



Capital Markets Snapshot

Courtesy of LWS Financial

Week ending March 1, 2024

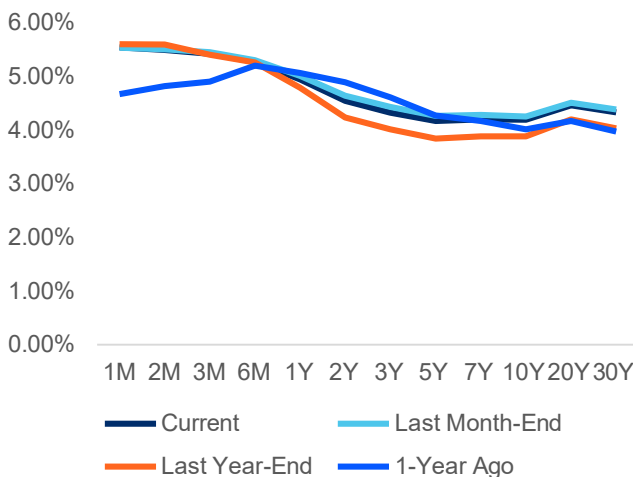
Despite some mixed economic news this week, the equity markets continued to reach record levels. The Nasdaq and S&P 500 both closed at all-time highs on Friday, after ending February with their best monthly return in nine years. The economic data early in the week came in as expected with the Price Consumption Expenditures (PCE) Index for January showing a gain of 0.3%. However, Friday's releases of the ISM Manufacturing Index and the University of Michigan Consumer Sentiment Survey both came in below expectations.

Fixed Income Markets Overview

- U.S. Treasury yields fell for the week on the weaker than expected economic indicators. On Friday, the 2-year U.S. Treasury yield had its biggest decline since the end of January.
- In the housing market, new listings rose by 13% on a year-over-year basis in February according to Redfin. This marked the largest increase in three years. The current rate on a 30-year mortgage is at 6.9% according to Freddie Mac.
- Following this week's batch of economic data, the CME Fedwatch Tool is showing June as the earliest chance of a rate cut by the Federal Reserve. The probability increased to 56.8% from 52.3% the week before.

Asset Class	Name	1W	YTD	3Y(Ann.)	5Y(Ann.)
Short	1-3 Year Govt/Credit	0.3%	0.2%	0.2%	1.9%
	Core Plus				
Core Plus	Intermediate Govt/Credit	0.4%	-0.5%	-1.5%	1.9%
	International Aggregate	0.3%	-2.4%	-5.5%	-1.2%
	US Aggregate	0.5%	-1.3%	-3.0%	1.3%
	US Treasury	0.6%	-1.2%	-3.3%	0.9%
	US TIPS	0.8%	-0.5%	-0.8%	3.1%
	US Corporate	0.2%	-1.3%	-2.6%	2.4%
	US Corporate High Yield	0.2%	0.5%	1.8%	5.2%
Other	Emerging Markets Aggregate	0.5%	0.1%	-2.4%	1.7%
Muni	US Municipals	0.2%	-0.4%	-0.2%	2.7%
	US Municipals High Yield	0.5%	0.4%	0.5%	4.7%

U.S. Treasury Yield Curve



Source: Bloomberg and U.S. Treasury as of March 1, 2024

Source: Bloomberg as of March 1, 2024

Interest Rates (%)

Date	3/1/2024	2/29/2024	12/29/2023	3/1/2023
Federal Funds Rate	5.54%	5.53%	5.60%	4.67%
3 Month Treasury	5.42%	5.45%	5.40%	4.90%
6 Month Treasury	5.27%	5.30%	5.26%	5.20%
2 Year Treasury	4.54%	4.64%	4.23%	4.89%
5 Year Treasury	4.17%	4.26%	3.84%	4.27%
10 Year Treasury	4.19%	4.25%	3.88%	4.01%
30 Year Treasury	4.33%	4.38%	4.03%	3.97%
US Aggregate	4.84%	4.92%	4.53%	4.90%
US Corporate	5.34%	5.41%	5.06%	5.60%
US Corporate High Yield	7.82%	7.86%	7.59%	8.68%
US Municipal	3.41%	3.40%	3.22%	3.63%
US Municipal High Yield	5.57%	5.57%	5.57%	5.80%

Spreads Over 10-Year US Treasuries

Date	3/1/2024	2/29/2024	12/29/2023	3/1/2023
30 Year Treasury	0.14%	0.13%	0.15%	-0.04%
US Aggregate	0.65%	0.67%	0.65%	0.89%
US Corporate	1.15%	1.16%	1.18%	1.59%
US Corporate High Yield	3.63%	3.61%	3.71%	4.67%
US Municipal	-0.78%	-0.85%	-0.66%	-0.38%
US Municipal High Yield	1.38%	1.32%	1.69%	1.79%

Source: Bloomberg and U.S. Treasury as of March 1, 2024

Equity Markets Overview

- As mentioned, the Nasdaq and S&P 500 were both up for the week, while the DJIA remained flat. A majority of the eleven S&P 500 sectors were higher for the week, led by Information Technology which was up 2.5%.
- The strong interest in Artificial Intelligence continued to drive technology stocks such as Nvidia and Advanced Micro Devices higher. As a result, the Philadelphia Semiconductor Index reached a record high this week.
- Fourth quarter earnings season is starting to wind down, but the past week saw positive earnings reports from Dell Technologies, Salesforce, Dominos, and Zoom. Retailer Best Buy beat earnings estimates but warned of softer sales and layoffs this year, while Macy's announced plans to close 150 stores following a revenue miss for the quarter.
- There are a few remaining earnings reports scheduled for this week including those from major retailers Target, Ross Stores, Nordstrom, and Costco.

Asset Class	Name	1W	YTD	3Y(Ann.)	5Y(Ann.)
All-Cap	S&P 1500	1.0%	7.6%	11.1%	15.7%
Large-Cap	S&P 500	1.0%	8.0%	11.6%	16.2%
	S&P 500 Growth	1.6%	11.7%	10.4%	17.9%
	S&P 500 Value	0.3%	3.7%	12.2%	13.3%
Mid-Cap	S&P Midcap 400	1.9%	4.9%	6.4%	11.3%
	S&P Midcap 400 Growth	2.8%	10.3%	5.2%	11.5%
	S&P Midcap 400 Value	0.8%	-0.8%	7.4%	10.5%
Small-Cap	S&P Smallcap 600	1.3%	-0.3%	2.0%	9.1%
	S&P Smallcap 600 Growth	1.4%	2.3%	1.1%	9.7%
	S&P Smallcap 600 Value	1.1%	-2.9%	2.8%	8.1%
Int'l.	MSCI ACWI ex-USA	0.4%	2.2%	1.0%	4.6%
	MSCI EM	-0.3%	0.3%	-6.7%	0.1%

Source: Bloomberg as of March 1, 2024

Alternative Markets Overview

- Bitcoin broke above \$60,000 during the week, a level not seen since November 2021. For the month of February, the price of the cryptocurrency was up 44%.
- The price of oil continued to rise this week, closing over \$80 per barrel by Friday, its highest level in four months.
- Gold was also up on Friday following the weaker than expected economic data. The price rose to its highest level since late December on continued hopes of a rate cut in the near future.

Name	1W	YTD	3Y (Ann.)	5Y (Ann.)
S&P GSCI	2.6%	6.7%	16.3%	7.0%
Gold	1.1%	-1.4%	5.9%	9.2%
FTSE All Equity NAREIT	1.8%	-2.0%	4.3%	8.6%
Bitcoin	23.2%	49.8%	9.7%	41.7%
Ethereum	16.6%	49.3%	32.8%	32.1%

Source: Bloomberg as of March 1, 2024



Upcoming Week

- Look for the February jobs report to be released on Friday. Current forecasts are looking for an increase of 210,000 jobs.
- On Wednesday and Thursday, Fed Chairman Jerome Powell is scheduled to testify before the House Financial Services and Senate Banking committees.
- Other key economic data this week will include Factory Orders, ISM Services Index, and Consumer Credit.

Glossary and Disclosures

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S&P 1500 Index combines three leading indices, the S&P 500, the S&P Midcap 400, and the S&P Smallcap 600, to cover approximately 90% of U.S. equity market capitalization.

S&P 500 Index includes approximately 500 leading companies that covers approximately 80% of available U.S. equity market capitalization.

S&P 500 Growth Index is a stock index that represents the fastest-growing companies in the S&P 500 based on three factors: sales growth, ratio of earnings change to price, and momentum.

S&P 500 Value Index is a stock index that represents the companies in the S&P 500 with the most attractive valuations based on three factors: book value, earnings, and sales to price.

S&P Midcap 400 Index is distinct from the large-cap S&P 500 and designed to measure the performance of 400 U.S. mid-sized companies, which have differing liquidity and growth potential than large and small cap companies.

S&P Midcap 400 Growth Index is a stock index that represents the fastest-growing companies in the S&P Midcap 400 based on three factors: sales growth, ratio of earnings change to price, and momentum.

S&P Midcap 400 Value Index is a stock index that represents the companies in the S&P Midcap 400 with the most attractive valuations based on three factors: book value, earnings, and sales to price.

S&P Smallcap 600 Index measures the performance of 600 small-sized U.S. companies to reflect the small-cap segment of the U.S. equity market, which is typically known for less liquidity than large cap stocks.

S&P Smallcap 600 Growth Index is a stock index that represents the fastest-growing companies in the S&P Smallcap 600 based on three factors: sales growth, ratio of earnings change to price, and momentum.

S&P Smallcap 600 Value Index is a stock index that represents the companies in the S&P Smallcap 600 with the most attractive valuations based on three factors: book value, earnings, and sales to price.

MSCI ACWI ex-US Index captures large and mid-cap representation across 22 of 23 Developed Markets (DM) countries (excluding the US) and 24 Emerging Markets (EM) countries.

MSCI Emerging Markets Index captures large and mid-cap representation across 24 Emerging Markets (EM) countries.

S&P GSCI is broad-based and production weighted to represent the global commodity market beta. The index is designed to be investable by including the most liquid commodity futures.

S&P GSCI Gold a sub-index of the S&P GSCI, provides investors with a reliable and publicly available benchmark tracking the COMEX gold future.

FTSE All Equity NAREIT Index contains all tax-qualified REITs with more than 50 percent of total assets in qualifying real estate assets other than mortgages secured by real property that also meet minimum size and liquidity criteria.

Bitcoin USD Spot Exchange Rate measures the last price of 1 Bitcoin in USD.

Bloomberg Galaxy Bitcoin Index is designed to measure the performance of a single bitcoin traded in USD.

Ethereum USD Spot Exchange Rate measure the last price of 1 Ethereum in USD.

Bloomberg Galaxy Ethereum Index is designed to measure the performance of a single Ethereum traded in USD.

Bloomberg Barclays 1-3 Year Govt/Credit Index is the 1-3 Yr. component of the U.S. Government/Credit index, which includes securities in the Government, which includes treasuries and agencies debt securities, and Credit Indices, which includes publicly issued U.S. corporate and foreign debt that meet specified maturity, liquidity, and quality requirements.

Bloomberg Intermediate US Government/Credit Bond Index is a broad-based flagship benchmark that measures the non-securitized component of the US Aggregate Index with less than 10 years to maturity; this includes investment grade, US dollar-denominated, fixed-rate treasuries, government-related and corporate securities

Bloomberg Barclays Global Aggregate Bond Index provides a broad-based measure of the global investment-grade fixed income markets, with three major components of this index are the U.S. Aggregate, the Pan-European Aggregate, and the Asian-Pacific Aggregate Indices.

Bloomberg Barclays U.S. Aggregate Bond Index represents securities that are SEC-registered, taxable, and dollar denominated. The index covers the U.S. investment grade fixed rate bond market, with index components for government and corporate securities, mortgage pass-through securities, and asset-backed securities.

Bloomberg Barclays U.S. Treasury Aggregate Bond Index is the U.S. Treasury component of the U.S. Government index and represents public obligations of the U.S. Treasury with a remaining maturity of one year or more.

Bloomberg US TIPS Index consists of Inflation-Protection securities issued by the U.S. Treasury.

Bloomberg Barclays US Corporate Bond Index is the Corporate component of the U.S. Credit index and represents publicly issued U.S. corporate and specified foreign debentures and secured notes that meet the specified maturity, liquidity, and quality requirements.

Bloomberg Barclays U.S. Corporate High Yield Index covers the universe of fixed rate, non-investment grade debt.

Bloomberg Barclays Emerging Markets Bond Index is broad-based with country eligibility and classification as an Emerging Market being rules-based and reviewed on an annual basis using World Bank income group and International Monetary Fund (IMF) country classifications.

Bloomberg Barclays U.S. Municipal Index is a rules-based, market-value-weighted index engineered for the long-term tax-exempt bond market.

Bloomberg Barclays US High Yield Municipal Index is an unmanaged index of noninvestment-grade municipal debt securities, which provides a representation of the performance of US high-yield tax-exempt bonds.

Federal Funds Rate is the interest rate at which depository institutions trade federal funds (balances held at Federal Reserve Banks) with each other overnight.

U.S. Treasury Securities are issued by the federal government and are considered to be among the safest investments you can make, because all Treasury securities are backed by the "full faith and credit" of the U.S. government.

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