



Published  
June 14, 2021

*The S&P 500 hit a new, all-time high on Friday. Now investors await this week's Fed decision to see if this rally can continue.*

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## The Hot List

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### 1. Federal Reserve

The Fed is meeting this week (<https://www.barrons.com/articles/what-to-expect-in-next-weeks-federal-reserve-meeting-51623457837>). Investors will look to see if there is talk of tapering.

### 2. Inflation

CPI rose 5% (<https://www.nytimes.com/2021/06/10/business/consumer-price-index-may-2021.html>) from this time last year which is the fastest pace since 2009

index-may-2021.html) from this time last year which is the fastest pace since 2008.

The PPI report is this coming Tuesday.

### 3. Geopolitics

The Senate has passed a bipartisan bill targeting China

(<https://www.reuters.com/world/us/us-senate-set-pass-sweeping-bill-address-china-tech-threat-2021-06-08/>).

### 4. Infrastructure

(<https://www.investors.com/news/economy/federal-reserve-meeting-wall-street-expects-yield-curve-control/>)

A bipartisan infrastructure deal

(<https://www.aljazeera.com/news/2021/6/10/bipartisan-deal-on-infrastructure-emerges-in-us-senate>) has emerged in the Senate.

### 5. COVID-19

The new COVID-19 Delta variant (<https://www.cbsnews.com/news/scott-gottlieb-covid-19-delta-variant-face-the-nation/>) has been doubling in cases every two weeks.

## Last Week

**Monday:** S&P -3.42 (-0.08%) to 4226.52. No major headlines

**Tuesday:** S&P +0.74 (+0.01%) to 4227.26. Job openings set new record.

**Wednesday:** S&P -7.71 (-0.18%) to 4219.55. Markets awaiting CPI data.

**Thursday:** S&P +19.63 (0.47%) to 4239.18. CPI rose at fastest pace since '08.

**Friday:** S&P +8.26 (0.19%) to 4247.44. S&P hits new all-time high.

## Technical Look

**Possible Support:** Look for support at 4200 right at the 20-day moving average. If it broke that level it could trigger some further selling.

**Possible Resistance:** After hitting new highs Friday, there is no clear technical resistance. The psychological 4300 level could be a spot to look.

## My Watchlist

Large Cap Tech

Cloud

Inflation Plays

High growth

## My Takeaway

As I mentioned last week, the “goldilocks” jobs report may have put the stock market in the sweet spot. Investors are thinking the Fed may not be forced to act after the disappointing number. And with the risk of Fed action dropping, the 10-year continued to fall below 1.5%. That scenario has made stocks more attractive, possibly giving the TINA (“there is no alternative”) trade a little more life.

Stocks are now at all-time highs once again with tech stocks leading the way last week. Now all eyes are on the Fed as they meet this week. While there is little risk of a rate hike, the question is whether the recent inflation data will force the Fed to start talking about tapering. And if they do start to taper, how will stock investors respond?

Assuming that the Fed decision goes smoothly, I feel that the market should move higher. The charts support this feeling and rates appear to be under control for now. However, it’s moments like this that can really catch you off guard if you don’t have a plan.

Please contact me at **DreamWork Financial Group** (<https://dreamwork.financial/contact/>) if you would like to build your Investing Gameplan™.

Until next time,

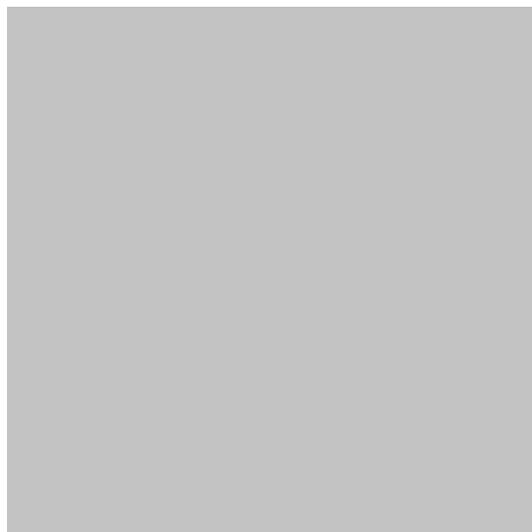
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