

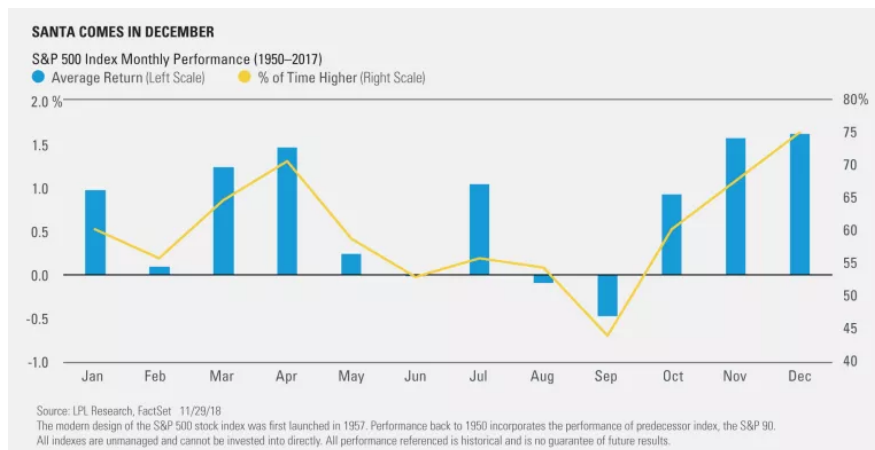
Nov
30

Time for Santa?

Posted by [lplresearch](#)

2018 has been a rocky year with a big dose of volatility, but could a late-year rally be in store for investors? History says it is quite possible. “Although the well-known Santa Claus rally is technically the last five days of the year and the first two of the new year, you can’t deny the fact that December tends to bring with it good vibes and stocks gains,” explained LPL Senior Market Strategist Ryan Detrick.

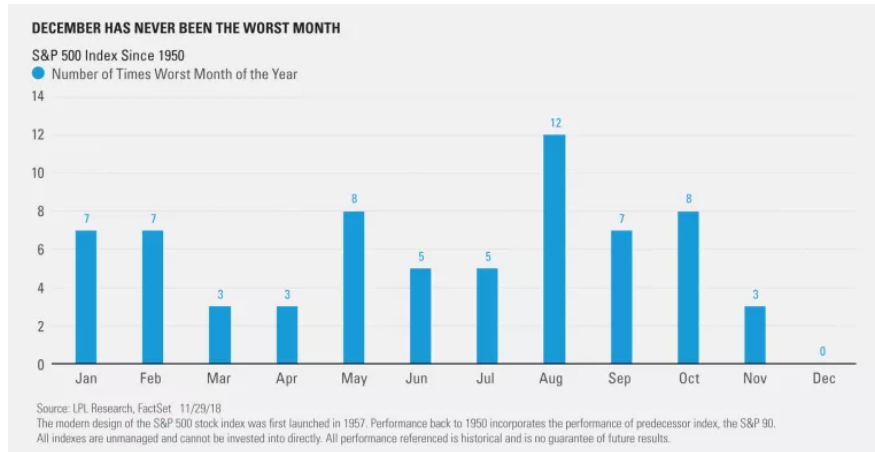
As our LPL Chart of the Day shows, since 1950, no month has a higher average return or has been higher more often than the month of December.



With Federal Reserve Chair Jerome Powell opening the door to potentially [fewer interest rate hikes in 2019](#), the last component likely needed for a rally is some type of agreement between the United States and China regarding the ongoing trade issues. Given the G20 summit is this weekend, many are expecting some type of potential resolution to be announced. Stay tuned!

Last, an interesting stat: December has never been the worst month of the year for stocks. That’s right—since 1950, the S&P 500 Index has never had its largest monthly drop in December. Given that the worst month this year was

October with its 6.9% drop, history would say to not expect a similar big drop to end 2018.



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