

## Index Returns

### Year-to-Date

As of 12/2 close

S&P 500: -13.26%

Dow Jones: -3.30%

Nasdaq: -26.17%

Agg Bond: -11.44%

Muni Bond: -6.88%

Small Cap: -14.62%

Int'l Stock: -12.36%

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# EWM A.M. Cup of Joe

## ASSET MANAGEMENT

Edition 39 – Week of December 5<sup>th</sup>



Our weekly blend of information to help keep you alert so you can stay the course and maintain your path using EWM as your COMPASS.

## I. The Beans – The foundation of this week's analysis



### The Grounds – Pathway of the market

**Key Point:** Major market indices saw sizable gains last Wednesday as Fed Chairmen Powell stated the Fed is considering the negative effects of rate hiking on the U.S. economy.

- *What does that mean for me?* – The Fed may start backing down their aggressive rate hiking as delayed effects in the U.S. economy could appear over the coming months.



### The Brew – Economic Drivers

**Key Point:** Last week's Jobs report signaled the continuing trend that the labor market is starting to slow down and weaken.

- *How that may affect you* – Household employment fell for the second month alongside a decrease in need for temporary workers leading into the holiday seasonal work period.

## II. The Aroma – Highlights of market activity



### Broad Market Analysis - Potential direction of the market

**Key Point:** Last week we addressed the S&P 500 approaching its 200-day moving average. Wednesday's rally propelled the index above the 200-day on higher-than-average volume.

- *What does that mean?* – The two **blue** trend lines signify the S&P's price channel throughout 2022. The top was tested three times this year and we are currently sitting on the 200-day [**red** line]. This price area is considered resistance where demand could decrease, and price could fall. One positive factor is the high volume. If volume [demand] can increase at these prices, that may rally the S&P higher to end the year.

Chart Name – S&P 500

Chart Type – Daily

Chart Period – 1 Year



### III. The Cream & Sugar – The road EWM has taken



## What We're Doing – *\*The following activity is not necessarily representative of every client portfolio whether positive or negative*

*Legend*		Security	Action	Description
Buy	New holding	Nike Inc. (NKE)	Sell	Sold the position in Nike as the chart approached long-term resistance. Volume has decreased on the recent move higher and could indicate lack of interest in stock at these prices. May buy back in 30 days.
Sell	Sell All			
Trim	Sell Percent			
Add	Increase Holding	Schwab US TIPS ETF (SCHP)	Sell	Closed our position as fixed income has underperformed in the increasing interest rate environment.

Disclosure: EWM employees may own shares of certain companies mentioned in personal brokerage accounts

### Chart of the Week – Holding Highlight



Moving Averages (MA)	
20-day	Green
50-day	Blue

\*Courtesy of StockCharts.com

NAME	NEWMONT CORPORATION (NEM)
SECTOR	Materials
INDUSTRY	Gold Mining
ANALYSIS	<ul style="list-style-type: none"> <li>• Newmont Corp. is a gold producer, engages in the exploration and acquisition of gold properties, contains copper, silver, lead, zinc or other metals.</li> <li>• NEM was a market leader in early 2022 but saw a sizable pullback in stock price as interest rates moved higher and hard assets like gold and silver rotated out of favor.</li> <li>• Recently, the stock has shown strength gapping higher in early November, retracing lower to \$44.05 and then continuing higher. This pattern of higher highs and higher lows could indicate a change in trend for hard assets.</li> </ul>

### IV. The Double Shot of Espresso – Information to boost your Cup of Joe



- Read J.P. Morgan's "[Weekly Market Recap](#)" for their latest update
- Read TD Ameritrade's "[Macro Monday](#)" for an insight into technical analysis

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