

## Bouncing Back

Stocks advanced in a week with little major data to sway sentiment. For the week, the S&P 500 Index was +1.9%, the Dow was +2.2%, and the NASDAQ was +1.5%. Within the S&P 500 Index, the Utility, Financial, and Materials sectors led the advance, while the Consumer Discretionary, Energy, and Technology sectors lagged. The 10-year U.S. Treasury note yield decreased to 4.494% at Friday’s close versus 4.503% the previous week.

Inflation data is back on the table this week with the April Producer Price Index (PPI) scheduled for release on Tuesday and Consumer Price Index (CPI) on Wednesday. CME Fed Funds futures are predicting no change in monetary policy at the next two FOMC meetings in June and July. The current probability for an initial rate cut is in September.

We are almost complete with the first quarter earnings reporting season with 92% of companies in the S&P 500 Index having reported results. 78% of companies reporting have reported a positive earnings surprise and 59% have reported a positive revenue surprise. For the coming week, seven companies in the S&P 500 Index are scheduled to report earnings. The current first quarter consensus forecast for the S&P 500 Index is 5.4% earnings growth with revenue growth of 4.1%. Full-year 2024 earnings for the S&P 500 Index are expected to grow by 11.1% with revenue growth of 5.0%.

In our *Dissecting Headlines* section, we look at Mother’s Day shopping trends.

## Financial Market Update

	<u>Weekly Return</u>	<u>YTD Return</u>		<u>Weekly Return</u>	<u>YTD Return</u>
S&P 500 Index	1.9%	10.0%	Aggregate Bond Index	0.1%	-1.5%
Dow Jones Industrial Average	2.2%	5.5%	U.S. Dollar Index	0.3%	3.9%
NASDAQ 100	1.5%	8.2%	WTI Crude Oil	0.2%	9.2%
Russell 2000 (Small Cap Index)	1.2%	2.1%	Gold	2.5%	14.3%
International Stocks (MSCI ex-US)	1.6%	6.1%	Real Estate (US REIT Index)	1.9%	-3.7%

Sources: S&P Global, FactSet

## Dissecting Headlines: Mother’s Day Shopping

While not as significant a spending period as the Christmas shopping season, 84% of Americans do some specific spending for Mother’s Day. According to the National Retail Federation (NRF), Mother’s Day spending is forecast to be \$33.5 billion this year. That is expected to be slightly below 2023’s record of \$35.7 billion.

The average spend per person is expected to be \$254.04, also slightly down from \$274.02 last year. Most spending is done for a mother or step-mother at 59%, followed by a wife at 22%, and a daughter at 12%. The most popular gifts are flowers at 74%, greeting cards also at 74%, and taking the honored woman to dinner or brunch at 59%. The top categories by dollars spent are jewelry at \$7 billion, dinner/brunch at \$5.9 billion, and electronics at \$3.5 billion.

Optimove Insights identified that consumers prioritize quality and personalization over price when shopping for Mother’s Day.

Online remains an important shopping venue with 35% of respondents to the NRF’s survey saying they shopped online for Mom, followed by department stores at 32%, specialty stores at 29%, and local or small businesses at 25%.

The rolling calendar of event-driven consumer spending is important to monitor as a gauge of health of the consumer and its impact on the economy. Upcoming significant spending as we stretch into the summer months is holiday travel, specifically over Memorial Day, Independence Day, and Labor Day, as well as back-to-school spending starting in late July to early August.

## The NovaPoint Team



**Joseph Sroka, CFA, CMT / Chief Investment Officer / [jsroka@novapointgroup.com](mailto:jsroka@novapointgroup.com)**

Joe has over 20 years of experience in the investment management industry. Prior to founding NovaPoint, he was a portfolio manager at Spectrum Advisory Services and GMT Capital in Atlanta, and Epoch Investment Partners in New York. He has also worked as an equity research analyst at Merrill Lynch and ABN Amro. Before beginning his investment career, Joe was an Infantry officer in the U.S. Army. Joe holds a BS from the U.S. Military Academy at West Point and an MBA from the University of Chicago. He is both a Chartered Financial Analyst (CFA) and a Chartered Market Technician (CMT).



**Alan J. Conner / President and Chief Compliance Officer / [aconner@novapointgroup.com](mailto:aconner@novapointgroup.com)**

Alan has over 20 years of experience in the investment management industry. Prior to founding NovaPoint, he was a fixed income manager at both Spectrum Advisory Services and a private family office. Alan was also with the Bank Group division of Countrywide Capital Markets where he developed balance sheet strategies for depository institutions. He holds a BS in Banking and an MBA in Finance from Nova Southeastern University. Alan is an endurance athlete and three-time IRONMAN finisher.



**Frederick Wright, CFA / Managing Director & Portfolio Manager / [fwright@novapointgroup.com](mailto:fwright@novapointgroup.com)**

Frederick has over 30 years of experience in the investment management industry. Prior to joining NovaPoint, Frederick was a Partner and Investment Advisor at Brightworth where he advised high net worth investors. Frederick began his investment career in 1991 at Balentine & Co where he rose to Partner. He also co-founded and served as Chief Investment Officer at Wright Investment Management and at Smith & Howard Wealth Management. Prior to beginning his investment career, Frederick served as an Engineer officer in the U.S. Army. He holds a BS from the U.S. Military Academy at West Point and an MBA from Emory University. Frederick is a Chartered Financial Analyst (CFA).



**Larry Dixon, EA / Tax Managing Partner / [ldixon@novapointgroup.com](mailto:ldixon@novapointgroup.com)**

Larry leads NovaPoint's accounting, tax and outsourced CFO business. He built his previous company, Atlas Solutions, as a solo entrepreneur before merging into NovaPoint CFO. Larry began his career as a Field Artillery officer in the United States Army. Larry earned his Bachelor of Science degree from the U.S. Military Academy at West Point, where he was a four-year letterman on the football team. Larry is a certified Enrolled Agent, recognized by the U.S. Department of the Treasury to represent taxpayers before the Internal Revenue Service.



**Steven Chrysoferidis / Vice President / [schrysoferidis@novapointgroup.com](mailto:schrysoferidis@novapointgroup.com)**

Steven is a Vice President at NovaPoint. Prior to joining NovaPoint, Steven's financial experience includes corporate finance at The Home Depot, contributing on Seeking Alpha, and leading investments in real estate projects. Prior to starting his business career, he served in the U.S. Army as a Special Forces Medic with 1st Special Forces Group. Steven is currently attending the Georgia Institute of Technology, Scheller College of Business for his MBA. He also has a Master of Science in Finance degree from Auburn University and a Bachelor of Science in Mechanical Engineering degree from Georgia Southern University. He is currently a member of a local Special Forces Association Chapter.

**NovaPoint Capital LLC** (referred to herein as "NovaPoint" or "the Company") is registered with the SEC as an investment adviser, but registration does not imply any certain level of skill or training. The information contained in this document has not been filed with, reviewed by or approved by any regulatory or self-regulatory authority.

**Not an offer of advisory services or securities:** This document is limited to the dissemination of general information about the services provided by the Company and is provided for informational purposes only. This document is intended for residents of the United States only and the information contained herein does not constitute and should not be construed as an offering of advisory services or an offer to sell or solicitation to buy any securities or other financial instruments in any jurisdiction in which such offer or solicitation, purchase or sale would be unlawful under the securities, or other applicable laws of such jurisdiction. Nothing contained in this document constitutes tax, legal or investment advice. Responses to any inquiry which may involve the rendering of personalized investment advice for compensation or effecting or attempting to effect transactions in securities will not be made absent compliance with state broker-dealer, investment adviser, broker-dealer agent or investment adviser representative registration requirements, or applicable exemptions or exclusions from such requirements.

**Investment risk:** The Company makes no representation, and it should not be assumed, that past investment performance is any indication of future results. Moreover, wherever there is the potential for profit there also is the possibility of loss. Certain of the Company's strategies may involve investments that are illiquid, are subject to a substantial risk of loss and are not suitable for certain investors.

**Limitation of liability:** While the Company uses reasonable efforts to include accurate and up-to-date information in this document, errors or omissions sometimes occur. The Company makes no warranties or representations as to the accuracy of this document. Opinions expressed herein are subject to change without notice. Under no circumstances shall the Company or any party involved in creating, producing, or delivering this document be liable for any direct, incidental, consequential, indirect, or punitive damages that result from the use of the information contained in this document, even if the Company's authorized representative has been advised of the possibility of such damages. Applicable law may not allow the limitation or exclusion of liability or incidental or consequential damages, so the above limitation or exclusion may not apply to you.

**Trademarks and copyrights:** All trademarks, service marks, trade names, logos, and icons are proprietary to the Company. Nothing contained in this document should be construed as granting, by implication, estoppel, or otherwise, any license or right to use any trademark displayed in this document without the prior written permission of the Company or such third party that may own the trademarks displayed in this document. Your use of the trademarks displayed in this document, or any other content in this document, except as provided herein, is strictly prohibited.