

Weekly Market Update



Market Data as of Week Ending: 1/17/2025 unless noted otherwise

Stock prices rebounded as the S&P 500 enjoyed its best week since the election. Investors cheered on the better-than-expected inflation report and strong earnings from some banking giants. Three of the four major banks that announced their fourth-quarter results saw their earnings more than double relative to a year ago. Large companies narrowly lagged their small and mid-sized counterparts while the style factor was a larger differentiator. Value outperformed growth across the size spectrum, largely led by the outperformance in financials. All 11 sectors saw gains for the week, predominantly led by cyclicals as the energy, financials and materials sectors all registered gains above 6%. Health care, consumer staples and information technology sectors lagged on the week. Foreign developed and emerging markets were positive on the week but lagged domestic equities.

Bond yields fell last week on the better-than-expected inflation data. The 10-year Treasury yield ended the week at 4.61% and the 2-year Treasury decreased to 4.27%. Performance was positive across all bond segments with notable strength in long government and corporate bonds after struggling the previous week. Lower credit quality lagged after outperforming the previous week after December's CPI helped ease fears of a reacceleration of inflation. Investment-grade and high-yield corporate bond yields fell, ending the week at 5.68% and 7.50%, respectively.

Economic data for the week was mostly positive and headlined by inflation data. The Producer Price Index rose by 0.2% in December, down from 0.4%, which was met positively, tempering the higher end-of-inflation expectations. The December CPI report showed that core prices rose by 0.2%, the smallest increase since July, and a drop in the year-over-year core-CPI to 3.2% from 3.3%. On Tuesday, the NFIB Small Business Optimism Index rose to 105.1 in December, marking the second consecutive month above the 50-year average and the highest reading since October 2018. U.S. retailers posted a smaller-than-expected increase in sales during December, with a 0.4% gain versus consensus expectations of 0.6%, coming off the heels of stronger-than-expected November. The Philly Fed Manufacturing Index rose from -10.9 to 44.3 in January, its highest reading since April 2021 and the largest monthly increase since June 2020. Housing starts rose 15.8% in December, topping expectations as the gains were broad-based across both single-family and multi-family.

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

	Week			MTD			QTD			YTD		
	Value	Core	Growth	Value	Core	Growth	Value	Core	Growth	Value	Core	Growth
Large	4.26%	3.12%	2.16%	3.46%	2.31%	1.36%	3.46%	2.31%	1.36%	3.46%	2.31%	1.36%
Mid	4.64%	4.52%	4.21%	3.37%	3.65%	4.48%	3.37%	3.65%	4.48%	3.37%	3.65%	4.48%
Small	4.52%	3.97%	3.46%	1.71%	2.08%	2.42%	1.71%	2.08%	2.42%	1.71%	2.08%	2.42%

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	0.42%	0.61%	1.81%	0.12%	0.09%	-0.53%	0.12%	0.09%	-0.53%	0.12%	0.09%	-0.53%
Corp	0.44%	0.71%	1.82%	0.16%	0.08%	-0.29%	0.16%	0.08%	-0.29%	0.16%	0.08%	-0.29%
HY	0.73%	0.80%	0.85%	0.79%	0.83%	1.01%	0.79%	0.83%	1.01%	0.79%	0.83%	1.01%

Index Returns

	Week	MTD	QTD	YTD
Equities (Stocks)				
S&P 500	2.93%	2.01%	2.01%	2.01%
S&P MidCap 400	4.54%	3.85%	3.85%	3.85%
Russell 2000	3.97%	2.08%	2.08%	2.08%
MSCI EAFE	1.95%	1.21%	1.21%	1.21%
MSCI Emerging Markets	1.26%	-0.39%	-0.39%	-0.39%
MSCI EAFE Small Cap	1.98%	-0.28%	-0.28%	-0.28%
Fixed Income (Bonds)				
Bloomberg Int Gov/Credit	0.64%	0.09%	0.09%	0.09%
Bloomberg US Agg	0.99%	-0.02%	-0.02%	-0.02%
Bloomberg US High Yield	0.80%	0.84%	0.84%	0.84%
Other				
Bloomberg Commodity	1.26%	5.21%	5.21%	5.21%
S&P Dev Property	3.27%	-0.01%	-0.01%	-0.01%

S&P 500 Sector Returns

	Week	MTD	QTD	YTD
Consumer Disc	3.99%	2.71%	2.71%	2.71%
Consumer Staples	1.26%	-0.97%	-0.97%	-0.97%
Energy	6.17%	9.21%	9.21%	9.21%
Financials	6.11%	3.95%	3.95%	3.95%
Health Care	0.38%	1.94%	1.94%	1.94%
Industrials	4.83%	4.54%	4.54%	4.54%
Info Technology	1.58%	-0.16%	-0.16%	-0.16%
Materials	6.03%	5.05%	5.05%	5.05%
Real Estate	4.86%	0.98%	0.98%	0.98%
Communication Svcs	1.31%	2.18%	2.18%	2.18%
Utilities	4.27%	4.16%	4.16%	4.16%

Bond Yields

	1/17/25	12/31/24	12/31/24	12/31/24
SOFR 3Mo Swap	4.29%	4.30%	4.30%	4.30%
2Yr Treasury	4.27%	4.25%	4.25%	4.25%
10Yr Treasury	4.61%	4.58%	4.58%	4.58%
2-10 Slope	0.34%	0.33%	0.33%	0.33%

Commodities and Currency

	1/17/25	12/31/24	12/31/24	12/31/24
Oil (\$/barrel)	77.88	71.72	71.72	71.72
Gold (\$/oz.)	2703.25	2624.5	2624.5	2624.5

Past performance is not a guarantee of future results. We believe the information presented is reliable, but we do not guarantee its accuracy.