

## From Wall Street to Main Street

*Highlights from the past week*

### Market / Macro Economic Summary

Markets have rebounded in a rather significant way in the last 8-10 trading days with the S&P 500 clawing back 9% over that period. This hopefully serves to reinforce my message that remaining invested in markets is vital for long term success. My research shows that we must anticipate more days of over 1% moves in the markets as we have algorithms (computers) working on both sides of the bull and bear sentiment. While some days might be dominated by the bears others still might be more bullish. This may make investors unsettled but as I can clearly hear from earnings reports, the economy is still very strong and we should maintain a level of patience and understanding that we remain invested in order not to lose out on strong market days.

### Company Specific / Macro Economic Summary

#### Nike (NKE)

Shares rose more than 5% as the company reported a strong quarter on the heels of a strong North American demand from its products. Earnings per share of 87 cents were well ahead of the Wall Street estimates of 71 cents. Revenues of \$10.87 billion were came in stronger than the \$10.59 billion analysts were looking for. Sales in North American grew 9% while in China they were 5% from the same period a year ago. CEO John Donahoe also said demand continues to exceed available inventory supply.

#### Adobe (ADBE)

Shares fell 10% as the company reported numbers that were shy of expectations due to the ongoing conflict between Ukraine and Russia and forecasted zero sales whereas last year it had reported \$75 million of earnings. Otherwise, earnings per share of \$3.37 were three cents ahead of estimates. Sales of \$4.26 billion were also ahead of the \$4.24 billion Wall Street was looking for. On a yearly basis, earnings grew by 7% and sales were a 6% increase.

#### Darden Restaurants (DRI)

Shares traded lower as the company reported numbers that felt short of expectations due to higher labor costs. Earnings pe share of \$1.39 were short of the \$2.10 analysts were looking for and revenues of \$2.45 billion were also just shy of the \$2.51 billion. Inflation costs will also continue to affect results as the company now expects to have inflationary costs increase by 6%.

#### General Mills (GS)

Shares traded slightly higher as the company reported a mixed quarter. Earnings per share of 84 cents were six cents ahead of estimates. Revenue was in line with Wall Street expectations despite higher inflation costs. CEO Jeff Harmening did expect price increases to be the main tool for the company to meet its 5% organic growth target for the year.

### Parting Thoughts

We welcome an opportunity to discuss the above detail and wish you much success in the rest of your week!

Regards,

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