

# 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%
HFRX Global Hedge Fund	0.32%	-1.42%	-0.24%	-0.24%

## 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

The information contained herein is for informational purposes only and is developed from sources believed to provide accurate information. The opinions expressed are those of the author, are for general information, and should not be considered a solicitation for the purchase or sale of any security. Investing involves risk, including possible loss of principal. The decision to review or consider the purchase or sell of any security should not be undertaken without consideration of your personal financial information, investment objectives and risk tolerance with your financial professional. Any forecasts or forward-looking statements are based on assumptions, may not materialize, and are subject to revision without notice.

The market indexes discussed are unmanaged and generally considered representative of their respective markets. Index performance is not indicative of past performance of any particular investment. Indexes do not incur management fees, costs, and expenses. Indexes are not available for direct investment.

The S&P 500 Index is a capitalization-weighted index of 500 stocks. The index is designed to measure performance of the broad domestic economy through changes in the aggregate market value of 500 stocks across major industries.

The Russell 2000 Index is a market-cap weighted index measuring the performance of approximately 2,000 smallest-cap weighted American companies in the Russell 3000 index. The Russell 3000 Index is a capitalization-weighted equity index that provides exposure to the entire U.S. stock market. The index tracks the performance of the 3,000 largest U.S.-traded stocks which represent about 98% of all U.S. incorporated equity securities.

The MSCI Indexes were created by Morgan Stanley Capital International and serves as a benchmark of the performance of major international equity markets. The EAFE, with 826 constituents across 21 developed markets around the world excluding the US and Canada covers approximately 85% of the free float-adjusted market capitalization of each country. The Emerging Markets Index, with 1,393 constituents, captures large and mid-cap representation across 24 Emerging Markets (EM) countries and covers approximately 85% of the free float-adjusted market capitalization in each country.

U.S. Treasury Notes are guaranteed by the federal government as to the timely payment of principal and interest. However, if you sell a Treasury Note prior to maturity, it may be worth more or less than the original price paid. Fixed income investments are subject to various risk including changes in interest rates, credit quality, inflation risk, market valuations, prepayments, corporate events, tax ramifications and other factors.

Past Performance does not guarantee future results.

Investment advice offered through NewEdge Advisors, LLC, a registered investment adviser.