

# WEEKLY MARKET UPDATE

Week of June 28, 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	33,926	4,378	13,555	3.77%
Market Change Since Last Update	-0.37%	-0.23%	-0.82%	+1.1%
Market Change Year-To-Date	+2.4%	+14%	+29.5%	-1.1%

## SECOND HALF OF 2023

This week marks the half-way point of 2023. The S&P 500 started this year at 3,849, and Wall Street firms have recently released their adjusted forecast for where they believe the S&P 500 will finish this year:

Bank of America	4,300	BMO	4,550
CITI	4,000	Goldman Sachs	4,500
JP Morgan	4,200	Morgan Stanley	3,900
UBS	3,900	Wells Fargo	4,100

Wharton School of Business Professor Jeremy Siegel sees the economy slowing in the second half of 2023. In fact, Siegel said the economy could slow so much that the Fed won't be able to deliver on the two potential rate hikes that they discussed earlier this month. Professor Siegel went on to say the following:

"It's hard to see upside catalysts for the market in the second half of this year. I think the bright side of a recession is that not only will we not get rate increases, but we could get rate decreases by the end of the year. I'm not talking about disaster, but when people are saying 'what is on the upside?' I just don't see as many factors."

## INFLATION

Contrary to Professor Siegel's thoughts, Fed Chairman Jerome Powell sat in front of Congress last week and expressed that he and the Committee feel the fed funds target rate needs to stay higher for longer, and more rate hikes this year may be necessary. The current inflation rate is 4.05%, compared to 4.93% last month and 8.58% last year. The long-term average rate is 3.28% and the goal is 2%.

## LOOKING FORWARD

June 29	Initial Unemployment Claims, 6/24/2023, 265K expected
June 30	Personal Consumption Expenditure Price Index
July 26	July Fed meeting and possible rate change

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