

Weekly Market Update



Market Data as of Week Ending: 11/3/2023 unless noted otherwise

Stock prices ended the week markedly higher as the S&P 500 recorded its strongest week in over a year after signs of a cooling labor market boosted confidence that the Fed may be done raising rates. The Federal Reserve voted unanimously to leave rates steady at the conclusion of their policy meeting on Wednesday, with Fed Chair Powell's remarks appearing less hawkish than feared. Gains were broad-based for the week, but growth stocks were able to edge out their value counterparts for the week, while large companies narrowly lagged their small and mid-sized peers. All major economic sectors ended the week in positive territory, with notable performances from the rate-sensitive real estate sector, financials, consumer discretionary, and information technology. Traditionally, defensive sectors in consumer staples and healthcare lagged, while the worst-performing sector was energy. Foreign developed and emerging market stock prices were positive but underperformed their domestic peers.

U.S. Treasury yields declined sharply after the U.S. Treasury's announcement that it would slow the pace of issuance of longer-term securities. The 10-year yield ended the week lower at 4.57% after experiencing its sharpest three-day decline since July. Yields declined across the curve as the 2-year finished at 4.83%. All segments of the bond market increased, and longer-duration bonds outperformed. Lower credit quality outperformed as high yield was the best-performing segment across all durations. Yields ended the week lower for both U.S. Investment Grade Corporate and High Yield bonds, at 6.00% and 8.91%, respectively.

Economic data showed signs of slowing growth, especially in the labor market. Consumer confidence slipped to a five-month low of 102.6 in October as concerns over inflation, interest rates, and the conflict between Israel and Hamas weighed on consumers' minds. The ADP jobs report saw the U.S. create 113,000 new private-sector jobs in October, well below the estimated 130,000. The ISM manufacturing index fell to 46.7 in October, the lowest level since July, due to weaker new orders. The U.S. added 150,000 new jobs in October, below the 170,000 expected, showing signs of cooling demand for labor. The unemployment rate ticked up to 3.9%, the highest level since the beginning of 2022. The ISM services index fell to a five-month low of 51.8% in October, as higher rates and inflation have slowed the sector. The Bank of England announced the decision to hold rates steady at 5.25% for the second consecutive meeting, stating they anticipate rates staying at a restrictive level for an extended period.

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

	Week			MTD			QTD			YTD		
	Value	Core	Growth	Value	Core	Growth	Value	Core	Growth	Value	Core	Growth
Large	5.67%	5.98%	6.25%	3.66%	4.04%	4.37%	0.00%	1.52%	2.88%	1.79%	14.73%	28.58%
Mid	6.44%	6.41%	6.34%	4.83%	4.90%	5.08%	-0.37%	-0.34%	-0.28%	0.17%	3.55%	9.57%
Small	8.45%	7.59%	6.67%	6.72%	5.94%	5.11%	0.35%	-1.28%	-3.00%	-0.18%	1.23%	2.09%

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	0.64%	0.96%	3.96%	0.78%	1.18%	4.85%	0.88%	0.84%	-0.31%	2.04%	1.16%	-8.78%
Corp	0.80%	1.33%	3.71%	0.93%	1.56%	4.41%	0.84%	0.80%	0.03%	2.86%	2.16%	-2.68%
HY	2.04%	2.73%	4.10%	1.88%	2.44%	3.24%	0.92%	1.28%	0.59%	7.22%	7.29%	4.07%

Index Returns

	Week	MTD	QTD	YTD
Equities (Stocks)				
S&P 500	5.88%	3.94%	1.75%	15.05%
S&P MidCap 400	6.56%	4.75%	-0.85%	3.39%
Russell 2000	7.59%	5.94%	-1.28%	1.23%
MSCI EAFE	4.43%	4.28%	0.05%	7.13%
MSCI Emerging Markets	3.12%	3.63%	-0.40%	1.42%
MSCI EAFE Small Cap	5.53%	5.07%	-1.10%	0.70%
Fixed Income (Bonds)				
Bloomberg Int Gov/Credit	1.07%	1.29%	0.83%	1.49%
Bloomberg US Agg	1.99%	2.30%	0.68%	-0.53%
Bloomberg US High Yield	2.76%	2.46%	1.26%	7.20%
Other				
Bloomberg Commodity	-0.28%	0.63%	0.90%	-2.58%
S&P Dev Property	7.99%	6.34%	1.38%	-2.24%

S&P 500 Sector Returns

	Week	MTD	QTD	YTD
Consumer Disc	7.23%	5.12%	0.43%	27.21%
Consumer Staples	3.28%	1.33%	0.10%	-4.67%
Energy	2.35%	1.73%	-4.34%	1.42%
Financials	7.45%	4.47%	1.89%	0.21%
Health Care	3.48%	2.28%	-1.01%	-5.06%
Industrials	5.31%	3.25%	0.24%	4.74%
Info Technology	6.85%	5.00%	4.97%	41.42%
Materials	5.10%	3.60%	0.30%	2.92%
Real Estate	8.57%	6.06%	3.09%	-2.52%
Communication Svcs	6.54%	4.19%	2.30%	43.65%
Utilities	5.30%	3.63%	4.97%	-10.16%

Bond Yields

	11/3/23	10/31/23	9/30/23	12/31/22
3Mo Libor	5.64%	5.64%	5.66%	4.77%
SOFR 3Mo Swap	5.36%	5.39%	5.39%	4.59%
2Yr Treasury	4.83%	5.07%	5.03%	4.41%
10Yr Treasury	4.57%	4.88%	4.59%	3.88%
2-10 Slope	-0.26%	-0.19%	-0.44%	-0.53%

Commodities and Currency

	11/3/23	10/31/23	9/30/23	12/31/22
Oil (\$/barrel)	80.51	81.02	90.79	80.26
Gold (\$/oz.)	1992.65	1983.88	1848.63	1824.02

Past performance is not a guarantee of future results. We believe the information presented is reliable, but we do not guarantee its accuracy.