

# Nicoletti's Notes

September 24, 2023

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## Market Data

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Friday, September 22, 2023

The S&P 500 and Nasdaq 100 both had their worst weeks since early March, as the market adjusted to the idea that rates will likely be higher for longer than anticipated. 2 of 11 sectors closed green. Technology (+0.14%) led, & consumer discretionary (-0.98%) lagged.

The Bank of Japan elected to leave rates unchanged, continuing its easy-money monetary policy due to concerns of 'extremely high uncertainties' in its economy. Meanwhile, two key Fed officials toed the hawkish line by expressly supporting maintaining high interest rates.

[Ford](#) ended the day up 1.9% after a [source told CNBC](#) that the auto giant was making progress in negotiations with the striking United Auto Workers union. [Stellantis](#) also traded slightly higher, while [General Motors](#) finished lower.

Friday's slide marked the fourth straight day of losses for the three major indexes. The losing streak came as investors reacted to a signal from the Federal Reserve that it intended to [keep interest rates higher for longer](#).

The S&P 500 and the technology-heavy Nasdaq Composite have dropped 2.9% and 3.6% this week, respectively. That marked the third straight negative week and worst weekly performance since March for each. The blue-chip Dow slid 1.9% on the week.

Bond yields surged after the central bank forecasted one more rate hike for 2023. The benchmark 10-year Treasury yield popped to [its highest level since 2007](#) this week. Meanwhile, the 2-year rate touched its highest level since 2006.

Concern also grew around [a government shutdown](#), which could dent consumer confidence and slow down the economy further. House Republican leaders sent the chamber into recess on Thursday.

### **Goldman says to fade Friday's move higher**

Friday's move higher brings some relief to a market that has struggled mightily this week. However, Goldman Sachs's Scott Rubner thinks traders should stay away from it.

"It is not the time to buy this cover bid rally. For today, a short squeeze is probable into a long weekend for many," Rubner wrote.

"We are in the middle of the worst seasonal equity period of the year right now for the market to close out Q3. Since 1928, the median SPX return for the last 10 out of 11 days in September is negative. In addition, Monday is holiday and potential long weekend (lower volumes). This dynamic improves as we move in October, see NDX for example," Rubner added.

— *Fred Imbert, Michael Bloom*



**Indices:** Nasdaq **+0.05%** | S&P 500 **-0.23%** | Russell 2000 **-0.30%** | Dow **-0.31%**

**Sectors:** 2 of the 11 sectors closed lower. Technology led, gaining **+0.21%**. Consumer Discretionary lagged, falling **-0.98%**.

**Commodities:** Crude Oil futures rose **+0.45%** to \$90.03 per barrel. Gold futures gained **+0.31%** to \$1,946 per oz.

**Currencies:** The US Dollar Index rose **+0.19%** to \$105.58 and closed higher for the 10th straight week.

**Crypto:** Bitcoin was flat at \$26,581. Ethereum rose **+0.59%** to \$1,593.

**Interest Rates:** The US 10-year Treasury yield fell to 4.436%.

\*Source: Daily Chart Report\*



## Quote of the Day

"Do more than you are being paid to do, and you'll eventually be paid more for what you do."

- Zig Ziglar

\*Source: Daily Chart Report\*

# Forex Markets

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The U.S. dollar advanced against a basket of currencies on Friday as the latest batch of data on business activity from around the globe highlighted the superior position of the United States relative to other major economies.

S&P Global said its flash U.S. Composite PMI index, which tracks the manufacturing and service sectors, dipped to a reading of 50.1 in September from a final reading for August of 50.2. September's result was barely above the 50 level that separates expansion and contraction.

The U.S. dollar index - which measures the currency against six major counterparts - was 0.2% higher at 105.6 after having risen as high as 105.78 earlier in the session. That puts the index on pace for a weekly gain of about 0.3%, its 10th straight week of gains, its longest winning streak in nearly a decade.

The Federal Reserve left interest rates at 5.25% to 5.5% on Wednesday but stressed that it would hold them at that level for as long as needed to push inflation back to 2%.

The yen fell on Friday after the Bank of Japan (BOJ) kept interest rates in negative territory days after the Federal Reserve signaled U.S. borrowing costs would stay high, piling pressure on the Japanese currency.

The BOJ held interest rates at -0.1% on Friday and reiterated its pledge to keep supporting the economy until it is confident inflation will stay at the 2% target.

## Summary of Important News & Events

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





# Watch Lists

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## Stock Scan as of 9.23.23:

Symbol	Last	Chg%
 CVNA •	41.99	-2.12%
 HOUS •	7.33	0.00%
 COUR •	18.11	3.07%
 SNDL •	1.93	1.58%
 LBRT •	18.02	2.04%
 CRBG •	19.43	2.70%
 WU •	13.05	0.93%
 RES •	8.77	0.80%
 PUMP •	10.12	1.20%
 UUUU •	8.20	3.93%
 SCS •	11.04	2.70%
 TTI •	6.17	0.82%
 UEC •	5.20	5.48%
 AMRX •	4.19	-1.87%
 MQ •	5.99	-1.96%
 EQRX •	2.24	-0.44%
 CBAY •	14.71	0.75%
 CABA •	15.82	-1.43%
 ELAN •	11.25	-0.71%

## **Bullish Watchlist as of 9.23.23:**

Symbol	Last	Chg%
 PGEN •	1.40	0.00%
 GRAB •	3.43	-0.87%
 TBLA •	3.74	1.63%
 ALTO •	4.37	-1.13%
 ROVR •	5.98	1.18%
 PAYO •	6.04	-0.66%
 SFL •	11.08	1.84%
 HLX •	11.22	1.72%
 IONQ •	13.28	-1.85%
 PTEN •	14.48	0.42%
 DO •	14.55	0.21%
 KD •	15.56	-0.38%
 MTG •	16.91	-0.24%
 TDS •	17.89	-0.56%
 FTI •	20.85	2.11%
 RELY •	24.66	-0.80%

## **Bearish Watchlist as of 9.23.23:**

Symbol	Last	Chg%
 RKL •	4.48	0.00%
 DTC •	4.51	0.45%
 TLRY •	2.40	0.63%
 NRDY •	3.23	-2.42%
 GCT •	9.25	-5.71%
 WULF •	1.38	-5.48%
 REI •	1.87	0.00%
 COMP •	3.07	5.14%
 OSCR •	5.55	-3.48%
 SKIN •	5.87	-1.84%
 LFST •	6.94	1.02%
 MGNI •	7.37	0.20%
 PACB •	8.94	-0.67%
 DAN •	14.98	3.03%
 SFIX •	3.12	-0.32%
 PGY •	1.63	-0.61%