

## INSIDE OUR 10 MIN PODCAST:

The Stock Market Today

Notable Numbers, Fund Flows,  
Investing Considerations

Where Money is Headed

## INDICES & CATALYSTS

	<u>Close</u>	<u>2023 Perf</u>
DJIA	32,238	-2.7%
S&P 500	3,971	3.4%
NASDAQ	11,824	13.0%
RUSS 2K	1,735	-1.5%
VIX	\$21.74	0.3%
BITCOIN	\$27,503	66.2%
OIL	\$69.20	-13.8%

## KEY TAKEAWAYS

- ⇒ *What institutional investors did recently and what they are doing now*
- ⇒ *What will go up must go down first*
- ⇒ *There are clear places money is headed and sectors under near term avoidance*

## KEY FIGURES

	<u>Fwd P/E</u>	<u>RSI</u>
DJIA	17.1	44.6
S&P 500	17.8	50.0
NASDAQ 100	24.9	62.2
RUSS 2K	20.8	37.8

## A Dirty Secret

This is the last week of the first quarter, 2023. Believe it or not, this is a very important time period. There is a dirty secret that most retail investors do not know. That secret is the fact that this period is essentially a scramble period for publicly traded companies and for institutional investors.

Actually, the scramble period likely began in earnest for many institutions a week ago. Institutional investors sell big losers, especially those that are big names around this time of year. Why? Because when quarterly reports are issued next month, they show top ten holdings, and in some cases, all holdings. And the fund managers don't want to look foolish. I know. I managed a mutual fund and small cap money---but I never engaged in such acts. You'd be surprised how many do. The managers are afraid of redemptions due to poor performance—and poor decision making, in general.

And the companies? Well let's just say that it is common knowledge that as quarters wind down, leaders bang the phones to try and get sales in the door that are pending. They work their asses off to ship as much merchandise as possible out the door, get purchase orders, or new service contracts signed etc. On the expense side if they can defer expenses, they do. Why? They don't want to miss quarterly estimates and have the stock crater.

On the investing side, portfolio managers want to have exposure to YTD winners and in some cases will buy new ones if they don't have them. They also don't want to sit on an inordinate amount of cash, given how that looks. So, you tend to see investments in ETFs, if applicable, or big names. Why? Listen to our podcast to find out...

## The Market Today

U.S. Market Performance 3/24/2023									
Index	Close	Y/E 2022	YTD Perf	52-Wk Hi	52-Wk Low	% off Hi	% from Low	200 DMA	% Abv/Bel 200 DMA
DJIA	32,238	33,147	-2.7%	35,492	28,661	-9.2%	12.5%	32,358	-0.4%
S&P 500	3,971	3,839	3.4%	4,637	3,492	-14.4%	13.7%	3,932	1.0%
NASDAQ	11,824	10,466	13.0%	14,647	10,089	-19.3%	17.2%	11,387	3.8%
Russell 2000	1,735	1,761	-1.5%	2,138	1,641	-18.8%	5.7%	1,822	-4.8%
Bitcoin	\$27,503	\$16,548	66.2%	\$48,087	\$15,599	-42.8%	76.3%	\$20,562	33.8%
Average						-20.9%	25.1%		6.7%
Avg w/o BTC						-15.4%	12.3%		-0.1%
Source: Barchart.com, Yahoo!Finance, Goldman Small Cap Research									

## Notable Numbers

### AAll Sentiment Survey (figures rounded)

	<u>Current</u>	<u>Last Week</u>	<u>Long Term Avg</u>
Bullish	21%	19%	38%
Neutral	30%	32%	32%
Bearish	49%	48%	31%



*Getting close to the Bearish threshold of 50%*

Equity Fund Flows	
Lipper	ETF.com
<u>3/22/2023</u>	<u>3/23/2023</u>
<b>Inflows \$12.0B</b>	\$20B in top 3 Inflows alone
Outflows Ex ETFs (\$2.8B)	SPY, QQQ help lead pack
Hello Inflows	Diversified outflows
At least ETFs	Led by ESG, Total Mkt, Dividend

## INVESTING CONSIDERATIONS

What does the fund flows data tells us? And how do FAANG relate to it?  
 What do the underlying new ETF investments and redemptions portend?  
 Is the major hurt on the banking sector over, for now?  
 Should I invest like an institutional investor?  
 Will inflation or company earnings affect near-term performance?



# *The Goldman Guide*

## **WHERE MONEY IS HEADED (AND NOT)**

Big ETFs remain in play  
Anything that has letters: AI  
FAANG---but not all  
Technology, Oil & Gas and not ESG  
Away from VIX and VXX for a spell  
Avoid financials, biotech, consumer discretionary---for the moment  
What will go up must go down first

**Thoughts on our ideas? Shoot me an email: [rob@goldmanresearch.com](mailto:rob@goldmanresearch.com).**



# The Goldman Guide

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