

Weekly Market Update



Market Data as of Week Ending: 9/13/2024 unless noted otherwise

Equities traded higher last week as tech led the recovery in cyclicals. Comments from Nvidia's CEO reassured investors that demand for their chips remains strong and sparked a rally in tech stocks, which ended the week 7.34% higher. The consumer discretionary sector also posted a strong week, up 6.15%. Defensive stocks underperformed for the week, which is a reversal from the previous week. Energy was the only negative sector, due to lower oil prices. Growth stocks outperformed value stocks by a wide margin. Developed foreign stocks were boosted by European stocks, which benefited from a rate cut by the European Central Bank (ECB). Despite ongoing weak economic data from China, emerging market equities saw a slight increase. MSCI EAFE and MSCI Emerging Markets returned 1.21% and 0.79%, respectively.

In the fixed-income market, lower yields were a key theme. Investors are currently debating the likelihood of rate cuts, with futures markets indicating a 50/50 chance of a 0.25% or 0.50% cut in September. Last week, the yield curve continued to steepen, with yields on the front end of the curve dropping further than yields on the back end. The 2-10-year yield spread is now at 0.09%. The 2-10-year yield spread is now at 0.09%. The two-year yield ended the week at 3.57%, and the 2-10-year yield at 3.66%. Long-duration bonds continued to outperform short-duration bonds and long-corporates were the best-performing sector during the week. Investment-grade corporate bond yields and high-yield bonds continued to fall and ended the week lower at 4.69% and 7.38%, respectively.

Economic data for the week was light, with inflation being the main focus. Inflation reports managed to avoid any surprises and continued to show improvement. Headline CPI of 2.5% year-over-year fell from the previous month and was lower than expectations. Year-over-year core CPI of 3.2% was unchanged and in line with expectations. Supercore CPI (excluding energy, food and housing) was encouraging, with a 1.6% increase year-over-year. PPI data was also better than expected. Headline PPI of 1.7% was lower and beat expectations. Core PPI of 2.4% increased slightly but was below the expected level. The 30-year fixed mortgage rate dropped to 6.20% on Thursday, the lowest level since February 2023. Michigan Consumer Sentiment increased for the second consecutive month to 69.0. The gauges for consumer expectations and current conditions both increased more than expected. Consumer credit expanded 6% in July, with revolving credit increasing 9.4% and non-revolving credit increasing 4.8%.

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

	Week			MTD			QTD			YTD		
	Value	Core	Growth	Value	Core	Growth	Value	Core	Growth	Value	Core	Growth
Large	1.98%	4.06%	6.05%	-1.15%	-0.39%	0.32%	6.69%	3.46%	0.67%	13.76%	18.19%	21.51%
Mid	2.61%	3.17%	5.00%	-0.86%	-0.65%	0.02%	7.11%	6.14%	3.12%	11.98%	11.40%	9.29%
Small	3.66%	4.39%	5.13%	-1.68%	-1.52%	-1.37%	8.23%	6.86%	5.53%	7.31%	8.71%	10.21%

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	0.26%	0.31%	0.78%	0.98%	1.23%	3.95%	3.51%	4.20%	9.86%	4.26%	4.44%	4.38%
Corp	0.28%	0.40%	1.06%	0.92%	1.26%	3.15%	3.63%	4.62%	8.68%	5.25%	5.67%	4.99%
HY	0.41%	0.39%	0.55%	0.68%	0.64%	1.07%	3.95%	4.22%	7.27%	6.85%	6.99%	6.24%

Index Returns

	Week	MTD	QTD	YTD
Equities (Stocks)				
S&P 500	4.06%	-0.33%	3.33%	19.13%
S&P MidCap 400	3.29%	-1.76%	3.86%	10.26%
Russell 2000	4.39%	-1.52%	6.86%	8.71%
MSCI EAFE	1.21%	-1.65%	4.53%	10.11%
MSCI Emerging Markets	0.79%	-1.47%	0.42%	7.94%
MSCI EAFE Small Cap	1.42%	-0.36%	7.41%	7.95%
Fixed Income (Bonds)				
Bloomberg Int Gov/Credit	0.34%	1.24%	4.33%	4.83%
Bloomberg US Agg	0.51%	1.81%	5.68%	4.93%
Bloomberg US High Yield	0.40%	0.64%	4.27%	6.97%
Other				
Bloomberg Commodity	2.73%	0.30%	-3.71%	1.25%
S&P Dev Property	3.08%	2.95%	16.26%	12.85%

S&P 500 Sector Returns

	Week	MTD	QTD	YTD
Consumer Disc	6.15%	3.17%	3.86%	9.74%
Consumer Staples	1.17%	1.82%	9.95%	19.82%
Energy	-0.68%	-6.24%	-5.89%	4.40%
Financials	0.52%	-2.65%	8.32%	19.34%
Health Care	1.47%	-0.68%	7.15%	15.52%
Industrials	3.74%	-0.73%	7.11%	15.42%
Info Technology	7.34%	-0.24%	-1.09%	26.84%
Materials	3.17%	-1.68%	5.09%	9.34%
Real Estate	3.62%	3.81%	17.75%	14.86%
Communication Svcs	4.33%	-0.93%	-3.73%	21.96%
Utilities	3.46%	2.94%	15.27%	26.15%

Bond Yields

	9/13/24	8/31/24	6/30/24	12/31/23
3Mo Libor	5.20%	5.28%	5.59%	5.59%
SOFR 3Mo Swap	4.88%	5.01%	5.32%	5.33%
2Yr Treasury	3.57%	3.91%	4.71%	4.23%
10Yr Treasury	3.66%	3.91%	4.36%	3.88%
2-10 Slope	0.09%	0.00%	-0.35%	-0.35%

Commodities and Currency

	9/13/24	8/31/24	6/30/24	12/31/23
Oil (\$/barrel)	68.65	73.55	81.54	71.65
Gold (\$/oz.)	2577.7	2503.39	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.