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| **RESOURCE LOG – January 2024** | | | | |
| **Article Title** | **Detail** | **Publication** | **Date** | **Author** |
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| Shale Has World Awash in Oil as Conflicts Abound | A surprise surge in American oil-and-gas production and exports is helping to keep the world stocked, blunting the impact od widening conflict in the Middle East that has crimped key shipping lanes.  Many forecasters expected U.S. oil production to grow only modestly in 2023 as Frackers responded to investor pleas for conservative spending, allowing the companies to pay off debt and fund dividends and share buybacks.  It isn’t entirely clear how long shale companies can keep increasing production at the same fast clip. | The Wall Street Journal | 01/02/2024 | Collin Eaton |
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| What’s News | ♦ A surprise surge in U.S. oil and gas production and exports is helping to keep the world stocked, blunting the impact of widening conflict in the Middle East. | The Wall Street Journal | 01/02/2024 |  |
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| Investors Hope f or Return To Market Normalcy | U.S. stocks delivered outsize returns in 2023. This year, many investors are dreaming of something more normal.  Their wish list includes an economic backdrop of moderate inflation and middle-of-the-road interest-rate policies…  Few think the S&P 500 can match its 24% gain from 2023, which essentially erased its 2022 losses.  They also have high hopes for conventional portfolios made up of 60% stocks and 40% bonds, a time-honored Wall Street strategy for mitigating risk that has recently been battered by rising rates. | The Wall Street Journal | 01/03/2024 | Sam Goldfarb |
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| What’s News | ♦ The U.S. auto industry rebounded in 2023 with many car companies reporting double-digit sales gains, marking a return to normalcy for a sector that has been on a roller coaster since the start of the pandemic. | The Wall Street Journal | 01/04/2024 |  |
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| What’s News | ♦ Minutes of the Fed’s Dec. 12-13 meeting offered no timetable for interest-rate cuts, though they showed officials thought rate increases were at an end. | The Wall Street Journal | 01/04/2024 |  |
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| Tech’s AI Hangover Is Just Getting Started | One thing already seems certain about 2024: AI is going to need to start showing the money. Whether it can is a whole other question.  But the new year might be ushering in more-sober perspectives. Tech stocks fell sharply on Tuesday and lost further ground on Wednesday, with some of the biggest gainers of 2023 registering the steepest drops. That includes chip makers Nvidia, Intel and Advanced Micro Devices along with software rivals including Salesforce, Adobe and ServiceNow. The megacap tech companies known as the Magnificent Seven averaged a loss of nearly 3% over the past two days, equating to a loss of more than $319 billion in combined market value. | The Wall Street Journal | 01/04/2024 | Dan Gallagher |
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| Job Gains Endure In Cooling Economy | Employers hired at a solid pace in December, capping a year of steady gains for a job market that continues to defy expectations and remains a bright spot in a gradually cooling economy.  For all 2023, employers added 2.7 million jobs, a slowdown from 4.8 million in 2022 but a better gain than in the several years preceding the pandemic.  Wages rose a healthy 4.1% last month from a year earlier, and the unemployment rate in December held at 3.7%. | The Wall Street Journal | 01/06-07/2024 | Amara Omeokwe and Chip Cutter |
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| Stock Forecasters Are on Edge Over Weak Start | Stocks are off to a bumpy start in the early days of 2024. Proponents of the January barometer are hoping for a turnaround because they believe the market’s performance in the first month of the year sets the tone for the rest.  Major indexes have pulled back in the first three sessions after ending 2023 with a bang. The S&P 500 is down 1.7%.  The S&P 500 averages a 1.2% gain in January and rallies more than 60% of the time, according to Dow Jones Market Data going back to 1928.  When the S&P 500 rises in the first month of the year, its average return for the remainder is 9.2%, and its return is positive 78% of the time. | The Wall Street Journal | 01/05/2024 | Hardika Singh |
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| Value Strategy Has a Big Problem | Charlie Munger influenced generations of investors -none more so than his partner at Berkshire Hathaway, Warren Buffet.  Munger’s death doesn’t just leave a void atop Berkshire. It also raises questions about how the value-in-vesting style he championed might evolve when great companies at fair prices are harder to come by.  Many investors agree that the years of ultralow interest rates following the 2008 financial crisis helped growth stocks trounce value shares, often identified as those that trade at low prices relative to their worth as measured by various financial metrics.  Falling rates make it cheaper for businesses to borrow, turbocharging growth. | The Wall Street Journal | 01/06-07/2024 | Karen Langley, Hannah Miao and Jack Pitcher |
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| Stocks Start New Year With Weekly Loss  *S&P 500 finished the week down 1.5%, snapping a mine-week winning streak* | …the Dow Jones Industrial Average slipped 0.6%. the tech-heavy Nasdaq Composite declined 3.2%.  Several of the big tech names that pulled the market higher in 2023 faltered to start the new year. Apple shares slumped 5.9% in the holiday-shortened week, stung by a downgrade from analysts at Barclays.  The so-called Magnificent Seven stocks, which also include Meta Platforms, Microsoft and Nvidia, accounted for more than 60% of the S&P 500’s total return, including dividends, in 2023, according to S&P Dow Jones Indices.  The yield on the benchmark 10-year U.S Treasury note rose to 4.041%, from 3.990% on Thursday. | The Wall Street Journal | 01/06-07/2024 | Karen Langley |
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| Economy Averts One Woe, Faces Another | The good news: the U.S. is headed for growth this year, not recession. The bad news: there is as yet little prospect that growth will by any better than before the pandemic.  “In early 2023, the U.S. economy was in a very different place that it is now,” said Janice Eberly, an economist at Northwestern University.  …James Hines, economist at the University of Michigan…  Hines noted the U.S. recovery has been stronger than in other developed countries…  Still, some participants were reluctant to declare a soft landing a done deal, noting that by the broadest measures, inflation still isn’t back to the Federal Reserve’s 2% target. | The Wall Street Journal | 01/08/2024 | Gabriel T. Rubin |
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| Earnings to Provide Growth Clues | After a recent pullback in stocks, investors are looking to the coming earnings season for clarity on companies’ growth prospects.  Stocks defied expectations to rally in 2023 but have struggled to extend gains into the new year. The S&P 500 shed 1.5% in the first week of January.  For many investors, quarterly results and commentary from executives will help signal if the recent stock-market declines are warranted or whether companies’ profits are strong enough to renew the rally.  Analysts expect companies in the S&P 500 to report a second straight quarter of earnings growth. Profits for the fourth quarter are projected tot have risen 1.3% from the same period a year earlier, according to FactSet. | The Wall Street Journal | 01/08/2024 | Hannah Miao |
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| Nearly a Fifth of Office Space Sits Vacant, Highest on Record | A staggering 19.6% of office space in major U.S. cities wasn’t leased as of the fourth quarter, according to Moody’s Analytics, up from 18.8% a year earlier. That is slightly above the previous records of 19.3% set in 1986 and 1991 and the highest number since at least 1979, which is as far back as Moody’s data go. | The Wall Street Journal | 01/09/2024 | Konrad Putzier |
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| Many Retirees Depend Solely on Social Security | Many people in the U.S. reach retirement with almost no savings. No 401(k). Few investments. And almost no income aside from a monthly social Security check.  About one in seven social Security recipients ages 65 and older depend on their benefits for nearly all their income, according to an AARP analysis.  In 1940, when the program was new, Social Security replaced just more than 20% of a typical worker’s income at age 65. | The Wall Street Journal | 01/09/2024 | Veronica Dagher and Anne Tergesen |
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| ‘Magnificent Seven’ Lift Stocks | Stocks posted solid gains, easing investor anxieties after the market’s rough start to 2024 last week.  Both the S&P 500 and Nasdaq Composite logged their best days since November, climbing 1.4% and 2.2% respectively.  Large technology companies were at the forefront of the rally, just as they were the major driver of last week’s declines and 2023’s gains. All of the “Magnificent Seven” stocks climbed more than 1%, with chip maker Nvidia jumping 6.4%.  Stocks weren’t the only market to rebound. Bonds also rallied, driving the yield on the 10-year U.S. Treasury note down to 4.001% from 4.041% Friday. | The Wall Street Journal | 01/09/2024 | Sam Goldfarb |
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| China Surges to Top in Car Exports | China’s overseas auto sales surged to a record last year, on track to surpass Japan as the world’s biggest car exporter and marking a tectonic shift for the global industry.  While China has become acknowledged as a world leader in electric vehicles, traditional gasoline-powered autos were the main driver of the increase, with demand surging especially in Russia. | The Wall Street Journal | 01/10/2024 | Selina Cheng |
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| Inflation Ticks Up After Cooling | Inflation’s cool-down from historic highs keeps the Federal Reserve on track to hold rates steady later this month…  The acceleration from November’s 3.1% advance shows inflation isn’t fully beaten.  The rapid cooling of price increases has raised hopes of a soft landing… | The Wall Street Journal | 01/12/2024 | Gwynn Guilford and Nick Timiraos |
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| S&P 500 Misses Record Despite Weekly Gain  *Index is within 0.3% of a record high that ha stood for more than two years* | The S&P 500 overcame big declines in airline stocks and shares of companies that rely on discretionary spending Friday to inch closer to a new all-time high. | The Wall Street Journal | 01/13-14/2024 | Ryan Dezember |
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| Strong Economy Boosts Banks’ Results  *Consumer and businesses drive rise in earnings at the largest U.S. firms* | The economy has remained stronger than executives and economists predicted when the Fed started its aggressive rate increases.  “the consumer still has plenty of firepower,” said Alastair Borthwick, chief financial officer of Bank of America. | The Wall Street Journal | 01/13-24/2024 | Ben Eisen, David Benoit and Gina Heeb |
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| Wary World Watches As Prices Fall in China | Economists at Morgan Stanley described the situation as the “longest and deepest” deflation in China since the Asian financial crisis in 19998, when countries across the region overheated and entered recessions that took years to recover from. | The Wall Street Journal | 01/13-24/2024 | Stella Yifan Xie |
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| Recession Less Likely, but Slowdown Is Seen | Business and academic economists surveyed by the Journal lowered the probability of a recession within the next year to 39% from 48% in the October survey.  Still, economists on average expect the economy to grow just 1% in 2024, about half its normal long-run rate, and a significant slowing from an estimated 2.6% in 2023.  “this is less a recession and more of a growth stop,” said Rajeev Dhawan, an economist at Georgia State University.  With growth remaining positive, the second condition of a soft landing is inflation returning to around 2%...  Economists also expect fewer rate cuts than the market, seeing just one or two-quarter-percentage-point cuts by the end of Juen, compared with three by markets. The current target is between 5.25% and 5.5%, a 22-year high. | The Wall Street Journal | 01/16/2024 | Harriet Torry and Anthony DeBarros |
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| Europe’s Growth Engine Has Sputtered  *Germany’s economy shrank in 2023 and new challenges point to more pain ahead* | The country’s gross domestic product is only 1% larger than it was at the end of 2017 after adjusting for inflation. By contrast, the U.S. economy has grown by an inflation-adjusted 13% over the same period, according to data from Eurostat and the Bureau of Economic Analysis. | The Wall Street Journal | 01/16/2024 | Tom Fairless |
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| Four Questions at Top of Investors’ Minds | **Can rally broaden?**  Stocks jumped out of the gate last year to the surprise of almost everyone. The problem? Just seven big tech stocks – Apple, Microsoft, Alphabet, Amazon.com, Nvidia, Tesla and Meta Platforms – were responsible for most of the S&P 500’s gains.  **What if Fed Cuts rates?**  Stocks got off to a bumpy start in January after ending 2023 with a bang. That prompted questions about whether markets had run too far too fast and if the Fed’s expected rate cuts were already priced in.  **Is recession in cards?**  Many economists have lowered their estimates on the probability of a recession. That is mostly thanks to a decline in inflation, strength in the labor market, cooling wage growth and strong consumer spending.  But Fed policymakers expect the economy to grow at a slower rate this year compared with last…  **Is this year to buy home?**  The 30-year fixed mortgage rate peaked near 8% last fall…  It has since fallen to 6.66%, according to mortgage giant Freddie Mac… | The Wall Street Journal | 01/16/2024 | Hardika Singh |
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| OPEC Expects Demand for Oil To Slow in 2025 | The Organization of the Petroleum Exporting Countries expects global oil demand to slow next year, even as it raised its economic forecast as easing inflation spurs global growth.  OPEC anticipates global economic growth will pick up next year and reach 2.8% from an estimated 2.6% this year, as central banks are expected to cut interest rates starting from the second half of 2024.  U.S. economic growth is forecast to rise to 1.5% in 2025 from an estimated 1% this year. In the eurozone, economic growth is expected at 1.2% in 2025 from 0.5% this year.  “Crude oil futures prices extended their decline in December, reaching their lowest levels since late June,” OPEC said.  Despite continuing cuts by Saudi Arabia and other members, the cartel produced more crude oil in December on higher output from Nigeria and Iraq. | The Wall Street Journal | 01/18/2024 | Giulia Petroni |
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| What’s News | ♦ American shoppers spent strongly this holiday season, helping to lift retail sales a seasonally adjusted 0.6% in December from a month earlier, in a sign that consumers can drive economic growth in 2024. | The Wall Street Journal | 01/18/2024 |  |
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| Technology Shares Lift Major Indexes  *Chip stocks rally after Taiwan Semiconductor issues strong outlook* | Rising technology shares powered major indexes higher.  The information-technology sector was the broad index’s top performer, rising 2%.  Major indexes are little changed so far in January, after posting a furious rally to end 2023.  “this is an economy that continues to surprise to the upside,” said Nadia Lovell, senior U.S. equity strategist for the chief investment office at UBS Wealth Management.  The yield on the benchmark 10-year U.S. Treasury note settled at 4.142%, marking the highest 3 p.m. yield so far in 2024. Prices fall when yields rise.  The average rate on the standard 30-year fixed mortgage slid to a nearly eight-month low of 6.6%, according to a survey of lenders released by Freddie Mac. | The Wall Street Journal | 01/19/2024 | Charley Grant |
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| Americans Feel More Optimistic About Economy | Consumer sentiment surged 29% since November, the biggest two-month increase since 1991, the University of Michigan said Friday, adding to gauges showing improving moods.  It’s a sharp turn after persistently high inflation, the lingering shock from the pandemic’s destruction and fears that a recession was around the corner had put a damper on feelings about the economy in recent years, despite solid growth and consistent hiring. | The Wall Street Journal | 01/20-21/2024 | Gwynn Guilford and Amara Omeokwe |
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| What’s News | ♦ Sales of previously owned homes in 2023 dropped to the lowest level in 28 years, after elevated mortgage rates and a lack of homes for sale shut out buyers. | The Wall Street Journal | 01/20-21/2024 |  |
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| S&P 500 Climbs 1.2% to a Record | A rally in technology stocks propelled the S&P 500 to an all-time high Friday.  The Dow Jones Industrial Average gained 395 points, or 1.1%, to close at 37863.80, also a record. The tech-heavy Nasdaq Composite climbed 1.7%.  The recent comeback in shares of chip makers echoes the excitement around artificial-intelligence companies that boosted the stock market last year. Since the S&P 500 and Nasdaq Composite are weighted by market capitalizations, shares of big tech companies have an outsize in fluence on index performance.  U.S. stocks stumbled at the beginning of this year after the S&P 500’s 24% gain in 2023.  Investors are watching data closely to gauge whether the economy has slowed enough for inflation to ease…  “the market is still looking for proof to justify the rally over the past three months,” said Scott Duba, chief investment officer at Prime Capital Investment Advisors.  Data released Friday reflected continued pressure on the U.S. housing market.  Meanwhile, a measure of U.S. consumer confidence reflected improving sentiment.  Results from regional banks in recent days showed steep declines in quarterly earnings. | The Wall Street Journal | 01/20-21/2024 | Hannah Miao |
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| Hot Debt Market Cuts Risky Firms’ Borrowing Costs | Companies with low credit ratings are rushing to slash their borrowing costs even before the Federal Reserve makes a single interest-rate cut.  The rate adjustments are the product of a broad rally in stocks and bonds that kicked off late last year when investors grew more optimistic that a yearslong spell of high inflation was coming to an end without any sign of an imminent recession.  Prices of so-called leveraged loans, which are often used to fund private-equity buyouts, have climbed especially high, in part because a slowdown in those deals has led to lack of new loans entering the market.  Leveraged loans have proved a solid investment over the past couple of years, delivering a total return of minus 1% in 2022, counting price changes and interest payments, while the S&P 500 lost 18%. They also held their own during last year’s rebound, returning 13% to the S&P 500’s 26%. | The Wall Street Journal | 01/20-21/2024 | Sam Goldfarb |
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| Stocks Face Pressure As Rate Hopes Cool | Wall Street entered 2024 betting this year would be a smooth ride, but an up-and-down start for stocks and bonds suggests the going won’t be easy.  Stocks have climbed to records, driven by cooling inflation that has spurred investors to anticipate as many as six interest-rate cuts. Falling rates often boost share prices by reducing the relative appeal of bonds and making it cheaper for companies and consumers to borrow, lifting corporate profits.  This dynamic is prompting some analysts and portfolio managers to warn that further stock gains might be halting … | The Wall Street Journal | 01/22/2024 | Eric Wallerstein |
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| Rising Defaults Don’t Tell Complete Story | Many measures of credit performance for things such as credit card or auto loans are moving in the wrong direction, like the percentage of payments that are late, or the share of debts being written off.  At the same time, though, there are many other indicators suggesting strong consumer health, such as buoyant spending numbers.  It also suggests that 2024 could represent a nadir credit that lasts a relatively short amount to time. | The Wall Street Journal | 01/22/2024 | Telos Demos |
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| Dow Climbs Above 38000 for First Time | Gains in everything from technology heavyweights to Goldman Sachs shares pushed the Dow Jones Industrial Average past 38000 for the first time.  The Dow industrials added 0.4% to 38001.81. The S&P 500 added 0.2%, kicking off the week with another high, and the tech-heavy Nasdaq Composite added 0.3%.  Shares of small companies in the Russell 2000 outperformed on Monday, jumping around 2% and outpacing peers by a wide margin.  Stocks got off to a rocky start this year before staging a sharp rebound that has pushed the S&P 500 to records for the first time in around two years.  This week, investors will keep parsing a wave of economic data and earnings, including the first reading of fourth-quarter gross domestic products as well as figures on inflation and spending. | The Wall Street Journal | 01/23/2024 | Gunjan Banerji |
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| Small-Caps Stumble to Start Year | Shares of smaller companies looked as though they were finally about to shine. Then 2024 happened.  The Russell 2000, an index of small and midsize companies, has tumbled 2.2% I the new year, while the S&P 500 has gained 1.7%. that is the small-cap index’s widest underperformance to start a year through Jan. 22 since 1997, Dow Jones Market Data s how.  The new year has been a reality check for that optimism. Hotter-than-expected economic data have forced investors to push back their expectations on when rate cuts could start. That has raised questions about whether small-caps’ gains are sustainable.  For the first time since June 2021, a greater share of fund managers expect large-caps will gain less than small-caps in the next 12 months, according to the latest Bank of America Global fund Manager Survey. | The Wall Street Journal | 01/23/2024 | Hardika Singh |
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| What’s News | ♦ The S&P 500 set a third consecutive record, rising 0.3%, while the Nasdaq gained 0.4%. the Dow slipped 0.3%, retreating below 38000 after setting a record Monday. | The Wall Street Journal | 01/24/2024 |  |
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| Property Slump Vexing China Is Projected to Last for Years | China’s real-estate crisis has dragged down the economy, caused massive layoffs and pushed multibillion-dollar companies to the point of collapse.  Economists think it is about to get worse.  Chinese developers and local governments are so desperate to attract home buyers that some have resorted to bizarre marketing strategies. | The Wall Street Journal | 01/24/2024 | Rebecca Feng and Cao Li |
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| What’s News | ♦ The S&P 500 hit a fourth consecutive record on a gain of less than 0.1%, while the Nasdaq rose 0.4%, and the Dow slipped 0.3%. | The Wall Street Journal | 01/25/2024 |  |
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| What’s News | ♦ Profits dropped sharply at regional banks in the fourth quarter, including a bigger ones that have generally fared better than their smaller peers. | The Wall Street Journal | 01/25/2024 |  |
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| China Pushes Bank Lending In Effort to Expand Economy | China’s central bank outlined new steps to boost bank lending to households and businesses, an early move in what is expected to be a broad but restrained campaign by authorities to prop up growth this year after a lackluster 2023. | The Wall Street Journal | 01/25/2024 | Jason Douglas |
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| Tesla Warns Of Slower Growth In 2024  *Operating income dropped 47% amid softening demand, shrinking margins* | Tesla warned of “notably” slower growth in 2024, and its profit margin took a hit in the fourth quarter, signaling more uncertainty ahead for the world’s most valuable automaker and the broader electric-vehicle industry. | The Wall Street Journal | 01/25/2024 | Rebecca Elliott |
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| Credit-Card Spending, Deliquencies Rise | The four biggest U.S. banks reported higher credit-card spending in 2023 compared with the previous year. In fact, since 202, credit-card spending has steadily increased at three of the four.  Customers aren’t paying off their charges as quickly as they used to.  The unpaid balances also surpassed 2019 levels for the first time, showing that consumers are putting more purchases on cards and taking longer to pay off their bills than they were before the pandemic.  In theory, this is good for the banks that charge interest on consumers who carry a balance. But rising card balances could be a sign of worsening financial pain for consumers and the economy. | The Wall Street Journal | 01/25/2024 | Angel Au-Yeung |
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| Rising Rates Hit Regional Lenders | The 2023 bank crisis is over, but the worst may be yet to come for some regional and community lenders.  Profits dropped sharply at regional banks in the fourth quarter…  Net income was down roughly 90% from a year earlier at KeyCorp, around 70% at Citizens Financial Group and more than 40% at PNC Financial Services Group. Truist financial swung to a low. | The Wall Street Journal | 01/25/2024 | Gina Heeb |
|  |  |  |  |  |
| Strong Economy Expanded 3.1%  *Consumer spending, strong hiring defied expectations and spurred growth in ‘23* | The recession never showed up in 2023. Consumers made sure of it.  The U.S. economy grew 3.1% over the past year, the commerce Department said Thursday. | The Wall Street Journal | 01/26/2024 | Gabriel T. Rubin |
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| What’s News | ♦ The U.S. economy, defying economists’ outlook for a likely recession in 2023, grew 3.1% from a year earlier in the fourth quarter on the back of a resilient labor market and strong consumer spending. | The Wall Street Journal | 01/26/2024 |  |
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| Stock Indexes Notch Weekly Gains | The stocks in the Magnificent Seven are off to the races again in 2024, with one notable exception: Tesla.  Tesla’s stock, on the other hand, has fallen more than 26% in the past four weeks to its lowest level since May. | The Wall Street Journal | 01/27-28/2024 | Gunjan Banerji and Charley Grant |
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| Stock Indexes Notch Weekly Gains  *Dow closes at high: Intel’s sales forecast saps momentum of chip companies* | The S%P 500 snapped a five-day streak of fresh records, dragged lower by technology shares.  All three indexes finished the week higher.  A rally in big tech stocks has helped propel the S&P 500 to new highs. A belief that the Federal Reserve has successfully slowed inflation without inducing a sharp economic slowdown has helped fuel the trade.  Some of the market momentum faltered after chip maker Intel gave a tepid outlook for sales in its current quarter.  “Earnings have been a mixed bag, but that conflicts with economic data,” said Gina Bolvin, president of Bolvin Wealth Management Group. “This economy continues to defy skeptics.” | The Wall Street Journal | 01/27-28/2024 | Caitlin Ostroff |
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| Door Stays Open for Rate Cuts This Year | The U.S economy notched another month of mild inflation in December, keeping the Federal Reserve on track to deliberate when and how quickly to reduce interest rates later this year.  The Fed’s preferred inflation measure, the personal-consumption expenditures price index, was up 2.6% in December from a year earlier, the Commerce Department said Friday, well below the 5.4% increase at the end of 2022.  Core prices, which exclude volatile food and energy costs, were up 2.9%, the smallest year-over-year increase since March 2021.  Investors expect the Fed will cut rates this spring in part because inflation has declined much faster than the central bank anticipated.  Fed officials are on track to hold interest rates steady at their two-day policy meeting next week and could remove from this policy statement language saying the next interest-rate change is more likely to be an increase than a cut.  “Everything is now pointing to inflation heading back to 2%, and it’s harder to see why they need to keep rates at 5.5%, which officials acknowledge is restrictive territory,” said Andrew Hunter, an economist at Capital Economics. | The Wall Street Journal | 01/27-28/2024 | Harriet Torry and Nick Timiraos |
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| What’s News | ♦ The S&P 500’s recent advance to a record was propelled by information technology alone, while the index’s other sectors are trading an average of 15% below their all-time highs. | The Wall Street Journal | 01/29/2024 |  |
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| Real-Estate Turmoil Hits Office Towers | Rents at the highest-end buildings have been falling, while the rate of leasing has been slowing.  Owners of the most elite buildings escaped this fate for a while by convincing the market they had created a new class of office tower-one that surpassed the traditional Class A building at the opt of the pecking order.  But that strategy is losing steam as more companies have accepted the reality of hybrid work schedules and, for the most part, have given up on compelling workers to be in five days a week.  New buildings will represent 1% of inventory by 2027, the lowest in at least 25 years, according to data firm CoStar Group.  In the fourth quarter, 62% of companies offered some form of remote work, up from 51% one year ago, according to Scoop. | The Wall Street Journal | 01/31/2024 | Peter Grant |
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| Europe Economy Falls Further Behind U.S. | Europe’s economy stagnated in the final three months of last year, expanding a divide between a booming U.S. economy and a European continent that is increasingly left behind.  The fresh economic data showed higher borrowing costs had compounded the earlier impact of higher energy prices in the wake of Russia’s invasion of Ukraine.  By contrast, the U.S. economy has been expanding robustly and enjoyed its strongest performance relative to the eurozone since 2013-with the exception of the Covid-19 pandemic.  Yet the eurozone faces fresh threats, too, mainly from the conflict that began with the attack on Israel by Hamas on Oct. 7. Disruptions to shipping I the Red Sea have pushed freight costs sharply higher and led to delays for European manufacturers that rely on Asian suppliers for parts.  IMF economists also cautioned that financial markets have been overly optimistic in anticipating early rate cuts by central banks. | The Wall Street Journal | 01/31/2024 | Paul Hannon and Yuka Hayashi |
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| Tech Sector Pushes S&P 500 Off Record  *General Motors gains 7.8% on surprisingly strong 2024 profit outlook* | Technology shares slipped as investors awaited earnings from industry heavyweights that have pushed the S&P 500 to records.  The benchmark index lost 0.1%, while the Dow Jones Industrial Average added 0.3%, or 133.86 points, to a record 38467.31. The tech-heavy Nasdaq Composite fell 0.8%, its worst day in almost four weeks.  Big-tech stocks have propelled indexes so far this year.  In commodities, Brent crude for March delivery gained 47 cents, or 0.6%, to $82.87 a barrel. | The Wall Street Journal | 01/31/2024 | Caitlin Ostroff |

It is amazing what you can accomplish if you do not care who gets the credit. – *Harry Truman*

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