

# WEEKLY MARKET UPDATE

Week of June 21, 2023



## BY THE NUMBERS

<u>Index</u>	<u>DOW</u>	<u>S&amp;P 500</u>	<u>NASDAQ</u>	<u>10YR Yield</u>
Yesterday's Close	34,053	4,388	13,667	3.73%
Market Change since Last Update	+1.4%	+2.5%	+2.9%	+1.1%
Market Change Year-To-Date	+2.7%	+14%	+30%	-1.5%

## FED PAUSE

On Wednesday, June 14, the Federal Open Market Committee (FOMC) decided to take a pause in their rate hiking campaign. The Fed, however, says they are not done raising rates. In fact, Chairman Powell stated in his remarks last week that the Fed is planning two more rate hikes before they are done. For now, the Fed is giving the economy time to feel the effects of the 10 previous rate hikes.

"Inflation pressures continue to run high," and getting inflation down to the Fed's target "... has a long way to go," said Fed Chairman Powell. Next year fed officials see interest rates falling by 100 basis points to around 4.6%, higher than the 4.3% forecast back in March.

"The pause should not be called a skip. What it does do is give the economy more time to adapt to prior rate hikes while letting Fed officials see the full consequence of the banking turmoil that roiled the financial system in the spring. We are trying to get this right," said Fed Chairman Jerome Powell.

## SHORT-TERM OUTLOOK

One note of caution about the short-term outlook from Jeffrey Hirsch, editor of the Stock Trader's Almanac, who said to beware the week after stock options and stock index futures expire, as they did last Friday. Trading the week after is often treacherous with the Dow Jones Industrial Average falling 27 of the past 33 years and the S&P 500 down 23 of 33 years.

## LOOKING FORWARD

June 21	Fed Chairman starts two-day testimony to House committee
June 22	Initial Unemployment Claims
June 27	Consumer Confidence

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**QUESTIONS?** Dan Bolan, FNBC Portfolio Manager | 708.579.8574 | [dbolan@fnbcbt.com](mailto:dbolan@fnbcbt.com)