

Weekly Market Update



Market Data as of Week Ending: 12/29/2023 unless noted otherwise

Stock prices were mixed as the S&P 500 narrowly missed out on setting a new all-time high. The S&P 500 still managed to deliver a gain for the ninth consecutive week, the longest streak since 2004. Despite the strong results, expectations have been more pessimistic in their earnings outlooks for the fourth quarter. Large company stocks finished the week outperforming their small and mid-cap peers, while the value factor generally outperformed growth. Sector results were mixed, with solid gains coming from the more defensive utilities, consumer staples, and healthcare sectors. Energy was the worst-performing sector for the week, followed by small losses in consumer discretionary and communication services. Developed foreign equities finished the year with a solid return for the week, and emerging markets were the best-performing segment, surging to a weekly gain of more than 3%.

Fixed income performance was strong, with gains across the curve. Both the 2 and 10-year treasury yields declined, ending the week at 4.23% and 3.88%, respectively. The yield curve became slightly less inverted with the 2-10 slope at -0.35% as investors continued to reassess their economic outlooks. Long-duration corporate bonds outperformed while short-term government bonds lagged. Yields on U.S. Corporate and High Yield were marginally lower at 5.06% and 7.80%, respectively.

There were not many major economic releases during the holiday-shortened week. There were no data releases that would normally influence the Atlanta Fed GDPNow forecast, which is currently estimating a 2.3% fourth-quarter GDP. October housing data from S&P/Case-Shiller showed that pricing has remained firm despite weaker demand, with prices up 0.3% for the month and 6.3% for the year. Pending home sales were unchanged in November and below consensus expectations of a 1% increase, and the October figure was revised to a 1.2% decline. Early indications are that retail sales were solid during the holiday season as Mastercard reported U.S. retail sales (excluding autos) of 3.1%, and the weekly Redbook Index increased by 4.1% compared to the same week 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	0.57%	0.32%	0.10%	5.54%	4.94%	4.43%	9.50%	11.96%	14.16%	11.46%	26.53%	42.68%
Mid	0.36%	0.32%	0.22%	7.79%	7.73%	7.58%	12.11%	12.82%	14.55%	12.71%	17.23%	25.87%
Small	-0.43%	-0.28%	-0.11%	12.45%	12.22%	11.97%	15.26%	14.03%	12.75%	14.65%	16.93%	18.66%

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	0.24%	0.29%	0.88%	1.55%	2.09%	8.59%	3.19%	3.97%	12.69%	4.39%	4.30%	3.11%
Corp	0.35%	0.49%	0.97%	1.87%	2.84%	7.36%	4.12%	5.86%	14.01%	6.20%	7.29%	10.93%
HY	0.36%	0.40%	0.37%	3.05%	3.66%	6.60%	5.61%	7.04%	12.65%	12.20%	13.39%	16.55%

Index Returns

	Week	MTD	QTD	YTD
Equities (Stocks)				
S&P 500	0.34%	4.54%	11.69%	26.29%
S&P MidCap 400	-0.14%	8.72%	11.67%	16.44%
Russell 2000	-0.28%	12.22%	14.03%	16.93%
MSCI EAFE	1.16%	5.31%	10.42%	18.24%
MSCI Emerging Markets	3.24%	3.91%	7.86%	9.83%
MSCI EAFE Small Cap	1.40%	7.29%	11.14%	13.16%
Fixed Income (Bonds)				
Bloomberg Int Gov/Credit	0.35%	2.32%	4.56%	5.24%
Bloomberg US Agg	0.48%	3.83%	6.82%	5.53%
Bloomberg US High Yield	0.40%	3.73%	7.16%	13.45%
Other				
Bloomberg Commodity	-0.61%	-2.69%	-4.63%	-7.91%
S&P Dev Property	1.18%	9.69%	15.70%	11.57%

S&P 500 Sector Returns

	Week	MTD	QTD	YTD
Consumer Disc	-0.43%	6.10%	12.42%	42.41%
Consumer Staples	1.11%	2.67%	5.54%	0.52%
Energy	-1.37%	-0.02%	-6.94%	-1.33%
Financials	0.78%	5.40%	14.03%	12.15%
Health Care	0.97%	4.30%	6.41%	2.06%
Industrials	0.74%	7.01%	13.05%	18.13%
Info Technology	0.27%	3.83%	17.17%	57.84%
Materials	-0.07%	4.56%	9.69%	12.55%
Real Estate	0.84%	8.70%	18.83%	12.36%
Communication Svcs	-0.40%	4.80%	10.95%	55.80%
Utilities	1.21%	1.91%	8.56%	-7.08%

Bond Yields

	12/29/23	11/30/23	9/30/23	12/31/22
3Mo Libor	5.59%	5.63%	5.66%	4.77%
SOFR 3Mo Swap	5.33%	5.37%	5.39%	4.59%
2Yr Treasury	4.23%	4.73%	5.03%	4.41%
10Yr Treasury	3.88%	4.37%	4.59%	3.88%
2-10 Slope	-0.35%	-0.36%	-0.44%	-0.53%

Commodities and Currency

	12/29/23	11/30/23	9/30/23	12/31/22
Oil (\$/barrel)	71.65	75.96	90.79	80.26
Gold (\$/oz.)	2062.98	2036.41	1848.63	1824.02

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