# AMJ Financial Wealth Management
# Weekly Market Commentary
# July 24, 2023

## The Markets

Better than expected.

In January of this year, the *Bloomberg's* MLIV Pulse survey collected and shared investors' expectations for stock markets. Survey participants were generally a gloomy group. Seventy percent believed the United States stock market would move lower in 2023, and most indicated the drop would happen in the latter half of the year, according to Jess Menton and Liz Capo McCormick of *Bloomberg*. The pair reported:

"Stock bulls are solidly in the minority, with only 18% of survey participants saying they expect to increase their exposure to the S&P 500 in the next month. Over half say they will keep their exposure the same, while some 27% anticipate decreasing it."

Recently, analysts have revised their estimates.

So far this year, the Standard & Poor's 500 Index has rocketed past many analysts' year-end estimates for the Standard & Poor's (S&P) 500 Index, reported John Authers and Isabelle Lee of *Bloomberg*. It is so far ahead of projections that even analysts who remain bearish – and think the S&P 500 will drop before year end – recently adjusted their expectations, moving year-end targets for the index higher.

"New information has emerged over the last six months, and events have moved the market. They might well justify a higher year-end index value than seemed likely Jan. 1…To borrow the famous quote from Keynes, if the facts change then you should be prepared to change your opinion…But now the… market takes a role. Markets can create their own reality. As the index rises, and influential investment houses raise their targets for it, so that adds to the momentum upwards in the share price," wrote Authers and Lee.

As analysts revise performance forecasts, economists are rethinking the likelihood of recession. With inflation falling and the economy showing continued strength, a July survey found that economists raised their estimates for economic growth in the U.S. during second and third quarters of this year. In addition, they see a lower chance of recession, 60 percent, over the next 12 months, according to Rich Miller, Molly Smith and Kyungjin Yoo of *Bloomberg*.

Last week, The Dow Jones Industrial Average and S&P 500 Index finished higher, according to *Barron's*. The Nasdaq Composite lost ground after some technology companies reported disappointing earnings, reported Cecile Gutscher and Isabelle Lee of *Bloomberg*. Yields on many maturities of U.S. Treasuries finished the week flat or slightly higher.

| Data as of 7/21/23 | 1-Week | YTD | 1-Year | 3-Year | 5-Year | 10-Year |
|---|---|---|---|---|---|---|
| Standard & Poor's 500 Index | 0.7% | 18.2% | 13.4% | 11.7% | 10.1% | 10.3% |
| Dow Jones Global ex-U.S. Index | -0.6 | 10.0 | 10.8 | 3.2 | 1.3 | 2.2 |
| 10-year Treasury Note (yield only) | 3.8 | N/A | 2.9 | 0.6 | 3.0 | 2.5 |
| Gold (per ounce) | -4.8 | 2.7 | 9.1 | 0.3 | 8.7 | 3.4 |
| Bloomberg Commodity Index | 1.5 | -5.9 | -8.3 | 16.4 | 4.9 | -2.0 |

S&P 500, Dow Jones Global ex-US, Gold, Bloomberg Commodity Index returns exclude reinvested dividends (gold does not pay a dividend) and the three-, five-, and 10-year returns are annualized; and the 10-year Treasury Note is simply the yield at the close of the day on each of the historical time periods.
Sources: Yahoo! Finance; MarketWatch; djindexes.com; U.S. Treasury; London Bullion Market Association.
Past performance is no guarantee of future results. Indices are unmanaged and cannot be invested into directly. N/A means not applicable.

**WHAT'S YOUR FAVORITE PODCAST?** Since the early 2000s, podcasts – audio shows – have been growing in popularity. Today, there are about 5 million podcasts and 70 million podcast episodes, reported Daniel Ruby of Demand Sage.

Podcasts can be about almost anything. Some capture audiences by poking fun at terrible movies, inspiring with heart-warming (or heart-breaking) stories, and terrifying with tales of true crime or the paranormal. Others offer practical advice and how-to's about things like dental practice management, sleeping more soundly, and parenting children of all ages.

In 2022, Pew Research reported the top-ranked podcasts focused on:

- True crime (24 percent)
- Diverse topics (20 percent)
- Politics and government (10 percent)
- Entertainment, pop culture and arts (9 percent)
- Self-help and relationships (8 percent)
- Sports (6 percent)
- History (4 percent)
- Money and finance (2 percent)

The shows can be influential. "Six-in-ten podcast listeners say they have watched a movie, read a book or listened to music because of a podcast they listened to...About a third of podcast listeners (36%) say they've tried out a change to their lifestyle because of a podcast, such as a workout routine, a diet or journaling. And 28% have bought something promoted or discussed on a podcast," reported the research team at Pew.

If you have questions about money and finance, please get in touch. It's a subject we know well!

**Weekly Focus – Think About It**
"There are years that ask questions and years that answer."

*—Zora Neale Hurston, author*

Best regards,

Angela M. Bender

P.S.  Please feel free to forward this commentary to family, friends or colleagues. If you would like us to add them to the list, please reply to this email with their email address and we will ask for their permission to be added.

Sources:
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