

## ***MONEY IN MOTION***

March 28, 2024

### **Insurance Stocks vs Large Banks**

#### Simple premise:

1) Many insurance stocks are trading in steep, uncorrected intermediate uptrends in the context of long-term uptrends and are judged vulnerable to the selling pressure associated with profit taking and/or shorting. **We're sellers of these stocks**, in aggregate, as measured by the S&P 500 Insurance Index of 21 prominent insurers with a combined market capitalization of \$ 1 trillion.

2) Many heretofore especially weak “money center” banks & large super-regional banks are curing, healing, recovering, turning. **We're buyers of these stocks**, in aggregate, as measured by the KBW Bank Index of 24 prominent banks & investment banks with a combined market capitalization of \$ 2 trillion.

This report not only is intended as a follow up to last week's [Buy Banks judgement](#) but also as a new long-short judgement for those who engage in “Pair Trades”... making the case to short insurers and buy banks.

Trade well,

-Carter

This area within the Financials Sector is judged to be extended  
Insurance Stocks

**We're sellers here**

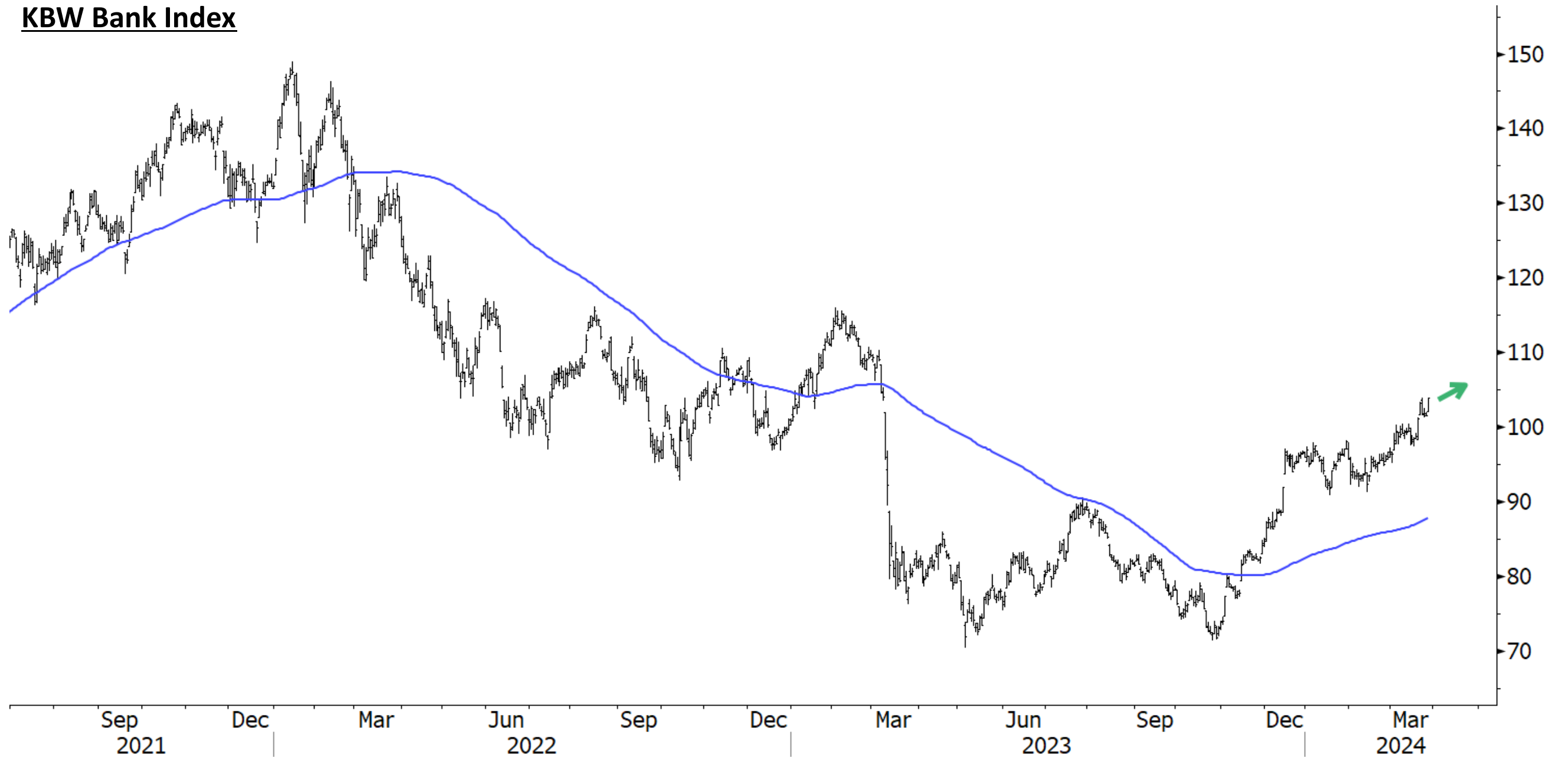
## S&P 500 Insurance Index



**This area within the Financials Sector is judged to be recovering**  
**Banks**

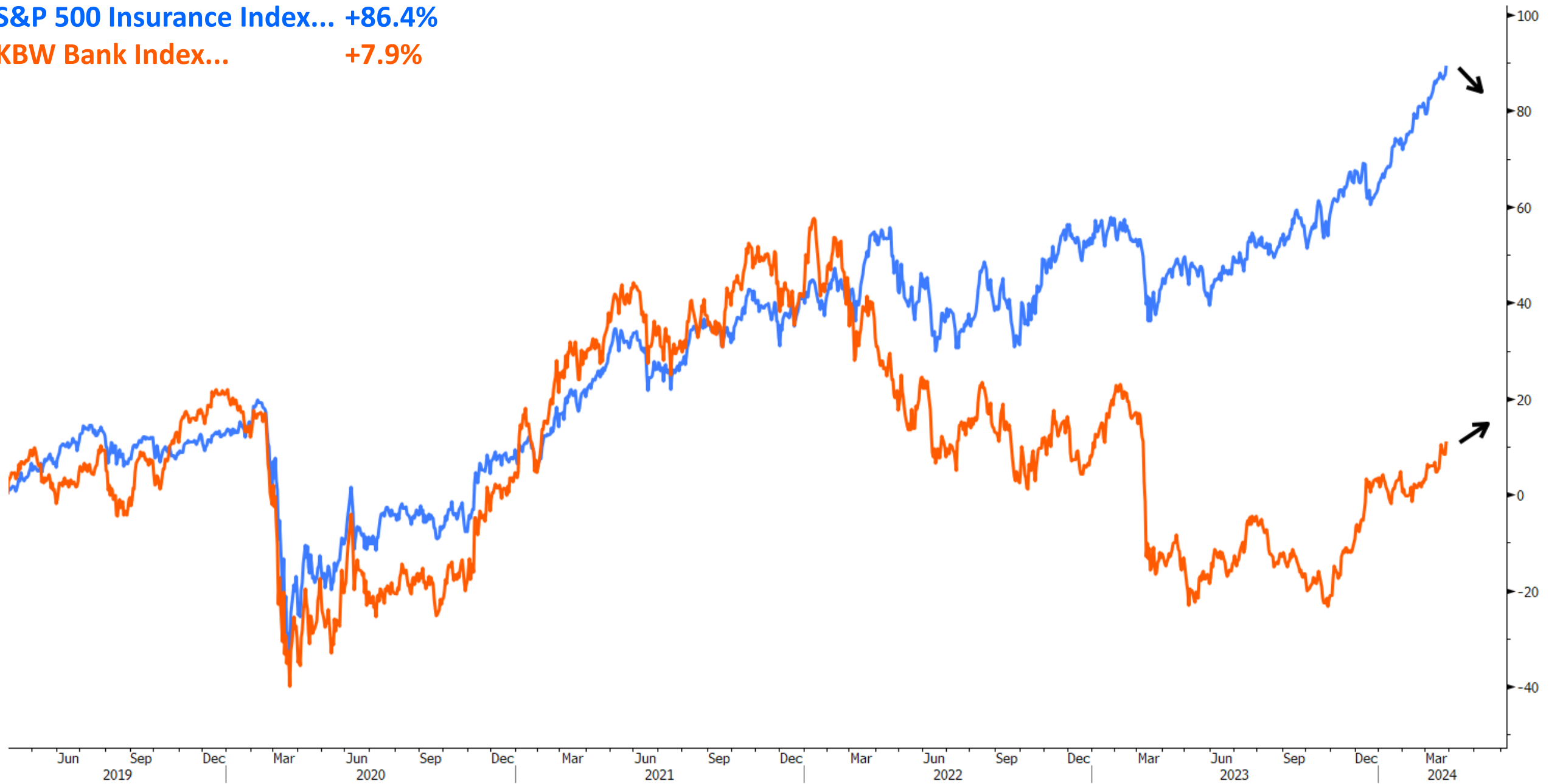
**We're buyers here**

## **KBW Bank Index**



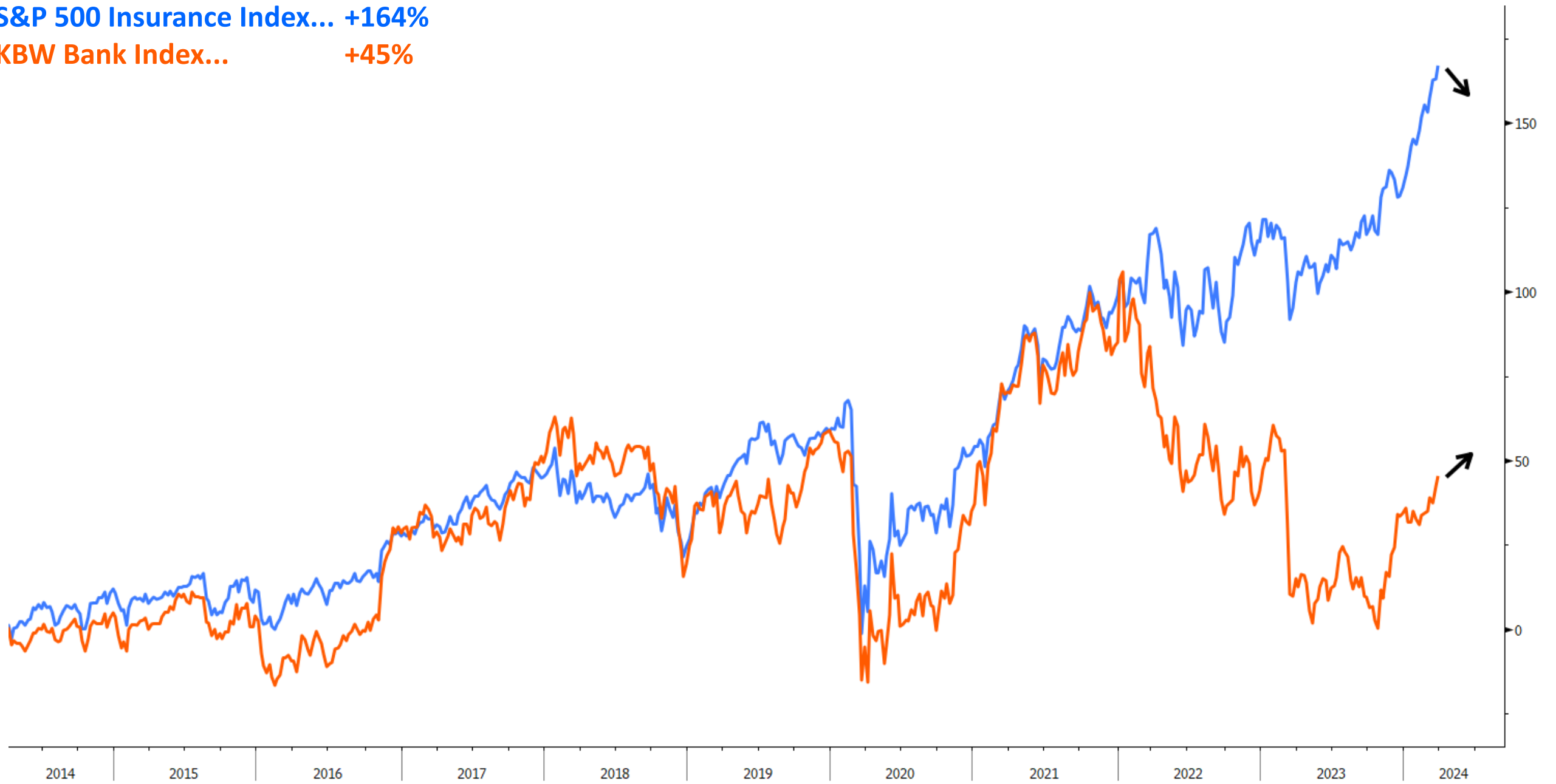
## 5-Year Comparative Chart

**S&P 500 Insurance Index...** +86.4%  
**KBW Bank Index...** +7.9%



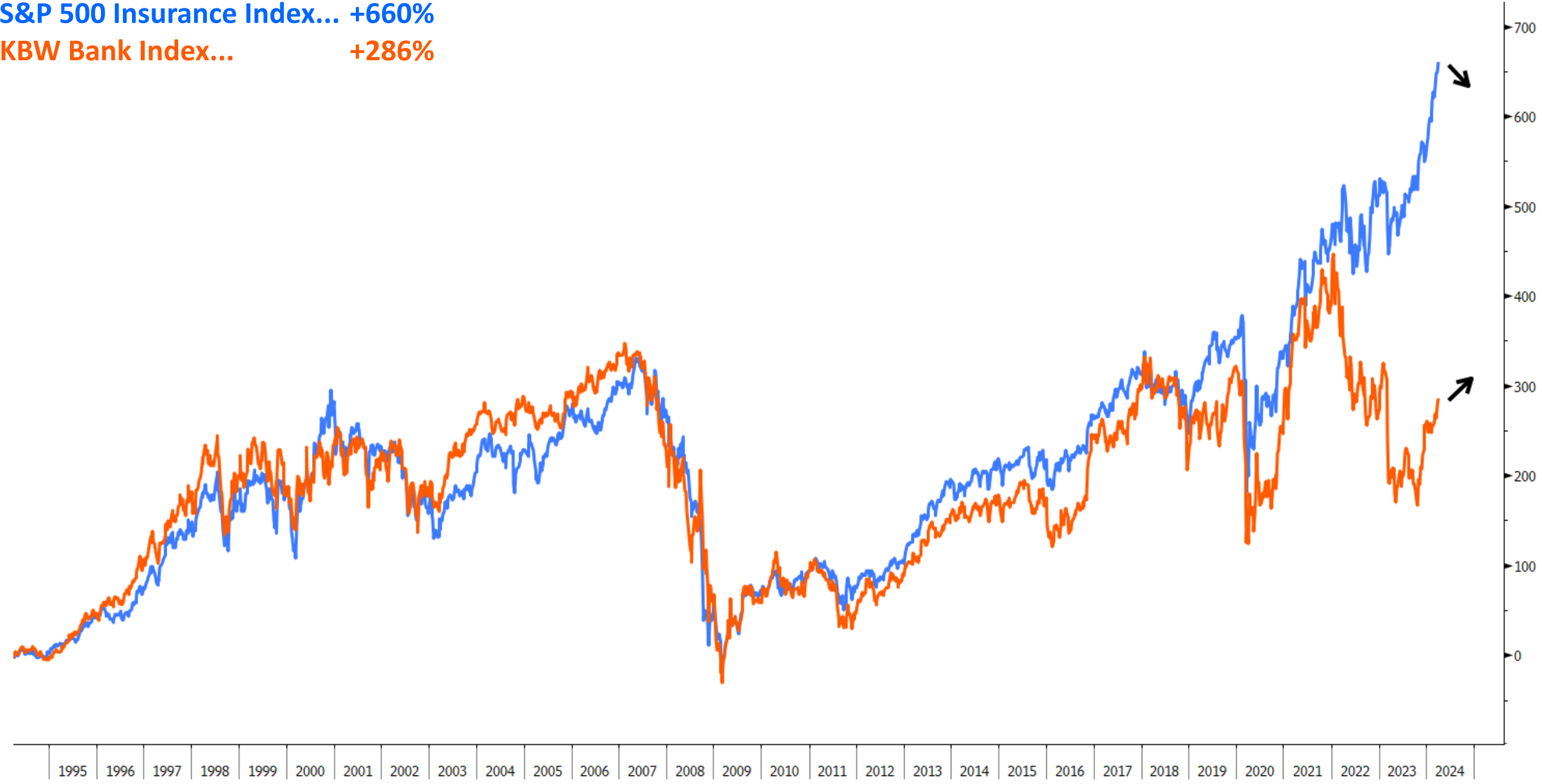
## 10-Year Comparative Chart

**S&P 500 Insurance Index... +164%**  
**KBW Bank Index... +45%**



## 30-Year Comparative Chart

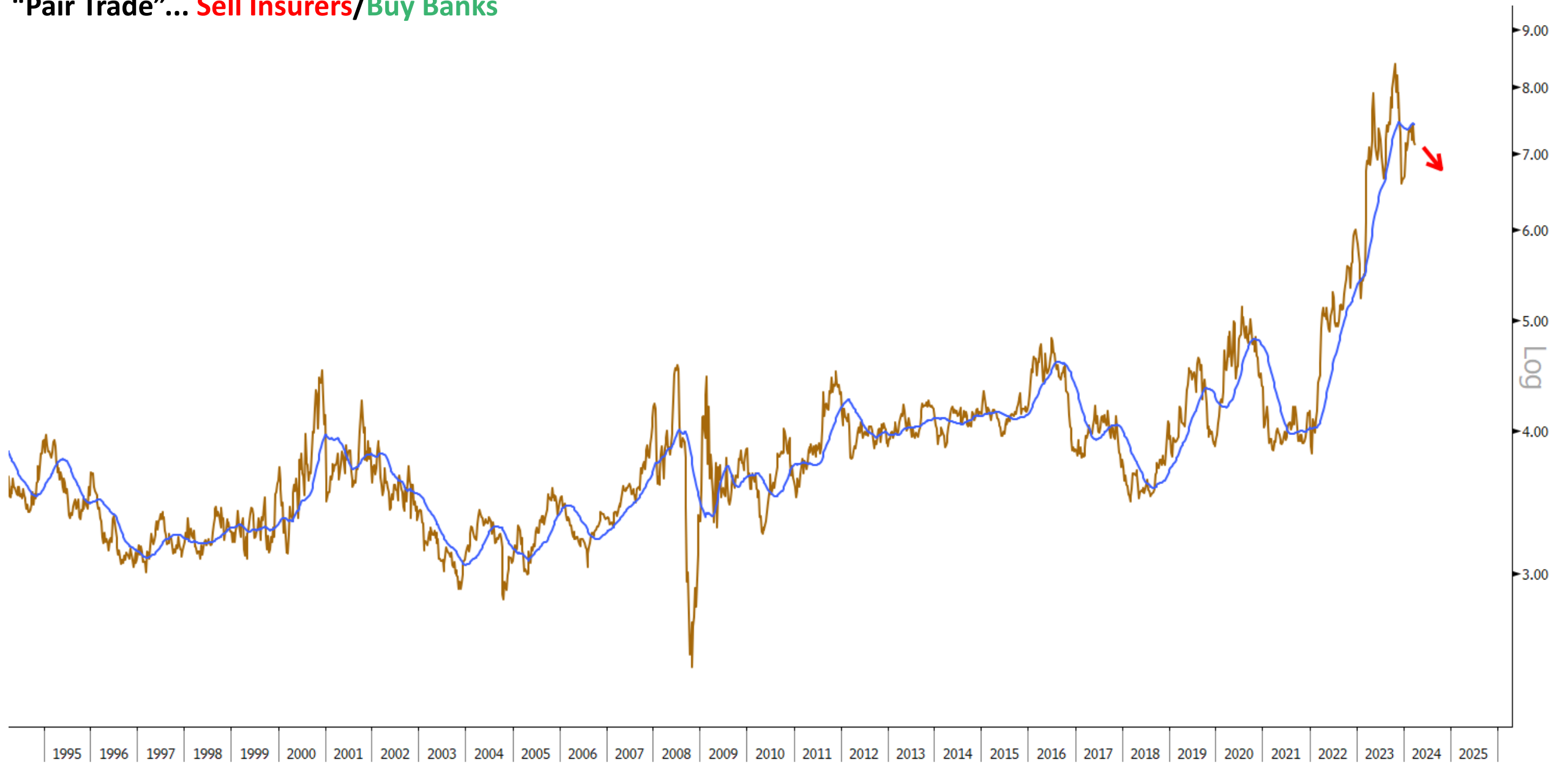
**S&P 500 Insurance Index... +660%**  
**KBW Bank Index... +286%**



## 30-Year Ratio Chart: S&P 500 Insurance Index/KBW Bank Index

Depicting Insurers' relative performance to Banks

“Pair Trade”... **Sell Insurers**/**Buy Banks**



## 3-Year Ratio Chart: S&P 500 Insurance Index/KBW Bank Index

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Depicting Insurers' relative performance to Banks

“Pair Trade”... **Sell Insurers**/**Buy Banks**





## 3-Year Ratio Chart: S&P 500 Insurance Index/KBW Bank Index

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Depicting Insurers' relative performance to Banks

“Pair Trade”... **Sell Insurers**/**Buy Banks**



## 3-Year Ratio Chart: S&P 500 Insurance Index/KBW Bank Index

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Depicting Insurers' relative performance to Banks

“Pair Trade”... **Sell Insurers**/**Buy Banks**



## S&P 500 Insurance Index

Ticker	Company	Price	Industry Group	Sector	Market Cap (billions)
ACGL	Arch Capital Group Ltd.	91.48	Insurance	Financials	34.2
AFL	Aflac Incorporated	85.62	Insurance	Financials	49.3
AIG	American International Group, Inc.	78.34	Insurance	Financials	53.3
AIZ	Assurant, Inc.	187.41	Insurance	Financials	9.7
AJG	Arthur J. Gallagher & Co.	247.79	Insurance	Financials	53.7
ALL	Allstate Corporation	169.84	Insurance	Financials	44.7
AON	Aon Plc Class A	333.79	Insurance	Financials	66.2
BRO	Brown & Brown, Inc.	87.26	Insurance	Financials	24.9
CB	Chubb Limited	258.5	Insurance	Financials	104.9
CINF	Cincinnati Financial Corporation	123.29	Insurance	Financials	19.3
EG	Everest Group, Ltd.	395.79	Insurance	Financials	17.2
GL	Globe Life Inc.	116.6	Insurance	Financials	10.9
HIG	Hartford Financial Services Group	102.3	Insurance	Financials	30.4
L	Loews Corporation	78.1	Insurance	Financials	17.4
MET	MetLife, Inc.	73.92	Insurance	Financials	53.4
MMC	Marsh & McLennan Companies, Inc.	205.61	Insurance	Financials	101.1
PFG	Principal Financial Group, Inc.	86.07	Insurance	Financials	20.3
PGR	Progressive Corporation	206.15	Insurance	Financials	120.7
PRU	Prudential Financial, Inc.	117.02	Insurance	Financials	42.0
TRV	Travelers Companies, Inc.	228.83	Insurance	Financials	52.4
WRB	W. R. Berkley Corporation	88.17	Insurance	Financials	22.6
WTW	Willis Towers Watson Co.	275.92	Insurance	Financials	28.3
Median Mkt Cap					\$ 38.1 billion
Average Mkt Cap					\$ 44.4 billion
Total Market Cap					\$ 977.1 billion

## KBW Bank Index

Ticker	Company	Price	Industry Group	Sector	Market Cap (billions)
BAC	Bank of America Corp	37.81	Banks	Financials	297.7
BK	Bank of New York Mellon Corp	56.93	Capital Markets	Financials	43.0
C	Citigroup Inc.	62.75	Banks	Financials	119.9
CFG	Citizens Financial Group, Inc.	35.82	Banks	Financials	16.4
CMA	Comerica Incorporated	54.23	Banks	Financials	7.2
COF	Capital One Financial Corp	144.51	Consumer Finance	Financials	54.9
EWBC	East West Bancorp, Inc.	79.25	Banks	Financials	11.1
FHN	First Horizon Corporation	15.32	Banks	Financials	8.5
FITB	Fifth Third Bancorp	36.74	Banks	Financials	25.1
GS	Goldman Sachs Group, Inc.	415.25	Capital Markets	Financials	135.2
HBAN	Huntington Bancshares	13.79	Banks	Financials	20.1
JPM	JPMorgan Chase & Co.	199.52	Banks	Financials	574.7
KEY	KeyCorp	15.64	Banks	Financials	14.6
MS	Morgan Stanley	93.5	Capital Markets	Financials	152.9
MTB	M&T Bank Corporation	144.8	Banks	Financials	24.1
NTRS	Northern Trust Corporation	87.75	Capital Markets	Financials	17.9
PNC	PNC Financial Services Group, Inc.	159.97	Banks	Financials	63.6
RF	Regions Financial Corporation	20.68	Banks	Financials	19.0
STT	State Street Corporation	76.88	Capital Markets	Financials	23.2
TFC	Truist Financial Corporation	38.59	Banks	Financials	51.5
USB	U.S. Bancorp	44	Banks	Financials	68.6
WAL	Western Alliance Bancorp	64.22	Banking	Financials	7.1
WFC	Wells Fargo & Company	57.61	Banks	Financials	206.1
ZION	Zions Bancorporation, N.A.	43.15	Banks	Financials	6.4

Median Mkt Cap \$ 24.6 billion  
 Average Mkt Cap \$ 82.0 billion  
 Total Market Cap \$ 1.969 trillion



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