

Weekly Market Update

Market Data as of Week Ending: 4/21/2023 unless noted otherwise

U.S. stock prices edged slightly lower last week with the S&P 500 declining 0.09% as investors grew increasingly uncertain about the U.S. debt ceiling. After the second week of earnings season, 76% of S&P 500 companies had beaten analysts' quarterly net income expectations, according to FactSet, which puts that so-called beat rate slightly below the 77% five-year average. Growth stocks reversed the trend and were able to outperform their value counterparts, while smaller-sized companies once again outperformed their large-cap peers. Traditionally defensive sectors in consumer staples and utilities led gainers, while sensitive sectors in communication services and information technology closed the week with a loss. The energy sector declined as oil prices fell on renewed concerns over weakening demand despite lower crude inventories. Developed foreign and emerging markets stocks were mixed for the week, with developed markets outperforming domestic equities.

U.S. Treasury yields moved higher last week as UK CPI data came in higher than expected, which increased the expectation that the Fed would hike rates in May. The 10-year and 2-year U.S. Treasury yields ended the week higher at 3.57% and 4.17%, respectively. Returns were negative across the fixed income spectrum as investment grade corporates held up the best, outperforming across the curve. Yields for investment grade corporate bonds and high yield bonds ended the week higher at 5.2% and 8.6%, respectively.

Economic data for the week was mixed but ultimately pointed to a slowing economy. The New York Fed's Empire State business conditions index increased 35.4 points to 10.8 in April, marking the first reading in positive territory in five months. The National Association of Home Builders monthly confidence index rose one point to 45 in April as a lack of listings on the resale market is boosting demand for new construction. Construction for new homes fell 0.8% in March to a rate of 1.42 million due to slower work on apartment buildings. The Philadelphia Fed manufacturing index fell to -31.3 in April, marking the eighth straight reading below zero and the tenth in the last 11 months. The U.S. leading economic index sank 1.2% in March, its biggest decline in three years and the 12th month in a row. The S&P flash PMI readings showed the U.S. services sector rebound to a 12-month high of 53.7 in April, while the manufacturing sector came in above 50 for the first time in six months at 50.4. In Europe, the United Kingdom's inflation slowed less than forecast with the annual CPI dipping to 10.1% from 10.4% in February, led by surging food and drink prices.

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

	Week			MTD			QTD			YTD		
	Value	Core	Growth	Value	Core	Growth	Value	Core	Growth	Value	Core	Growth
Large	-0.10%	-0.08%	-0.06%	1.18%	0.49%	-0.16%	1.18%	0.49%	-0.16%	2.20%	7.99%	14.19%
Mid	0.36%	0.25%	0.07%	-0.03%	-0.21%	-0.53%	-0.03%	-0.21%	-0.53%	1.29%	3.83%	8.56%
Small	0.19%	0.59%	0.95%	-1.52%	-0.56%	0.31%	-1.52%	-0.56%	0.31%	-2.17%	2.16%	6.41%

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	-0.11%	-0.17%	-0.57%	-0.04%	-0.10%	-1.30%	-0.04%	-0.10%	-1.30%	1.82%	2.16%	4.78%
Corp	-0.04%	-0.14%	-0.38%	0.28%	0.17%	-0.62%	0.28%	0.17%	-0.62%	1.97%	2.67%	4.79%
HY	-0.17%	-0.32%	-0.60%	0.48%	0.49%	1.05%	0.48%	0.49%	1.05%	3.58%	4.07%	4.75%

Index Returns

	Week	MTD	QTD	YTD
Equities (Stocks)				
S&P 500	-0.09%	0.67%	0.67%	8.21%
S&P MidCap 400	0.38%	-0.48%	-0.48%	3.31%
Russell 2000	0.59%	-0.56%	-0.56%	2.16%
MSCI EAFE	0.05%	2.72%	2.72%	11.41%
MSCI Emerging Markets	-1.95%	-0.86%	-0.86%	3.06%
MSCI EAFE Small Cap	-0.48%	1.47%	1.47%	6.47%
Fixed Income (Bonds)				
Bloomberg Int Gov/Credit	-0.16%	-0.01%	-0.01%	2.32%
Bloomberg US Agg	-0.23%	-0.22%	-0.22%	2.73%
Bloomberg US High Yield	-0.33%	0.51%	0.51%	4.10%
Other				
Bloomberg Commodity	-1.99%	0.35%	0.35%	-5.03%
S&P Dev Property	0.91%	0.40%	0.40%	1.11%
HFRX Global Hedge Fund	-0.04%	0.27%	0.27%	0.27%

S&P 500 Sector Returns

	Week	MTD	QTD	YTD
Consumer Disc	0.53%	-1.15%	-1.15%	14.79%
Consumer Staples	1.79%	2.49%	2.49%	3.34%
Energy	-2.53%	2.93%	2.93%	-1.87%
Financials	0.99%	3.31%	3.31%	-2.44%
Health Care	-0.22%	3.69%	3.69%	-0.78%
Industrials	0.78%	-0.57%	-0.57%	2.88%
Info Technology	-0.46%	-1.93%	-1.93%	19.47%
Materials	-0.31%	0.05%	0.05%	4.34%
Real Estate	1.60%	-0.70%	-0.70%	1.40%
Communication Svcs	-3.05%	0.01%	0.01%	20.52%
Utilities	1.09%	2.84%	2.84%	-0.50%

Bond Yields

	4/21/23	3/31/23	3/31/23	12/31/22
3Mo Libor	5.26%	5.19%	5.19%	4.77%
SOFR 3Mo Swap	5.06%	4.91%	4.91%	4.59%
2Yr Treasury	4.17%	4.06%	4.06%	4.41%
10Yr Treasury	3.57%	3.48%	3.48%	3.88%
2-10 Slope	-0.60%	-0.58%	-0.58%	-0.53%

Commodities and Currency

	4/21/23	3/31/23	3/31/23	12/31/22
Oil (\$/barrel)	77.87	75.67	75.67	80.26
Gold (\$/oz.)	1983.06	1969.28	1969.28	1824.02

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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.

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