%	280.82	0.3%	272.94	3.2%	253.54	11.1%
iShares S&P National Municipal Bond NAV	108.11	108.52	0.4%	108.52	-0.4%	108.42	-0.3%	101.70	6.3%
S&P 500 Investment Grade Corporate Bond Total Return	475.02	478.79	-0.8%	478.79	-0.8%	455.80	4.2%	417.14	13.9%
S&P Investment Grade Corporate Bond	92.84	93.58	-0.8%	93.58	-0.8%	91.75	1.2%	85.35	8.8%
S&P Investment Grade Corporate Bond Total Return	504.58	508.34	-0.7%	508.34	-0.7%	482.66	4.5%	444.37	13.5%
SPDR Bloomberg High Yield Bond ETF	95.95	97.79	-0.9%	97.79	-0.9%	94.73	2.3%	88.88	9.1%
iShares iBoxx High Yield Corporate Bond ETF	79.60	80.30	-0.9%	80.30	-0.9%	77.39	2.9%	72.59	9.7%
Gold	2653.60	2634.58	0.7%	2634.58	0.7%	2052.98	28.6%	1820.30	45.8%
Bitcoin	62420.23	63785.89	-2.1%	63785.89	-2.1%	41935.34	48.8%	27479.80	127.2%

Source: Bloomberg, Sanctuary Wealth, October 4, 2024

Everybody's Talkin' At Me

This week is all about Fed speak and the latest inflation data.

The Fed is out in full force this week – and we'll be hearing every word they're sayin' – because we'll be listening for how they think the recent jobs data will impact decisions about the size of the next interest rate cut. Meanwhile, the latest inflation data will be released this week, and all eyes will be on the Core Consumer Price Index (CPI) and Core Producer Price Index (PPI), looking for evidence that the Fed will still have room to cut interest rates into November and December.



Calendar

Mon.

1:00 pm Fed Governor Michelle Bowman speaks
3:00 pm Consumer credit
6:30 pm St. Louis Fed President Alberto Musalem speaks
Earnings: The Duckhorn Portfolio*

Tue.

3:00 am Fed Governor Adriana Kugler speaks in Europe
6:00 am NFIB optimism index
8:30 am U.S. trade deficit
12:45 pm Atlanta Fed President Raphael Bostic speaks
7:30 pm Federal Reserve Vice Chair Philip Jefferson speaks
Earnings: PepsiCo, Accolade

Wed.

8:00 am Atlanta Fed President Raphael Bostic gives welcoming remarks
9:15 am Dallas Fed President Lorie Logan speaks
10:00 am Wholesale inventories
10:30 am Chicago Fed President Austan Goolsbee gives opening remarks
12:30 pm Federal Reserve Vice Chair Philip Jefferson speaks
2:00 pm Minutes of Fed's September FOMC meeting
6:00 pm San Francisco Fed President Mary Daly speaks
Earnings: Helen of Troy, AZZ

Thu.

8:30 am Initial jobless claims, Consumer Price Index, Core CPI
9:15 am Federal Reserve Governor Lisa Cook speaks
10:30 am Richmond Fed President Tom Barkin speaks
11:00 am New York Fed President John Williams speaks
Earnings: Delta Air Lines, Domino's Pizza

Fri.

8:30 am Producer price index, Core PPI
9:45 am Chicago Fed President Austan Goolsbee gives opening remarks
10:00 am Consumer sentiment (prelim)
10:45 am Dallas Fed President Lorie Logan speaks
1:10 pm Federal Reserve Governor Michelle Bowman speaks

Source: MarketWatch/Kiplinger/CNBC

*Earnings reflect highlights

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15377 Memorial Dr Suite 340,
Houston, TX 77079