

**UWL****IMT**

# INVESTMENT MANAGEMENT TEAM

## JANUARY 2024 SPELLMAN FUND REPORT

### Summary

The market got off to a slow start in 2024. The S&P 500 was up 1.68% on the month and recorded a new all-time high of 4931.09 on January 30th. The Spellman fund underperformed compared to the S&P 500 with a total return of 1.36% to the S&P 500's return of 1.68%. The poor performance of Boeing -19.04% and Intel -14.27% was the main reason for the Spellman fund underperforming the market.

### Inflation

The current inflation rate is 3.4%, down 0.3% from last month. However, inflation has continued to stay in line with the FED's expectations. Powell is not ready to declare that the Fed has control over inflation without causing a recession, stating, "We have a ways to go" regarding our current inflation.

### Interest Rates

The unexpected increase in the December 2023 jobs report factored into Jerome Powell's decision to hold interest rates again. Looking forward, Powell said that a rate cut isn't likely to come by the Fed's next meeting in March leading many economists to expect the first rate cut to occur in May or June. With this being an election year, the challenge is much more difficult for Powell. Former President Donald Trump, who is allied with Powell, has asserted that the central bank is attempting to assist President Biden by indicating that cuts in interest rates are coming.



## Portfolio Performance for January



The portfolio had an overall increase of 1.36% over the month of January. However, the market overall was up by 1.69%.

The top 3 performing economic sectors in the portfolio were Communication Services (10.74% Increase), Consumer Staples (5.83% Increase), and Financials (3.72% Increase).

### Top 5 Highest Performers

#### Netflix (NFLX):

- 15.86% Increase
- \$564.11 Ending Price Per Share



#### Nexstar Media Group (NXST):

- 13.37% Increase
- \$177.71 Ending Price Per Share



#### SAP SE Sponsored ADR (SAP):

- 11.97% Increase
- \$173.10 Ending Price Per Share



#### Meta Platforms (META):

- 10.22% Increase
- \$390.14 Ending Price Per Share



#### General Motors Company (GM):

- 8.02% Increase
- \$38.80 Ending Price Per Share



The worst 3 performing economic sectors were Real Estate (-9.37% Decrease), Utilities (-3.47% Decrease), and Industrials (-3.04% Decrease).

### Top 5 Worst Performers

#### Boeing Company (BA):

- -19.04% Decrease
- \$211.04 Ending Price Per Share



#### Intel Corporation (INTC):

- -14.27% Decrease
- \$43.08 Ending Price Per Share



#### American Tower Corporation (AMT):

- -9.37% Decrease
- \$196.65 Ending Price Per Share



#### Rio Tinto (RIO):

- -6.97% Decrease
- \$69.27 Ending Price Per Share



#### Emerson Electric (EMR):

- -5.75% Decrease
- \$91.73 Ending Price Per Share

