

On Monday and Tuesday, investors will tidy up their portfolios for year-end 2019 to start implementing portfolio rebalances on Thursday and Friday for the 2020 investment calendar. As such, we do expect a pickup in volumes compared to last week, where trade was largely dictated by algorithmic / systematic trading activity. According to CNBC and Bespoke, in the 21 years since 1928 that the S&P 500 was up more than 20% for the year, it gained an average 1.3% in the final week of the year and moved higher 80% of the time.

On the economic front, several important data points are released – US and Chinese PMIs, consumer confidence, jobless claims and FOMC minutes.

We will be publishing our 2019 Review / 2020 Preview next week.

Our tactical model remains bullish (100% equity invested).

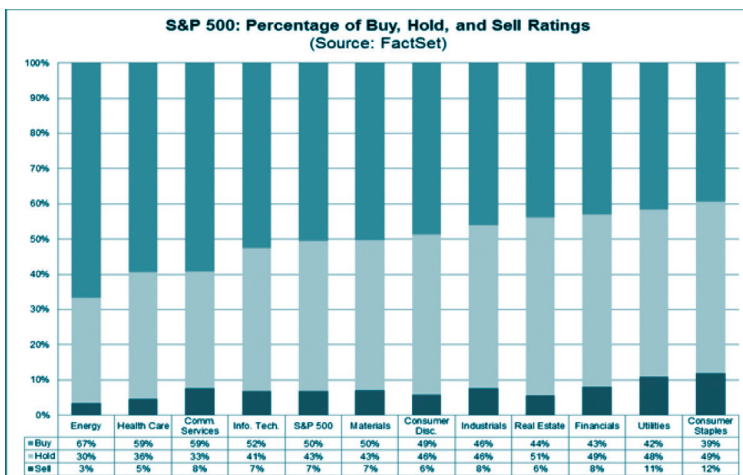
MONDAY DECEMBER 30, 2019	
Goods Trade Balance	
Wholesale Inventories	
Chicago PMI	
Pending Home Sales	
Dallas Fed Manufacturing Index	
China Non-Manufacturing PMI	
TUESDAY DECEMBER 31, 2019	
Redbook	
S&P/Case-Shiller Home Prices	
CB Consumer Confidence	
WEDNESDAY JANUARY 1, 2020	
China Manufacturing PMI	
THURSDAY JANUARY 2, 2020	
MBA Mortgage Applications	
Initial Jobless Claims	
Markit Manufacturing PMI	
FRIDAY JANUARY 3, 2020	
ISM New York Index	
ISM Manufacturing PMI	
FOMC Minutes	

## GAUGE OF THE GRADE

BEARISH

NEUTRAL

BULLISH



The adjacent chart, courtesy FactSet, shows the percentage of analyst Buy, Sell or Hold Ratings on sectors for 2020. Based on Buy ratings, analysts are most optimistic on the Energy (66%), Health Care (59%), and Communication Services (59%) sectors. Conversely, based on Buy Ratings, analysts are most pessimistic about the Consumer Staples (39%), Utilities (42%), Financials (42%), and Real Estate (43%) sectors. The Real Estate sector also has the highest percentage of Hold ratings (51%), while the Consumer Staples (12%) and Utilities (11%) sectors also have the highest percentages of Sell Ratings.

## SECTOR RETURNS

	5 DAYS	1 MONTH	3 MONTHS	6 MONTHS	12 MONTHS
Basic Materials	0.5	1.9	7.0	6.4	23.4
Communication Services	0.3	2.8	10.0	11.0	29.6
Consumer Cyclical	1.3	2.8	7.3	7.5	29.9
Consumer Defensive	0.3	3.1	4.6	10.4	27.2
Energy	0.6	5.6	4.5	-1.5	8.4
Financial Services	0.0	2.2	9.6	13.6	33.0
Healthcare	0.3	3.4	16.3	12.3	24.4
Industrials	0.3	-0.1	6.6	8.2	31.7
Real Estate	0.5	-0.5	-0.1	7.7	28.6
Technology	1.1	3.9	15.5	17.5	50.3
Utilities	-0.6	2.5	-0.2	9.2	24.9



## SOWELL'S WEEK AHEAD

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