

Weekly Market Update



Market Data as of Week Ending: 8/9/2024 unless noted otherwise

Most major indices closed the volatile week slightly lower, recovering from the largest sell-off in two years to begin the week, as recessionary fears and uneven earnings weighed on stocks. The S&P 500 ended the week -0.02% after nearing correction territory from its high in July, while the Nasdaq was nearly 16% off its peak. Japan's Nikkei slid 12% on Monday due to the yen strengthening rapidly against the dollar, which led to an unwinding of the yen carry trade. The estimated earnings growth rate moved slightly lower last week, to 10.8%, while several companies reported signs of weakening consumer demand. The spike in volatility weighed on small caps last week as they lagged their larger peers. From a style perspective, growth outperformed value across all size segments. Sector performance was also mixed for the week with only four sectors able to eke out a gain. Notable losses came from the materials, consumer discretionary and utilities sectors. Indices outside the US experienced similar volatility, but mixed performance as developed foreign markets lagged while emerging markets stocks ended the week in the green.

Bond yields rose last week as fears of a weakening labor market eased. The 10-year Treasury ended the week higher at 3.94%, while the 2-year closed at 4.06% despite consensus of lower interest rates to end the year. Short-duration bonds generally outperformed, outperforming in government and corporate segments. High-yield bonds fared the best as the top-performing segment, with positive returns across the board. Investment-grade corporate bond yields and high-yield ended the week higher at 5.08% and 7.85%, respectively.

Economic data was mostly positive in what was a light week last week, mostly easing recession fears. The ISM services index came in above expectations at 51.4 in July, a nice rebound from 48.8 in June, as the reading showed strength in business activity, new orders and employment. Consumer credit rose at a slower rate than expected as consumers pulled back on the amount of credit they used in June. Initial jobless claims fell to 233,000, retreating from a one-year high, which helped counter recessionary fears. Japan's stock markets recouped much of its losses after starting the week with the most severe one-day sell-off in decades after BoJ Deputy Governor Shinichi Uchida said that the central bank will not raise interest rates when markets are unstable.

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

	Week			MTD			QTD			YTD		
	Value	Core	Growth	Value	Core	Growth	Value	Core	Growth	Value	Core	Growth
Large	-0.30%	0.05%	0.37%	-2.99%	-3.29%	-3.57%	1.97%	-1.88%	-5.21%	8.72%	12.08%	14.41%
Mid	-0.30%	0.15%	1.64%	-3.47%	-3.30%	-2.74%	2.37%	1.26%	-2.15%	7.02%	6.29%	3.70%
Small	-2.02%	-1.32%	-0.61%	-8.16%	-7.67%	-7.16%	3.03%	1.71%	0.44%	2.15%	3.48%	4.90%

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	-0.39%	-0.55%	-1.92%	0.55%	0.63%	1.72%	2.06%	2.47%	5.36%	2.80%	2.71%	0.10%
Corp	-0.35%	-0.49%	-1.29%	0.34%	0.38%	0.53%	1.91%	2.38%	3.72%	3.50%	3.41%	0.20%
HY	0.25%	0.25%	0.50%	-0.04%	-0.06%	0.24%	1.71%	1.87%	3.28%	4.56%	4.57%	2.28%

Index Returns

	Week	MTD	QTD	YTD
Equities (Stocks)				
S&P 500	-0.02%	-3.20%	-2.02%	12.96%
S&P MidCap 400	-0.40%	-5.22%	0.28%	6.47%
Russell 2000	-1.32%	-7.67%	1.71%	3.48%
MSCI EAFE	-0.29%	-4.04%	-1.23%	4.05%
MSCI Emerging Markets	0.27%	-1.89%	-1.60%	5.77%
MSCI EAFE Small Cap	-0.93%	-4.87%	0.56%	1.07%
Fixed Income (Bonds)				
Bloomberg Int Gov/Credit	-0.52%	0.55%	2.44%	2.94%
Bloomberg US Agg	-0.82%	0.74%	3.09%	2.36%
Bloomberg US High Yield	0.25%	-0.05%	1.89%	4.52%
Other				
Bloomberg Commodity	0.93%	-0.84%	-4.84%	0.05%
S&P Dev Property	0.62%	0.79%	7.13%	3.99%

S&P 500 Sector Returns

	Week	MTD	QTD	YTD
Consumer Disc	-1.00%	-7.69%	-6.16%	-0.85%
Consumer Staples	-0.29%	1.67%	3.64%	12.94%
Energy	1.19%	-3.58%	-1.54%	9.22%
Financials	0.63%	-3.16%	3.10%	13.58%
Health Care	-0.62%	0.22%	2.87%	10.90%
Industrials	1.22%	-2.81%	1.95%	9.86%
Info Technology	-0.22%	-5.49%	-7.46%	18.67%
Materials	-1.68%	-3.86%	0.35%	4.41%
Real Estate	-0.14%	1.55%	8.88%	6.22%
Communication Svcs	0.78%	-0.27%	-4.27%	21.27%
Utilities	-0.88%	1.14%	8.00%	18.19%

Bond Yields

	8/9/24	7/31/24	6/30/24	12/31/23
3Mo Libor	5.37%	5.50%	5.59%	5.59%
SOFR 3Mo Swap	5.13%	5.24%	5.32%	5.33%
2Yr Treasury	4.05%	4.29%	4.71%	4.23%
10Yr Treasury	3.94%	4.09%	4.36%	3.88%
2-10 Slope	-0.11%	-0.20%	-0.35%	-0.35%

Commodities and Currency

	8/9/24	7/31/24	6/30/24	12/31/23
Oil (\$/barrel)	76.84	77.91	81.54	71.65
Gold (\$/oz.)	2431.32	2447.6	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.