

Weekly Market Update



Market Data as of Week Ending: 1/19/2024 unless noted otherwise

Stock prices were mixed, but most major indexes finished the week with gains as the S&P 500 and Dow Jones Industrial Average reached new all-time highs. Earnings season is still in the early innings, with only 10% of companies reporting actual results. S&P 500 earnings growth expectations were softened again, with the most recent estimates coming in at a decline of -1.7% for the fourth quarter and effectively 0% for the calendar year 2023. Large company stocks maintained their leadership position and finished the week outperforming their small and mid-cap peers, while the growth factor once again reigned supreme and outperformed value. Sector results were mixed with gains coming from growth sectors such as information technology, most notably the semiconductor industry. Energy and utilities were the worst-performing sectors for the week, followed by losses in real estate and materials. Developed foreign equities and emerging markets finished the week with losses.

Fixed income performance pivoted again as yields increased across the curve. Both the 2 and 10-year Treasury yields advanced, ending the week at 4.39% and 4.15%, respectively. The 2-year Treasury rose at a faster pace than the 10-year Treasury, increasing the inversion of the yield curve to a slope of -0.24%. Short-duration high-yield bonds outperformed while long-duration government bonds lagged. Yields on US Corporate and High Yield bonds rose, ending the week at 5.26% and 8.06%, respectively.

Economic data was robust, with retail sales headlining the holiday-shortened week. Retail sales increased 0.6% in December, well above the consensus estimate, with online sales growing 1.5% and hitting a new record high. That brings the year-over-year monthly gain to 5.6%, which is the highest level since January of this year and following a weak summer that bottomed out near 1%. Weekly jobless claims beat consensus expectations and came in lower at 187,000, the lowest figure since September 2022. Consumer sentiment was another positive surprise as the data from the University of Michigan revealed the largest two-month increase since 1991 (61.3 in November to 78.8 in January). Industrial production also surprised to the upside with a small monthly gain of 0.1%, compared to estimates of no growth. One of the only negative reports of the week was existing home sales, which declined nearly 20% in 2023 to 4.1 million. Collectively, economic data increased the Atlanta Fed GDPNow from 2.2% to 2.4% for an estimated fourth-quarter GDP that will be released later this week.

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

	Value	Week Core	Growth	Value	MTD Core	Growth	Value	QTD Core	Growth	Value	YTD Core	Growth
Large	-0.20%	1.11%	2.21%	-0.83%	1.28%	3.07%	-0.83%	1.28%	3.07%	-0.83%	1.28%	3.07%
Mid	-0.39%	-0.04%	0.82%	-2.02%	-1.56%	-0.43%	-2.02%	-1.56%	-0.43%	-2.02%	-1.56%	-0.43%
Small	-0.59%	-0.33%	-0.05%	-4.42%	-4.05%	-3.66%	-4.42%	-4.05%	-3.66%	-4.42%	-4.05%	-3.66%

U.S. Fixed Income Returns (Quality & Duration - Bloomberg)

	Short	Week Interm	Long	Short	MTD Interm	Long	Short	QTD Interm	Long	Short	YTD Interm	Long
Govt	-0.52%	-0.70%	-2.36%	-0.24%	-0.55%	-4.60%	-0.24%	-0.55%	-4.60%	-0.24%	-0.55%	-4.60%
Corp	-0.46%	-0.69%	-1.60%	-0.17%	-0.63%	-2.59%	-0.17%	-0.63%	-2.59%	-0.17%	-0.63%	-2.59%
HY	-0.35%	-0.51%	-0.98%	-0.48%	-0.67%	-0.95%	-0.48%	-0.67%	-0.95%	-0.48%	-0.67%	-0.95%

Index Returns

	Week	MTD	QTD	YTD
Equities (Stocks)				
S&P 500	1.19%	1.54%	1.54%	1.54%
S&P MidCap 400	0.46%	-1.41%	-1.41%	-1.41%
Russell 2000	-0.33%	-4.05%	-4.05%	-4.05%
MSCI EAFE	-2.13%	-2.52%	-2.52%	-2.52%
MSCI Emerging Markets	-2.54%	-5.13%	-5.13%	-5.13%
MSCI EAFE Small Cap	-3.08%	-4.51%	-4.51%	-4.51%
Fixed Income (Bonds)				
Bloomberg Int Gov/Credit	-0.70%	-0.58%	-0.58%	-0.58%
Bloomberg US Agg	-1.10%	-1.39%	-1.39%	-1.39%
Bloomberg US High Yield	-0.52%	-0.68%	-0.68%	-0.68%
Other				
Bloomberg Commodity	-1.08%	-1.57%	-1.57%	-1.57%
S&P Dev Property	-2.72%	-3.77%	-3.77%	-3.77%

S&P 500 Sector Returns

	Week	MTD	QTD	YTD
Consumer Disc	0.52%	-1.47%	-1.47%	-1.47%
Consumer Staples	-0.93%	0.29%	0.29%	0.29%
Energy	-3.04%	-4.29%	-4.29%	-4.29%
Financials	0.96%	0.84%	0.84%	0.84%
Health Care	-0.70%	2.36%	2.36%	2.36%
Industrials	0.31%	-1.28%	-1.28%	-1.28%
Info Technology	4.32%	4.98%	4.98%	4.98%
Materials	-1.49%	-3.88%	-3.88%	-3.88%
Real Estate	-2.13%	-3.36%	-3.36%	-3.36%
Communication Svcs	1.95%	4.42%	4.42%	4.42%
Utilities	-3.70%	-3.77%	-3.77%	-3.77%

Bond Yields

	1/19/24	12/31/23	12/31/23	12/31/23
3Mo Libor	5.58%	5.59%	5.59%	5.59%
SOFR 3Mo Swap	5.32%	5.33%	5.33%	5.33%
2Yr Treasury	4.39%	4.23%	4.23%	4.23%
10Yr Treasury	4.15%	3.88%	3.88%	3.88%
2-10 Slope	-0.24%	-0.35%	-0.35%	-0.35%

Commodities and Currency

	1/19/24	12/31/23	12/31/23	12/31/23
Oil (\$/barrel)	73.41	71.65	71.65	71.65
Gold (\$/oz.)	2029.49	2062.98	2062.98	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.