WEEKLY MARKET SNAPSHOT

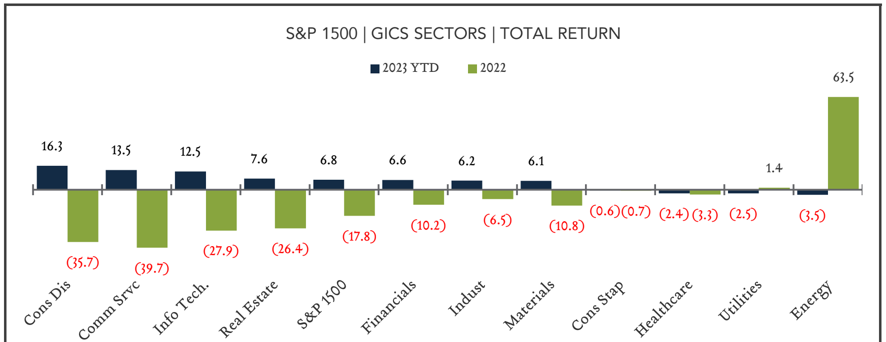
Week Ended | Friday, February 17, 2023

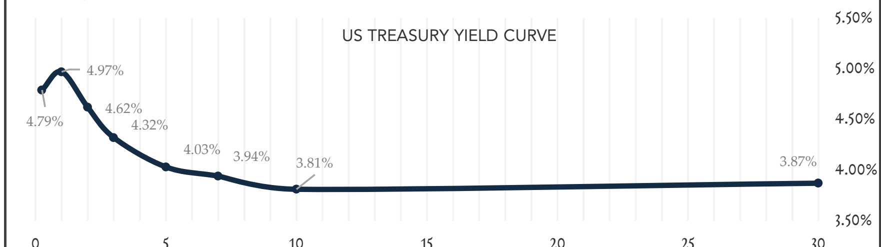
MARKET COMMENTARY

Global equities gave back 0.2% last week. U.S. stocks fell 0.1%, developed international gained 0.1%, and emerging markets fell 1.4%. Year-to-date, global equities are up 6.7% with domestics (+6.8%), developed international (+7.5%) and emerging markets (+4.6%). Bonds fell 0.4% for the week, up 0.7% year-to-date. The U.S. 10-yr Treasury yield rose 8 bps to 3.81%.

The S&P 500 moved higher on Monday, but failed to maintain positive momentum and ended the week 0.2% lower on higher than expected inflation data and robust growth in retail spending. The same economic data pushed the U.S. 10-yr Treasury yield to an intraday high of 3.92% on Friday - the highest level in more than three months. January inflation data showed year-over-year price increases slowed for the seventh straight month, but remained elevated at 6.4% and exceeded consensus expectations of 6.2%. Shelter costs, which represent nearly one third of CPI, were by far the largest contributor to the overall increase. U.S. retail sales rose in January by the most in nearly two years, signaling robust consumer demand which, combined with the stronger-than-expected inflation report and labor market resiliency, could mean the Fed will need to raise interest rates more than originally expected. Retail spending rose more than forecast in January (+3.0% MoM vs. +2.0% expected). Year-over-year, retail spending was unchanged after adjusting for inflation. With 82% of S&P 500 constituents reported, fourth quarter earnings is tracking towards a year-over-year decline of about 4.7%, down from a 3.3% decline forecasted at year-end.

The week ahead brings minutes from the Fed's most recent meeting due out on Wednesday (2/22) and a reading of the Fed's preferred inflation metric (PCE) on Friday (2/24). Consensus expectations call for January PCE growth of 5.0%, consistent with the December outcome.





TOTAL RETURNS (%)

	PRICE	One Week	Month To Date	Quarter To Date	Year To Date	One Year	Three Years	Five Years
GLOBAL STOCKS		(0.2)	(0.4)	6.7	6.7	(7.4)	5.3	6.2
US Stocks	936.4	(0.1)	0.2	6.8	6.8	(4.8)	8.3	10.1
Developed International	7075.1	0.1	(0.6)	7.5	7.5	(4.9)	3.5	2.7
Emerging Markets	508.3	(1.4)	(3.1)	4.6	4.6	(17.2)	(1.0)	(1.2)
DOMESTIC STOCKS	PRICE	(0.1)	0.2	6.8	6.8	(4.8)	8.3	10.1
Large Cap	4079.1	(0.2)	0.2	6.5	6.5	(5.3)	8.2	10.3
Large Cap Value	1528.8	0.1	(0.1)	6.8	6.8	4.1	8.2	9.0
Large Cap Growth	2501.3	(0.5)	0.5	6.1	6.1	(14.3)	6.8	10.6
Mid Cap	2666.1	1.1	0.6	9.9	9.9	2.5	10.0	8.7
Small Cap	1282.5	1.4	1.4	11.0	11.0	(0.1)	9.5	7.9
DOMESTIC FIXED INCOME	YIELD	(0.4)	(1.4)	0.7	0.7	(6.0)	(1.9)	0.9
1-5 Year: Treasuries	4.45	(0.2)	(0.9)	0.1	0.1	(3.6)	(1.0)	0.8
IG Corps	5.25	(0.2)	(0.8)	0.8	0.8	(3.4)	(0.4)	1.7
Municipals	3.10	(0.9)	(1.3)	0.0	0.0	(1.3)	(0.3)	1.0
5-10 Year: Treasuries	3.92	(0.5)	(2.2)	0.5	0.5	(9.2)	(3.1)	0.7
IG Corps	5.32	(0.7)	(2.2)	1.6	1.6	(8.7)	(2.6)	1.7
Municipals	2.97	(1.5)	(1.9)	0.8	0.8	(2.3)	(0.6)	1.9
10+ Year: Treasuries	3.98	(0.9)	(3.9)	2.1	2.1	(20.8)	(8.2)	(0.3)
IG Corps	5.48	(1.2)	(4.0)	2.6	2.6	(15.3)	(6.3)	0.7
Municipals	4.03	(2.0)	(2.6)	1.2	1.2	(7.2)	(1.7)	1.7
High Yield	8.60	(0.9)	(1.6)	2.2	2.2	(5.3)	0.1	2.6
High Yield Muni	5.72	(1.4)	(1.6)	1.6	1.6	(6.2)	0.2	3.5

PRICE CHANGES (%)

CURRENCIES/COMMODITIES	PRICE	One Week	Month To Date	Quarter To Date	Year To Date	One Year	Three Years	Five Years
US Dollar	103.9	0.2%	1.7%	0.3%	0.3%	8.4%	1.6%	3.1%
Crude Oil (WTI)	76.3	(4.2%)	(3.2%)	(4.9%)	(4.9%)	(16.8%)	13.6%	4.4%
Gold	1842.4	(1.2%)	(4.5%)	1.0%	1.0%	(3.0%)	5.2%	6.5%
Industrial Metals	163.1	(1.2%)	(8.4%)	(1.3%)	(1.3%)	(12.9%)	15.1%	3.1%

COMING THIS WEEK

EVENT	DATE	TIME	PERIOD	CONSENSUS EXP.
Markit Eurozone Flash PMI	2/21/2023	4:00 AM	Feb	49.30
Markit US Flash PMI	2/21/2023	9:45 AM	Feb	47.20
US Existing Home Sales MoM	2/21/2023	10:00 AM	Jan	2.12%
US Initial Jobless Claims	2/23/2023	8:30 AM	18-Feb	0.200 M
US GDP QoQ	2/23/2023	8:30 AM	4Q	2.90%
US PCE (Inflation)	2/23/2023	8:30 AM	4Q	3.90%
UofM Consumer Confidence	2/24/2023	10:00 AM	Feb	66.40

DATA SOURCES

Source: Bloomberg Finance L.P.; Global stocks = MSCI ACWI Index; US Stocks = S&P 1500 Composite Index; Developed International = MSCI EAFE Index; Emerging Markets = MSCI Emerging Markets Index; Large Cap Stocks = S&P 500 Index; Large Cap Value = S&P 500 Value Index; Large Cap Growth = S&P 500 Large Cap Growth Index; Mid Cap = S&P 400 Index; Small Cap = S&P 600 Index; Domestic Fixed Income = ICE BofA 1-10 Year US Broad Market Index; 1-5 Year Treasuries = ICE BofA 1-5 Year US Treasury Index; 1-5 Year IG Corps = ICE BofA 1-5 Year US Corporate Index; 1-5 Year Municipals = ICE BofA 1-5 Year US Muni Index; 5-10 Year Treasuries = ICE BofA 5-10 Year US Treasury Index; 5-10 Year IG Corps = ICE BofA 5-10 Year US Corporate Index; 5-10 Year Municipals = ICE BofA 5-10 Year US Muni Index; 10+ Year Treasuries = ICE BofA 10+ Year US Treasury Index; 10+ Year IG Corps = ICE BofA 10+ Year US Corporate Index; 10+ Year Municipals = ICE BofA 10+ Year US Muni Index; High Yield = ICE BofA US High Yield Index; High Yield Muni = ICE BofA US Municipal High Yield Securities Index; US Dollar = US Dollar Index Spot Rate; Crude Oil (WTI) = Generic 1st Crude Oil, WTI; Gold = Gold Spot $/Oz Curncy; Industrial Metals = Bloomberg Industrial Metals Subindex; Info Tech. = S&P Supercomposite Information Technology Sector GICS Level 1 Index; Healthcare = S&P Supercomposite Health Care Sector GICS Level 1 Index; Real Estate = S&P Supercomposite Real Estate Sector GICS Level 1 Index; Utilities = S&P Supercomposite Utilities Sector GICS Level 1 Index; Cons Stap = S&P Supercomposite Consumer Staples Sector GICS Level 1 Index; S&P 1500 = S&P 1500 Composite Index; Indust = S&P Supercomposite Industrials Sector GICS Level 1 Index; Materials = S&P Supercomposite Materials Sector GICS Level 1 Index; Financials = S&P Supercomposite Financials Sector GICS Level 1 Index; Cons Dis = S&P Supercomposite Consumer Staples Sector GICS Level 1 Index; Comm Srvc = S&P Supercomposite Communication Services Sector GICS Level 1 Index; Energy = S&P Supercomposite Energy Sector GICS Level 1 Index

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