

# Weekly Market & Economic Highlights



January 22, 2024

## The Week's Highlights

January's Michigan consumer sentiment (chart below) hit 78.8, notably above consensus 69.5 and December's 69.7, highest since July 2021 and largest two-month gain since 1991. 1 Year inflation expectations fell to 2.9%, the lowest since September 2020. Current conditions index and expectations index both up.

Existing home sales for December fell 1%, below consensus and prior month. Capped off lowest level of existing home sales in nearly 30 years. Median sales price up 4.4% year/year, a sixth-straight monthly gain. Inventories down 11.5%. Economists anticipate a bottom before turning higher in 2024 given mortgage rate and expectation for more inventory.

December housing starts were better than consensus and November's downwardly revised figure. Permits also better.

December retail sales up 0.6%, ahead of consensus for 0.4% and November's 0.3%. Up 5.6% year/year. Motor vehicle/parts sales were strong. Retail sales ex autos up 0.4%, better than prior month's 0.2% (also consensus). Sales were higher in department stores, clothing/accessories, and building materials; sales lower in health/personal care, furniture, and electronics/appliances. Food/drinking place sales were flat.

## Chart of the Week – Michigan Sentiment Prelim. - 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	37,864	0.76	0.55	0.55	17.08	99.82%	4.86	22.26	18.40	1.95
S&P 500	4,840	1.19	1.53	1.53	26.15	99.95%	4.55	23.28	19.97	1.47
NASDAQ COMPOSITE	15,311	2.26	2.01	2.01	42.33	100.00%	6.13	40.34	28.88	0.76
Russell 2000 Index	1,944	-0.33	-4.05	-4.05	7.53	93.85%	2.00	29.71	23.08	1.60
Russell Growth Index	3,145	2.21	3.07	3.07	43.85	100.00%	12.53	34.23	26.70	0.73
Russell Value Index	1,614	-0.20	-0.83	-0.83	8.88	98.42%	2.44	17.31	15.25	2.33
MSCI EAFE Index	2,179	-2.13	-2.51	-2.51	8.85	96.86%	1.72	14.59	13.55	3.17
MSCI Emerging Markets Index	971	-2.54	-5.12	-5.12	-2.83	91.80%	1.53	14.53	11.30	2.76

Fixed Income	Last	1 Week	MTD	YTD	1 YR
U.S. Aggregate Bond Index	2,132	-1.10	-1.39	-1.39	0.67
U.S. Treasury Index	2,245	-1.04	-1.39	-1.39	-0.29
U.S. Corporate Index	3,179	-1.00	-1.29	-1.29	2.88
U.S. MBS Index	2,096	-1.37	-1.61	-1.61	-0.24
U.S. Municipal Bond Index	1,308	-0.77	-1.01	-1.01	2.28
U.S. High Yield Index	2,463	-0.52	-0.68	-0.68	8.70
Emerging Markets USD Index	1,154	-0.77	-1.45	-1.45	4.16

Alternative Assets	Last	1 Week	MTD	YTD	1 YR
ICE LBMA Gold Index	319.1	-1.32	-2.40	-2.40	5.73
LBMA Silver Price/USD Index	22.8	-1.11	-4.16	-4.16	-2.75
Bloomberg Commodity Index	96.8	-1.18	-1.87	-1.87	-13.45
Alerian MLP Index	253.5	-2.00	-0.23	-0.23	20.54
Dow Jones Equity REIT Total Return Index	2,401.1	-2.08	-2.95	-2.95	3.07
S&P 500 Real Estate Index	243.1	-2.13	-3.35	-3.35	3.38

Currencies	Current	12/29/23	12/30/22	12/31/21
	Exchange Rate			
\$ per €	1.09	1.10	1.07	1.14
\$ per £	1.27	1.27	1.21	1.35
¥ per \$	148.12	141.04	131.12	115.08

Commodities	Price (\$)			
	Oil WTI	73.41	71.65	80.26
Natural Gas	2.52	2.51	4.48	3.73
Gold	2,029.49	2,062.98	1,824.02	1,829.20

Interest Rates	Rate (%)			
	Fed Funds Target	5.50	5.50	4.50
2 year Treasury	4.39	4.25	4.43	0.73
10 year Treasury	4.12	3.88	3.88	1.51
15 year Mortgage	5.50	5.27	5.17	1.86
30 year Mortgage	6.13	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 19, 2024

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Presentation is prepared by: First Horizon Advisors