

Weekly Market Update



Market Data as of Week Ending: 6/23/2023 unless noted otherwise

Major U.S. stock indexes ended the holiday-shortened week lower, snapping their respective winning streaks. The S&P 500 finished the week -1.37% lower as hawkish Fed commentary weighed on sentiment for much of the week. Growth stocks outperformed their value counterparts, and large companies outperformed their small and mid-sized peers. Ten of the eleven S&P 500 sectors closed the week with losses, with healthcare being the only sector to stay in the green. The energy sector was once again the worst-performing sector as oil prices fell as rising interest rates and soft manufacturing activity sparked demand concerns. Developed foreign and emerging markets stocks sold off, and both markets underperformed domestic equities.

U.S. Treasury yields were mixed last week after Fed Chair Powell reiterated their hawkish view during his testimony to Congress. The yield on the 2-year note ended the week at 4.71%, while the 10-year Treasury yield fell to 3.74%. Long term government bonds fared the best, while high yield bonds underperformed with losses across the curve as growing recession fears weighed on lower quality bonds. Yields for investment grade corporate bonds and high yield bonds were mixed as they ended the week at 5.5% and 9.1%, respectively.

Economic data for the week was relatively light but mostly positive, especially for the housing market. The home builder confidence index rose to 55 in June, marking the first time in nearly a year that home builders have been bullish about the housing market outlook. U.S. housing stats jumped 21.7% in May, coming in at 1.63 million as homebuilders have increased building single-family homes to meet the demand from buyers. U.S. existing home sales rose by 0.2% in May while the median home price for an existing home fell 3.1%, the largest drop since December 2011. The leading economic index fell 0.7% in May, declining for the 14th month in a row. The S&P flash PMI readings for the manufacturing and services sectors both came in slightly as the Flash PMI composite index slowed to 53.0 from May's 54.3. The BoE unexpectedly raised its interest rate by 0.5% last week to a key rate of 5.0%, which was last seen in 2008.

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

	<u>Week</u>			<u>MTD</u>			<u>QTD</u>			<u>YTD</u>		
	Value	Core	Growth	Value	Core	Growth	Value	Core	Growth	Value	Core	Growth
Large	-2.02%	-1.51%	-1.06%	3.66%	4.14%	4.56%	1.17%	5.93%	10.41%	2.18%	13.83%	26.27%
Mid	-2.57%	-2.44%	-2.21%	4.50%	4.27%	3.90%	-0.13%	0.82%	2.46%	1.19%	4.91%	11.82%
Small	-3.34%	-2.86%	-2.44%	4.00%	4.23%	4.43%	-0.59%	1.41%	3.23%	-1.24%	4.18%	9.50%

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

	<u>Week</u>			<u>MTD</u>			<u>QTD</u>			<u>YTD</u>		
	Short	Interm	Long	Short	Interm	Long	Short	Interm	Long	Short	Interm	Long
Govt	0.05%	0.08%	0.61%	-0.47%	-0.56%	0.39%	-0.58%	-0.76%	-1.89%	1.27%	1.48%	4.15%
Corp	0.06%	0.07%	0.28%	-0.20%	-0.19%	1.14%	0.09%	-0.19%	-0.93%	1.77%	2.31%	4.46%
HY	-0.57%	-0.76%	-0.40%	0.88%	0.82%	1.54%	1.18%	0.94%	0.29%	4.31%	4.54%	3.97%

Index Returns

	<u>Week</u>	<u>MTD</u>	<u>QTD</u>	<u>YTD</u>
Equities (Stocks)				
S&P 500	-1.37%	4.14%	6.23%	14.19%
S&P MidCap 400	-2.52%	4.63%	0.50%	4.32%
Russell 2000	-2.86%	4.23%	1.41%	4.18%
MSCI EAFE	-3.35%	2.84%	1.27%	9.84%
MSCI Emerging Markets	-3.60%	3.84%	0.94%	4.93%
MSCI EAFE Small Cap	-4.11%	1.64%	-0.65%	4.24%
Fixed Income (Bonds)				
Bloomberg Int Gov/Credit	0.08%	-0.44%	-0.57%	1.74%
Bloomberg US Agg	0.14%	-0.10%	-0.58%	2.36%
Bloomberg US High Yield	-0.75%	0.84%	0.91%	4.51%
Other				
Bloomberg Commodity	-2.56%	4.82%	-1.83%	-7.09%
S&P Dev Property	-4.78%	-0.46%	-2.82%	-2.13%

S&P 500 Sector Returns

	<u>Week</u>	<u>MTD</u>	<u>QTD</u>	<u>YTD</u>
Consumer Disc	-0.02%	9.36%	11.81%	29.85%
Consumer Staples	-0.37%	2.64%	-0.13%	0.69%
Energy	-3.45%	1.74%	-5.45%	-9.86%
Financials	-2.02%	3.63%	2.31%	-3.38%
Health Care	0.26%	3.76%	2.36%	-2.05%
Industrials	-1.64%	7.11%	2.50%	6.05%
Info Technology	-2.02%	3.55%	13.87%	38.71%
Materials	-1.94%	6.75%	-0.70%	3.56%
Real Estate	-3.96%	0.43%	-3.17%	-1.28%
Communication Svcs	-0.76%	2.20%	12.64%	35.74%
Utilities	-2.59%	0.95%	-3.20%	-6.34%

Bond Yields

	6/23/23	5/31/23	3/31/23	12/31/22
3Mo Libor	5.54%	5.52%	5.19%	4.77%
SOFR 3Mo Swap	5.23%	5.24%	4.91%	4.59%
2Yr Treasury	4.71%	4.40%	4.06%	4.41%
10Yr Treasury	3.74%	3.64%	3.48%	3.88%
2-10 Slope	-0.97%	-0.76%	-0.58%	-0.53%

Commodities and Currency

	6/23/23	5/31/23	3/31/23	12/31/22
Oil (\$/barrel)	68.86	68.09	75.67	80.26
Gold (\$/oz.)	1921.2	1962.73	1969.28	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.