

Weekly Market Update



Market Data as of Week Ending: 6/28/2024 unless noted otherwise

Stock prices were mixed as investors shifted their focus to the second half of the year. Investors rotated back into small caps, the only size segment to deliver a positive return as the S&P 500 lagged. Despite those recent moves, the S&P 500 ended the quarter with a gain of more than 4%, compared to a loss of more than 3% for both small and mid-cap stocks. From a style perspective, results were mixed as growth outperformed value in large cap, but leadership reversed among small and mid-cap stocks. Sector leadership for the week was also mixed with outperformance in energy, communication services, real estate and consumer discretionary. Seven of the eleven major economic sectors declined, with the steepest losses in the materials and utilities sectors. Developed foreign and emerging markets stocks traded higher despite rising uncertainty in several major economies.

Bond prices were mixed for the week as yields increased across the curve, but credit spreads narrowed. It was an interesting dichotomy as inflation came in lower than expected but was largely overshadowed by the presidential debate. Investors started pricing in a higher probability of a Trump administration combined with increasing expectations for a September Fed rate cut, despite several Fed speeches that supported a patient approach to monetary policy. The 10-year Treasury ended the week at 4.36%, and the two-year increased to 4.71%. Since the front end of the yield curve narrowly increased, short-term bonds outperformed long-term bonds. High-yield bonds were the best-performing segment as credit spreads contracted slightly. Yields on corporates and high yield ended the week at 5.48% and 8.09%, respectively.

Economic data was favorable and continued to support a healthy economy that is adjusting to the new realities of a post-pandemic world. Core PCE, the Fed's preferred measure of inflation, matched consensus expectations with an increase of 0.1% in May. That was the lowest monthly change since November of 2023, and the year-over-year figure slowed from 2.8% to 2.6%. Personal income rose 0.5%, outpacing spending by nearly 0.3%. According to the U.S. Bureau of Economic Analysis, healthcare, housing and utilities were the largest contributors to spending partially offset by a decrease in gasoline and other energy goods. New orders of manufactured durable goods beat expectations and increased by 0.1% in May, making it four consecutive monthly advances. Other notable figures for the week included new home sales that fell 11%, the largest decline since September 2022, and consumer sentiment (according to the University of Michigan) was revised higher to 68.2 from a preliminary reading of 65.6.

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

	Week			MTD			QTD			YTD		
	Value	Core	Growth	Value	Core	Growth	Value	Core	Growth	Value	Core	Growth
Large	-0.21%	0.01%	0.18%	-0.94%	3.31%	6.74%	-2.17%	3.57%	8.33%	6.62%	14.24%	20.70%
Mid	-0.19%	-0.20%	-0.23%	-1.60%	-0.66%	1.67%	-3.40%	-3.35%	-3.21%	4.54%	4.96%	5.98%
Small	1.77%	1.33%	0.89%	-1.69%	-0.93%	-0.17%	-3.64%	-3.28%	-2.92%	-0.85%	1.73%	4.44%

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	-0.04%	-0.17%	-2.02%	0.71%	0.85%	1.65%	0.77%	0.58%	-1.80%	0.73%	0.23%	-4.99%
Corp	-0.03%	-0.20%	-1.55%	0.58%	0.69%	0.53%	0.96%	0.74%	-1.74%	1.56%	1.00%	-3.39%
HY	0.10%	0.06%	-1.25%	0.90%	0.97%	-0.45%	1.25%	1.17%	-2.97%	2.80%	2.65%	-0.97%

Index Returns

	Week	MTD	QTD	YTD
Equities (Stocks)				
S&P 500	-0.06%	3.59%	4.28%	15.29%
S&P MidCap 400	0.00%	-1.58%	-3.45%	6.17%
Russell 2000	1.33%	-0.93%	-3.28%	1.73%
MSCI EAFE	0.36%	-1.61%	-0.42%	5.34%
MSCI Emerging Markets	0.06%	3.94%	5.00%	7.49%
MSCI EAFE Small Cap	0.04%	-3.04%	-1.85%	0.51%
Fixed Income (Bonds)				
Bloomberg Int Gov/Credit	-0.18%	0.80%	0.64%	0.49%
Bloomberg US Agg	-0.65%	0.95%	0.07%	-0.71%
Bloomberg US High Yield	0.04%	0.94%	1.09%	2.58%
Other				
Bloomberg Commodity	-0.62%	-1.54%	2.89%	5.14%
S&P Dev Property	0.88%	0.40%	-2.52%	-2.94%

S&P 500 Sector Returns

	Week	MTD	QTD	YTD
Consumer Disc	0.46%	4.89%	0.65%	5.66%
Consumer Staples	-0.63%	-0.18%	1.35%	8.98%
Energy	2.68%	-1.29%	-2.42%	10.93%
Financials	-0.19%	-0.89%	-2.03%	10.17%
Health Care	-0.33%	1.91%	-0.96%	7.81%
Industrials	-0.56%	-0.93%	-2.90%	7.75%
Info Technology	-0.42%	9.32%	13.81%	28.24%
Materials	-1.09%	-3.03%	-4.50%	4.05%
Real Estate	0.81%	2.02%	-1.91%	-2.45%
Communication Svcs	1.26%	4.80%	9.37%	26.68%
Utilities	-1.03%	-5.51%	4.66%	9.44%

Bond Yields

	6/28/24	5/31/24	3/31/24	12/31/23
3Mo Libor	5.59%	5.60%	5.56%	5.59%
SOFR 3Mo Swap	5.32%	5.34%	5.30%	5.33%
2Yr Treasury	4.71%	4.89%	4.59%	4.23%
10Yr Treasury	4.36%	4.51%	4.20%	3.88%
2-10 Slope	-0.35%	-0.38%	-0.39%	-0.35%

Commodities and Currency

	6/28/24	5/31/24	3/31/24	12/31/23
Oil (\$/barrel)	81.54	76.99	83.17	71.65
Gold (\$/oz.)	2326.75	2327.33	2229.87	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.