

MONTHLY RESEARCH WEBINAR

CONSUMER DISCRETIONARY: RETAIL AND HOUSING OUTLOOK

Moderator:

Jim Kelleher, CFA

Director of Research

September 4, 2024

■ **Consumer Discretionary: Retail and Housing Outlook**

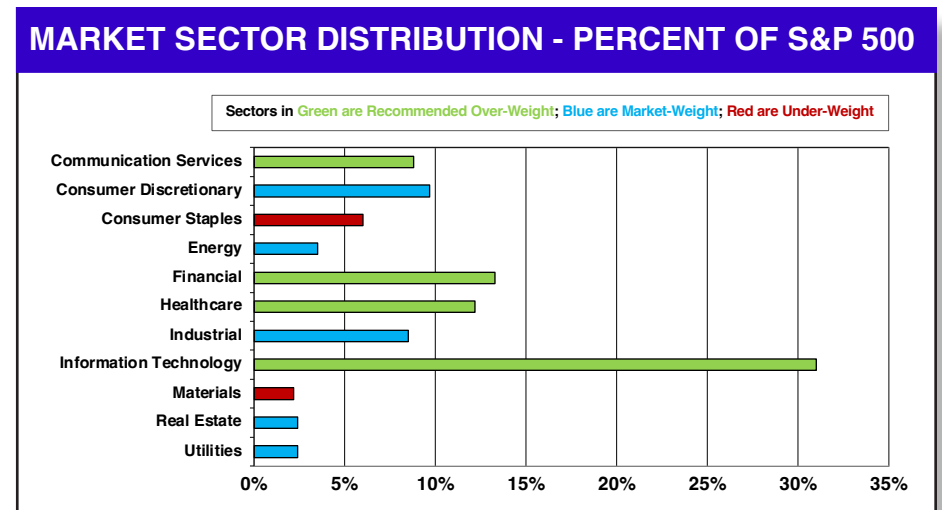
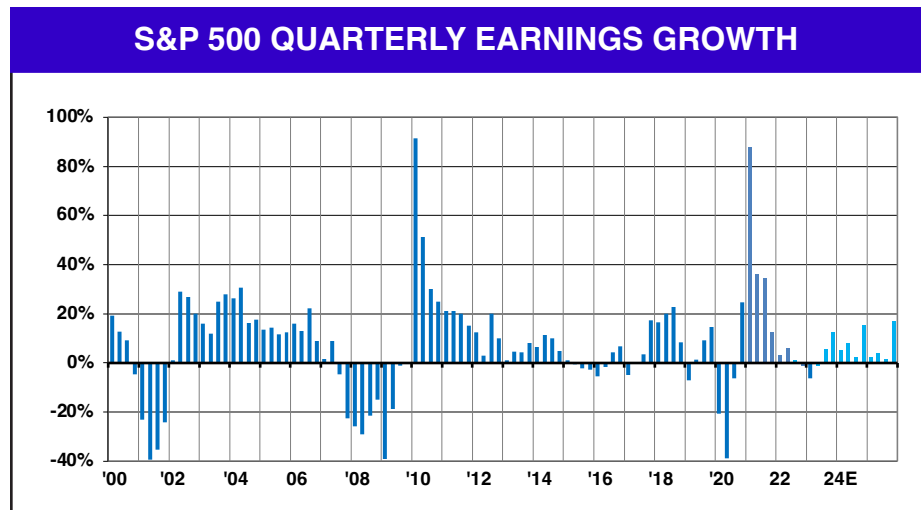
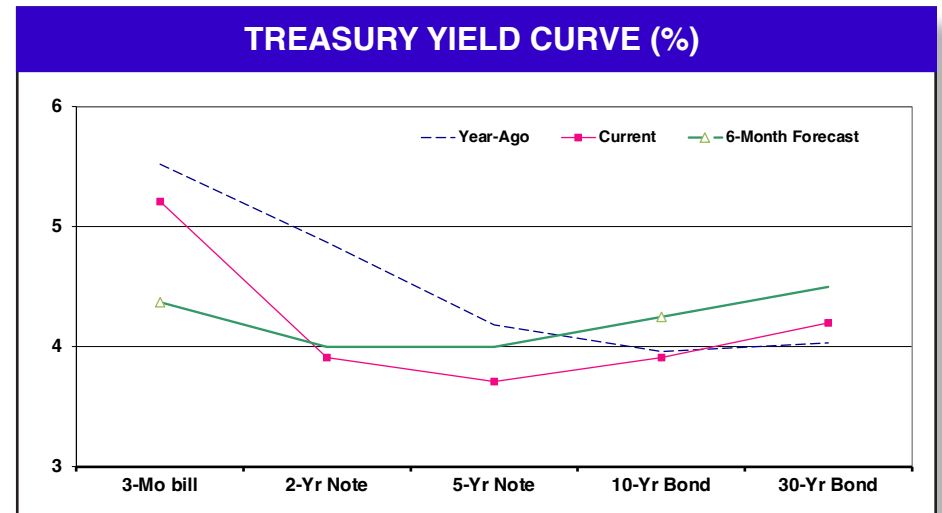
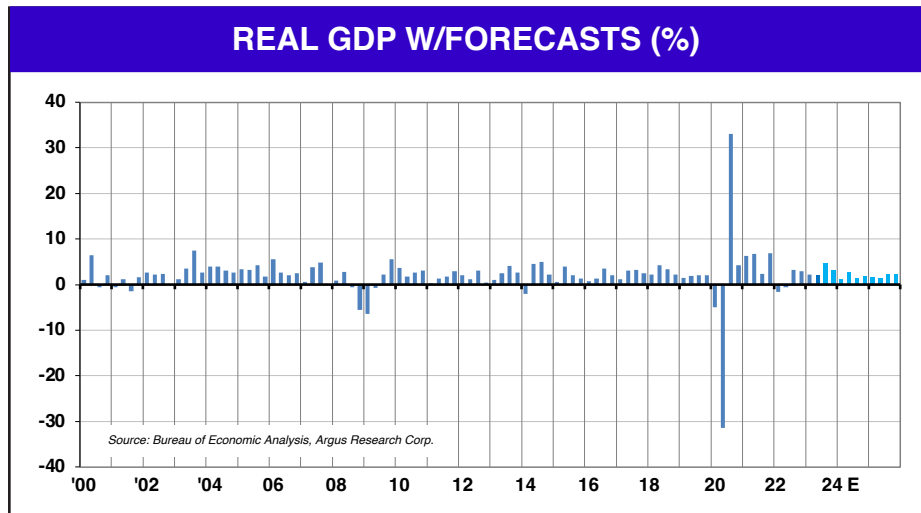
- Jim Kelleher, CFA, Director of Research
- John Eade, Argus President
- Chris Graja, CFA, Director of Economic Research, Senior Analyst

■ **Argus Quick Notes**

- Global Dividend Investing
- Inside the Minds of the Big Guns
- Companies Raising Guidance
- Min Vol: Playing it Safe
- Find these on the homepage of our website

■ **Portfolio Update: the Argus Min Vol Model Portfolio**

- Recession uncertainty driving rotation to low beta names
- Argus believes Min Vol is an all-weather strategy
- Potential for market-matching returns in a “normal” market
- Potential for relative outperformance in a volatile market
- Find the Argus Min Vol MP on the homepage of our website

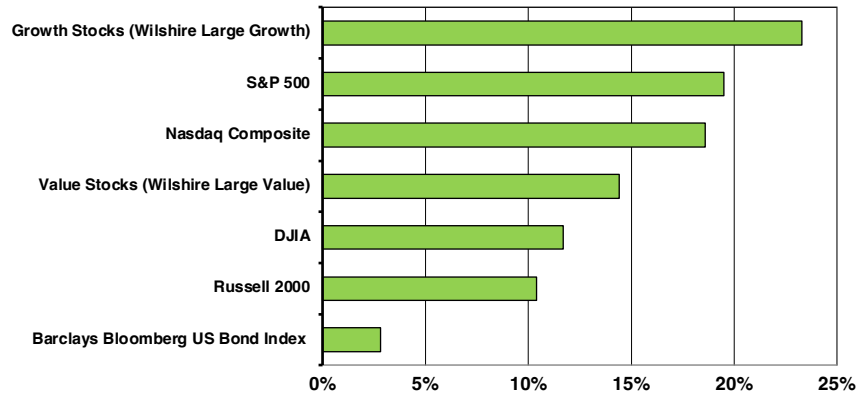


MARKET PERFORMANCE

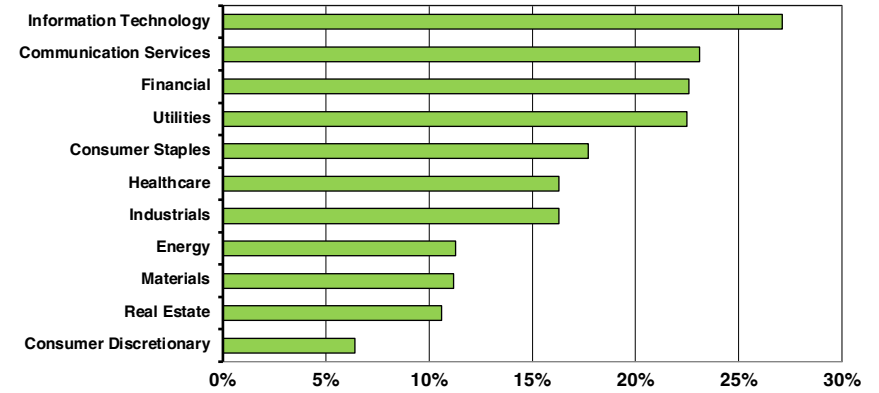
DATA AS AUGUST 30, 2024



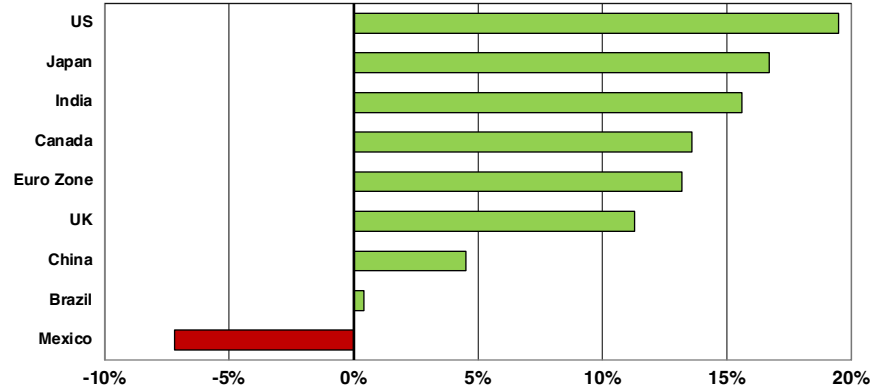
MAJOR INDEX



SECTOR



GLOBAL EQUITY MARKETS



3 BIG MACRO QUESTIONS:



- **What's your outlook for jobs on Friday and beyond?**
- **What's your GDP forecast and estimate of recession probability?**
- **Are monetary policy “lags” getting longer or shorter?**

3 BIG CONSUMER QUESTIONS:



- **What does recent back-to-school spending suggest for the holidays?**
- **Has discretionary spending improved?**
- **What are companies saying about cost inflation and future price increases?**

3 BIG RETAIL QUESTIONS:



- **How can AI and Big Data improve profitability for retailers?**
 - Buy Rated: Kroger (KR), Walmart (WMT)

- **Walmart is gaining market share. Who can win in this environment?**
 - Buy Rated: Walmart (WMT), Costco (COST), TJX (TJX), Target (TGT)

- **What strategies are working to win customers?**
 - Buy Rated: Williams-Sonoma (WSM)

3 BIG HOUSING QUESTIONS:



■ How are Housing-Related stocks using innovation to drive profits?

- Buy Rated: Home Depot (HD), Lowe's (LOW), Masco (MAS), Toll Brothers (TOL)

■ What is the outlook for housing stocks?

- Buy Rated: D.R. Horton (DHI), Lennar (LEN), Toll Brothers (TOL)

■ When will conditions improve for home improvement stocks?

- Buy Rated: Home Depot (HD), Lowe's (LOW), Masco (MAS)

DISCLAIMER



The Argus trademark, service mark and logo are the intellectual property of The Argus Research Group, Inc. Investing in any security or investment strategy discussed in this presentation may not be suitable for you and it is recommended that you consult an independent investment advisor. Investments involve risk and an investor may incur either profits or losses. Past performance should not be taken as an indication or guarantee of future performance. Argus officers, employees, agents and/or affiliates may have positions in funds or stocks discussed in this presentation. The opinions and information contained herein have been obtained or derived from sources believed to be reliable, but Argus makes no representation as to their timeliness, accuracy or completeness or for their fitness for any particular purpose. Argus shall accept no liability for any loss arising from the use of this presentation or the materials contained in this presentation.