

Weekly Market Update



Most equity indexes ended the week lower as investors continued to debate the path of economic policy and digest the political climate. Large-cap stocks continued to lead mid and small-cap equities. Growth outperformed value in large-cap stocks, but value led in mid and small-caps. Consumer discretionary and communication services were the only two sectors in the S&P 500 that ended the week higher, as shares of Tesla and Alphabet soared. Developed foreign stocks ended the week lower as investors balanced the pace of central banks' rate cuts with expectations of slower growth in European markets. Emerging markets edged higher despite the underperformance of Chinese stocks, as recent policy announcements disappointed investors.

Fixed income finished the week lower in response to higher interest rates. Money market rates were lower as investors priced in a 0.25% rate cut in December, but longer-term rates rose in response to Wednesday's sticky inflation report. The yield curve steepened last week, with the 2-year Treasury yield increasing 0.15% to 4.25% and the 10-year Treasury yield increasing 0.25% to 4.40%. Short-term bonds were negative for the week but outperformed long-duration bonds, with the exception of high-yield bonds. Investment-grade corporate bond yields and high-yield bonds increased, ending the week at 5.17% and 7.39%, respectively.

Economic data for the week focused on inflation and was largely in line with expectations. Most reports continued to support the narrative that inflation is stabilizing but remains higher than the Fed's target rate. Headline CPI increased by 0.3% in November, following four consecutive months of a 0.2% increase. Core CPI also rose by 0.3%, which is in line with estimates and unchanged from the previous three months. PPI for final demand, which measures inflation from the perspective of sellers, rose 0.4% in November. This increase was above recent trends and higher than expected. Prices for final-demand goods increased by 0.7%, driven primarily by a 3.1% rise in food prices. Prices for final demand services increased by 0.2%. Jobless claims rose slightly from the previous week, with initial claims increasing to 242K and continuing claims rising to 1,886K. The NFIB Small Business Optimism Index improved by 8 points in November to 101.7, the highest reading since June 2021. Survey respondents noted an expected favorable shift in economic policy post-election.

Market Data as of Week Ending: 12/13/2024 unless noted otherwise

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

	Week			MTD			QTD			YTD		
	Value	Core	Growth	Value	Core	Growth	Value	Core	Growth	Value	Core	Growth
Large	-2.03%	-0.79%	0.28%	-3.85%	0.23%	3.92%	1.16%	5.94%	10.30%	18.04%	28.38%	37.38%
Mid	-1.90%	-2.33%	-3.55%	-3.55%	-2.94%	-1.17%	2.25%	5.06%	13.96%	17.67%	20.43%	28.68%
Small	-1.79%	-2.55%	-3.26%	-3.29%	-3.54%	-3.78%	4.38%	5.49%	6.58%	14.00%	17.27%	20.68%

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	-0.37%	-0.65%	-3.94%	-0.13%	-0.37%	-3.18%	-0.85%	-1.49%	-6.54%	3.28%	2.64%	-4.26%
Corp	-0.31%	-0.64%	-2.89%	-0.03%	-0.27%	-2.14%	-0.30%	-0.94%	-4.09%	5.05%	4.71%	0.26%
HY	-0.15%	-0.23%	0.20%	0.23%	0.19%	0.94%	1.06%	0.79%	1.56%	9.03%	8.88%	8.79%

Index Returns

	Week	MTD	QTD	YTD
Equities (Stocks)				
S&P 500	-0.61%	0.37%	5.30%	28.55%
S&P MidCap 400	-1.58%	-2.56%	5.27%	19.53%
Russell 2000	-2.55%	-3.54%	5.49%	17.27%
MSCI EAFE	-1.52%	0.16%	-5.83%	6.41%
MSCI Emerging Markets	0.25%	2.71%	-5.38%	10.57%
MSCI EAFE Small Cap	-1.62%	-0.45%	-6.62%	3.75%
Fixed Income (Bonds)				
Bloomberg Int Gov/Credit	-0.64%	-0.34%	-1.33%	3.29%
Bloomberg US Agg	-1.38%	-0.93%	-2.37%	1.97%
Bloomberg US High Yield	-0.22%	0.20%	0.80%	8.87%
Other				
Bloomberg Commodity	1.31%	0.71%	-0.75%	5.06%
S&P Dev Property	-1.99%	-3.79%	-6.36%	5.86%

S&P 500 Sector Returns

	Week	MTD	QTD	YTD
Consumer Disc	1.40%	7.39%	19.83%	36.50%
Consumer Staples	-0.62%	-1.30%	0.48%	19.31%
Energy	-2.04%	-6.46%	0.81%	9.24%
Financials	-1.90%	-3.58%	9.19%	33.12%
Health Care	-2.29%	-4.27%	-8.44%	4.70%
Industrials	-2.24%	-4.47%	1.42%	21.91%
Info Technology	-0.15%	3.20%	6.96%	39.37%
Materials	-2.90%	-5.73%	-7.53%	5.54%
Real Estate	-2.24%	-4.80%	-4.12%	9.60%
Communication Svcs	2.46%	6.68%	12.12%	44.42%
Utilities	-2.64%	-6.35%	-3.88%	25.56%

Bond Yields

	12/13/24	11/30/24	9/30/24	12/31/23
SOFR 3Mo Swap	4.36%	4.47%	4.63%	5.33%
2Yr Treasury	4.25%	4.13%	3.66%	4.23%
10Yr Treasury	4.40%	4.18%	3.81%	3.88%
2-10 Slope	0.15%	0.05%	0.15%	-0.35%

Commodities and Currency

	12/13/24	11/30/24	9/30/24	12/31/23
Oil (\$/barrel)	71.29	68.72	68.17	71.65
Gold (\$/oz.)	2648.23	2643.15	2634.58	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.