



SANCTUARY ASSET MANAGEMENT

CIO WEEK AHEAD



JEFF KILBURG
Chief Investment
Officer

CALENDAR

Tuesday

6:00 a.m. NFIB Small Business Index
10:00 a.m. JOLTS Job Openings
Earnings: Fastenal

Wednesday

8:30 a.m. CPI
2 p.m. FOMC Minutes
Earnings: JPMorgan Chase, BlackRock

Thursday

8:30 a.m. PPI
8:30 a.m. Weekly jobless claims
Earnings: Bank of America, Morgan Stanley, Citigroup, Walgreens Boots Alliance, Wells Fargo, Domino's Pizza, U.S. Bancorp, UnitedHealth

Friday

8:30 Retail Sales
10:00 a.m. University of Michigan Consumer Sentiment
Earnings: Goldman Sachs, J.B. Hunt, PNC Financial

Week of October 12, 2021

Despite equity markets slightly selling off yesterday during the Columbus Day trading session, I do believe markets will stabilize and shift focus on the start of Q3 earnings season.

This earnings season can serve as a short-term catalyst for equity markets to retest recent all-time highs. Last week, resiliency in stocks persisted after an agreement was finally struck, allowing the U.S. government to cover its expenses through early December. The major averages all ended last week in the green. The blue-chip dominated Dow Jones Industrial Average rose 1.2% to 34,746 for its best week since June, and the S&P 500 rose about 0.8% to 4391 for its best week since August. The Nasdaq rose to 14,579 just shy of 0.1%.

Taper Tap Dance: Nonfarm payrolls drastically disappointed with an increase of only 194k in September, compared with the Dow Jones estimate for 500k. This was the second consecutive monthly miss as August also surprised investors to the downside. This disappointing data continues to provide Fed Chairman Powell cover as he prudently considers reducing the \$120B a month in asset purchases.

Earnings Kickoff: Profits for companies in the S&P 500 are expected to rise 27.6% from the third quarter of 2020 (source: FactSet). The S&P 500 is currently valued at more than 20 times earnings estimates for the next few months, according to FactSet. That's slightly above the 5-year average of around 18 times profit forecasts but, it is important to remember that valuations are nowhere near all-time highs.

Money In the Bank: Some of the world's biggest banks kick off U.S. earnings, with investors remaining focused on better understanding global supply chain problems, labor shortages and forward guidance. Major banks will kick off their Q3 earnings reports. JPMorgan Chase kicks it off on Wednesday, with Goldman Sachs, Bank of America, Morgan Stanley, Wells Fargo and Citigroup following later in the week. Delta Airlines and Walgreens Boots Alliance reports are also on deck.

As markets are roughly 3% away from the 2021 all-time high in the S&P 500, October may prove as an opportunity to potentially reposition exposure towards alternative solutions. Alternative investments seek to provide non-correlation and, in the world of zero interest rates, alts may even be a yield replacement in client portfolios.

For assistance, please contact:

14 North Erie Street
Suite 2b
Toledo, Ohio 43604
mnoble@noblewealthpartners.com
noblewealthpartners.com

Sanctuary makes no representation as to the accuracy or completeness of information contained herein. The information is based upon data available to the public and is not an offer to sell or solicitation of offers to buy any securities mentioned herein. Any investment discussed may not be suitable for all investors. Investors must make their own decisions based on their specific investment objectives and financial circumstances. Investments are subject to risk, including but not limited to market and interest rate fluctuations. Any performance data represents past performance which is no guarantee of future results. Prices/yields/figures mentioned herein are as of the date noted unless indicated otherwise. All figures subject to market fluctuation and change. Additional information available upon request.

Securities offered through Sanctuary Securities, Member FINRA and SIPC.
Advisory services offered through Sanctuary Advisors, LLC, an SEC registered investment advisor.