

Weekly Market Update



Market Data as of Week Ending: 3/10/2023 unless noted otherwise

U.S. stock prices declined sharply as investors reacted to the Congressional testimony of Fed Chair Powell and concerns about the banking sector as the government took control of SVB Financial. Volatility picked back up as the S&P 500 nearly erased all the prior gains for the year thus far. Growth outperformed their value-oriented counterparts and large-sized companies outperformed their small and mid-sized peers. All major economic sectors were down with notable losses in the financials, materials, and real estate sectors. Traditionally defensive sectors such as utilities and consumer staples outperformed and were the best performing sectors. Developed foreign and emerging markets stocks were also down for the week but outperformed domestic equities.

U.S. Treasury yields were volatile as the 2-year U.S. Treasury yield rose above 5% and then fell by nearly half a percentage point to end the week at 4.60%. The flight to safety also hit the intermediate part of the curve as the U.S. Treasury yield fell sharply on Friday, ending the week at 3.70%. Higher quality and longer duration bonds outperformed as investors rotated out of risk assets. High yield corporate bonds suffered from the shift in risk sentiment and lagged across the curve. Yields for investment grade corporate bonds and high yield bonds ended the week at 5.4% and 8.9%, respectively.

Financial markets were focused on the testimony of Chair Powell along with the jobs report as the Fed enters the blackout period, where we will not hear from officials until the press conference on March 22nd. Economic data continued in a week that was packed full of incoming data. Job openings declined to 10.8 million and weekly jobless claims rose by more than 20,000 to end the period at 211,000. The official jobs report was mixed with a higher than expected 311,000 increase in non-farm payrolls and hourly earnings that rose 0.2% for the month, slightly lower than expected. However, the unemployment rate surprised investors by rising from the five-decade low of 3.4% to 3.6%. In Europe, economic data was also mixed as consumer demand slowed but industrial production strengthened.

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

	Week			MTD			QTD			YTD		
	Value	Core	Growth	Value	Core	Growth	Value	Core	Growth	Value	Core	Growth
Large	-5.50%	-4.87%	-4.23%	-3.74%	-3.01%	-2.26%	-2.33%	1.03%	4.63%	-2.33%	1.03%	4.63%
Mid	-7.19%	-6.86%	-6.28%	-5.51%	-4.88%	-3.75%	-1.15%	0.52%	3.61%	-1.15%	0.52%	3.61%
Small	-8.28%	-8.03%	-7.79%	-7.17%	-6.49%	-5.83%	-0.66%	0.89%	2.41%	-0.66%	0.89%	2.41%

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	0.80%	1.14%	3.58%	0.63%	0.90%	3.77%	0.47%	0.73%	5.19%	0.47%	0.73%	5.19%
Corp	0.38%	0.54%	1.21%	0.32%	0.51%	1.92%	0.69%	1.00%	3.02%	0.69%	1.00%	3.02%
HY	-0.73%	-0.91%	-0.50%	-0.44%	-0.60%	-0.24%	2.04%	1.87%	1.76%	2.04%	1.87%	1.76%

Index Returns

	Week	MTD	QTD	YTD
Equities (Stocks)				
S&P 500	-4.51%	-2.67%	0.92%	0.92%
S&P MidCap 400	-7.35%	-5.64%	1.20%	1.20%
Russell 2000	-8.03%	-6.49%	0.89%	0.89%
MSCI EAFE	-0.76%	0.11%	5.96%	5.96%
MSCI Emerging Markets	-3.29%	-0.87%	0.03%	0.03%
MSCI EAFE Small Cap	-0.82%	-0.45%	4.66%	4.66%
Fixed Income (Bonds)				
Bloomberg Int Gov/Credit	0.95%	0.77%	0.81%	0.81%
Bloomberg US Agg	1.17%	1.04%	1.45%	1.45%
Bloomberg US High Yield	-0.90%	-0.59%	1.87%	1.87%
Other				
Bloomberg Commodity	-3.38%	-1.38%	-6.48%	-6.48%
S&P Dev Property	-5.19%	-4.85%	-1.18%	-1.18%

S&P 500 Sector Returns

	Week	MTD	QTD	YTD
Consumer Disc	-5.49%	-5.01%	6.98%	6.98%
Consumer Staples	-1.89%	-1.30%	-4.52%	-4.52%
Energy	-5.30%	-1.29%	-5.73%	-5.73%
Financials	-8.46%	-7.77%	-3.70%	-3.70%
Health Care	-3.90%	-2.39%	-8.63%	-8.63%
Industrials	-4.43%	-1.87%	0.88%	0.88%
Info Technology	-3.05%	-0.54%	9.22%	9.22%
Materials	-7.61%	-4.49%	0.65%	0.65%
Real Estate	-6.82%	-5.44%	-2.43%	-2.43%
Communication Svcs	-4.10%	-1.62%	7.40%	7.40%
Utilities	-2.81%	-0.95%	-8.66%	-8.66%

Bond Yields

	3/10/23	2/28/23	12/31/22	12/31/22
3Mo Libor	5.14%	4.97%	4.77%	4.77%
SOFR 3Mo Swap	5.01%	4.89%	4.59%	4.59%
2Yr Treasury	4.60%	4.81%	4.41%	4.41%
10Yr Treasury	3.70%	3.92%	3.88%	3.88%
2-10 Slope	-0.90%	-0.89%	-0.53%	-0.53%

Commodities and Currency

	3/10/23	2/28/23	12/31/22	12/31/22
Oil (\$/barrel)	76.68	77.05	80.26	80.26
Gold (\$/oz.)	1868.26	1826.92	1824.02	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.