

Weekly Market Update



Market Data as of Week Ending: 9/8/2023 unless noted otherwise

Equities retreated last week as the economy continued to show strength. Despite a relatively light week for economic releases, market participants once again prepare for the possibility of further rate hikes. The S&P 500 returned -1.26% for the week, led lower by the underperformance of Apple. China has reportedly banned government employees from using iPhones at work, which resulted in the stock being down 6.0% on the week. Size and style year-to-date trends continued with large-cap stocks outperforming small and mid-cap and growth outperforming value. Sector performance reflected the change in sentiment, with defensive sectors outperforming. Saudi Arabia and Russia extended oil supply cuts and pushed the price of oil (WTI) higher to \$86.87/barrel. Developed foreign and emerging markets were mixed but mostly in line with the S&P 500.

U.S. Treasury yields modestly increased throughout the week as rate hike fears reemerged. The yield curve continues to become less inverted as the 2-10yr slope contracted another 4bps to -.72%. Money market rates were relatively unchanged, but the 10-year increased to 4.26%, and the 30-year increased to 4.33%. Long-duration Government underperformed while short-duration Corporates outperformed, followed closely by short-duration Government and High-Yield. Yields for investment-grade corporate bonds and high-yield bonds edged higher, ending the week at 5.75% and 8.62%, respectively.

New economic data was sparse last week but was still enough to reignite uncertainty about the future path of monetary policy. The tone of the shortened trading week was set by ISM's report on August services sector activity. The ISM Services PMI rose to 54.5, increasing from July's PMI of 52 and higher than forecasted. While economic activity in the services sector expanded in August, the backlog of orders is down, and inventory has increased. Thursday's weekly jobless claims of 216K were lower than expected and was the lowest level in six months. Continuing claims dropped to 1.68M, the lowest level since mid-July.

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

	Week			MTD			QTD			YTD		
	Value	Core	Growth	Value	Core	Growth	Value	Core	Growth	Value	Core	Growth
Large	-1.38%	-1.30%	-1.24%	-0.88%	-1.06%	-1.21%	-0.17%	0.55%	1.20%	4.94%	17.33%	30.56%
Mid	-2.25%	-2.21%	-2.11%	-1.69%	-1.61%	-1.41%	-1.04%	-1.26%	-1.78%	4.14%	7.64%	13.88%
Small	-3.79%	-3.58%	-3.37%	-2.45%	-2.51%	-2.57%	-0.13%	-1.72%	-3.33%	2.37%	6.22%	9.78%

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	-0.18%	-0.25%	-0.50%	-0.26%	-0.44%	-1.91%	0.30%	-0.28%	-6.68%	1.26%	0.83%	-3.21%
Corp	-0.15%	-0.24%	-0.27%	-0.28%	-0.52%	-1.45%	0.49%	-0.11%	-3.49%	2.25%	2.22%	1.21%
HY	-0.19%	-0.31%	-0.32%	-0.15%	-0.29%	-0.41%	1.62%	1.37%	0.77%	6.70%	6.84%	5.96%

Index Returns

	Week	MTD	QTD	YTD
Equities (Stocks)				
S&P 500	-1.26%	-1.08%	0.47%	17.45%
S&P MidCap 400	-3.54%	-2.65%	-1.57%	7.14%
Russell 2000	-3.58%	-2.51%	-1.72%	6.22%
MSCI EAFE	-1.38%	-1.61%	-2.32%	9.08%
MSCI Emerging Markets	-1.17%	-0.63%	-0.95%	3.90%
MSCI EAFE Small Cap	-1.95%	-2.14%	-1.20%	4.26%
Fixed Income (Bonds)				
Bloomberg Int Gov/Credit	-0.25%	-0.47%	-0.22%	1.28%
Bloomberg US Agg	-0.30%	-0.77%	-1.47%	0.59%
Bloomberg US High Yield	-0.31%	-0.30%	1.36%	6.81%
Other				
Bloomberg Commodity	-0.50%	0.17%	5.62%	-2.60%
S&P Dev Property	-0.98%	-1.14%	-0.34%	1.21%

S&P 500 Sector Returns

	Week	MTD	QTD	YTD
Consumer Disc	-0.52%	-1.05%	0.19%	33.32%
Consumer Staples	-0.52%	-1.34%	-2.83%	-1.58%
Energy	1.48%	3.56%	13.24%	6.99%
Financials	-1.05%	-0.25%	1.82%	1.28%
Health Care	-1.07%	-0.84%	-0.52%	-1.99%
Industrials	-2.88%	-2.37%	-1.54%	8.49%
Info Technology	-2.34%	-2.12%	-0.83%	41.60%
Materials	-2.38%	-1.32%	-1.30%	6.34%
Real Estate	-1.02%	-1.09%	-2.85%	0.83%
Communication Svcs	-0.04%	-0.58%	5.93%	44.32%
Utilities	0.91%	0.39%	-3.46%	-8.95%

Bond Yields

	9/8/23	8/31/23	6/30/23	12/31/22
3Mo Libor	5.67%	5.66%	5.55%	4.77%
SOFR 3Mo Swap	5.41%	5.40%	5.26%	4.59%
2Yr Treasury	4.98%	4.85%	4.87%	4.41%
10Yr Treasury	4.26%	4.09%	3.81%	3.88%
2-10 Slope	-0.72%	-0.76%	-1.06%	-0.53%

Commodities and Currency

	9/8/23	8/31/23	6/30/23	12/31/22
Oil (\$/barrel)	87.51	83.63	70.64	80.26
Gold (\$/oz.)	1919.08	1940.19	1919.35	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.