



**Named to Barron's Top 1,200 Financial Advisors in 2018 - 2024**

***Barron's "America's Top 1,200 Advisors: State-by-State" list\****

For information about my March 11, 2024 ranking, click [here](#)

## **Weekly Market Commentary** **September 16th, 2024**

### **The Markets**

There was a lot of good news last week!

**Inflation continued to trend lower.** The Consumer Price Index showed that inflation was 2.5 percent year over year (yoy) in August. That's lower than economists had expected, and a significant decline from July's 2.9 percent.

Food and energy prices have been falling faster than some other prices because the core CPI, which excludes food and energy, showed a 3.2 percent increase over the last 12 months. The biggest price increases were for shelter (+5.2 percent yoy) and automobile insurance (+16.5 percent yoy).

**Consumers are happier.** The University of Michigan's Consumer Sentiment Survey found that optimism is on the rise. "Year-ahead expectations for personal finances and the economy both improved as well, despite a modest weakening in views of labor markets. Sentiment is now about 40 [percent] above its June 2022 low, though consumers remain guarded as the looming election continues to generate substantial uncertainty," reported Surveys of Consumers Director Joanne Hsu. "Year-ahead inflation expectations fell for the fourth straight month, coming in at 2.7 [percent]."

**Household net worth is up in the United States.** Last week, the Federal Reserve reported on the financial well-being of households and nonprofit organizations at the end of June 2024. Over the last decade household and nonprofit net worth has risen from \$85 trillion (2Q 2014) to \$164 trillion (2Q 2024). Vince Golle of *Bloomberg* reported:

"U.S. household wealth reached a fresh record in the second quarter, fueled by a steady rise in the value of real estate and Americans' stock holdings...The value of real estate held by households climbed about \$1.75 trillion, the most in a year, while the value of equity holdings rose about \$662 billion."

It's important to note that not all Americans participate equally as wealth grows. The top 10 percent of households hold 67 percent of all household wealth, while the bottom 50 percent hold just 2.5 percent, according to the St. Louis Federal Reserve.

**Stocks and bonds had a good week.** Last week, major U.S. stock indices moved higher, and U.S. Treasury bonds rallied as yields on all maturities of Treasuries moved lower.

Data as of 9/13/24	1-Week	YTD	1-Year	3-Year	5-Year	10-Year
Standard & Poor's 500 Index	4.0%	18.0%	25.9%	8.0%	13.3%	11.0%
Dow Jones Global ex-U.S. Index	1.2	7.3	14.3	-1.7	3.9	2.1
10-year Treasury Note (yield only)	3.65	N/A	4.3	1.3	1.9	2.6
Gold (per ounce)	2.8	23.9	34.6	12.8	11.4	7.6
Bloomberg Commodity Index	2.6	-2.5	-10.1	-0.5	4.1	-2.3

S&P 500, Dow Jones Global ex-US, Gold, Bloomberg Commodity Index returns exclude reinvested dividends (gold does not pay a dividend) and the three-, five-, and 10-year returns are annualized; and the 10-year Treasury Note is simply the yield at the close of the day on each of the historical time periods.

Sources: Yahoo! Finance; MarketWatch; djindexes.com; U.S. Treasury; London Bullion Market Association.

Past performance is no guarantee of future results. Indices are unmanaged and cannot be invested into directly. N/A means not applicable.

**WHICH IS MORE POPULAR: BUTTER, ICE CREAM, YOGURT OR CHEESE?** My best guess was ice cream, but that's not the case. Ilena Peng of *Bloomberg* explained, "America's per capita cheese consumption has more than doubled since the government began keeping track in 1975, to about 42 pounds a year—more than all the butter, ice cream and yogurt combined."

When it comes to dairy products, cheese is the big cheese. As milk consumption has declined, cheese eating has accelerated. According to the United States Department of Agriculture (USDA), rising demand for cheese has become "one of the most important forces shaping the U.S. dairy industry."

The popularity of cheese owes much to the pandemic, according to *Bloomberg's* Peng. It may be that working from home improved proximity to refrigerators or that efforts to recreate favorite restaurant meals elevated demand for cheesy goodness.

Either way, the global market for cheese is growing, and the cheese snack market is expected to expand "at a compound annual growth rate of 6.5 [percent] through 2034," reported Corey Geiger, Abbi Prins and Billy Roberts for the CoBank Knowledge Exchange. According to one company's survey, the most-produced, top-selling, and most widely eaten cheeses in the U.S. include:

- Cheddar,
- Mozzarella,
- Parmesan,
- American, and
- Cream cheese.

That list did not include cottage cheese, which has been having a moment on social media. "People have taken to [a social media site] to show how cottage cheese can be used in better-for-you recipes, with creative dishes like viral cottage cheese flatbread and ice cream. At-home followers looking to recreate these recipes have helped cottage cheese boost dairy sales," reported Gabriela Barkho of Modern Retail. "According to Circana data from May, cottage cheese sales were up 13.5 [percent] year-over-year, up to \$1.33 billion."

What's your favorite cheese?

### Weekly Focus – Think About It

"A cheese may disappoint. It may be dull, it may be naive, it may be oversophisticated. Yet it remains cheese, milk's leap toward immortality."

—Clifton Fadiman, television and radio personality

Best regards,

Michael D. Allard

LPL Registered Principal  
CA Insurance Lic. #0792088  
CALBAY INVESTMENTS, INC.  
500 La Gonda Way, Suite 280  
Danville, CA 94526



*\*Barron's "America's Top 1,200 Financial Advisors: State-by-State" list is based on assets under management, revenue produced for the firm, regulatory record, quality of practice and philanthropic work.*

Michael Allard is a Registered Principal with, and securities and advisory services are offered through LPL Financial, member FINRA/SIPC.

\* These views are those of Carson Coaching, and not the presenting Representative, the Representative's Broker/Dealer, or Registered Investment Advisor, and should not be construed as investment advice.

\* This newsletter was prepared by Carson Coaching. Carson Coaching is not affiliated with the named firm.

\* Government bonds and Treasury Bills are guaranteed by the U.S. government as to the timely payment of principal and interest and, if held to maturity, offer a fixed rate of return and fixed principal value. However, the value of fund shares is not guaranteed and will fluctuate.

\* Corporate bonds are considered higher risk than government bonds but normally offer a higher yield and are subject to market, interest rate and credit risk as well as additional risks based on the quality of issuer coupon rate, price, yield, maturity, and redemption features.

\* The Standard & Poor's 500 (S&P 500) is an unmanaged group of securities considered to be representative of the stock market in general. You cannot invest directly in this index.

\* All indexes referenced are unmanaged. The volatility of indexes could be materially different from that of a client's portfolio. Unmanaged index returns do not reflect fees, expenses, or sales charges. Index performance is not indicative of the performance of any investment. You cannot invest directly in an index.

\* The Dow Jones Global ex-U.S. Index covers approximately 95% of the market capitalization of the 45 developed and emerging countries included in the Index.

\* The 10-year Treasury Note represents debt owed by the United States Treasury to the public. Since the U.S. Government is seen as a risk-free borrower, investors use the 10-year Treasury Note as a benchmark for the long-term bond market.

\* Gold represents the afternoon gold price as reported by the London Bullion Market Association. The gold price is set twice daily by the London Gold Fixing Company at 10:30 and 15:00 and is expressed in U.S. dollars per fine troy ounce.

\* The Bloomberg Commodity Index is designed to be a highly liquid and diversified benchmark for the commodity futures market. The Index is composed of futures contracts on 19 physical commodities and was launched on July 14, 1998.

\* The DJ Equity All REIT Total Return Index measures the total return performance of the equity subcategory of the Real Estate Investment Trust (REIT) industry as calculated by Dow Jones.

- \* The Dow Jones Industrial Average (DJIA), commonly known as “The Dow,” is an index representing 30 stock of companies maintained and reviewed by the editors of The Wall Street Journal.
- \* The NASDAQ Composite is an unmanaged index of securities traded on the NASDAQ system.
- \* International investing involves special risks such as currency fluctuation and political instability and may not be suitable for all investors. These risks are often heightened for investments in emerging markets.
- \* Yahoo! Finance is the source for any reference to the performance of an index between two specific periods.
- \* Opinions expressed are subject to change without notice and are not intended as investment advice or to predict future performance.
- \* Economic forecasts set forth may not develop as predicted and there can be no guarantee that strategies promoted will be successful.
- \* Past performance does not guarantee future results. Investing involves risk, including loss of principal.
- \* The foregoing information has been obtained from sources considered to be reliable, but we do not guarantee it is accurate or complete.
- \* There is no guarantee a diversified portfolio will enhance overall returns or outperform a non-diversified portfolio. Diversification does not protect against market risk.
- \* Asset allocation does not ensure a profit or protect against a loss.
- \* Consult your financial professional before making any investment decision.

Sources:

<https://www.bls.gov/news.release/cpi.nr0.htm>  
<https://www.bls.gov/opub/ted/2024/the-consumer-price-index-rose-2-5-percent-over-the-past-year.htm>  
<http://www.sca.isr.umich.edu>  
[https://www.federalreserve.gov/releases/z1/20240912/html/recent\\_developments.htm](https://www.federalreserve.gov/releases/z1/20240912/html/recent_developments.htm)  
[https://www.federalreserve.gov/releases/z1/dataviz/z1/balance\\_sheet/chart/](https://www.federalreserve.gov/releases/z1/dataviz/z1/balance_sheet/chart/) (or go to  
[https://resources.carsongroup.com/hubfs/WMC-Source/2024/09-16-24\\_Bloomberg\\_US%20Household%20Net%20Worth%20Climbs%20to%20Record%20on%20Home%20Values%20Stocks\\_5.pdf](https://resources.carsongroup.com/hubfs/WMC-Source/2024/09-16-24_Bloomberg_US%20Household%20Net%20Worth%20Climbs%20to%20Record%20on%20Home%20Values%20Stocks_5.pdf))  
<https://www.bloomberg.com/news/articles/2024-09-12/us-household-net-worth-climbs-to-record-on-home-values-stocks?srd=homepage-americas>  
<https://www.stlouisfed.org/institute-for-economic-equity/the-state-of-us-wealth-inequality> (or go to  
[https://resources.carsongroup.com/hubfs/WMC-Source/2024/09-16-24\\_Barrons\\_Data\\_7.pdf](https://resources.carsongroup.com/hubfs/WMC-Source/2024/09-16-24_Barrons_Data_7.pdf))  
<https://www.barrons.com/market-data>  
[https://home.treasury.gov/resource-center/data-chart-center/interest-rates/TextView?type=daily\\_treasury\\_yield\\_curve&field\\_tdr\\_date\\_value\\_month=202409](https://home.treasury.gov/resource-center/data-chart-center/interest-rates/TextView?type=daily_treasury_yield_curve&field_tdr_date_value_month=202409) (or go to  
[https://resources.carsongroup.com/hubfs/WMC-Source/2024/09-16-24\\_Bloomberg\\_The%20Average%20American%20Eats%2042%20Pounds%20of%20Cheese%20a%20Year\\_9.pdf](https://resources.carsongroup.com/hubfs/WMC-Source/2024/09-16-24_Bloomberg_The%20Average%20American%20Eats%2042%20Pounds%20of%20Cheese%20a%20Year_9.pdf))  
<https://www.bloomberg.com/news/articles/2024-09-06/us-dairies-plan-4-billion-in-new-cheese-factories?sref=hm8oMGrA>  
<https://www.ers.usda.gov/topics/animal-products/dairy/background/>  
<https://www.cobank.com/knowledge-exchange/dairy/dairy-products-have-more-growth-potential#:~:text=Globally%2C%20the%20cheese%20snack%20market,of%20the%2015%20dairy%20categories> (or  
go to [https://resources.carsongroup.com/hubfs/WMC-Source/2024/09-16-24\\_Modern%20Retail\\_TikTok%20Ignited%20a%20Cottage%20Cheese%20Renaissance\\_12.pdf](https://resources.carsongroup.com/hubfs/WMC-Source/2024/09-16-24_Modern%20Retail_TikTok%20Ignited%20a%20Cottage%20Cheese%20Renaissance_12.pdf))  
<https://www.cellocheese.com/most-popular-cheeses/>  
<https://www.modernretail.co/marketing/tiktok-has-ignited-a-cottage-cheese-renaissance/#:~>  
<https://www.goodreads.com/quotes/tag/cheese?page=5630522-1>