

WHEN THE FED DOVES CRY

The yield on the benchmark 10-year Treasury note recently fell below 2 percent for the first time since 2016. This move followed a more dovish tone from the Federal Reserve in its June policy statement. The odds of a rate cut in July now stand at 100 percent, according to the CME FedWatch Tool. Historically, a move under the key psychological level of 2 percent on the 10-year treasury bodes well for stocks.

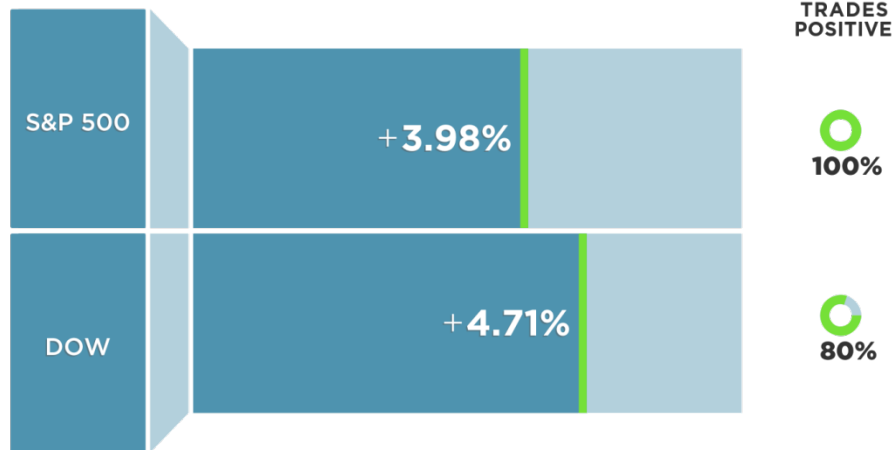
Over the past decade, the 10-year note has dropped below 2 percent on 7 other occasions (separated by at least 3 months between crosses), 2 months after these moves, the S&P has traded higher 100 percent of the time, logging an average return of 4 percent.

KENSHO
STATS BOX

After The 10-Year Yield Falls Below 2% Average return | 5 times since 2010

BOUGHT
AFTER MOVE
BELOW 2%

SOLD
2 MONTHS
AFTER



Study conducted on: Jun 28, 2019

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ONE MORE FOR THE BULL CASE...

The first half of this year has been one for the history books - the S&P is up 17 percent year-to-date, the index's best first half performance since 1997 – strong momentum as we kick off the second half.

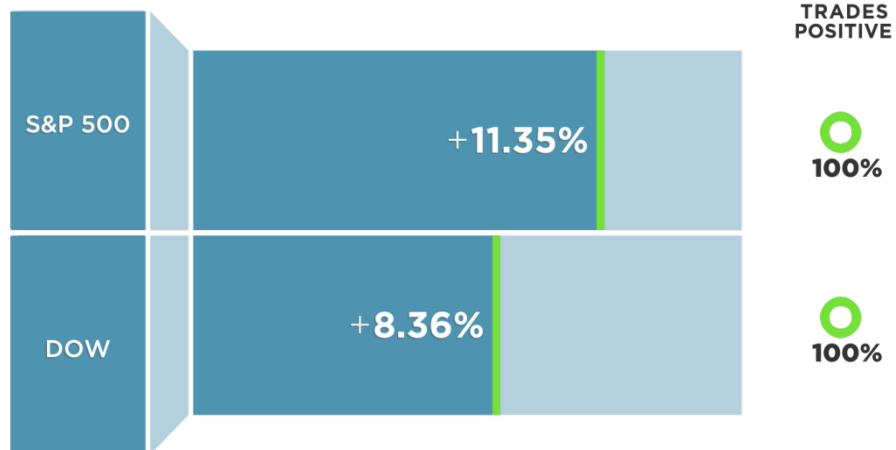
Since 1980, the S&P has jumped at least 10 percent in the first half of the year on 7 other occasions. Following those moves, the bullish trend tends to continue through the rest of the year - with the index adding another 11 percent to close out December, trading positively 100 percent of the time.

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After The S&P Jumps 10%+ First Half Average return | 7 times since 1980

BOUGHT
START
OF EVENT

SOLD
END
OF EVENT



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CHRISTMAS IN JULY?

Over the past 20 years, July has been the only month between May and September when the Dow has logged an average gain - with all other months in that period posting average declines.

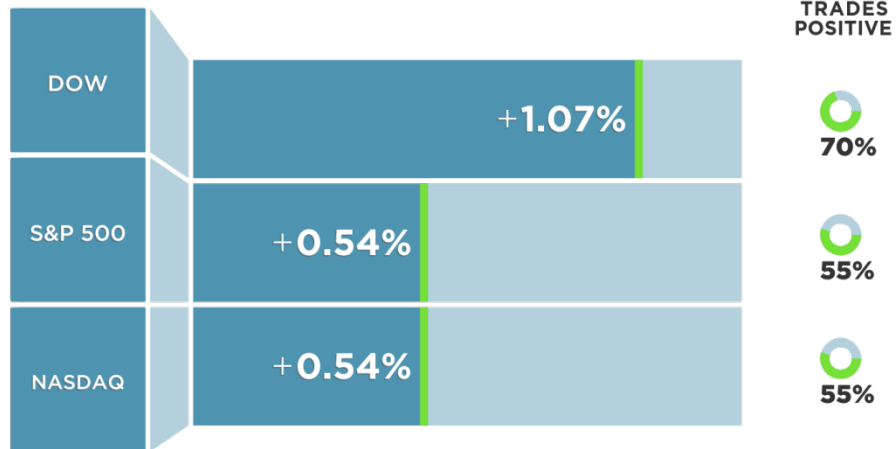
During Summer's first full month, the Dow trades positively 70 percent of the time, with an average gain of 1 percent. The S&P and Nasdaq are a positive trade 55 percent of the time, each inching up half a percent.

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July Market Performance Average return | Past 20 years

BOUGHT
EVERY
JUNE 30

SOLD
EVERY
JULY 31



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