

Weekly Market Update



Market Data as of Week Ending: 7/19/2024 unless noted otherwise

Stock prices were generally lower as the S&P 500 declined, notching its worst week in more than three months. The earnings outlook improved as consensus earnings growth expectations increased to 9.7% for the second quarter. If realized, that would be the highest growth rate since the fourth quarter of 2021. The increase was primarily driven by earnings growth surprises reported by companies in the financials sector, partially offset by downward revisions in the energy sector. Small caps retained their leadership position last week, outperforming their mid and large-sized peers. From a style perspective, value outperformed growth across all size segments. Sector performance was mixed, with notable gains for the week in energy, real estate, and financials. Six sectors declined, with notable losses in information technology, communication services, and consumer discretionary. Developed foreign and emerging markets stocks traded lower, underperforming domestic markets.

Bond prices were mostly lower for the week as yields increased across the curve. Investors' expectations for a September Fed rate reduction remain well above 90% as Fed Chair Powell noted during a speech that inflation and growth are in "much better balance." The 10-year Treasury ended the week higher at 4.25%, and the two-year increased to 4.49%. Shorter-term bonds outperformed, led by short-term high-yield bonds as the top-performing segment. Corporate bond yields were mixed as investment grade bond yields increased to 5.30%, while high yield ended the week lower at 7.89%.

Economic data was mixed last week, with notable gains in industrial production and housing offset by slower retail sales. The June retail sales report was flat, with notable declines in gas stations and auto sales offset by more broad-based gains in areas such as building materials and garden equipment, health and personal care stores, clothing, and furniture. Retail sales growth slowed to 2.3% for the last 12 months, which marks the third consecutive decline since a 3.6% gain in March. Housing data was favorable, with higher mortgage applications, higher-than-expected building permits, and an increase in housing starts. Industrial production surprised to the upside with a 0.6% gain in June led by notable contributions from manufacturing, which accounts for 78% of production. Capacity utilization increased to 78.8%, its highest level since September 2023.

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

	Week			MTD			QTD			YTD		
	Value	Core	Growth	Value	Core	Growth	Value	Core	Growth	Value	Core	Growth
Large	0.67%	-1.82%	-3.95%	3.04%	1.00%	-0.76%	3.04%	1.00%	-0.76%	9.87%	15.37%	19.78%
Mid	0.59%	0.03%	-1.68%	3.50%	2.83%	0.76%	3.50%	2.83%	0.76%	8.20%	7.93%	6.78%
Small	2.97%	1.69%	0.44%	8.07%	6.72%	5.41%	8.07%	6.72%	5.41%	7.15%	8.57%	10.09%

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	-0.06%	-0.13%	-0.85%	0.79%	0.91%	1.52%	0.79%	0.91%	1.52%	1.53%	1.15%	-3.54%
Corp	-0.11%	-0.22%	-0.86%	0.88%	1.09%	1.87%	0.88%	1.09%	1.87%	2.45%	2.10%	-1.59%
HY	0.30%	0.31%	0.02%	1.27%	1.38%	1.81%	1.27%	1.38%	1.81%	4.10%	4.07%	0.83%

Index Returns

	Week	MTD	QTD	YTD
Equities (Stocks)				
S&P 500	-1.95%	0.88%	0.88%	16.30%
S&P MidCap 400	-0.17%	2.96%	2.96%	9.30%
Russell 2000	1.69%	6.72%	6.72%	8.57%
MSCI EAFE	-2.39%	2.00%	2.00%	7.45%
MSCI Emerging Markets	-2.96%	0.70%	0.70%	8.24%
MSCI EAFE Small Cap	-1.10%	3.97%	3.97%	4.50%
Fixed Income (Bonds)				
Bloomberg Int Gov/Credit	-0.15%	0.97%	0.97%	1.46%
Bloomberg US Agg	-0.33%	1.21%	1.21%	0.49%
Bloomberg US High Yield	0.30%	1.39%	1.39%	4.01%
Other				
Bloomberg Commodity	-3.15%	-3.17%	-3.17%	1.81%
S&P Dev Property	0.59%	5.63%	5.63%	2.53%

S&P 500 Sector Returns

	Week	MTD	QTD	YTD
Consumer Disc	-2.68%	1.36%	1.36%	7.10%
Consumer Staples	1.01%	2.16%	2.16%	11.33%
Energy	2.06%	1.22%	1.22%	12.28%
Financials	1.19%	4.25%	4.25%	14.86%
Health Care	-0.26%	1.42%	1.42%	9.34%
Industrials	0.56%	2.41%	2.41%	10.35%
Info Technology	-5.14%	-0.96%	-0.96%	27.02%
Materials	-0.44%	2.09%	2.09%	6.22%
Real Estate	1.32%	5.50%	5.50%	2.92%
Communication Svcs	-2.87%	-2.53%	-2.53%	23.48%
Utilities	-1.56%	2.89%	2.89%	12.60%

Bond Yields

	7/19/24	6/30/24	6/30/24	12/31/23
3Mo Libor	5.54%	5.59%	5.59%	5.59%
SOFR 3Mo Swap	5.28%	5.32%	5.32%	5.33%
2Yr Treasury	4.49%	4.71%	4.71%	4.23%
10Yr Treasury	4.25%	4.36%	4.36%	3.88%
2-10 Slope	-0.24%	-0.35%	-0.35%	-0.35%

Commodities and Currency

	7/19/24	6/30/24	6/30/24	12/31/23
Oil (\$/barrel)	80.13	81.54	81.54	71.65
Gold (\$/oz.)	2400.83	2326.75	2326.75	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.