

September

MONTHLY MARKET REPORT



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BULLVORA



Index

01	Introduction	p 02
02	Key News	p 03
03	Macrotrends	p 06
04	The Stocks	p 08
05	Last Thoughts	p 11

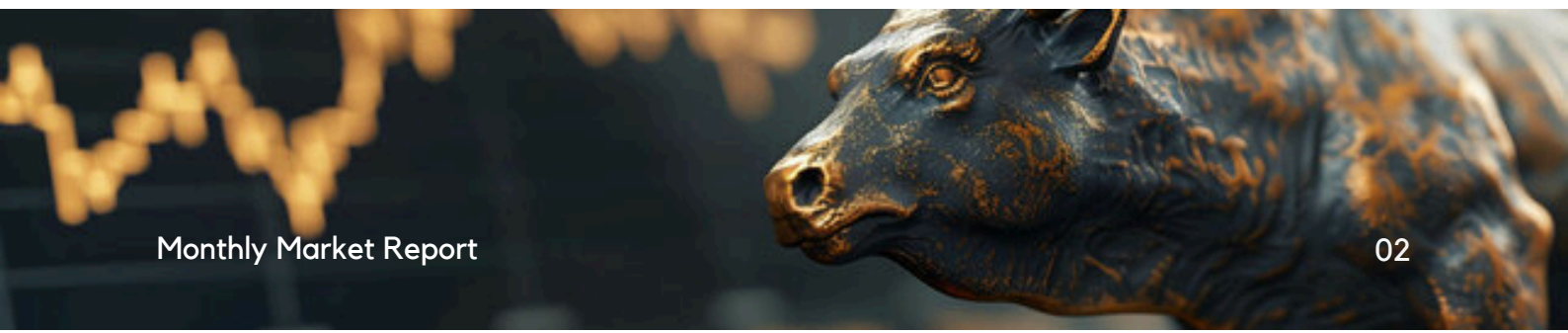
Introduction

September 2024 has been a month marked by significant volatility in the U.S. stock market, driven by geopolitical tensions, fluctuating energy prices, and concerns over the Federal Reserve's monetary policy. The S&P 500, Nasdaq, and Dow Jones Industrial Average each exhibited mixed performance throughout the month as market sentiment oscillated between optimism regarding U.S. economic resilience and fears of escalating global instability, particularly in the Middle East.

Global oil prices spiked early in the month, exacerbated by escalating conflicts in key oil-producing regions, including Iran and Israel. This surge in energy prices raised fears of inflationary pressure, leading to increased market speculation about the Federal Reserve's next moves regarding interest rates. The Fed's anticipated rate cuts, seen as crucial for stabilizing growth, were overshadowed by geopolitical uncertainties and renewed concerns about inflation.

In addition, U.S. employment data revealed a labor market that remains resilient, but wage growth has begun to slow. This balancing act between inflation and employment has shaped investor expectations and influenced the performance of key sectors, such as technology and energy. September also witnessed a strong performance from the materials sector, bolstered by China's economic stimulus efforts, while healthcare and financials struggled amid ongoing macroeconomic challenges.

Overall, September has been a month of caution, with both market highs and lows driven by a blend of external pressures and internal market dynamics. The balance between growth, inflation, and international stability has created a complex backdrop for investors navigating the U.S. stock market.





Key News

1. Federal Reserve Rate Cut

In September 2024, the Federal Reserve made a surprising move by cutting interest rates by 50 basis points, a more aggressive cut than the typical 25-point reduction. This was the first rate cut in more than four years, marking the beginning of a new monetary easing cycle. The central bank's decision was largely driven by concerns over a potential slowdown in U.S. economic growth and a desire to prevent further weakening of the labor market.

Despite some improvements in inflation, which fell to 2.5% in August (its lowest level since 2021), core inflation remained sticky at 3.2%. The Fed's Summary of Economic Projections showed a more pessimistic outlook for growth, with officials lowering growth expectations for the next few quarters. At the same time, the unemployment forecast was revised upward, indicating the Fed's concerns about job market resilience.

This rate cut restored market confidence, with many analysts interpreting the move as a signal that the Fed was committed to protecting markets from further selloffs, a concept known as the "Fed Put." This confidence helped the S&P 500 rise by 2.6% throughout the month.

2. Rising Tensions in the Middle East

Geopolitical instability played a significant role in September's market volatility, particularly due to the intensification of the conflict between Iran and Israel. The conflict led to fears of disruption in the global oil supply, causing crude oil prices to spike by over 5% early in the month. Brent crude briefly reached over \$74 per barrel, as markets reacted to the potential for supply shocks.

However, by the middle of September, crude prices began to stabilize around \$70 per barrel, following signals from major oil producers, including Saudi Arabia, that they would increase output to prevent a prolonged price surge. Although oil prices dipped below \$70 by the end of the month, concerns over inflationary pressures remained, particularly in the U.S., where higher energy prices could complicate the Federal Reserve's efforts to stabilize the economy.



Key News

3. China's Stimulus Package Revives Global Markets

In late September, China's government unveiled a major economic stimulus package aimed at reviving its slowing economy. The stimulus measures, which included a combination of monetary easing and fiscal spending, were designed to counteract the effects of a property market slump and weaker consumer demand. This announcement triggered a sharp rally in Chinese equities, with the country's stock market climbing nearly 25% by the end of the month.

The stimulus had a ripple effect on global markets, particularly in sectors with significant exposure to Chinese demand. In the U.S., the materials sector saw strong gains as investors anticipated increased demand for raw materials. Emerging markets also benefited from the rally, with emerging market stocks outperforming their U.S. and European counterparts. This resurgence of the Chinese economy provided a much-needed boost to global risk appetite.

4. Technology Sector Leadership, Tesla's Missed Expectations

The technology sector continued to lead the U.S. stock market in September, with Nvidia at the forefront of this growth. Nvidia, driven by its dominance in artificial intelligence (AI) technologies, rebounded sharply after hitting its 50-day moving average early in the month. Investor optimism surrounding AI developments pushed the stock higher, as Nvidia solidified its position as a key player in the AI revolution.

However, Tesla faced challenges in September after missing Wall Street's delivery expectations for the third quarter. Tesla reported a 6.4% increase in deliveries, but this fell short of analysts' projections, leading to a more than 3% drop in Tesla's stock by the end of the month. Despite these delivery issues, Tesla remains a key player in the electric vehicle (EV) market, though the stock's performance reflects growing concerns over production capacity and competition from other EV manufacturers.



Key News

5. U.S. Employment Data and Labor Market Trends

Labor market data in September showed mixed results, contributing to the Federal Reserve's cautious approach to monetary policy. The unemployment rate fell to 4.2%, marking the first decline since March, while job openings fell to 7.7 million, below expectations. This decrease in job openings suggested that the labor market may be cooling, but the pace of job creation remained solid.

Despite the decline in unemployment, wage growth remained robust, with hourly earnings growing faster than anticipated. This resilience in wage growth provided some relief to markets, although concerns over a potential slowdown in hiring persisted. The Fed's decision to cut interest rates by 50 basis points was partly in response to these labor market dynamics, as the central bank aimed to support employment while balancing inflation concerns.

6. Palantir Technologies go UP & Enphase Energy go Down

Palantir Technologies saw its stock price soar in September 2024, with shares increasing by approximately 45% in the third quarter. This impressive rise was driven by two main factors: its inclusion in the S&P 500 and the growing interest from investors in artificial intelligence (AI) companies. Following its addition to the index, Palantir attracted both institutional investors and a significant influx of retail investors, who added the company to their portfolios, believing in the promising future of AI.

Despite significant stock sales by co-founder Peter Thiel, who sold around \$1 billion in shares throughout the year, market confidence remained high.

While Palantir had an excellent performance, Enphase Energy faced significant challenges. The company's stock dropped nearly 16% in September, continuing its decline throughout the month. The primary reason was disappointing quarterly results, coupled with increasing concerns about weakening demand for residential solar products.

Enphase, a leader in residential solar energy solutions like microinverters and battery storage, was heavily impacted by two factors: rising interest rates and a slowdown in solar system installations. With higher financing rates, consumers faced increased costs to finance the installation of solar panels, resulting in reduced demand. Additionally, regulatory changes in key markets, such as California, also weighed on the company's short-term outlook.

Macrotrends

1. Monetary Policy Shifts

In September 2024, the Federal Reserve's decision to cut interest rates by 50 basis points marked a pivotal moment in U.S. monetary policy. This unprecedented move, aimed at stimulating economic growth, was driven by concerns over a cooling labor market and the need to support consumer spending amid rising inflation. Economists suggest that the Fed's approach reflects a shift from aggressive rate hikes to a more cautious stance, as officials balance inflation control with economic growth.

As a result of the rate cut, the stock market experienced a surge in investor confidence, particularly in sectors sensitive to interest rates, such as technology and consumer discretionary. Lower borrowing costs are expected to encourage businesses to invest in growth and consumers to spend, which could lead to a stronger economic recovery. Market analysts anticipate that the Fed may continue to lower rates in response to changing economic conditions, which could sustain bullish sentiment in the equities market.

2. Persistent Inflation

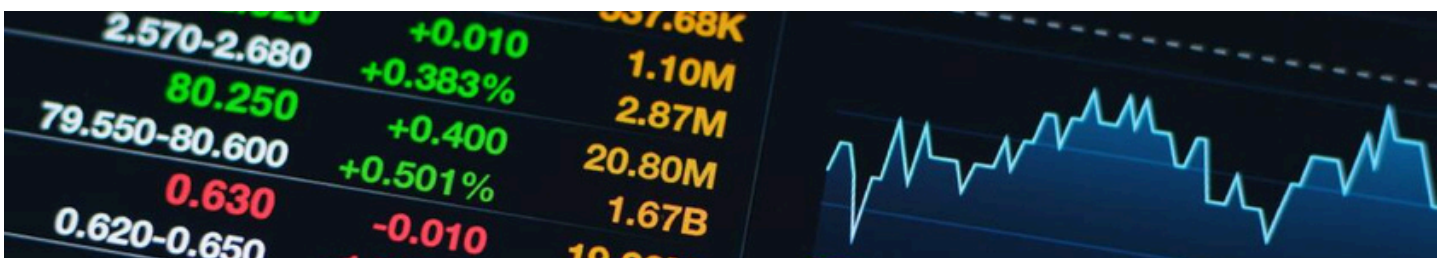
Inflation remains a central concern for investors as it continues to influence consumer behavior and corporate profitability. Despite recent signs of moderation, with core inflation rates hovering around 3.2%, the underlying pressured supply chain disruptions persist. The Fed's dual mandate of achieving maximum employment while stabilizing prices complicates its strategy.

Consumer goods, especially essentials like food and energy, have seen prices rise sharply, putting pressure on household budgets. This ongoing inflationary environment has led to cautious consumer spending, impacting companies that rely on discretionary purchases.

3. Geopolitical Risks

Geopolitical tensions, particularly in the Europe, have heightened market volatility. The conflict between Iran and Israel has led to fluctuations in oil prices, directly affecting inflation and consumer confidence. Events like missile strikes and military actions create uncertainty that can quickly impact global market.

Moreover, the ongoing war in Ukraine has resulted in sanctions and trade disruptions, further complicating international relations and market advised to stay alert to developments in stock prices, especially in energy and defense sectors. The interconnections of global economies means that instability in one region can have far-reaching consequences.



Macrotrends

4. Fiscal Policy and Government Spending

As the U.S. government navigates a changing fiscal landscape, expectations are for tighter budgetary constraints following extensive spending during the pandemic. Analysts anticipate that the budget deficit will decrease, which could limit the government's ability to inject capital into the economy through infrastructure projects and social programs. This contraction in fiscal spending may lead to slower economic growth and impact sectors that rely on government contracts.

The approaching election cycle adds an additional layer of uncertainty to fiscal policy. Campaign promises could shift spending priorities, influencing various market sectors in different ways. Investors need to remain vigilant for potential policy changes that may arise from the outcomes of the elections, as these changes could significantly affect stock market dynamics.

5. Consumer Behavior and Economic Growth

Consumer spending patterns are expected to shift as inflation continues to affect disposable income. Analysts predict that growth in consumer spending will decelerate, as individuals become more cautious about their financial situations. The resumption of student loan payments and increasing living costs may further constrain household budgets, particularly for discretionary purchases.

While the labor market remains robust, signs indicate that wage growth is slowing. Consequently, businesses might face challenges in maintaining sales momentum. A downturn in consumer spending could lead to lower corporate earnings, which may adversely impact stock prices across various sectors.

6. Market Volatility

Investors should brace for increased market volatility as economic conditions evolve. Factors such as changes in monetary policy, geopolitical developments, and inflation concerns are likely to contribute to fluctuations in stock prices. This heightened volatility could present both risks and opportunities for investors.

Market participants are encouraged to adopt flexible investment strategies and stay attuned to shifts in macroeconomic conditions. Strategic asset allocation will become increasingly important as investors seek to navigate the complexities of a potentially unpredictable market environment.





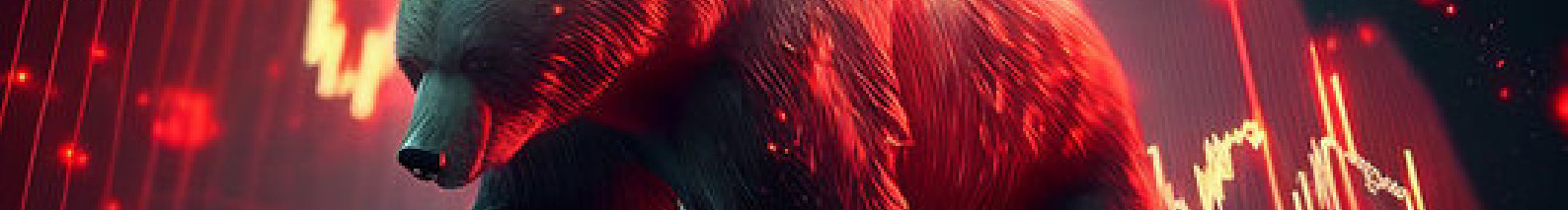
The Bullvora Portfolio

Company	Sector	Market Cap	Stop Loss (\$)	52 Week Range	Risk Level
Apple (AAPL)	Technology	3.509T	\$ 165,00	164.08 \$ - 237.23 \$	Low
Microsoft (MSFT)	Technology	3.127T	\$ 330,00	324.39 \$ - 468.35\$	Low
Alphabet (GOOGL)	Technology	2.04T	\$ 125,00	121.46 \$ - 193.31 \$	Low
Amazon (AMZN)	Technology	1.977T	\$ 130,00	118.35 \$ - 201.20 \$	Moderate
Nvidia (NVDA)	Technology	3.397T	\$ 125,00	39.23 \$ - 140.76 \$	Moderate
Meta Platforms (META)	Technology	1.503T	\$ 425,00	279.40 \$ - 602.95 \$	Moderate
IBM (IBM)	Technology	216.709B	\$ 140,00	135.87 \$ - 236.12 \$	Moderate
Wingstop (WING)	Restaurants	11.651B	\$ 173,00	173.74 \$ - 433.86 \$	High
Caterpillar (CAT)	Industrials	191.418B	\$ 315,00	223.76 \$ - 403.60 \$	Low
Honeywell (HON)	Industrials	140.547B	\$ 174,00	174.88 \$ - 220.79 \$	Low
Johnson & Johnson (JNJ)	Healthcare	388.866B	\$ 148,00	143.13 \$ - 168.85 \$	Low
AbbVie (ABBV)	Healthcare	345.125B	\$ 140,00	135.85 \$ - 195.90 \$	Low
Eli Lilly (LLY)	Healthcare	837.819B	\$ 910,00	547.61 \$ - 972.53 \$	Moderate
Intuitive Surgical (ISRG)	Healthcare	172.846B	\$ 415,00	254.85 \$ - 496.48 \$	Moderate
JPMorgan Chase (JPM)	Financials	622.238B	\$ 156,00	135.19 \$ - 225.48 \$	Low
Goldman Sachs (GS)	Financials	164.583B	\$ 325,00	289.36 \$ - 521.57 \$	Moderate
Progressive (PGR)	Financials	148.11B	\$ 156,00	149.14 \$ - 260.46 \$	Low
SoFi Technologies (SOFI)	Financials	10.478B	\$ 6,00	6.01 \$ - 10.49 \$	High
Walmart (WMT)	Consumer	644.386B	\$ 75,00	49.85 \$ - 81.60 \$	Low
Costco (COST)	Consumer	394.23B	\$ 760,00	540.23 \$ - 923.83 \$	Low
ExxonMobil (XOM)	Commodities	549.489B	\$ 98,00	95.77 \$ - 126.34\$	Low
Chevron (CVX)	Commodities	274.354B	\$ 140,00	135.37 \$ - 170.17 \$	Low
Freeport-McMoRan (FCX)	Commodities	69.996B	\$ 32,00	32.83 \$ - 55.24 \$	Moderate
Archer-Daniels-Midland (ADM)	Commodities	27.708B	\$ 52,00	50.72 \$ - 77.35 \$	Low
Targa Resources (TRGP)	Commodities	36.564B	\$ 110,00	81.03 \$ - 167.74 \$	High
Tesla (TSLA)	Automotive	700.644B	\$ 185,00	138.80 \$ - 271.00 \$	Moderate
Lockheed Martin (LMT)	Aerospace	144.645B	\$ 560,00	413.92 \$ - 611.59 \$	Low



New Portfolio Stocks

Company	Sector	Market Cap	Stop Loss (\$)	52 Week Range	Risk Level
Shopify (SHOP)	Technology	107.284B	\$ 55,00	45.50 \$ - 91.57 \$	High
Datadog (DDOG)	Technology	43.533B	\$ 90,00	77.81 \$ - 138.61 \$	High
Zscaler (ZS)	Technology	30.001B	\$ 150,00	152.60 \$ - 259.61 \$	High
CrowdStrike (CRWD)	Technology	76.117B	\$ 190,00	170.17 \$ - 398.33 \$	High
Lemonade (LMND)	Technology	1.246B	\$ 11,00	10.27 \$ - 24.55 \$	High
Doximity (DOCS)	Healthcare	7.79B	\$ 22,00	19.89 \$ - 44.88 \$	High
Affirm Holdings (AFRM)	Financials	15.326B	\$ 18,00	15.97 \$ - 52.48 \$	High
Coinbase (COIN)	Financials	48.789B	\$ 125,00	70.42 \$ - 283.48 \$	High
Lululemon Athletic (LULU)	Fashion	35.208B	\$ 230,00	226.01 \$ - 516.39 \$	High
DoorDash (DASH)	Consumer	61.739B	\$ 80,00	69.90 \$ - 150.29 \$	High
Rivian Automotive (RIVN)	Automotive	10.436B	\$ 8,00	8.26 \$ - 24.61 \$	High



Bullvora Exits

Company	Sector	Market Cap	Stop Loss (\$)	52 Week Range	Risk Level
Enphase Energy (ENPH)	Commodities	13.741B	\$ 85,00	73.49 \$ - 141.63 \$	Moderate
Peloton Interactive (PTON)	Leisure	2.033B	\$ 4,00	2.70 \$ - 7.24 \$	High
Ford Motor Company (F)	Automotive	43.41B	\$ 11,00	9.49 \$ - 14.85 \$	Low
Boeing (BA)	Aerospace	91.811B	\$ 149,00	146.02 \$ - 267.54 \$	Low
Nio (NIO)	Automotive	12.64B	\$ 3,97	3.61 \$ - 9.57 \$	High
Walt Disney Company (DIS)	Entertainment	172.237B	\$ 81,00	79.23 \$ - 123.74 \$	Moderate
Delta Air Lines, Inc. (DAL)	Airlines	34.316B	\$ 43,00	30.60 \$ - 53.86 \$	Moderate

Last thoughts

September 2024 has proven to be a pivotal month for the U.S. stock market, characterized by significant developments in monetary policy, geopolitical tensions, and shifting consumer behavior. The Federal Reserve's decision to cut interest rates by 50 basis points has provided a much-needed boost to investor confidence, encouraging equity investments across various sectors. Companies such as Palantir and Nvidia have demonstrated strong performances, benefiting from the rising demand for AI technologies and their inclusion in major indices.

However, challenges remain. Persistent inflationary pressures and geopolitical uncertainties, particularly in the Middle East, continue to shape market dynamics. The decline of stocks like Enphase Energy highlights the vulnerabilities present in the renewable energy sector amid regulatory changes and economic conditions.

Looking ahead, investors must navigate an environment marked by elevated market volatility, slowing consumer spending, and evolving macroeconomic indicators. The interplay of these factors will undoubtedly impact stock performance in the coming months. As we transition into Q4, marked historically by strong market performance, careful strategic planning and adaptability will be key for investors seeking to capitalize on potential opportunities while mitigating risks.

In every challenge lies an opportunity for growth.

Bullvora



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