

Weekly Market Update



Market Data as of Week Ending: 10/18/2024 unless noted otherwise

Stock prices advanced as the S&P 500 recorded its sixth consecutive week of gains, reaching new all-time highs. Earnings season is off to a mixed start with a solid EPS beat rate of 79%; however, the magnitude of surprises has been below average. Earnings revisions for the 86% of companies that have not reported have also been lowered, bringing the expected EPS growth rate for the quarter down to 3.4%. Value stocks outperformed growth, and small companies outperformed their larger-sized peers. Sector performance was mixed for the week, with leadership primarily coming from interest rate-sensitive sectors such as utilities, real estate and financials. Energy and health care were the only sectors in negative territory as both faced reduced EPS estimates. Developed foreign markets notched a small decline with some regional divergence, and emerging markets declined for the second consecutive week.

Bond yields were mostly unchanged as investor sentiment appears mixed in the bond market. The yield curve remains positively sloped, with the 10-year yield unchanged at 4.08%, and the 2-year was also unchanged at 3.95%. Returns were positive in all bond segments and across the curve with long duration high yield bonds outperforming. Yields on U.S. Corporate and high yield Bonds were mixed for the week, with corporates ending the week at 4.94% and high yield at 7.34%.

Not all the economic data was favorable, but the upside surprise in the September retail sales contributed to a 3.4% forecast in the Atlanta Fed GDPNow estimate for the third quarter, the highest reading of the quarter. Retail sales increased 0.4%, with broad-based gains in 10 of the 13 retail categories. Excluding autos, the monthly gain was 0.5%, significantly outperforming expectations of only a 0.1% increase. However, year-over-year retail sales have been decelerated for the second consecutive month to a gain of 1.7%, which is well below consumer spending. Industrial production declined 0.3% in September, which was lower than expected and largely impacted by weaker-than-expected manufacturing production that declined 0.4% sequentially and 0.5% compared to the same month last year. However, these figures were impacted by recent hurricanes and strikes. Housing data came in lower than expected as both housing starts and the number of overall building permits both decreased in September. In Europe, the ECB cut its policy rate by 0.25% to 3.25%, the first consecutive reduction in 13 years.

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

	Week			MTD			QTD			YTD		
	Value	Core	Growth	Value	Core	Growth	Value	Core	Growth	Value	Core	Growth
Large	1.13%	0.93%	0.73%	1.99%	1.99%	1.99%	1.99%	1.99%	1.99%	19.00%	23.59%	27.03%
Mid	1.56%	1.37%	0.80%	1.59%	2.18%	4.08%	1.59%	2.18%	4.08%	16.91%	17.14%	17.52%
Small	2.25%	1.87%	1.51%	1.93%	2.10%	2.27%	1.93%	2.10%	2.27%	11.33%	13.50%	15.79%

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	0.07%	0.09%	0.15%	-0.61%	-0.92%	-3.70%	-0.61%	-0.92%	-3.70%	3.52%	3.24%	-1.35%
Corp	0.09%	0.09%	0.03%	-0.37%	-0.66%	-2.30%	-0.37%	-0.66%	-2.30%	4.98%	5.01%	2.13%
HY	0.34%	0.34%	0.54%	0.03%	-0.14%	-0.11%	0.03%	-0.14%	-0.11%	7.92%	7.88%	6.99%

Index Returns

	Week	MTD	QTD	YTD
Equities (Stocks)				
S&P 500	0.87%	1.84%	1.84%	24.33%
S&P MidCap 400	1.43%	2.49%	2.49%	16.36%
Russell 2000	1.87%	2.10%	2.10%	13.50%
MSCI EAFE	-0.38%	-2.37%	-2.37%	10.31%
MSCI Emerging Markets	-0.37%	-1.31%	-1.31%	15.33%
MSCI EAFE Small Cap	-0.16%	-3.33%	-3.33%	7.40%
Fixed Income (Bonds)				
Bloomberg Int Gov/Credit	0.09%	-0.84%	-0.84%	3.80%
Bloomberg US Agg	0.05%	-1.41%	-1.41%	2.98%
Bloomberg US High Yield	0.34%	-0.14%	-0.14%	7.86%
Other				
Bloomberg Commodity	-2.46%	-1.87%	-1.87%	3.87%
S&P Dev Property	1.69%	-1.34%	-1.34%	11.54%

S&P 500 Sector Returns

	Week	MTD	QTD	YTD
Consumer Disc	1.22%	-0.59%	-0.59%	13.23%
Consumer Staples	0.72%	-0.60%	-0.60%	18.03%
Energy	-2.61%	2.81%	2.81%	11.41%
Financials	2.44%	5.13%	5.13%	28.17%
Health Care	-0.50%	-0.56%	-0.56%	13.71%
Industrials	0.60%	2.76%	2.76%	23.51%
Info Technology	0.81%	2.82%	2.82%	33.98%
Materials	1.94%	1.58%	1.58%	15.95%
Real Estate	3.02%	0.17%	0.17%	14.50%
Communication Svcs	0.35%	0.48%	0.48%	29.42%
Utilities	3.42%	1.46%	1.46%	32.54%

Bond Yields

	10/18/24	9/30/24	9/30/24	12/31/23
3Mo Libor	4.85%	4.85%	4.85%	5.59%
SOFR 3Mo Swap	4.62%	4.63%	4.63%	5.33%
2Yr Treasury	3.95%	3.66%	3.66%	4.23%
10Yr Treasury	4.08%	3.81%	3.81%	3.88%
2-10 Slope	0.13%	0.15%	0.15%	-0.35%

Commodities and Currency

	10/18/24	9/30/24	9/30/24	12/31/23
Oil (\$/barrel)	69.22	68.17	68.17	71.65
Gold (\$/oz.)	2721.46	2634.58	2634.58	2062.98

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