

Weekly Market Update



Market Data as of Week Ending: 10/4/2024 unless noted otherwise

Stock prices ended the week higher as the S&P 500 recorded its fourth consecutive week of gains, narrowly missing out on reaching a new all-time high. Investor sentiment started the week lower with intensifying tensions in the Middle East and a dockworkers' strike at 36 U.S. ports that handle approximately half of the nations' cargo from ships. Better than expected, economic data has shifted sentiment in the stock market; however, the focus will start to shift toward quarterly results. S&P 500 earnings growth is expected to be just north of 4% for the third quarter. If realized, that would mark the fifth consecutive quarter of growth for the index. Growth stocks outperformed value, and large companies outperformed their small and mid-sized peers. Sector performance was mixed for the week with an outsized gain for energy stocks, as oil prices rebounded. Communication services, financials and utilities were the other leading contributors. Materials, real estate and consumer staples underperformed with no clear trends across cyclicals and defensives. Developed foreign markets declined on a local currency basis, primarily due to the strength of the U.S. Dollar. Emerging markets fared better with a solid gain, narrowly outpacing the S&P 500.

Bond yields were drifting higher and then advanced sharply on Friday following a strong jobs report that surprised to the upside. The yield curve flattened back out but remained positively sloped as the 10-year yield increased to 3.98%, while the 2-year rose sharply to 3.93%. Returns were negative in most bond sectors and across the curve with short duration high yield outperforming. Yields on U.S. Corporate and high yield Bonds advanced for the week, with corporates ending the week at 4.88% and high yield at 7.29%.

Economic data started the week with some pessimism after both the S&P and ISM Manufacturing PMI figures pointed toward continued contraction at levels just above 47 for both sources. Chair Powell indicated a more positive tone and view in his speech on Monday, where he characterized the U.S. economy as being in solid shape and highlighted growing confidence in achieving a "soft landing." However, this week was all about the employment data that started with a figure of more than 8 million better-than-expected job openings, more than 300,000 higher than expected. The improving conditions for the job market were confirmed with the upside surprise in September: non-farm payrolls that increased 254,000, a lower unemployment rate of 4.1%, and average hourly earnings that increased 4.0% annually. Other notable figures included the S&P and ISM Services PMI figures that were both right around 55, which is at or near their highest levels in the last 12 months.

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%	0.27%	0.32%	-0.08%	-0.13%	-0.17%	-0.08%	-0.13%	-0.17%	16.58%	21.03%	24.34%
Mid	-0.37%	-0.07%	0.91%	-0.55%	-0.22%	0.85%	-0.55%	-0.22%	0.85%	14.44%	14.39%	13.87%
Small	-0.80%	-0.48%	-0.16%	-1.13%	-0.76%	-0.39%	-1.13%	-0.76%	-0.39%	7.98%	10.32%	12.78%

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	-0.81%	-1.01%	-2.56%	-0.65%	-0.82%	-2.18%	-0.65%	-0.82%	-2.18%	3.49%	3.33%	0.21%
Corp	-0.61%	-0.78%	-1.52%	-0.48%	-0.63%	-1.30%	-0.48%	-0.63%	-1.30%	4.86%	5.04%	3.18%
HY	-0.09%	-0.15%	-0.37%	-0.11%	-0.17%	-0.30%	-0.11%	-0.17%	-0.30%	7.77%	7.84%	6.79%

Index Returns

	Week	MTD	QTD	YTD
Equities (Stocks)				
S&P 500	0.26%	-0.17%	-0.17%	21.87%
S&P MidCap 400	0.03%	-0.10%	-0.10%	13.42%
Russell 2000	-0.48%	-0.76%	-0.76%	10.32%
MSCI EAFE	-3.73%	-2.25%	-2.25%	10.45%
MSCI Emerging Markets	0.42%	0.73%	0.73%	17.72%
MSCI EAFE Small Cap	-3.80%	-2.52%	-2.52%	8.30%
Fixed Income (Bonds)				
Bloomberg Int Gov/Credit	-0.94%	-0.76%	-0.76%	3.88%
Bloomberg US Agg	-1.24%	-1.01%	-1.01%	3.40%
Bloomberg US High Yield	-0.15%	-0.17%	-0.17%	7.82%
Other				
Bloomberg Commodity	1.90%	1.78%	1.78%	7.74%
S&P Dev Property	-2.19%	-2.02%	-2.02%	10.77%

S&P 500 Sector Returns

	Week	MTD	QTD	YTD
Consumer Disc	-1.24%	-0.96%	-0.96%	12.81%
Consumer Staples	-1.54%	-1.65%	-1.65%	16.78%
Energy	7.01%	6.14%	6.14%	15.01%
Financials	1.14%	0.80%	0.80%	22.89%
Health Care	-0.89%	-1.50%	-1.50%	12.64%
Industrials	0.53%	0.03%	0.03%	20.24%
Info Technology	0.07%	-0.51%	-0.51%	29.65%
Materials	-1.93%	-1.35%	-1.35%	12.60%
Real Estate	-1.76%	-2.59%	-2.59%	11.35%
Communication Svcs	2.23%	1.42%	1.42%	30.64%
Utilities	1.09%	0.67%	0.67%	31.50%

Bond Yields

	10/4/24	9/30/24	9/30/24	12/31/23
3Mo Libor	4.85%	4.85%	4.85%	5.59%
SOFR 3Mo Swap	4.65%	4.63%	4.63%	5.33%
2Yr Treasury	3.93%	3.66%	3.66%	4.23%
10Yr Treasury	3.98%	3.81%	3.81%	3.88%
2-10 Slope	0.05%	0.15%	0.15%	-0.35%

Commodities and Currency

	10/4/24	9/30/24	9/30/24	12/31/23
Oil (\$/barrel)	74.38	68.17	68.17	71.65
Gold (\$/oz.)	2653.6	2634.58	2634.58	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.