

Home (<https://dreamwork.financial/>) » Research  
(<https://dreamwork.financial/category/research/>) » Investing Hotsheet  
(<https://dreamwork.financial/category/research/investing-hotsheet/>) » Investing Hot Sheet



Published  
July 5, 2022

*The PCE inflation data was slightly lower than expected last week. Now investors will look ahead to the Fed minutes and June jobs report.*

If you're looking for past Investing Hot Sheets please visit our [Newsletter Archive \(/newsletter-archive/\)](/newsletter-archive/).

## The Hot List

↑  
H  
O  
T

### 1. Inflation

PCE inflation increased (<https://www.bea.gov/news/2022/personal-income-and-outlays-may-2022>) 6.3% from last year. It also increased 0.6% from April to May, which was slightly less than the expected 0.7%.

## 2. Ukraine

Here is a link (<https://www.aljazeera.com/news/2022/6/26/russia-ukraine-live-news-indonesia-leader-to-visit-kyiv-moscow><https://www.aljazeera.com/news/2022/6/20/russia-ukraine-live-news-moscow-to-intensify-attacks-kyiv-liveblog>) to the latest in Ukraine.

## 3. Federal Reserve

The minutes from the most recent Fed meeting will be released on Wednesday. (<https://www.investors.com/news/economy/federal-reserve-meeting-wall-street-expects-yield-curve-control/>)

## 4. Employment

Weekly jobless claims unexpectedly dropped, showing further signs of a strong labor market. The June jobs report will be released on Friday.

## 5. China

Schools have reopened (<https://www.reuters.com/world/china/beijing-says-will-reopen-primary-secondary-schools-covid-cases-recede-2022-06-25/>) in China and quarantine time has been cut (<https://www.reuters.com/world/china/beijing-shanghai-both-free-new-local-covid-cases-first-time-months-2022-06-28/>) in half for international travelers as Beijing declares victory over COVID-19.

# Last Week

**Monday:** S&P 500 -11.63 (-0.30%) to 3900.11. Pending home sales better-than-expected.

**Tuesday:** S&P 500 -78.37 (-2.01%) to 3821.74. Consumer confidence worse-than-expected (98.7 vs 101).

**Wednesday:** S&P 500 -2.72 (+0.07%) to 3818.83. GDP 3<sup>rd</sup> estimate was in line with expectations.

**Thursday:** S&P 500 -33.45 (-0.88%) to 3785.38. PCE less-than-expected (0.6 vs 0.7 since last month). Weekly jobless report better-than-expected as claims fell. PMI worse-than-expected (51.1 vs 50.2).

(56 vs 58.8).

**Friday:** S&P 500 +39.98 (+1.06%) to 3825.35. ISM manufacturing data was weaker than expected (53% vs 55%).

## S&P 500 [S&P] Technical Look

**Potential Support:** To the downside, expect to see some support around the 3700 level which held over the last couple weeks. If it can't hold there, then the last recent support could be the yearly lows near 3650.

**Potential Resistance:** To the upside, look for resistance back at the critical 3900 level. If that level breaks then look for resistance at prior the levels of 4000 and 4100.

## My Watchlist

Healthcare

Growth

Tech

Military

Staples

## My Take

Friday's bounce kept the S&P from falling back to the lows of the year and actually brought us back to an interesting level, 3825. This level was the intraday low from May where we bounced significantly up to nearly 4200 before rolling over again – as the Fed got aggressively more hawkish. This level also marks 20% off the highs which is a technical bear market. It's interesting that we have found ourselves back at this spot yet again.

I was hoping the PCE data could be what helped the index break out however it reported only slightly better-than-expected. This means investors (and the Fed) will most likely have to wait for the CPI report to see if inflation has come down.

Momentum remains to the downside while recession fears remain front and center. However, the index has been chopping around these levels for a couple months now, meaning a lot of bad news should be reflected in current share prices.

Let's hope that the good start to the new month and quarter will continue. Interest rates and energy prices have started coming down while the jobs market seems to remain strong. If China continues to reopen and get back to normal, that could certainly help a lot of numbers improve

numbers improve.

If you have a longer time horizon, valuations of many companies are only getting more attractive as the prices come down – but they could still be interesting for a reason. If you have a shorter time horizon or are a more conservative investor I'd still wait for further confirmation before becoming more aggressive.

If you need help evaluating your investment strategy or would like me to manage your money, please contact **DreamWork Financial Group today.**

(<https://dreamwork.financial/contact/>)

Until next time,

Clint Kirby

Chief Financial Strategist

*Investments involve risk and, unless otherwise stated, are not guaranteed. Be sure to first consult with a qualified financial adviser and/or tax professional before implementing any strategy discussed herein. Past performance is not indicative of future performance.*

## **You Don't Have To Be Wealthy To Have Wealth Management®**

A fiduciary is someone who holds a legal or ethical relationship of trust with one or more clients and is bound to take action in the clients' best interests.



# IS A FEE-ONLY FIDUCIARY

Learn More [./research/fiduciary-101-what-you-need-to-know/](/research/fiduciary-101-what-you-need-to-know/).