

Weekly Market & Economic Highlights



January 16, 2024

The Week's Highlights

Headline December PPI (Producer Price Index) declined 0.1%, less than consensus for 0.2% and equal to November's 0.1% drop (revised down from flat). Headline PPI up 1.0% year/year. Goods prices were lower with energy a big drag. Core PPI (ex food and energy) was flat versus consensus for 0.2% and a flat November.

Headline December CPI (Consumer Price Index) rose 0.3%, above consensus 0.2% and November's 0.1%. Up 3.4% year/year (last month was 3.1%). Core CPI up 0.3% (also prior month) even with consensus. Up 3.9% year/year. Shelter prices up 0.5%, above November's 0.4%. Used vehicles higher, but decline forecasted.

Economic and survey data increasingly reflecting rising optimism after recent mismatch between sentiment and actual economic data. NFIB (National Federation of Independent Businesses) small business optimism index of 91.9 (chart below) tied for highest print since September 2022 with outlook over next six months (those seeing better conditions versus worse) of -36% the best since July. Also follows December's consumer confidence jump of 9.7 points, most since March 2021. Economists pointed to momentum in food inflation, which has fallen under 3% year/year after rising above 11% in August 2022, and retail gasoline prices falling around 40% from the June 2022 peak.

Chart of the Week – NFIB Small Business Index - US



Equities	Last	Total Returns (%)				Index Characteristics				
		1 Week	MTD	YTD	1 YR	% of 52 Wk High	P/B	P/E	NTM P/E	Div. Yld.
Dow Jones Industrial Average	37,593	0.35	-0.21	-0.21	12.35	99.39%	4.83	22.10	18.26	1.96
S&P 500	4,784	1.87	0.34	0.34	22.05	99.61%	4.49	23.01	19.76	1.48
NASDAQ COMPOSITE	14,973	3.09	-0.24	-0.24	37.30	98.83%	5.99	39.39	28.38	0.78
Russell 2000 Index	1,951	0.00	-3.73	-3.73	5.60	94.17%	2.01	29.79	23.04	1.59
Russell Growth Index	3,077	3.66	0.84	0.84	38.62	99.57%	12.26	33.49	26.20	0.74
Russell Value Index	1,618	-0.28	-0.62	-0.62	6.28	98.64%	2.44	17.35	15.29	2.32
MSCI EAFE Index	2,227	0.88	-0.39	-0.39	11.66	98.97%	1.75	14.92	13.72	3.13
MSCI Emerging Markets Index	996	-0.57	-2.65	-2.65	0.66	94.20%	1.57	14.96	11.53	2.72

Fixed Income	Last	1 Week	MTD	YTD	1 YR
U.S. Aggregate Bond Index	2,156	0.92	-0.29	-0.29	2.06
U.S. Treasury Index	2,269	0.67	-0.36	-0.36	1.01
U.S. Corporate Index	3,211	1.26	-0.30	-0.30	4.30
U.S. MBS Index	2,125	1.03	-0.24	-0.24	1.33
U.S. Municipal Bond Index	1,319	0.05	-0.24	-0.24	3.92
U.S. High Yield Index	2,476	0.98	-0.16	-0.16	9.19
Emerging Markets USD Index	1,163	0.78	-0.69	-0.69	6.02

Alternative Assets	Last	1 Week	MTD	YTD	1 YR
ICE LBMA Gold Index	323.4	-0.03	-1.09	-1.09	9.20
LBMA Silver Price/USD Index	23.1	0.33	-3.09	-3.09	-2.72
Bloomberg Commodity Index	98.0	-0.68	-0.70	-0.70	-11.70
Alerian MLP Index	258.9	0.76	1.81	1.81	22.12
Dow Jones Equity REIT Total Return Index	2,452.0	0.70	-0.89	-0.89	2.84
S&P 500 Real Estate Index	248.4	0.67	-1.25	-1.25	2.98

Currencies	Current	12/29/23	12/30/22	12/31/21
	Exchange Rate			
\$ per €	1.10	1.10	1.07	1.14
\$ per £	1.28	1.27	1.21	1.35
¥ per \$	144.88	141.04	131.12	115.08

Commodities	Price (\$)			
	Oil WTI	72.68	71.65	80.26
Natural Gas	3.31	2.51	4.48	3.73
Gold	2,049.06	2,062.98	1,824.02	1,829.20

Interest Rates	Rate (%)			
	Fed Funds Target	5.50	5.50	4.50
2 year Treasury	4.15	4.25	4.43	0.73
10 year Treasury	3.94	3.88	3.88	1.51
15 year Mortgage	5.34	5.27	5.17	1.86
30 year Mortgage	6.03	5.97	6.00	2.63
Prime Rate	8.50	8.50	7.50	3.25
SOFR	5.31	5.38	4.30	0.05

Source: Bloomberg Finance L.P. & FactSet as of January 12, 2024

Investments: Not A Deposit | Not Guaranteed By The Bank Or Its Affiliates | Not FDIC Insured | Not Insured By Any Federal Government Agency | May Go Down In Value

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Presentation is prepared by: First Horizon Advisors