

Weekly Market Update



Market Data as of Week Ending: 1/3/2025 unless noted otherwise

Stock prices were mixed for the shortened holiday week. Stocks ended the year with lower investor sentiment following worse-than-expected economic data at the end of the prior week that brought the Atlanta Fed GDPNow estimate down from 3.1% to 2.5%. However, stocks rebounded in the back half of the week with a resurgence of several themes that performed well in 2024. For the full week, small-cap stocks outperformed their mid and large-sized counterparts, and style returns were mixed. Large growth was one of only a few negative-performing asset classes for the week, yet the best-performing asset class for the year, with an impressive 33.4% gain in 2024. Sector performance was mixed as 7 out of 11 S&P 500 sectors declined last week, with notable weakness in cyclical and growth sectors. Defensive sectors held up better, and energy was the exception among cyclicals, with a solid 3% gain as oil prices ended the year on a small rally higher. Foreign markets ended the week lower, as weaker economic data pressured markets in Japan and European markets dealt with light trading volume news flow.

Bond yields were mixed for the week, with shorter maturities marginally lower and longer-dated bonds unchanged. The 10-year Treasury yield ended the week slightly lower at 4.60%, but reflects a 0.7% increase compared to the start of 2024. The 2-year Treasury also finished the week lower at 4.28% and is effectively unchanged compared to the same period last year. Performance by segment was mixed as longer duration high-yield bonds outperformed and longer duration investment grade corporate lagged. Investment-grade corporate bond yields and high-yield bonds were mixed, ending the week at 5.37% and 7.56%, respectively.

Economic data for the week was largely uneventful following the Advanced Economic Indicators from the Census Bureau at the end of last week that brought down Atlanta Fed's estimate of GDP by more than half a percentage point. The most notable economic data point for the week was ISM Manufacturing PMI, which came in better than expected at 49.3 yet remains in contractionary territory for the ninth consecutive month. However, it was the second consecutive increase and the highest reading since the 50.3 recorded in March, which was the sole period of expansion in the industry since September of 2022. Another positive was that new orders came in at 52.5, reflecting the strongest level of demand for new goods in 11 months. House price data from S&P/Case-Shiller and the Federal Housing Finance Agency showed mixed results in October but similar results, with a 4.2% to 4.5% gain in house prices compared to the same period last year.

U.S. Equity Returns (Size & Style - Russell)

	Week			MTD			QTD			YTD		
	Value	Core	Growth	Value	Core	Growth	Value	Core	Growth	Value	Core	Growth
Large	0.03%	-0.34%	-0.63%	0.78%	1.14%	1.45%	0.78%	1.14%	1.45%	0.78%	1.14%	1.45%
Mid	0.07%	0.25%	0.77%	0.78%	1.24%	2.54%	0.78%	1.24%	2.54%	0.78%	1.24%	2.54%
Small	0.92%	1.13%	1.33%	1.00%	1.72%	2.41%	1.00%	1.72%	2.41%	1.00%	1.72%	2.41%

U.S. Fixed Income Returns (Quality & Duration - Bloomberg)

	Week			MTD			QTD			YTD		
	Short	Interm	Long	Short	Interm	Long	Short	Interm	Long	Short	Interm	Long
Govt	0.20%	0.23%	0.28%	-0.03%	-0.05%	-0.36%	-0.03%	-0.05%	-0.36%	-0.03%	-0.05%	-0.36%
Corp	0.17%	0.15%	-0.07%	-0.01%	-0.05%	-0.34%	-0.01%	-0.05%	-0.34%	-0.01%	-0.05%	-0.34%
HY	0.37%	0.40%	0.40%	0.29%	0.31%	0.29%	0.29%	0.31%	0.29%	0.29%	0.31%	0.29%

Index Returns

	Week	MTD	QTD	YTD
Equities (Stocks)				
S&P 500	-0.45%	1.05%	1.05%	1.05%
S&P MidCap 400	0.49%	1.01%	1.01%	1.01%
Russell 2000	1.13%	1.72%	1.72%	1.72%
MSCI EAFE	-0.88%	-0.30%	-0.30%	-0.30%
MSCI Emerging Markets	-0.82%	-0.14%	-0.14%	-0.14%
MSCI EAFE Small Cap	-0.31%	-0.04%	-0.04%	-0.04%
Fixed Income (Bonds)				
Bloomberg Int Gov/Credit	0.20%	-0.05%	-0.05%	-0.05%
Bloomberg US Agg	0.18%	-0.13%	-0.13%	-0.13%
Bloomberg US High Yield	0.40%	0.31%	0.31%	0.31%
Other				
Bloomberg Commodity	0.37%	-0.24%	-0.24%	-0.24%
S&P Dev Property	0.46%	0.37%	0.37%	0.37%

S&P 500 Sector Returns

	Week	MTD	QTD	YTD
Consumer Disc	-1.46%	1.13%	1.13%	1.13%
Consumer Staples	-1.35%	-0.31%	-0.31%	-0.31%
Energy	3.24%	1.95%	1.95%	1.95%
Financials	-0.25%	0.59%	0.59%	0.59%
Health Care	0.05%	1.03%	1.03%	1.03%
Industrials	-0.36%	0.74%	0.74%	0.74%
Info Technology	-0.72%	1.43%	1.43%	1.43%
Materials	-2.02%	-1.07%	-1.07%	-1.07%
Real Estate	0.81%	0.41%	0.41%	0.41%
Communication Svcs	-0.30%	1.44%	1.44%	1.44%
Utilities	1.33%	1.84%	1.84%	1.84%

Bond Yields

	1/3/25	12/31/24	12/31/24	12/31/24
SOFR 3Mo Swap	4.29%	4.30%	4.30%	4.30%
2Yr Treasury	4.28%	4.25%	4.25%	4.25%
10Yr Treasury	4.60%	4.58%	4.58%	4.58%
2-10 Slope	0.32%	0.33%	0.33%	0.33%

Commodities and Currency

	1/3/25	12/31/24	12/31/24	12/31/24
Oil (\$/barrel)	73.96	71.72	71.72	71.72
Gold (\$/oz.)	2640.22	2624.5	2624.5	2624.5

Past performance is not a guarantee of future results. We believe the information presented is reliable, but we do not guarantee its accuracy.