



Current Focal Points – Finding Portfolio Value & Knowing What You Own

Edition 11 – November 2023
*Prepared on 11/3/2023

Finding Portfolio Value

Market

The September weakness carried into October as the market finished negative for the third consecutive month.

Economy

The Fed did not raise rates in November as economic data has begun to show signs of cooling off in employment and inflation.

Technical Analysis

The Dow Jones broke below our short-term support level in October but quickly regained it in early November as the market has enter its "Best 6 Months" period from November until April.

Planning 101 – Part 2: Stocks

What is a stock?

A stock represents ownership of a company. Owning stocks gives you certain rights, like being able to vote for board members, and the right to dividends paid by the company.

How do you buy stocks?

Typically, stocks are bought with the assistance of a stockbroker, who will purchase them on your behalf, typically on one of the exchanges, such as the New York Stock Exchange.

How can stocks make you money?

If you buy a stock at a certain price, and it increases in value, and you sell it, you will experience capital gains. Some stocks also pay you dividends - company earnings - usually every three months.

Chart Analysis – Telling you the Market Story

Timeframe

Resistance

Support

EWM OUTLOOK

Timeframe	Resistance	Support
Short	36,500 (Updated 8/1)	32,500 (Updated 11/1)
Intermediate	38,300 (Updated 8/1)	31,000 (Updated 11/1)
Long	45,999 (Updated 8/1)	29,000 (Updated 11/1)

The Dow Jones continued moving lower after the decline in September. International wars and interest rate policy weighted on investors' minds. We believe the market may resume the course higher through the end of the year. See why that might be the case. [\[watch the latest edition of our show to see more analysis\].](#) →



THE JAKE & STEVE SHOW

Watch the duo of Jake & Steve tango with the charts.

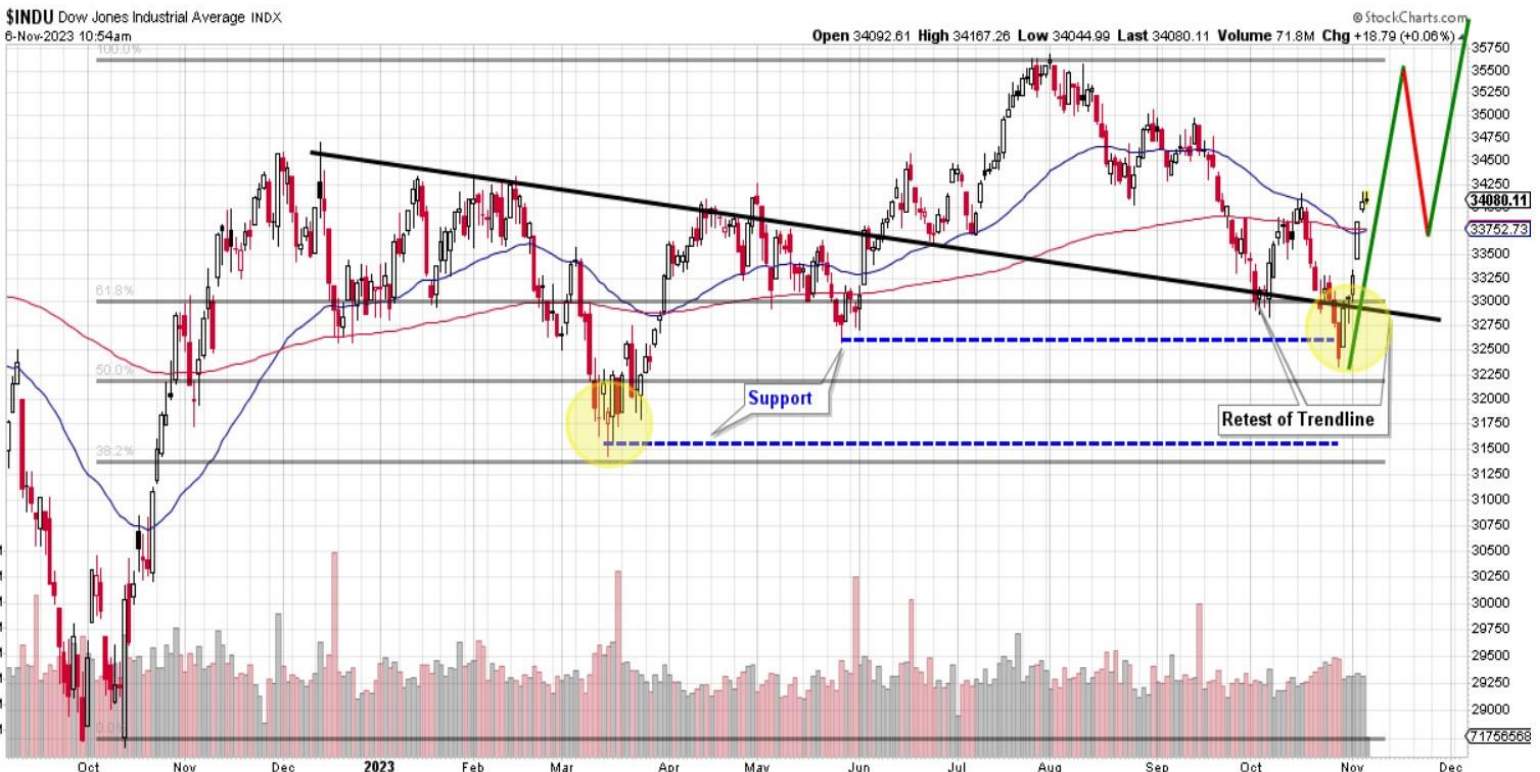


Chart Name – Dow Jones

Bar Type – Daily

Time Frame – 13 Months





Strategy Update – Turning Analysis into Action

We have begun to revamp the portfolios utilizing new allocation strategies that will allow us to adjust exposure to stock and bond levels based on the market outlook. See below:

This section will update you on action in our new strategies. Each strategy has a specific focus and contains stocks, equity ETFs or bond ETFs. We will report activity for any of the **8** EWM portfolio strategies.

**The transactions below may not appear in your account based on your risk tolerance or financial goals.*

Strategy	Stock	Ticker	Action	Reason
Core Income	Vanguard Short-Term Corporate Bond ETF	VCSH	Sell	Decreased the position size in VCSH in Core Portfolios as the “cash like” position has provided a cash alternative while the market moved lower.
Core Growth	Invesco S&P 500 Equal Weight ETF	RSP	Buy	RSP provides a good opportunity for growth after this recent market decline. The position gives exposure to both large and small U.S. companies.



Stock Spotlight – A Deeper Look into our Strategies

CSX Corp. | Ticker: CSX | Price: 30.40 (Price as of 11/3/2023 close)

Pattern Analysis

Steve

CSX has been in a triangle pattern since early 2022. The range from near \$38 down to below \$26 has been coiling down to the current price midpoint. This becomes important since a break above the midline and out of the downtrend could suggest prices getting back towards the upper end of the range.

Price Analysis

Jake

If price breaks out of the pattern mentioned above, the 6-month price target for CSX would be above the April 2022 high around \$39.50.

Plan Fit

Brian

Many of you are probably like me and have always liked trains- real and models. CSX is a name many will recognize and as trains are an integral part of our infrastructure, I believe this is a good company to own, both technically, based on its dividend, and because trains are something I've always enjoyed.



Planning Focus – Ideas to Guide You

- **What is the current plan?** As you may have seen in our last edition, we have spent down cash and are now fully invested, believing the market to be at, or near, a bottom. We have remained active and believe that patience will be the key as we see an opportunity for the markets to move higher from where they are now, over the next several months.
- **Is the volatility over yet?** Our best answer - no one knows. But there are very good signs, in our opinion, that things are looking brighter. The Fed recently suggested they will hold interest rates where they are and may not need to hike anymore. This is good news for both bonds and stocks. Coupled with continued strong economic news that continues to be reported, things seem to be right where we suggested we thought they could be, poised for the beginning of better times ahead.

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