



In the past three months, the stock market has experienced considerable volatility, influenced by both domestic and international factors. In early summer, the market showed resilience and strength, buoyed by robust economic data and strong corporate earnings reports. Though there has been significant volatility, the summer brought in positive returns for the markets.

Economic indicators such as GDP growth, employment figures, and consumer confidence have played crucial roles in shaping market sentiment. Strong GDP growth and a decline in unemployment rates initially supported positive market performance. Corporate earnings, particularly from major technology companies, also exceeded expectations, contributing to market gains. However, concerns over potential economic slowdown did begin to surface through August, reflecting in the stock market's performance when the market had some extreme volatility.

Market Summary As of 9/30/24

S&P 500:	5,762.46
Dow Ind.:	42,330.15
Nasdaq:	18,189.17
10 YR Treas.:	3.81

Looking ahead, the trajectory of interest rates is poised to play a significant role in shaping stock market conditions. Latest trends indicate a downward movement in interest rates, driven by central banks' monetary policy decisions aimed at stimulating economic growth and managing inflation. Historically, declining interest rates have often been associated with positive stock market performance. Lower interest rates reduce the cost of borrowing for businesses, encouraging investment and expansion. Additionally, while rates are lowering, fixed-income investments, such as bonds, can be more attractive as their net asset value increases for a period of time. Yields in CD's and money markets will drop over this period but should remain elevated in comparison to rates before and during the COVID crisis in 2020-2021. We are anticipating 1-2 additional interest rate cuts in 2024, with more expected in 2025.

The upcoming United States Presidential election is sure to bring additional volatility as we head through the end of the year. It is a very tight race and historically a mixed government between Democrats and Republicans is where the stock market performs best.

Looking for something fun for Halloween? The Minnesota Zoo offers a Halloween Jack-o-Lantern Spectacular. More details can be found by clicking the image here:



On a separate note, we have some exciting things happening within the firm—we will have news to share after the first of the year. While it is a ways off yet, we wish you and your family a very happy Thanksgiving and Christmas seasons!

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