

JS

JOHNSON • STIVENDER

WEALTH ADVISORS

Market Update

We would like to give everyone a mid-year review of the first 7 months of this year and what we think could happen for the balance of this year.

Let's start with the past 7 months. We started the year with the market starting to broaden out from what was a very narrowly traded market the majority of last year. We viewed this as a positive sign as long as this continued. However, by the end of the first quarter, the market was back to being led again by a few mega-cap tech stocks. While better than last year, at this point, we still aren't seeing the participation from the broader market (small-cap, mid-cap, equal-weighted indexes) that we like to see for a fully engaged market.

Based on current market and economic data, in our opinion we are not anticipating a recession in-the-near future. Inflation has been moderating and with an economy that has slowed slightly, the Federal Reserve appears ready to begin reducing rates. We are anticipating the Federal Reserve to have 2 rate reductions this year, probably a .25% cut in September and another .25% in December, which should be favorable for the equity and bond markets. We have also seen a weakening dollar, which again, typically bodes well for equities.

We all know that this is an election year and historically, from August through the election in November, we see a choppy time for the markets. Markets don't like uncertainty and believe it or not, it usually doesn't matter who wins the presidency. Once the election is over the uncertainty is gone and the markets tend to do well into year-end.

However, we will always rely on our technical indicators to guide us and to manage risk for our clients. Right now, we are on offense, and are not anticipating any major changes through the end of the year. As always, if you have any individual questions about your investments, please call our office and schedule a time to talk.

All expressions of opinions reflect the judgments of the Financial Advisors of Johnson Stivender Wealth Advisors and not Raymond James.

There is no assurance the trends mentioned will continue or that the forecasts discussed will be realized. Past performance may not be indicative of future results. Economic and market conditions are subject to change. Investing involves risk, and you may incur a profit or loss regardless of the strategy selected.



Summer Edition 2024

In This Issue:

- Market Update
- Interest Rate Cuts
- New Team Member
- Did you know?
- Recipe Corner

Holiday Schedule—Office Closed

Sept 2nd, Labor Day

Branch Locations:

2031 US Highway 27 South

Sebring, FL 33870

863.385.5172

5129 S Lakeland Dr, Suite 1

Lakeland, FL 33813

863.683.2736

Johnsonstivender.com

Securities offered through Raymond James Financial Services, Inc. Member FINRA/SIPC. Investment advisory services offered through Raymond James Financial Services Advisors, Inc. Johnson Stivender Wealth Advisors is not a registered broker/dealer and is independent of Raymond James Financial Services.

Interest rate cut appears to be on the horizon

MARKETS & INVESTING

The Federal Reserve noted that inflation is moving closer to its 2% target after electing to hold rates steady at its July FOMC meeting.

A year removed from its last interest rate hike, the Federal Reserve (Fed) elected to leave the federal funds rate unchanged at the July 30-31, 2024, Federal Open Market Committee (FOMC) meeting. The decision marks the eighth consecutive FOMC meeting where the federal funds rate target range remained at its highest mark in 23 years at 5.25%-5.50%.

“Assuming there is no resurgence in inflation, which is our base case, the Fed has essentially set the stage for its first rate cut in four years, starting in September – also in our forecast,” said Raymond James Chief Investment Officer Larry Adam. “The Fed is clearly now equally focused on both the slowing economy and labor market, and not just inflation.”

In its post-meeting statement, the FOMC noted that “inflation has eased over the past year but remained somewhat elevated. In recent months, there has been some further progress toward the committee’s 2% inflation objective.”

Markets have targeted September’s FOMC meeting for when the first interest rate cut will take place, and while the post-meeting statement provided no clear indicators of when a rate cut would be forthcoming, Fed Chair Jerome Powell noted in his press conference that September could be on the table.

“The broad sense of the committee is that the economy is moving closer to the point at which it would be appropriate to reduce our policy rate,” said Powell. “The question will be whether the totality of the data, the evolving outlook and the balance of risks are consistent with rising confidence on inflation and maintaining a solid labor market. If that test is met, a reduction in our policy rate could be on the table as soon as the next meeting in September.”

While Powell said the Fed believes that monetary policy is finally restrictive, Raymond James Chief Economist Eugenio Alemán offers a reminder that “monetary policy is becoming more restrictive because as inflation continues to moderate, the real federal funds rate continues to increase.”

With more evidence that the Fed will cut interest rates and elongate this recovery, economically sensitive areas of the economy such as small caps, technology, consumer discretionary and industrials surged on the news.

The bond market also continues to be bolstered by the prospect of the Fed cutting interest rates, noted Adam, as the 2-year and 10-year Treasury yields fell to nearly six-month lows.

The next FOMC meeting takes place September 17-18.

All expressions of opinion reflect the judgments of the Raymond James Chief Investment Officer and Raymond James Chief Economist and are subject to change.

There is no assurance the trends mentioned will continue or that the forecasts discussed will be realized. Past performance may not be indicative of future results. Economic and market conditions are subject to change. Investing involves risk, and you may incur a profit or loss regardless of the strategy selected.

Please join us in welcoming our new Client Service Associate, Kristin Johnson. Kristin has years of experience in Client Service and Case Management, serving both local and international clients. Although Florida is her home, she spent many years working at international companies overseas. She is a graduate of Eckerd College with a BA in International Relations. She speaks Mandarin Chinese and welcomes the opportunity to use her language skills. Presently, she is taking classes to learn Spanish as her next language.



When she's not working, she enjoys spending time with her family, especially her young son David who keeps her very busy. They enjoy going to Florida parks, beaches and many doing other outdoor activities.

Kristin will be located in our Sebring office, so if you're in the neighborhood stop by and say hello.

Did you know:

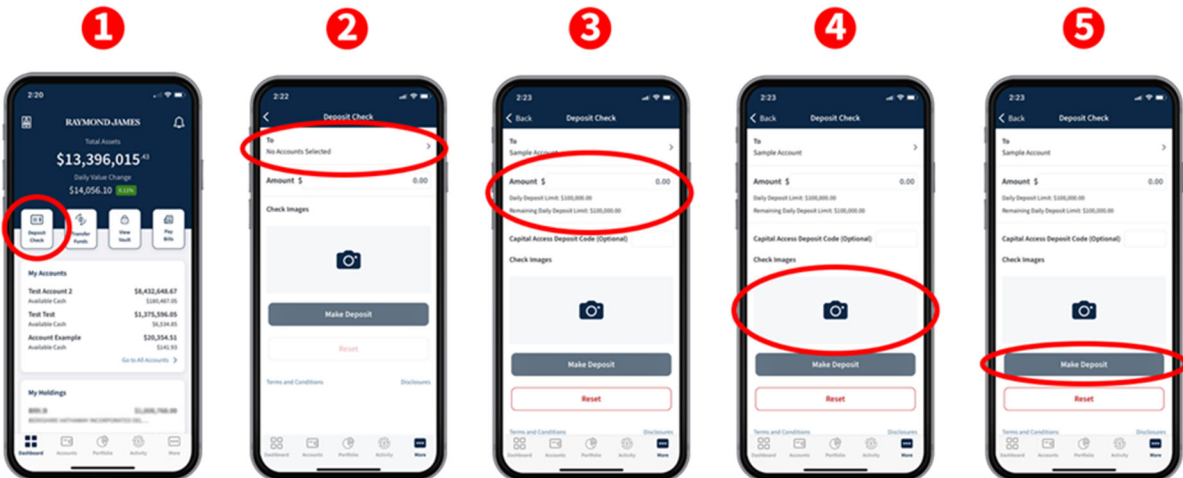
With the Raymond James Client **Access Mobile App** you can deposit a check?

CHECK DEPOSIT for Mobile

Client Access Mobile how-to: Depositing checks

How to deposit checks with Client Access Mobile

Once logged into **Client Access Mobile** from your mobile phone, follow the steps below:



From your **Dashboard** screen, select the **Deposit Check** quick action button.

Select the **To** account to which to deposit the check.

Enter the dollar **Amount** of the deposit.

Select camera to turn your device's camera on. Align the check with the position indicators on the screen, ensuring the check is in focus. The photo will be taken automatically.

Select **Make Deposit**. Once the photo is taken, select **Finish** to deposit the check.

Recipe Corner, by Michele Bednosky

Chicken Piccata

Ingredients:

- | | |
|---|--|
| 1 medium Lemon | 3/4 cup all-purpose flour |
| 4 small skinless, boneless chicken breasts | |
| 1tsp salt | Pinch black pepper |
| 5 Tbsp Olive-Oil Divided | 6 garlic cloves, thinly sliced or minced |
| 3 Tbsp coarsely chopped drained capers | |
| 1 cup dry white wine | 1 cup chicken broth or 1 bouillon mixed with water |
| 4 Tbsp unsalted butter, cut into small pieces | |



Step 1—Flatten chicken with mallet or rolling pin to 1/4" thick

Step 2—place chicken breast in Ziploc bag to marinate with 2 Tbsp lemon juice and 2 Tbsp Water. Marinate for 30 mins.

Step 3—Remove chicken from marinate,

Step 4—Place 3/4 cup flour in shallow bowl, add salt & pepper, mix. Working one at a time dredge in flour, shaking off excess, place on a plate.

Step 5—Heat 3 Tbsp Olive Oil in a large skillet over medium high heat. Working in batches and adding more olive oil if needed, cook chicken breasts until golden underneath, about 4 mins. Turn over and cook other side until nearly cooked through, 1 to 2 mins. Transfer to a plate.

Step 6—Reduce heat to medium and add remaining 2 Tbsp Olive Oil in same pan. Add 6 Garlic Cloves sliced or minced, and capers, cook until slightly softened, 1 to 2 minutes. Add 1 cup white wine and simmer, stirring occasionally and scraping up any browned bits stuck to bottom of pan, until almost completely reduced, about 5 mins.

Step 7—Increase heat to medium-high and add 1 cup chicken broth, 4 Tbsp unsalted butter. Cook, stirring often, until butter is melted and sauce is combined, about 3 minutes. Squeeze remaining lemon juice into pan, stir. Return chicken to the pan. Cook, spooning sauce over chicken until completely cooked through about 3 mins.

Serve, with fresh parsley for garnish if desired.