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| **RESOURCE LOG – NOVEMBER 2022** | | | | |
| **Article Title** | **Detail** | **Publication** | **Date** | **Author** |
| Blue Chips Rose 14% In Month, Top Gain Since 1976 | The Dow Jones Industrial Average rose 14% in October, its best month since 1976, while the S&P 500 and tech-focused Nasdaq composite both notched single-digit monthly gains.  The Fed’s rapid interest-rate increases have battered markets for much of the year…  October’s stock rally came despite falling government-bond prices and rising yields, which for much of the year had slammed stocks. Monday’s gain sealed the 10-year Treasury yield’s climb to 4.074% from 3.802% at the end of September. Yields and bond prices move inversely.  On Monday, the S&P declined 29.08 points, or 0.7%, to 3871.98 and the tech-focused Nasdaq Composite shed 114.31, or 1%, to 10988.15. The Dow dropped 128.85, or 0.4%, ,to 32732.95. | The Wall Street Journal | 11/01/2022 | Matt Grossman and Caitlin Ostroff |
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| Private Real-Estate Funds Rise Even as Listed Rivals tumble | It has been a terrible year for many publicly traded real-estate investments as rising interest rates and falling property prices hit the market. The MSCI US REIT Index, which tracks publicly traded REITs, is down about 26% this year.  But it has been a strong year for a type of investment especially popular with individuals: nontraded real-estate investment trusts. Some of these funds have returned about 10%.  “With nontraded REITs increasing their valuations while markets are punishing public REIT, I’d run for the hills,” said Allan Roth, founder of Wealth Logic LLC, a financial planning firm based in Colorado Springs, Colo.  Nontraded REIT’s are like public REIT in that they buy commercial property such as warehouses, apartments and office buildings. The difference is that public REITs raise money by selling shares on the stock market, while nontraded REITs raise money directly, mostly from individuals through financial advisers. These individual investors can cash out only periodically through the funds’ sponsors.  The valuations differ because public REITs are valued at whatever their shares are trading for on the stock market. Nontraded REITs are valued monthly by their sponsors working with independent appraisers analyzing how much the commercial property they own is worth.  Nontraded REITs are part of a booming market for private investments that attracted individuals and institutions eager for higher yields, hot start-ups and funds that appeared to be less volatile than public markets.  Sponsors of nontraded REITs argue that their net asset values continue to rise because they are still seeing strong cash flows. | The Wall Street Journal | 11/01/2022 | Gregory Zuckerman and Peter Grant |
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| Eurozone Inflation Tops 10% To Reach Record  *Price increases surpass U.S. pace, testing ECB plan to slow rate rises and stoking labor strife* | By mid-September, Russia had cut its supplies by 80% of their year-earlier total.  Europe has had to look elsewhere for gas supplies and paid much higher prices. | The Wall Street Journal | 11/01/2022 | Paul Hannon |
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| Traders Expect Higher Rates To Linger | Traders are betting higher interest rates will drag into the next decade with the Federal Reserve poised on Wednesday to approve its fourth consecutive 0.75 percentage point increase.  …derivatives markets show the federal-funds rate sitting at around 3.5% for the long run. That is a full percentage point higher than the central bank’s latest forecast.  Those wagers have crept higher throughout most of the year and are now nearing levels not seen since the 2013 bond-market rout known as the “Taper Tantrum.”  A long period of higher rates could upend markets, which have been rebounding in recent weeks, partly because of hopes the Fed will pursue a less-aggressive course. Once-highflying technology stocks suffered this year after reaping the benefits of near-zero borrowing costs. | The Wall Street Journal | 11/02/2022 | Eric Wallerstein |
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| What’s News | ♦ The Fed lifted interest rates by another 0.75 percentage point to combat inflation and signaled plans to keep raising them, possibly in smaller increments but to higher levels than previously anticipated. | The Wall Street Journal | 11/03/2022 |  |
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| What’s News | ♦ U.S. stocks ended sharply lower in the wake of the central bank’s meeting, with the S&P 500, Nasdaq and Dow losing 2.5%, 3.4% and 1.5%, respectively. | The Wall Street Journal | 11/03/2022 |  |
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| Fed Lifts Rates, Signals ‘Ways to Go’  *Stocks fall as Powell says tightening will continue after latest 0.75-point increase* | The Federal Reserve lifted interest rates by another 0.75 percentage point to combat inflation and signaled plans to keep raising them, possibly in smaller increments but to higher levels than previously anticipated.  “It is very premature to be thinking about pausing,” Mr. Powell said. “We think we have a ways to go.” | The Wall Street Journal | 11/03/2022 | Nick Timiraos |
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| Blue Chips Lose Over 500 Points  *Stocks sink after Powell says Fed has ‘ways to go’ in raising interest rates* | Investors’ euphoria didn’t last long. Stocks reversed course during chairman Jerome Powell’s press conference when he said that the central bank has “a ways to go” in tightening policy enough to bring inflation down to its 2% target and for that reason, it was premature to talk about pausing rate increases.  The Dow Jones Industrial Average dropped 505.44 points, or 1.55, to 32147.76, giving up a gain of more than 400 points earlier in the afternoon. The S&P 500 fell 96.41 points, or 2.5%, to 3759.69, and the Nasdaq Composite lost 366.05 points, or 3.4%, to 10524.80. | The Wall Street Journal | 11/03/2022 | Caitlin McCabe and Paul Vigna |
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| What’s News | ♦ The Bank of England raised its key interest rate by 0.75 percentage point, the largest increase since 1989, in an effort to tame surging inflation. | The Wall Street Journal | 11/04/2022 |  |
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| Stocks Drop as Market Absorbs Red’s Rate Outlook | The S&P 500 declined 39.80 points, or 1.1%, to 3719.89. The Dow Jones Industrial Average fell 146.51 points, or 0.5%, to 32001.25. the tech-heavy Nasdaq Composite fell 181.86 points, or 1.7%, to 10342.94.  The yield on the two-year Treasury note, which is particularly sensitive to expectations for monetary policy, rose to its highest level since 2007.  Fed Chairman Jerome Powell said Wednesday that the central bank had “a ways to go” before it could consider pausing rate increases.  “the market is starting to come to terms with the fact that Powell said no dessert,” said Daniela Mardarovici, co-head U.S. multisector fixed income at Macquarie Asset Management.  Ms. Mardarovici said she is buying longer-duration, higher-quality securities because of the attractive yields.  Normally, good news about the labor market translates into good news for stocks. But recently, investors have viewed such developments as signs that the Fed will be confident that the economy can handle more rate increases. | The Wall Street Journal | 11/04/2022 | Joe Wallace and Hardika Singh |
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| Yields on Treasurys Jump as Fed Takes Hard Line | Rising rates have hit investors, sending the S&P 500 down 22% this year and sparking a rout in bonds. The resulting surge in yields, which rise when bond prices fall, has sent shock waves through markets, lifting borrowing costs on everything from mortgages to corporate loans. The blow has fallen particularly hard on Wall Street’s more speculative bets, including shares of highflying technology companies.  The benchmark 10-year Treasury yield finished at 4.123%... | The Wall Street Journal | 11/04/2022 | Matt Grossman |
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| Robust Hiring Shows Signs Of Cooling Off | The U.S. labor market remains strong but is showing more signs of cooling following the Federal Reserve’s aggressive interest-rate increases aimed at combating high inflation.  Employers added a seasonally adjusted 261,000 jobs in October, a robust number but the fewest since December 2020, and the unemployment rate rose to 3.7%, the Labor Department said Friday. | The Wall Street Journal | 11/05-06/2022 | David Harrison |
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| What’s News | ♦U.S. stocks rose Friday but finished the week with losses. The S&P 500, Nasdaq and Dow lost 3.3%, 5.6% and 1.4%, respectively, for the week. | The Wall Street Journal | 11/05-06/2022 |  |
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| Inflation Looms As Risk, Fed Says | Elevated and persistent inflation is among the greatest near-term risks to the U.S. economy and financial system, the Federal Reserve said, while also warning about rising friction in trading of U.S. government debt.  The risk is that rate increases can cause disruptions in lending, which swelled when rates were low.  U.S. policy makers have identified the market for U.S. government debt as a source of concern… | The Wall Street Journal | 11/05-06/2022 | Andrew Ackerman |
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| Stocks Gain, End Week Lower | U.S. stocks rose Friday but finished the week with losses after the monthly jobs report did little to shift expectations for continued interest-rate increases from the Federal Reserve.  The Dow Jones Industrial Average lost 1.4% for the week, snapping a four-week winning streak, while the S&P 500 fell 3.3%. The tech-heavy Nasdaq Composite Index declined 5.6% in its worst week since January.  The S&P 500 gained 50.66 points, or 1.4%, on Friday to 3770.55. The Dow industrials added 401.97 points, or 1.3%, to 32403.22. The Nasdaq Composite advanced 132.31 points, or 1.3%, to 10475.25.  The yield on the benchmark 10-year U.S. Treasury note rose to 4.157% Friday from 4.123% on Thursday. Yields rise as bond prices fall.  Oil prices rose, with global crude benchmark Brent adding 4.1% to trade at $98.57 a barrel. Traders are betting that energy demand would rise if China loosens Covid-19 rules. | The Wall Street Journal | 11/05-06/2022 | Karen Langley and Anna Hirtenstein  *Matt Grossman contributed to this article.* |
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| Healthcare Sector Offers Investors Refuge | The S&P 500’s healthcare sector index is down 7.3% in 2022, on pace for its worst year since 2008. Yet it is still outperforming the broader market by 14 percentage points, the widest gap since 2000, according to Dow Jones Market Data. The energy, utilities and consumer staples sectors have fared better. | The Wall Street Journal | 11/05-06/2022 | Charley Grant |
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| Financing Dries Up on Wall Street  *Mergers, stock and bond offerings slowed in October to lowest level in over a decade* | Autumn is usually one of the busiest times of the year in finance, but new stock sales, debt raises and corporate mergers all slowed to a trickle in recent weeks. The supply of cash that fuels such deals is evaporating and the slowdown likely is here to stay, bankers, investors and corporate lawyers say.  Borrowing costs could remain elevated for years if high inflation persists, splitting American corporations into two camps: those that can cut debt and survive on their own earnings, and those that can’t. | The Wall Street Journal | 11/07/2022 | Matt Wirz |
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| Frackers Say Oil Output Slows In Shale Patch | Despite an extended streak of strong profits, shale companies are slowing their oil-field activity, keeping U.S. oil production roughly flat and offering little relief for tight global markets.  What was expected to be a banner year for U.S. oil production has failed to materialize as creeping inflation-related costs, supply-chain snarls and disappointing well performance for some companies have coalesced to limit domestic output, executives and analysts said. | The Wall Street Journal | 11/07/2022 | Benoit Morenne and Collin Eaton |
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| What’s News | ♦ China’s exports shrank unexpectedly in October, a sign global trade is in sharp retreat as consumers and businesses cut spending. | The Wall Street Journal | 11/08/2022 |  |
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| Stocks Climb Before Vote, New Report on Inflation | Stocks rose ahead of a crowded week of corporate earnings, inflation data and midterm elections that could see a shift to Republican control of one or both chambers of Congress.  The Dow Jones Industrial Average gained 423.78 points, or 1.3%, to 32827. The S&P 500 advanced 36.25 points, or 1%, to 3806.80, while the technology-heavy Nasdaq Composite rose 89.27 points, or 0.9%, to 10564.52.  Stocks finished last week with losses, with the S&P posting a weekly decline of more than 3% for the 10th time this year.  This week, traders are focused on Tuesday’s midterm elections and Thursday’s inflation data for October. The closely watched report is expected to show consumer prices increasing at an annual rate of 7.9%, down from 8.2% the month before.  Investors say they are watching for the possibility that Tuesday’s election results could boost the stock market, especially if Republicans take the majority in the House of Representatives…  That would lead to a divided U.S. government, which some investors like because it reduces policy uncertainty.  Futures on benchmark Brent crude oil fell 0.7% to settle at $97.92 a barrel. | The Wall Street Journal | 11/08/2022 | Caitlin McCabe and Alexander Osipovich |
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| Stocks Rise With Elections Main Focus  *Market attention is expected to quickly shift to Thursday’s report on inflation* | Stocks rallied in the morning before the S&P 500 and the Nasdaq Composite briefly fell into the red in afternoon trading. They rallied again before market close, though they parred their earlier gains. The S&P rose 21.31 points, or 0.6%, to 3828.11. the Nasdaq composite added 51.68 points, or 0.5%, to 10616.20.  The Dow Jones Industrial Average rose 333.83 points, or 1%, to 33160.83.  Investors’ optimism had built ahead of the midterms, which could see a shift in the control of Congress and offer signals about the next presidential race. | The Wall Street Journal | 11/09/2022 | Will Horner |
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| What’s News | ♦ U.S. stocks sold off, snapping a three-day winning streak, with the S&P 500, Nasdaq and Dow losing 2.1%, 2.5% and 2%, respectively. | The Wall Street Journal | 11/10/2022 |  |
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| What’s News | ♦ U.S. stocks surged, with the S&P 500, Nasdaq and Dow gaining 5.5%, 7.4% and 3.7%, respectively. U.S. government bond yields marked their steepest one-day declines in over a decade. | The Wall Street Journal | 11/11/2022 |  |
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| Stocks Surge as Inflation Cools | The Labor Department said Thursday that its consumer-price index increased 7.7% in October from the same month a year ago, down from 8.2% in September and June’s 9.1% rate, which was the highest in four decades.  The so-called core CPI – which excludes volatile energy and food prices – climbed 6.3% in October from a year earlier, down from 6.6% in September, which was the biggest increase since August 1982.  Stock prices surged and bond yields dropper sharply Thursday as traders welcomed signs of ebbing price pressures. Investors are hoping that easing inflation means the Fed might not have to raise interest rates as high as previously feared. | The Wall Street Journal | 11/11/2022 | Gwynn Guilford and Nick Timiraos |
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|  | **DJIA** 33715.37 ▲1201.43 3.7%  **NASDAQ** 11114.15 ▲ 7.4%  **STOXX 600** 431.89 ▲ 2.7%  **10-Yr. TREAS**. (new issue) yield 3.828%  **OI**L $86.47 ▲ $0.64  **GOLD** $1,750.30 ▲ $40.20 | The Wall Street Journal | 11/11/2022 |  |
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| Treasurys Post Best Day Since 2008-2009 | U.S. government bond yields marked their steepest one-day declines in more than a decade Thursday after fresh data showed inflation fell more in October than Wall Street expected.  The data fueled new optimism that the waning inflation could put the Federal Reserve on a gentler path of interest-rate increases into 2023. The Fed’s fastest rate increases in decades have spurred a selloff for Treasurys this year because higher short-term rates lift the bar for the yields investors demand when buying safe government bonds.  The yield on the two-year Treasury note, which tends to swing with expectations for Fed policy, dropped to 4.324%, from 4.628% on Wednesday…  The benchmark 10-year yield fell to 3.828% from 4.149%, its biggest one-day drop since 2009. | The Wall Street Journal | 11/11/2022 | Matt Grossman |
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| China’s Wealthy See Huge Losses | China’s richest people saw the biggest drop in their collective wealth in decades over the past year, as the country’s stock markets plunged and the economy slowed, in large part because of Beijing’s zero-tolerance policy toward Covid-19,  A combination of factors contributed to the drop in fortunes among China’s business elite, the reports said. They included a painful slowdown in the country’s economy that was driven partly by its zero-Covid policies, as well as swooning mainland and Hong Kong stock markets, a down-turn in the housing market and a government-led crackdown on the country’s once-booming tech sector. | The Wall Street Journal | 11/11/2022 | Dan Strumpf |
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| Central Banks Add to Gold Holdings as Price Declines | Global central banks bought nearly 400 metric tons of gold in the third quarter as prices swooned, almost doubling the previous record, but it is unclear where most of the buying cam from.  Gold prices this year have faced major headwinds as rising interest rates have attracted investment away from the precious metal despite its traditional role as a haven during times of geopolitical turmoil and high inflation. Nymex gold futures are down 3.5% year to date. | The Wall Street Journal | 11/11/2022 | Yusuf Khan |
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| Stocks End Week With Big Gains | Stocks and bonds capped a volatile week with the biggest gains in months, boosted by hopes that inflation in the U.S. is colling.  The benchmark S&P 500 added 36.56 points, or 00.9%, to 3992.93 Friday, a day after softer inflation data sent the benchmark index to its biggest one-day rise since April 2020. The Dow Jones Industrial Average added 32.49 points, or 0.1%, to 33747.86. the tech-heavy Nasdaq Composite added 209.18 points, or 1.9%, to 11323.33, capping its biggest two-day gain since November 2008.  The S&P 500 and Nasdaq added 5.9% and 8.1% for the week, their best performance since June and March, respectively. The Dow added 4.1% for the week.  U.S. bond markets were closed for Veterans Day. On Thursday, yields on two- and 10-year Treasury notes recorded their biggest one-day plunge in over a decade. The 10-year yield fell to 3.828% on Thursday, its largest one-week yield decline since 2020.  The dollar, which on Thursday endured its biggest slide since the 2008-09 financial crisis, extended its decline.  On Friday, health authorities said Beijing was shortening the time that travelers must stay in quarantine and curtailing mass testing, among other steps. That sent prices for Brent crude oil up 2.5% to $95.99 a barrel.  Bitcoin prices fell this week as the crypto crisis worsened. | The Wall Street Journal | 11/12-13/2022 | Gunjan Banerji and Joe Wallace |
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| Earnings Crunch Is Putting Markets at Risk | Investors are rightly focused on inflation, where last week finally brought the good news of slower-than-expected price rises and an excessively large jump in stock and bond prices as a result. The trouble is that even as markets delight in the prospect of smaller rate increases from the Federal Reserve, earnings are becoming more of a threat.  Wall Street analysts have been slashing profit forecasts at a pace rarely seen outside recessions – and still seem optimistic.  The 12-month prediction for S&P 500 earnings per share is down more than 3% since June, with next year’s forecast down 8%. The only significantly bigger drop outside a recession was in 2015… | The Wall Street Journal | 11/14/2022 | James Mackintosh |
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| Some buyers Stay on Tech Sidelines  *Even after recent rally, the sector’s stocks still look expensive, skeptical investors say* | Many investors are hoping that if and when the Fed begins to pull back on its rate increases, the tech group will lead the market’s charge once again.  A number of investors say they question how long the comeback can last. In previous years, like after the dot-com bubble burst in March 2000, selloffs took many painful months to play out, and the downturn was marked by big swings up and down.  Although stock valuations have dropped, many technology companies still don’t necessarily look cheap, said David Eiswert, a portfolio manager at T.Rowe Price… | The Wall Street Journal | 11/14/2022 | Gunjan Banerji and Akane Otani |
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| What’s News | ♦ The Fed’s Waller said the central bank needs to keep raising interest rates to get inflation under control, even after last week’s report revealed that it slowed in October. | The Wall Street Journal | 11/14/2022 |  |
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| What’s News | ♦ U.S. voters said yes to tens of billions of dollars for road-paving, school-building and other local projects last Tuesday, promising a new wave of bonds for eager investors. | The Wall Street Journal | 11/14/2022 |  |
| Xi Faces Biden, Other Critics In Return to the World Stage | Mr. Xi’s talks with Mr. Biden on Monday, their first in person meeting as state leaders, is being promoted on both sides as a chance to stabilize a U.S.-China relationship that has deteriorated to its lowest point since the 1970s. | The Wall Street Journal | 11/14/2022 | James T. Areddy |
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| A Classic Strategy for Investors Falls Apart  *Savings mix of 60% stocks and 40% bonds hasn’t helped offset losses this year* | For decades, Americans planning for retirement have been advised to invest in a mixture of stocks and bonds.  The idea was simple. When stocks did well, their portfolios did, too. And when stocks had a bad year, bonds usually did better, which helped offset those losses.  Despite a powerful rally last week after cooler-than-expected inflation data, the S&P 500 is down in 2022 about 15%, including dividends, while bonds are in their first bear market in decades. A portfolio with 60% of its money invested in U.S. stocks and 40% invested in the 10-year U.S. Treasury note has lost 15% this year. That puts the 60-40 investment mix on track for its worst year since 1937… | The Wall Street Journal | 11/14/2022 | Akane Otani and Karen Langley |
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|  | **DJIA** 33536.70 ▼ 211.16 .06%  **NASDAQ** 11196.22 ▼ 1.1%  **10-YR. TREAS**. ▼ 10/32, yield 3.865%  **OIL** $85.87 ▼ $3.09  **GOLD** $1,773.60 ▲ $7.60 |  |  |  |
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| OPEC Sees Cloudy Outlook on Oil Market | In its closely followed monthly market report, the Organization of the Petroleum Exporting Countries modestly revised lower its forecast for global oil demand while making small tweaks to its supply forecasts and holding off from making changes to its global economic growth forecasts.  The oil producers group cited a raft of “considerable uncertainties” clouding the picture for global oil supplies… | The Wall Street Journal | 11/15/2022 | Will Horner |
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| Stocks Jump on Promising Inflation Data | Stocks rallied after slowing increases in supplier prices offered more evidence that inflationary pressures could be easing.  The S&P 500 rose 34.48 points, or 0.9%, to 3991.73. The Dow Jones Industrial Average added 56.22 points, or 0.2%, to 33592.92.The Nasdaq Composite jumped 162.19 points, or 1.4%, to 11358.41 as tech stocks extended their recent run.  Last week, the S&P 500 notched its largest two-day percentage gain since 2020 after consumer-price data showed that inflation eased in October to its slowest pace since January. | The Wall Street Journal | 11/16/2022 | Caitlin McCabe and Karen Langley |
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| U.K. Inflation Hits 11.1%, a 41-Year High | The U.K.’s annual rate of inflation rose to a 41-year high in October on surging energy prices, underscoring the stubbornness of inflation even with a new government price cap on energy and a looming recession.  Consumer prices were 11.1% higher than a year earlier, a faster rate of inflation than the 10.1% recorded in September and the highest since October 1981, the Office for National Statistics said on Wednesday.  European governments are providing costly support to households to prevent wide-spread hardship as higher energy bills make paying for food and shelter more challenging, and to maintain popular approval of their support for Ukraine through sanction’s on Russia.  More broadly, the surge in energy prices has left U.K. households with less to spend on other goods and services and contributed to a slight economic contraction in the three months through September. | The Wall Street Journal | 11/17/2022 | Paul Hannon |
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| Retail Sales Climb 1.3% In Clear sign of Strength | U.S retail sales rose sharply in October, a sign of economic strength that leaves the Federal Reserve likely to keep raising interest rates as it tries to reduce persistently high inflation. | The Wall Street Journal | 11/17/2022 | Austin Hufford |
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| Companies Boost Capital Spending Amid High Rates, Recession threat | Capital spending among companies in the S&P 500 in the third quarter is set to top $200 billion, according to S&P Dow Jones Indices, which analyzed data through Monday from roughly 90% of index components., That is on pace for a jump of about 20% from a year earlier, roughly in line with the first sand second quarter’s growth rates.  Spending on categories like real estate, equipment and technology is usually welcomed by investors… | The Wall Street Journal | 11/18/2022 | Hannah Miao |
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| What’s News | ♦ U.S. existing-home sales fell for a ninth straight month in October as the highest mortgage rates in more than a decade pushed buyers out of the market. | The Wall Street Journal | 11/19-20/2022 |  |
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| Stocks Edge Higher to End a Choppy Week | The S&P 500 gained 18.78 points, or 0.5%, to 3965.34, while the Nasdaq Composite edged up 1.10 points, or less than 0.1%, or 11146.06. The Dow Jones Industrial Average ticked up 199.37 points, or 0.6%, to 33745.69. All three indexes are down two of the past three weeks.  A slowdown in inflation sent stocks ripping higher last week, and the dollar and bond yields into retreat.  Central-bank officials including St. Louis Fed President James Bullard made the case this week to keep raising rates to curb decades-high inflation.  The yield on the 10-year Treasury note rose to 3.817% from 3.774% Thursday. | The Wall Street Journal | 11/19-20/2022 | Hardika Singh and Joe Wallace |
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| As Savings Shrink, Spending at Risk | Economists estimate that headed into the third quarter of this year, households still had about $1.2 trillion to $1.8 trillion in “excess savings” – the amount above what they would have saved had there been no pandemic.  That buffer, combines with a strong labor market and rising wages, has helped consumers continue spending in recent months, even with inflation and mortgage rates at multidecade highs. U.S. retail sales posted their strongest gain in eight months in October.  Reduced saving rates can be a sign of financial stress, said Ian Shepherdson, chief economist of Pantheon Macroeconomist.  With the labor market still strong, economists don’t expect consumers to dramatically rein in their outlays until they see unemployment rising and become concerned about losing their jobs. | The Wall Street Journal | 11/21/2022 | Harriet Torry |
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| U.S. Draws Closer to Europe As Trade Steps Up | The global economic map is rapidly transforming, with trade and investment between the U.S. and Europe booming as Russia’s war in Ukraine and fraying ties between the West and China draw the trans-Atlantic allies closer.  The U.S. has imported more goods from Europe than from China this year, a big shift from the 2010s when China emerged as the U.S.’s dominant trade partner.  Germans’ exports to the U.S. surged by almost 50% year-over-year in September. The weak euro is giving European companies an extra edge in the vast U.S. market.  The U.S., meanwhile, is turning into one of Europe’s biggest energy and military suppliers, replacing Russia as a natural-gas purveyor and helping Europeans to beef up their defenses. | The Wall Street Journal | 11/21/2022 | Tom Fairless |
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| U.S. Crude Oil Falls Below $80 a Barrel | A darkening economic outlook dragged U.S. oil prices on Monday to their first close below $80 since September.  At the same time, investors expect ongoing interest-rate increases from the Federal Reserve – potentially sending the U.S. into a recession – despite data suggesting that inflation is beginning to weaken from 40-year highs.  The U.S. benchmark is down 14% since Nov. 4.  The S&P 500 energy sector has added about 63% this year, even as the broader index has lost 17%.  The recent decline in oil prices has stalled some of those gains, with the sector losing 1.4% Monday… | The Wall Street Journal | 11/22/2022 | David Uberti |
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| OPEC+ Weighs Pumping More Oil | OPEC oil producers are discussing an output increase, the group’s delegates said, a move that could help heal a rift between Saudi Arabia and the Biden administration and keep energy flowing amid new attempts to blunt Russia’s oil industry over the Ukraine war.  A production increase of up to 500,000 barrels a day is under discussion for OPEC+’s Dec. 4 meeting, delegates said. | The Wall Street Journal | 11/22/2022 | Summer Said and Benoit Faucon |
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| Investors Pour Into U.S. stocks | Investors have poured more than $86 billion into U.S. equity mutual and exchange-traded funds in 2022, according to Morningstar Direct data through the end of October. That is on track to mark the second-highest sum since 2013, following last year’s inflows of $156 billion.  Many investors credit the robust U.S. labor market and resilient consumer spending for helping American stocks retain their luster amid a darkening global economy. Skittish investors heading for the safety of the dollar have further boosted their allure.  The S&P 500 has dropped 17% in 2022, trailing other major indexes on a local-currency basis. The Stoxx Europe 600 is off 11%, Japan’s Nikkei 225 is down 2.9% and the U.K.’s FTSE 100 has lost a tenth of a percentage points.  On a dollar basis, that picture changes. Funds geared toward international stocks without hedging their currency risk have been battered by the dollar’s surge. The MSCI Japan ETF has fallen 20%, while a similar exchange-traded fund tied to U.K. stocks has fallen 9.1%. | The Wall Street Journal | 11/22/2022 | Eric Wallerstein |
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| What’s News | ♦ Widespread lockdowns imposed across China as authorities there struggle to contain the country’s largest Covid-19 outbreak threaten to again create uncertainty in global supply chains and dim the prospects for world economic growth. | The Wall Street Journal | 11/25/2022 |  |
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| Officials Backed Slower Rate Hikes | Most Federal Reserve officials thought they should slow the pace of interest-rate increase after approving a 0.75-percentage-point rate rise at their meeting earlier this month to battle high inflation.  Officials approved the fourth consecutive supersize rate increase at their Nov. 1-2 meeting, bringing their benchmark rate to a range between 3.75% and 4%. | The Wall Street Journal | 11/25/2022 | Nick Timiraos |
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| EU Hits Snag on Deal for Russian Oil Cap | European Union talks on approving a price cap on Russian oil hit a snag amid differences among the 27 member states…  The price cap is the West’s attempt to squeeze Russia’s oil revenues as punishment for its invasion of Ukraine while keeping global oil supplies steady – and avoiding an increase in global energy prices.  All 27 EU member states must agree on the price. | The Wall Street Journal | 11/26-27/2022 | Laurence Norman |
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| What’s News | ♦ Some investors expect lackluster earnings to send stocks lower this week as the market awaits results from Salesforce, Dollar General and other companies. | The Wall Street Journal | 11/28/2022 |  |
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| Weak Earnings Expected to Pressure Stocks | Markets have had a good run in recent weeks, but some investors expect unimpressive earnings to send stocks lower again.  The S&P 500 is down 16% this year but up 13% from Oct. 12, its lowest close of 2022.  Investors say recent opt9imism in the markets could soon evaporate as corporate profits get squeezed further.  With results in from 97% of companies in the S&P 500, index constituents are on track to post roughly 2% year-over-year profit growth for the third quarter, according to FactSet. That would mark the slowest earnings growth since the third quarter of 2020, in the height of the pandemic. | The Wall Street Journal | 11/28/2022 | Hannah Miao |
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| Fed’s Williams Sees Tough 2023 Inflation Fight | A senior Federal Reserve official said he expects inflation pressures to recede over the next year but cautioned the central bank will continue to have its work cut out because prices may decelerate to levels still above the Fed’s 2% target.  New York Fed President John Williams also said the risks of a recession were elevated because the central bank has had to raise rates rapidly to combat high inflation.  Mr. Williams said if inflation declines as he anticipates next year, the central bank might need to lower rates in 2024 to hold inflation-adjusted interest rate constant. | The Wall Street Journal | 11/29/2022 | Nick Timiraos |
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| Stocks Fall on Chinese Protests, Fed Fears | Stocks pulled back Monday as widespread protests across China against the country’s zero-Covid policy sparked worries among investors about the outlook for global growth.  The S&P 500 fell 62.18 points, or 1.5%, to 3963.94. The Dow Jones Industrial Average lost 497.57 points, or 1.4%, at 33849.446. the Nasdaq Composite declined 176.86 points, or 1.6%, to 11049.50.  Market participants are wrestling with how to ascertain the consequences of the unrest in China on economies around the world, particularly in Europe and the U.S., which are already seeing signs of slowing growth. | The Wall Street Journal | 11/29/2022 | Caitlin McCabe and Hannah Miao |
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| S&P Slips With Focus on China, Powell | The S&P 500 slipped 6.31 points, or 0.2%, to 3957.63 and the Nasdaq composite lost 65.72 points, or 0.6%, to 10983.78. The Dow Jones Industrial Average added 3.07 points, or 0.01%, to 33852.53.  Mr. Powell is set to speak Wednesday…  …Jason Draho, head of asset allocation in the Americas for UBS Global Wealth Management. There is some concern, Mr. Draho said, that a hawkish tone from Mr. Powell on Wednesday could undo the gains that equities have made over the past two months. “There’s a little bit of fear,” he said.  The S&P 500 on Monday suffered its worst one-day decline in nearly three weeks. | The Wall Street Journal | 11/30/2022 | Anna Hirtenstein and Paul Vigna |
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| OOEC, Allies Lean Toward Keeping Production Flat | OPEC and other big oil producers are likely to decide to keep output levels flat at their meeting Sunday, the group’s delegates said, amid mounting concerns over returning Covid-related lockdowns in China and lingering uncertainty over Russia’s ability to pump.  The 13-member Organization of the Petroleum Exporting Countries and a separate group of producers led by Russia – known collectively as OPEC-are leaning toward approving the same production levels agreed to in October, when they greenlighted a 2 million barrels a day output cut, the delegates said. | The Wall Street Journal | 11/30/2022 | Summer Said and Benoit Faucon |
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| U.S. to Backstop $1 Million Mortgages | The maximum size of home-mortgage loans eligible for backing by Fannie Mae and Freddie Mac will rise to $1,089,300 next year in a few expensive markets from $970,800 this year, the Federal Housing Finance Agency said on Tuesday.  For most parts of the country, loan limits will rise to $726,200 from a 2022 maximum of $647,200, said FHFA…  The higher limits are also likely to renew a debate a bout how big of a mortgage is too big to be backed by the government.  Mortgages within the limits are called conforming loans, and they generally come with lower closing costs and can require a smaller down payment…  The median sales price of an existing single-family home was up 8.6% in the third quarter from a year earlier…  When loans qualify to be purchased by Fannie and Freddie, it allows them to be securitized in a market that appeals to a global pool of investors… | The Wall Street Journal | 11/30/2022 | Andrew Ackerman |
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| What’s News | ♦ Home prices fell in September from August, the first time prices have declined for three straight months in nearly four years. | The Wall Street Journal | 11/30/2022 |  |
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| Treasury Yield Curve Inverts To Deepest Level since 1981 | Yields on longer-term U.S. Treasurys have fallen further below those on short-term bonds than at any time in decades, a sign that investors think the Federal Reserve is close to winning its inflation battle regardless of the cost to economic activity.  A scenario in which short-term yields exceed long-term yields is know on Wall Street as an inverted yield curve and is often seen as a red flag that a recession is looming.  Last week, the yield on the 10-year U.S. Treasury note dropped to 0.78 percentage point below that of the two-year yield, the largest negative gap since late 1981, at the start of a recession that pushed the unemployment rate even higher than it would later reach in the 2008 financial crisis. | The Wall Street Journal | 11/30/2022 | Sam Goldfarb |

Russia’s $1.7 trillion economy is one-tenth the size of the European Union’s, and its $62 billion military budget is just 8% of America’s. *Project Syndicate, March 17, 2022*

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