

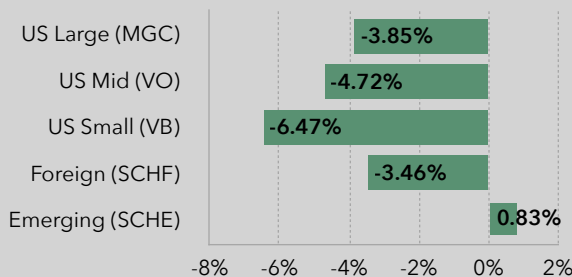
## April 2024

### Economic Data

- 175,000 jobs were added in April; the unemployment rate edged higher to 3.9%
- Retail sales were up 0.8% in March with nonstore retailers up 2.7%
- Y/y inflation (CPI) cooled slightly to a 3.4% pace in April; the core rate (less food and energy) grew at a 3.6% rate
- Existing home sales retreated 4.3% in March and are down 3.7% y/y; the median home price rose to \$393,500

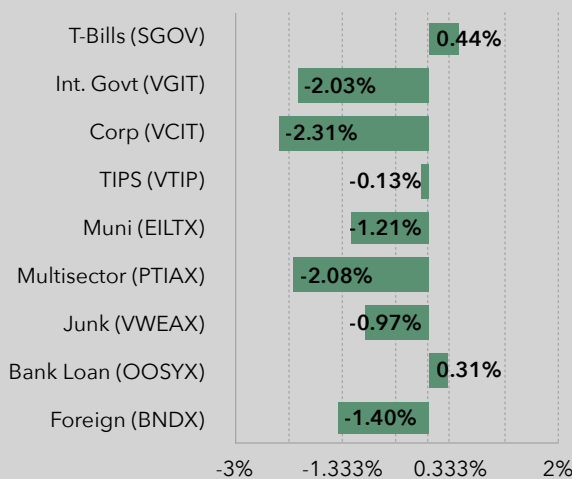
### Stocks

#### April Returns



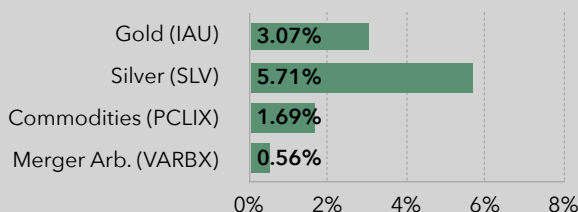
### Bonds

#### April Returns



### Alternatives

#### April Returns



Performance data provided by Morningstar

The brain uses two systems to process information. The first type is intuitive but lazy, rapidly forming judgements with no conscious input. The second system is slow, reflective, and not guided by emotions. It is that second system — type 2 — that we want in control of our investment portfolios.

### Taylor Wins

While the Biden administration has been spinning its wheels unnecessarily going after seemingly every merger and losing quite a bit in court, they have been doing much more laudable work going after anti-competitive monopolies that already exist, such as those in Big Tech

Back in December of 2022, I lamented not winning the Taylor Swift ticket lottery. "A lot of Swifties were left disappointed when TicketMaster botched online sales for the upcoming US concert tour of America's Sweetheart—the first tour in some five years."

Taylor Swift was not too thrilled about my troubles, either. She posted: "It's truly amazing that 2.4 million people got tickets, but it really pisses me off that a lot of them feel like they went through several bear attacks to get them."

The problem is that TicketMaster is basically the only system available. TicketMaster and its owner, LiveNation (LYV), control the vast majority of mega events thanks to a series of mergers and a lot of underhanded dealings, threats, and bribes. Pearl Jam, one of the biggest bands in the 90's, tried taking on TicketMaster in 1995 but they failed. They weren't as big as Taylor Swift is today. NOBODY is as big as Taylor Swift. I mused that perhaps Taylor Swift will finally cause enough outcry to put an end to this decades-old monopoly once and for all.

Anyway, the Wall Street Journal reported that the Justice Department is preparing to sue LiveNation as soon as this month. Nice work, Taylor.



### 5.10% Yield on Savings

Last month, I wrote about Altruist's newly launched high yield savings account. This perk, which is only available to clients, currently offers an industry-leading 5.10% yield. This isn't a teaser rate, either. Sure, rates will change over time, but their goal is to always try to offer customers the most competitive rates. Many clients have already signed up for this. If you haven't yet, **please reach out to discuss opening an account.**

## Portfolio Positioning

Inflation (CPI) came in a wee bit cooler than expected, which has doves happy. I wouldn't celebrate the vanquishing of inflation just yet, though, as the base effect will be evident over the next three months as oil prices have a lower previous year comparable during that stretch. The Fed is still following the "higher for longer" narrative.

Within bonds we remain extremely underweight on duration, meaning we are holding very short-term maturity bonds. This is the "t-bill and chill" strategy I have mentioned in the past. We also have an overweight to inflation through treasury inflation protected securities (TIPS). The breakeven rate on 5-year TIPS is currently a rather low 2.32%, which mean if inflation (which is currently 3.4%) averages higher than that over the next five years, TIPS will have been the better bet relative to regular 5-year treasury notes.

Alternative investments were a strong positive contributor to portfolio returns last month as gold and silver rallied. This highlights the diversification benefit of alternative investment within portfolios, as both equities and bonds struggled in April.

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Tactical Asset Allocation					
Asset Class	Heavy Underweight	Underweight	Neutral	Overweight	Heavy Overweight
<b>Fixed Income</b>					
Duration	●				
Inflation				●	
Credit	●				
Foreign			●		
<b>Equities</b>					
Large Cap	●				
Mid Cap		●			
Small Cap			●		
Developed Intl.	●				
Emerging		●			
<b>Alternatives</b>					
Commodities					●
Hedging					●

## Binge Box

### One Day (Netflix)

I am settled into my flat in Edinburgh for the summer, so I thought I would recommend a show that is partly set here. *One Day* is a Netflix series based on the acclaimed novel by David Nicholls. The story spans nearly two decades, watching a bond form between the two main characters as they move in and out of each other's lives. It's friendship and romance and anguish and tragedy, and it's worth binging all 14 episodes.

## About EmeraldSpark

EmeraldSpark Investments, LLC is a Registered Investment Adviser based in Chicago, IL. We were founded by Ryan P. Layton, CFA in 2015 to provide personalized financial planning and fiduciary investment management services to select clients. Our investment process blends the foundations of Modern Portfolio Theory with the latest research in the field of behavioral finance. We specialize in asset allocation and investment due diligence to help provide our clients with investment strategies personalized to match their specific goals and risk comfort zone.

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