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Key Takeaways

S&P 500 Index

The S&P 500 Index is in an uptrend.

Chart of the Week

Small-cap equities are pulling back on an absolute and relative basis.

10-Year Treasury Yield

The 10-year Treasury yield is in an uptrend.

U.S. Dollar Index

The U.S. Dollar Index is in a downtrend.

Crude Oil

Crude oil is in a downtrend.

Gold

Gold is in an uptrend.

Consumer Staples Sector

The S&P 500 Consumer Staples sector is improving on both an absolute and relative basis.

Financials Sector

The S&P 500 Financials sector is struggling on both an absolute and relative basis.

Investment and Insurance Products: > NOT FDIC Insured > NO Bank Guarantee > MAY Lose Value

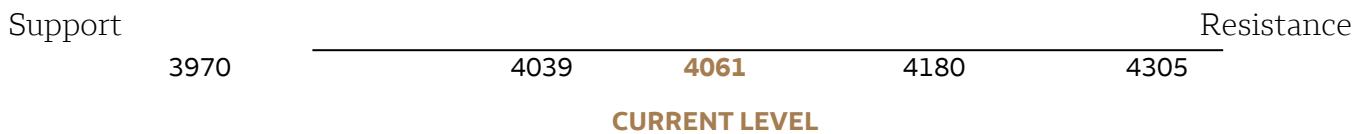
S&P 500 Index

Short-term trend: Higher

The S&P 500 Index (4061) is in an uptrend. We believe the next areas to watch for resistance will be the recent highs (4180, 4305). Support should be found at the 50-day moving average (4039), followed by the 200-day moving average (3970).



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Small-Cap Equities

Short-term trend: Lower

Small-cap equities are pulling back on an absolute and relative basis.



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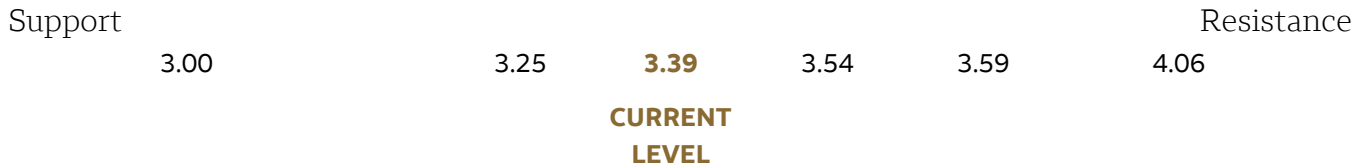
10-Year Treasury Yield

Short-term trend: Higher

The 10-year Treasury yield (3.39) is in an uptrend. Resistance looks to come in next at the 200-day moving average (3.54), followed by the 50-day moving average (3.59), and recent highs (4.06, 4.24). Support on the way down will likely be found at psychologically important levels (3.25, 3.00).



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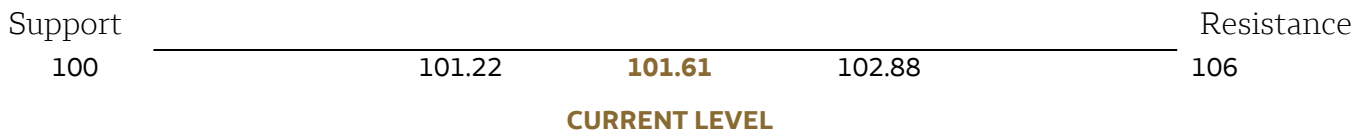
U.S. Dollar Index

Short-term trend: Lower

The U.S. Dollar Index (101.61) is in a downtrend. Support should be found at the recent low (101.22) and the psychologically important 100 level. Resistance will likely be found at the 50-day moving average (102.88), followed by the 200-day moving average (106).



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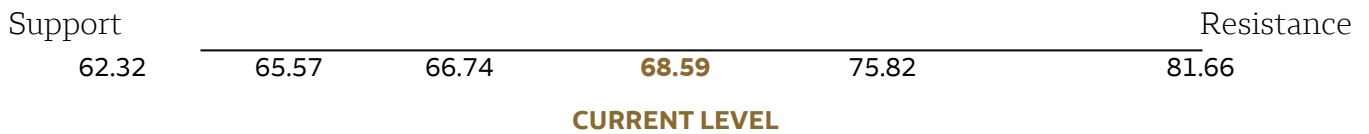
Crude Oil

Short-term trend: Lower

Crude oil (68.59) is in a downtrend. The next key levels to watch for support are the recent lows (66.74, 65.57, 62.32). Resistance will likely be found at the 50-day moving average (75.82), followed by the 200-day moving average (81.66) and the recent high (83.26).



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Gold

Short-term trend: Higher

Gold (2046) is in an uptrend. Support should be found at the 50-day moving average (1954), followed by the 200-day moving average (1813). Resistance will likely be found at the recent high (2043) and psychologically important round numbers (2100, 2200).



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S&P 500 Consumer Staples Index

Short-term trend: Higher

The S&P 500 Consumer Staples sector (799) is improving on both an absolute and relative basis. We look for resistance to come in at the recent highs (808, 842). Support will likely be found at the 50-day moving average (773) and the 200-day moving average (765).



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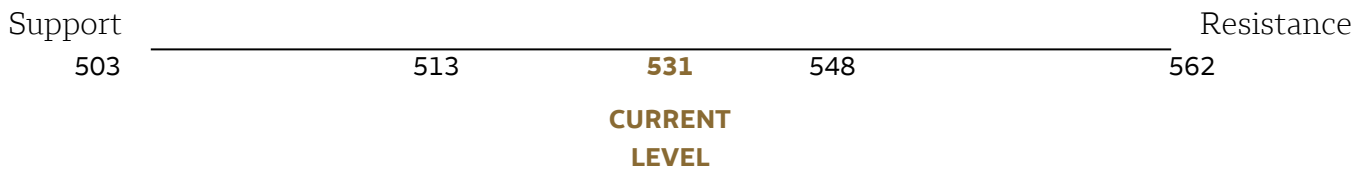
S&P 500 Financials Index

Short-term trend: Lower

The S&P 500 Financials sector (531) is struggling on an absolute and relative basis. We believe support will come in at the recent lows (513, 503). Resistance should be found at the 50-day moving average (548) and the 200-day moving average (562).



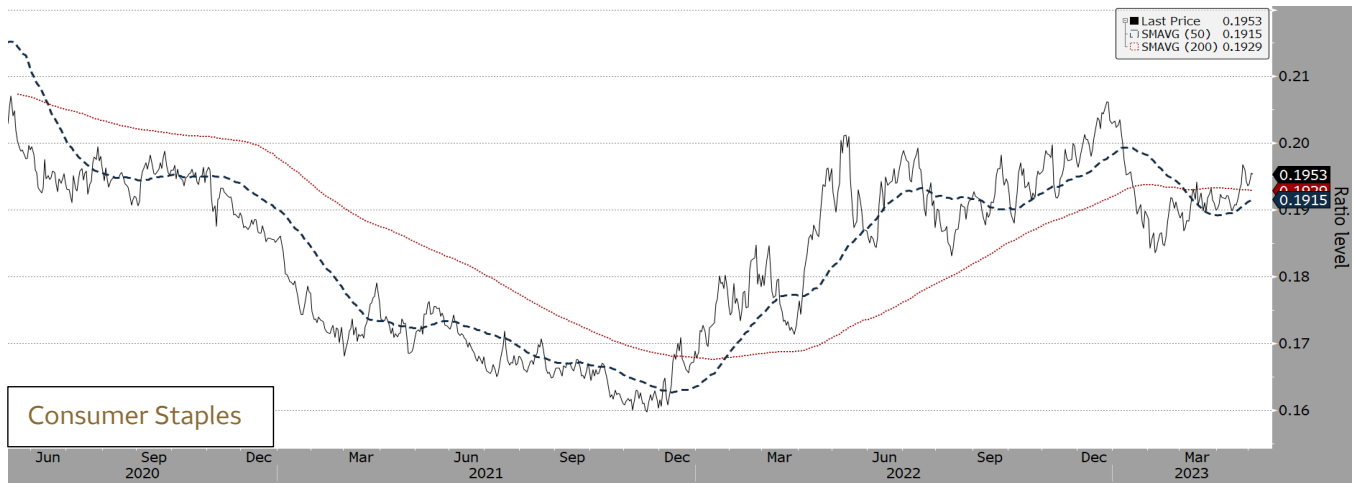
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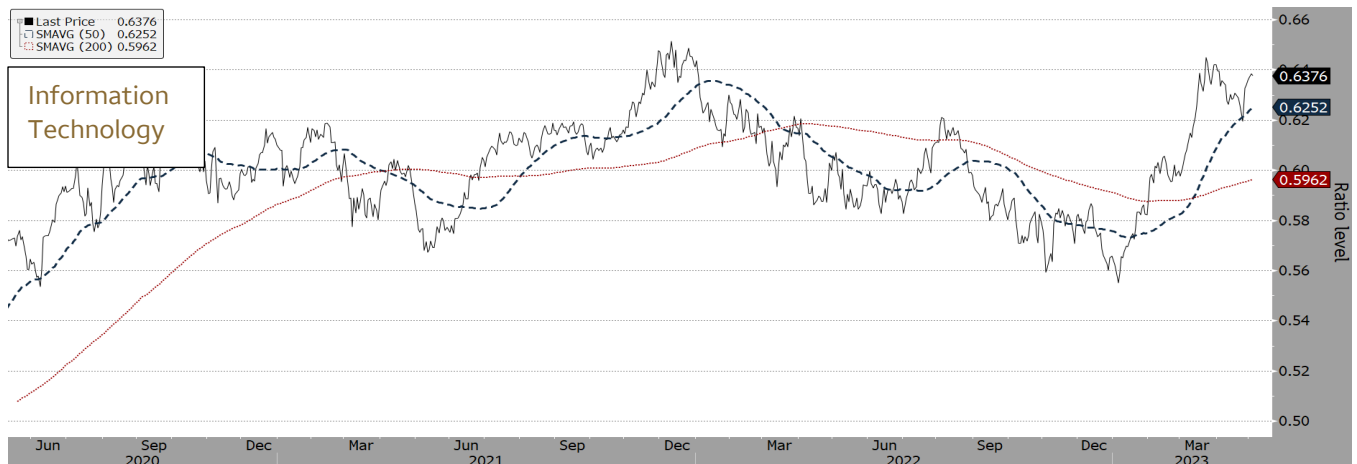
Relative Sector Charts (vs. S&P 500)



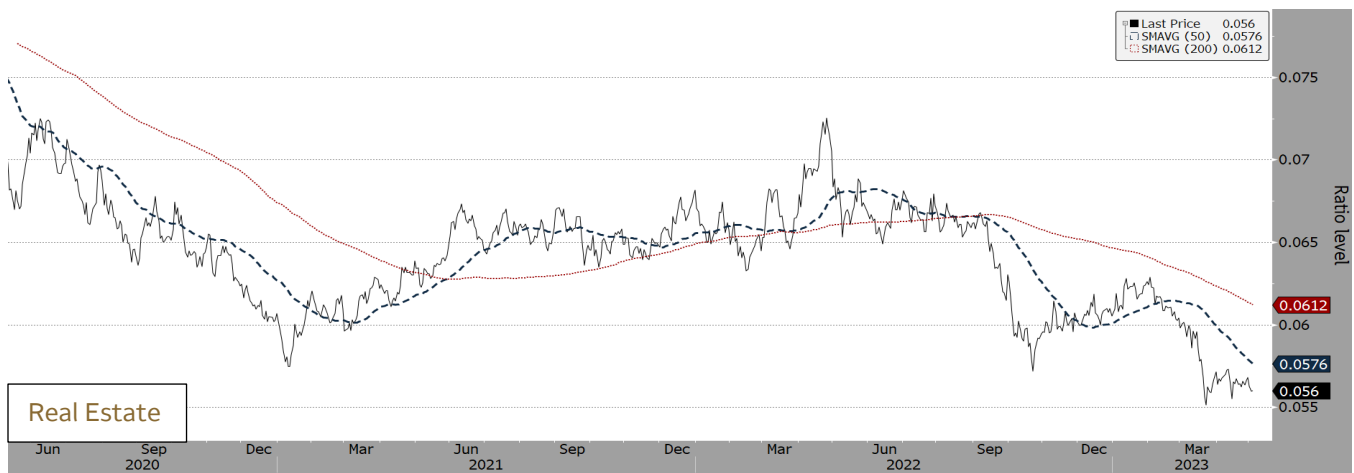
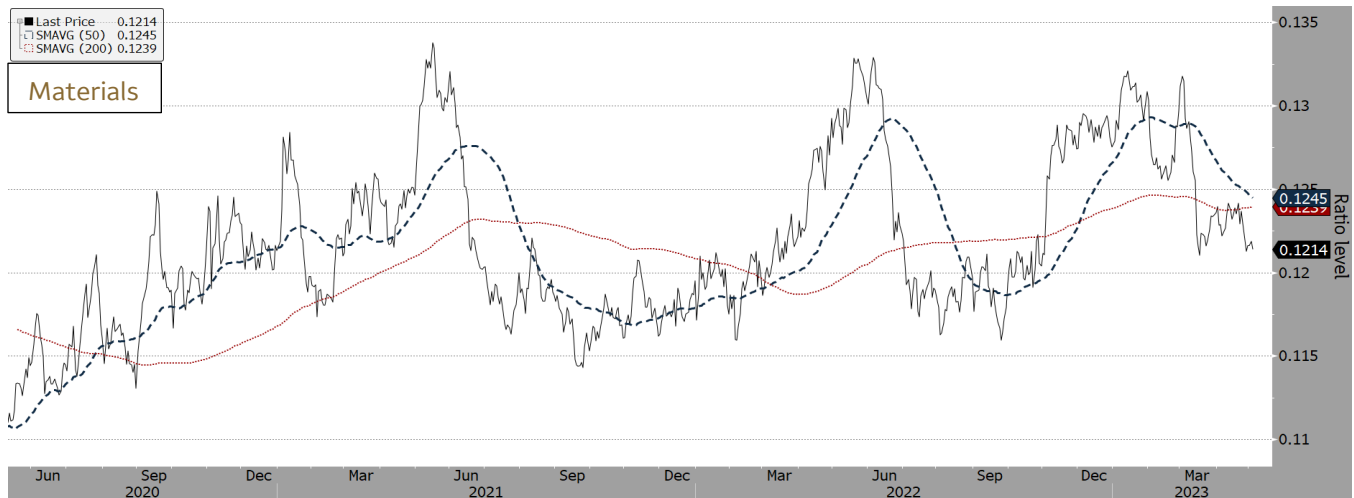
Source: Bloomberg, 5/5/2023. Copyright ©2023 Bloomberg Finance L.P. IXCPX Index is the ticker for the S&P 500 Communication Services Index on Bloomberg; S5COND Index is the ticker for the S&P 500 Consumer Discretionary Index on Bloomberg. An index is unmanaged and not available for direct investment. **Past performance is no guarantee of future results.**



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Risk factors

All investing involves risks including the possible loss of principal.

Equity securities are subject to market risk which means their value may fluctuate in response to general economic and market conditions and the perception of individual issuers. Investments in equity securities are generally more volatile than other types of securities.

The prices of small and mid-cap company stocks are generally more volatile than large company stocks. They often involve higher risks because smaller companies may lack the management expertise, financial resources, product diversification and competitive strengths to endure adverse economic conditions.

Investing in foreign securities presents certain risks not associated with domestic investments, such as currency fluctuation, political and economic instability, and different accounting standards. This may result in greater share price volatility. These risks are heightened in emerging markets.

Sector investing can be more volatile than investments that are broadly diversified over numerous sectors of the economy and will increase a portfolio's vulnerability to any single economic, political, or regulatory development affecting the sector. This can result in greater price volatility.

Investments in fixed-income securities are subject to interest rate, credit/default, liquidity, inflation and other risks. Bond prices fluctuate inversely to changes in interest rates. Therefore, a general rise in interest rates can result in the decline in the bond's price. Credit risk is the risk that an issuer will default on payments of interest and principal. This risk is higher when investing in high yield bonds, also known as junk bonds, which have lower ratings and are subject to greater volatility. If sold prior to maturity, fixed income securities are subject to market risk. All fixed income investments may be worth less than their original cost upon redemption or maturity.

Although Treasuries are considered free from credit risk they are subject to other types of risks. These risks include interest rate risk, which may cause the underlying value of the bond to fluctuate.

Investments in currencies involve certain risks, including credit risk, interest rate fluctuations, fluctuations in currency exchange rates, derivative investment risk and the effect of political and economic conditions. The use of currency transactions to seek to achieve gains in the portfolio could result in significant losses to the portfolio which exceeds the amount invested in the currency instruments. In addition, exchange rate risk between the U.S. dollar and foreign currencies may cause the value of the fund's investments to decline.

The commodities markets are considered speculative, carry substantial risks, and have experienced periods of extreme volatility. Investing in a volatile and uncertain commodities market may cause a portfolio to rapidly increase or decrease in value which may result in greater share price volatility.

Investments in gold and gold-related investments tend to be more volatile than investments in traditional equity or debt securities. Such investments increase their vulnerability to international economic, monetary and political developments.

Target prices and forecasts are not guaranteed and are subject to change.

Definitions

Support: Levels at which we anticipate buyers outnumbering sellers and prices stabilizing.

Resistance: Levels at which we anticipate sellers outnumbering buyers and prices stalling.

Short-term trend is a trend that has been in place over a period less than six months.

Long-term trend is a trend that has been in place for multiple years.

An index is unmanaged and not available for direct investment.

Russell 2000 Index measures the performance of the 2,000 smallest companies in the Russell 3000 Index, which represents approximately 8% of the total market capitalization of the Russell 3000 Index. Russell 3000 Index measures the performance of the 3,000 largest U.S. companies based on total market capitalization, which represents approximately 98% of the investable U.S. equity market.

S&P 500 Index is a market capitalization-weighted index composed of 500 widely held common stocks that is generally considered representative of the U.S. stock market.

S&P 500 Communication Services Index comprises those companies included in the S&P 500 that are classified as members of the GICS® communication services sector.

S&P 500 Consumer Discretionary Index comprises those companies included in the S&P 500 that are classified as members of the GICS® consumer discretionary sector.

S&P 500 Consumer Staples Index comprises those companies included in the S&P 500 that are classified as members of the GICS Staples sector.

S&P 500 Energy Index comprises those companies included in the S&P 500 that are classified as members of the GICS Energy sector.

S&P 500 Financials Index comprises those companies included in the S&P 500 that are classified as members of the GICS Financials sector.

S&P 500 Healthcare Index comprises those companies included in the S&P 500 that are classified as members of the GICS Healthcare sector.

S&P 500 Industrials Index comprises those companies included in the S&P 500 that are classified as members of the GICS Industrials sector.

S&P 500 Information Technology Index comprises those companies included in the S&P 500 that are classified as members of the GICS Information Technology sector.

S&P 500 Materials Index comprises those companies included in the S&P 500 that are classified as members of the GICS® materials sector.

S&P 500 Real Estate Index comprises those companies included in the S&P 500 that are classified as members of the GICS Real Estate sector.

S&P 500 Utilities Index comprises those companies included in the S&P 500 that are classified as members of the GICS Utilities sector.

U.S. Dollar Index (DXY) measures the value of the U.S. dollar relative to majority of its most significant trading partners. This index is similar to other trade-weighted indexes, which also use the exchange rates from the same major currencies.

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