

Weekly Market Update



Market Data as of Week Ending: 9/6/2024 unless noted otherwise

Equities traded lower last week as enthusiasm in the market faded. Cyclical plunged throughout the week as investors rotated into defensive stocks and digested a mixed jobs report. Value outperformed growth for the week, and the year-to-date outperformance of growth continues to fade. Large-cap stocks extended their lead over small and mid-cap stocks. Information technology was the worst-performing sector, driven by weakness in NVIDIA, as antitrust rumors hit the headlines. Staples led the rotation into defensive stocks, which was joined by real estate as the only positive sectors for the week. Foreign markets also traded lower but outperformed domestic equities.

Fixed income traded higher as yields across the curve dropped. The yield curve continues to steepen, with short-term rates decreasing more than long-term rates. Futures markets are pricing in an aggressive 2% rate cut over the next year, with a 100% probability of cuts starting this month. The two- to ten-year slope remains positive at 0.06%. Long-term bonds benefited the most from lower yields, with long-term government bonds returning 3.15%. Investment-grade corporate bond yields and high-yield bonds ended the week lower at 4.76% and 7.45%, respectively.

Economic releases were focused on the health of the labor market. Friday's job report was the last significant economic release before the Federal Reserve entered its quiet period ahead of the September meeting. The Employment Situation report was mixed. The unemployment rate decreased slightly from 4.3% to 4.2%, but total nonfarm payrolls of 142,000 were lower than estimates. In addition, June's nonfarm payrolls were significantly revised downward by 61,000. Average hourly earnings increased more than expected to 0.4% in August (3.8% year-over-year). Job openings continued to trend downward, with July job openings at 7.7 million, 1.1 million lower than the previous year. June's number of job openings was also revised lower by 274,000. Manufacturing data continues to be weak. The ISM Manufacturing PMI, though still in contraction, climbed to 47.2 in August. New orders, production and employment remained constrained. The ISM Services PMI expanded to 51.5 in August, beating market expectations.

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

	Week			MTD			QTD			YTD		
	Value	Core	Growth	Value	Core	Growth	Value	Core	Growth	Value	Core	Growth
Large	-3.06%	-4.27%	-5.40%	-3.06%	-4.27%	-5.40%	4.63%	-0.58%	-5.07%	11.56%	13.57%	14.58%
Mid	-3.38%	-3.70%	-4.75%	-3.38%	-3.70%	-4.75%	4.39%	2.88%	-1.79%	9.13%	7.98%	4.08%
Small	-5.16%	-5.67%	-6.18%	-5.16%	-5.67%	-6.18%	4.40%	2.36%	0.38%	3.52%	4.14%	4.84%

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	0.72%	0.91%	3.15%	0.72%	0.91%	3.15%	3.24%	3.87%	9.00%	3.99%	4.11%	3.57%
Corp	0.63%	0.86%	2.07%	0.63%	0.86%	2.07%	3.34%	4.20%	7.54%	4.95%	5.24%	3.89%
HY	0.28%	0.24%	0.52%	0.28%	0.24%	0.52%	3.53%	3.81%	6.69%	6.42%	6.57%	5.66%

Index Returns

	Week	MTD	QTD	YTD
Equities (Stocks)				
S&P 500	-4.22%	-4.22%	-0.70%	14.48%
S&P MidCap 400	-4.89%	-4.89%	0.55%	6.75%
Russell 2000	-5.67%	-5.67%	2.36%	4.14%
MSCI EAFE	-2.83%	-2.83%	3.28%	8.79%
MSCI Emerging Markets	-2.24%	-2.24%	-0.37%	7.09%
MSCI EAFE Small Cap	-1.76%	-1.76%	5.90%	6.44%
Fixed Income (Bonds)				
Bloomberg Int Gov/Credit	0.89%	0.89%	3.97%	4.48%
Bloomberg US Agg	1.29%	1.29%	5.15%	4.40%
Bloomberg US High Yield	0.25%	0.25%	3.86%	6.55%
Other				
Bloomberg Commodity	-2.37%	-2.37%	-6.27%	-1.45%
S&P Dev Property	-0.12%	-0.12%	12.79%	9.48%

S&P 500 Sector Returns

	Week	MTD	QTD	YTD
Consumer Disc	-2.81%	-2.81%	-2.16%	3.38%
Consumer Staples	0.64%	0.64%	8.68%	18.43%
Energy	-5.60%	-5.60%	-5.25%	5.11%
Financials	-3.15%	-3.15%	7.76%	18.72%
Health Care	-2.13%	-2.13%	5.60%	13.84%
Industrials	-4.31%	-4.31%	3.25%	11.25%
Info Technology	-7.05%	-7.05%	-7.85%	18.17%
Materials	-4.70%	-4.70%	1.86%	5.98%
Real Estate	0.19%	0.19%	13.64%	10.85%
Communication Svcs	-5.04%	-5.04%	-7.72%	16.90%
Utilities	-0.50%	-0.50%	11.42%	21.93%

Bond Yields

	9/6/24	8/31/24	6/30/24	12/31/23
3Mo Libor	5.20%	5.28%	5.59%	5.59%
SOFR 3Mo Swap	4.96%	5.01%	5.32%	5.33%
2Yr Treasury	3.66%	3.91%	4.71%	4.23%
10Yr Treasury	3.72%	3.91%	4.36%	3.88%
2-10 Slope	0.06%	0.00%	-0.35%	-0.35%

Commodities and Currency

	9/6/24	8/31/24	6/30/24	12/31/23
Oil (\$/barrel)	67.67	73.55	81.54	71.65
Gold (\$/oz.)	2497.41	2503.39	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.