

# Weekly Market Update



Market Data as of Week Ending: 3/31/2023 unless noted otherwise

U.S. stock prices ended the week higher for the third consecutive week as investors weighed the latest banking sector developments. The S&P 500 advanced by 3.50% and closed above the 4,100 level. The trend of outperformance for the growth and size factors finally reversed last week as value stocks outperformed their growth counterparts and small and mid-sized companies outperformed their larger peers. All eleven major economic sectors ended the week with gains. Energy, consumer discretionary, and real estate outperformed and were the best performing sectors. The traditionally defensive healthcare sector and the sensitive communication services sector lagged. Developed foreign and emerging markets stocks delivered solid gains for the week and posted mixed results versus domestic equities.

U.S. Treasury yields moved higher last week on the news that the Fed may not be done raising rates before a softer-than-consensus inflation print to end the week pulled back yield levels slightly. The 10-year U.S. Treasury yield rose to finish the week at 3.48%, while the 2-year U.S. Treasury yield rose 0.29% to 4.06%, increasing the level of inversion between the two. High Yield bonds reversed their trend and outperformed across the curve. Government bonds were weighed down by rising yields and lagged across the curve. Yields for investment grade corporate bonds and high yield bonds ended the week at 5.1% and 8.6%, respectively.

Economic data was mostly positive in what was a light week. The U.S. consumer confidence index rose to 104.2 in March from 103.4 as strength in the labor market bolstered consumers' outlook on the economy. U.S. pending home sales rose for the third month in a row in February, increasing by 0.8%, as home buyers show signs of adjusting to higher mortgage rates. Consumer spending rose by just 0.2% in February, a big slowdown from the prior month as consumers slowed their spending on new cars and trucks. Personal incomes rose by 0.3% in February as the U.S. savings rate rose to 4.6%, marking a 13-month high. The U.S. PCE rose by a milder 0.3% in February, bringing the year-over-year increase to 5%, its lowest level in more than a year and a half. The University of Michigan consumer sentiment index fell to a four-month low of 62 in March as growing concerns about a looming recession weighed. In Europe, the Eurozone inflation rate slowed to 6.9% in March from 8.5% in February as energy costs subsided.

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

	Week			MTD			QTD			YTD		
	Value	Core	Growth	Value	Core	Growth	Value	Core	Growth	Value	Core	Growth
Large	4.09%	3.67%	3.28%	-0.46%	3.16%	6.84%	1.01%	7.46%	14.37%	1.01%	7.46%	14.37%
Mid	4.94%	4.85%	4.70%	-3.15%	-1.53%	1.38%	1.32%	4.06%	9.14%	1.32%	4.06%	9.14%
Small	3.65%	3.96%	4.25%	-7.17%	-4.78%	-2.47%	-0.66%	2.74%	6.07%	-0.66%	2.74%	6.07%

## 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	-0.48%	-0.56%	-0.46%	2.02%	2.43%	4.73%	1.86%	2.26%	6.16%	1.86%	2.26%	6.16%
Corp	-0.12%	-0.07%	0.58%	1.31%	2.00%	4.32%	1.68%	2.50%	5.45%	1.68%	2.50%	5.45%
HY	1.45%	1.72%	2.13%	0.58%	1.05%	1.63%	3.09%	3.57%	3.67%	3.09%	3.57%	3.67%

## Index Returns

	Week	MTD	QTD	YTD
Equities (Stocks)				
S&P 500	3.50%	3.67%	7.50%	7.50%
S&P MidCap 400	4.56%	-3.21%	3.81%	3.81%
Russell 2000	3.96%	-4.78%	2.74%	2.74%
MSCI EAFE	4.02%	2.48%	8.47%	8.47%
MSCI Emerging Markets	1.95%	3.03%	3.96%	3.96%
MSCI EAFE Small Cap	3.31%	-0.21%	4.92%	4.92%
Fixed Income (Bonds)				
Bloomberg Int Gov/Credit	-0.41%	2.29%	2.33%	2.33%
Bloomberg US Agg	-0.46%	2.54%	2.96%	2.96%
Bloomberg US High Yield	1.74%	1.07%	3.57%	3.57%
Other				
Bloomberg Commodity	2.50%	-0.21%	-5.36%	-5.36%
S&P Dev Property	4.54%	-3.03%	0.71%	0.71%

## S&P 500 Sector Returns

	Week	MTD	QTD	YTD
Consumer Disc	5.58%	3.12%	16.13%	16.13%
Consumer Staples	2.53%	4.23%	0.83%	0.83%
Energy	6.22%	-0.17%	-4.67%	-4.67%
Financials	3.77%	-9.55%	-5.56%	-5.56%
Health Care	1.77%	2.22%	-4.31%	-4.31%
Industrials	4.43%	0.66%	3.47%	3.47%
Info Technology	3.41%	10.93%	21.82%	21.82%
Materials	5.01%	-1.04%	4.29%	4.29%
Real Estate	5.30%	0.16%	3.35%	3.35%
Communication Svcs	1.46%	10.38%	20.50%	20.50%
Utilities	3.08%	4.92%	-3.24%	-3.24%

## Bond Yields

	3/31/23	2/28/23	12/31/22	12/31/22
3Mo Libor	5.19%	4.97%	4.77%	4.77%
SOFR 3Mo Swap	4.91%	4.89%	4.59%	4.59%
2Yr Treasury	4.06%	4.81%	4.41%	4.41%
10Yr Treasury	3.48%	3.92%	3.88%	3.88%
2-10 Slope	-0.58%	-0.89%	-0.53%	-0.53%

## Commodities and Currency

	3/31/23	2/28/23	12/31/22	12/31/22
Oil (\$/barrel)	75.67	77.05	80.26	80.26
Gold (\$/oz.)	1969.28	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.