

Weekly Market Update



Market Data as of Week Ending: 8/16/2024 unless noted otherwise

Equity markets continued their rebound as the major U.S. stock indexes recorded their strongest weekly gains of 2024. The S&P 500 gained nearly 4% on the week as positive inflation and growth data reinvigorated hopes of a soft landing. As earnings season nears an end, the estimated earnings growth rate stands at 10.9%, slightly below estimates a few weeks ago but well above the expected 8.9% growth entering earnings season. Large-cap companies continued their market leadership, outperforming mid and small-cap. Growth stocks led the gains last week, significantly outpacing their value counterparts, as the information technology and consumer discretionary sectors outperformed. Amidst the heightened volatility, gold futures continued to set record highs for the third week in a row, now up over 20% for the year. Indices outside the U.S. also experienced similar positive momentum but narrowly lagged domestic equities.

Bond yields moved lower last week on the benign inflation print. The 10-year Treasury ended the week slightly lower at 3.89%, while the 2-year remained at 4.06%. Long-duration bonds outperformed short-duration across the board, with long-duration corporates being the best-performing segment. High-yield bonds continue to do well as they traded higher on what appeared to be light volumes. Investment grade corporate bond yields and high yield ended the week lower at 4.98% and 7.70%, respectively.

Economic data was mostly positive for the week, reigniting hopes for a soft landing. The NFIB Small-Business Optimism Index rose to 93.7, the highest reading since February 2022, but still remains well below the 50-year average. The Producer Price Index came in below estimates, rising 0.1%, which was a positive sign for the fight against inflation. The Consumer Price Index came in line with expectations, at 0.2% for July, but showed key signs of ongoing disinflation, especially in goods. Manufacturing data from two regional gauges showed that manufacturing sentiment weakened - the Philly Fed manufacturing index slipped to a reading of negative seven in August from 13.9, marking the first negative reading since January. U.S. retail sales posted its biggest gain in a year and a half, surging by 1%, as most of the gains came from a rebound in automobile sales. The University of Michigan's consumer sentiment index rose to 67.8 in a preliminary August reading, up from 66.4 in the prior month, marking its first gain after four months of declines.

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

	Week			MTD			QTD			YTD		
	Value	Core	Growth	Value	Core	Growth	Value	Core	Growth	Value	Core	Growth
Large	2.50%	3.94%	5.27%	-0.56%	0.52%	1.52%	4.52%	1.98%	-0.21%	11.44%	16.50%	20.45%
Mid	2.21%	2.65%	4.05%	-1.33%	-0.74%	1.21%	4.63%	3.94%	1.82%	9.38%	9.10%	7.91%
Small	2.85%	2.98%	3.11%	-5.55%	-4.92%	-4.28%	5.96%	4.74%	3.55%	5.06%	6.56%	8.15%

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	0.11%	0.17%	1.02%	0.66%	0.80%	2.76%	2.17%	2.65%	6.43%	2.91%	2.89%	1.12%
Corp	0.31%	0.52%	1.91%	0.65%	0.90%	2.45%	2.22%	2.91%	5.70%	3.81%	3.94%	2.11%
HY	0.68%	0.75%	1.87%	0.64%	0.69%	2.12%	2.41%	2.63%	5.21%	5.27%	5.35%	4.19%

Index Returns

	Week	MTD	QTD	YTD
Equities (Stocks)				
S&P 500	3.99%	0.67%	1.89%	17.47%
S&P MidCap 400	2.63%	-2.73%	2.92%	9.27%
Russell 2000	2.98%	-4.92%	4.74%	6.56%
MSCI EAFE	4.09%	-0.12%	2.81%	8.30%
MSCI Emerging Markets	2.90%	0.96%	1.26%	8.84%
MSCI EAFE Small Cap	3.78%	-1.27%	4.36%	4.89%
Fixed Income (Bonds)				
Bloomberg Int Gov/Credit	0.28%	0.83%	2.73%	3.23%
Bloomberg US Agg	0.53%	1.28%	3.64%	2.91%
Bloomberg US High Yield	0.77%	0.71%	2.67%	5.32%
Other				
Bloomberg Commodity	0.31%	-0.54%	-4.55%	0.36%
S&P Dev Property	0.93%	1.74%	8.13%	4.96%

S&P 500 Sector Returns

	Week	MTD	QTD	YTD
Consumer Disc	5.25%	-2.85%	-1.24%	4.35%
Consumer Staples	1.68%	3.38%	5.38%	14.84%
Energy	1.20%	-2.42%	-0.36%	10.53%
Financials	3.23%	-0.03%	6.42%	17.25%
Health Care	1.96%	2.19%	4.90%	13.08%
Industrials	2.19%	-0.68%	4.19%	12.27%
Info Technology	7.58%	1.67%	-0.45%	27.67%
Materials	2.31%	-1.64%	2.67%	6.83%
Real Estate	0.11%	1.67%	9.01%	6.34%
Communication Svcs	1.00%	0.73%	-3.31%	22.49%
Utilities	1.18%	2.33%	9.27%	19.59%

Bond Yields

	8/16/24	7/31/24	6/30/24	12/31/23
3Mo Libor	5.39%	5.50%	5.59%	5.59%
SOFR 3Mo Swap	5.13%	5.24%	5.32%	5.33%
2Yr Treasury	4.06%	4.29%	4.71%	4.23%
10Yr Treasury	3.89%	4.09%	4.36%	3.88%
2-10 Slope	-0.17%	-0.20%	-0.35%	-0.35%

Commodities and Currency

	8/16/24	7/31/24	6/30/24	12/31/23
Oil (\$/barrel)	76.65	77.91	81.54	71.65
Gold (\$/oz.)	2508.01	2447.6	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.