

Weekly Market & Economic Highlights



January 29, 2024

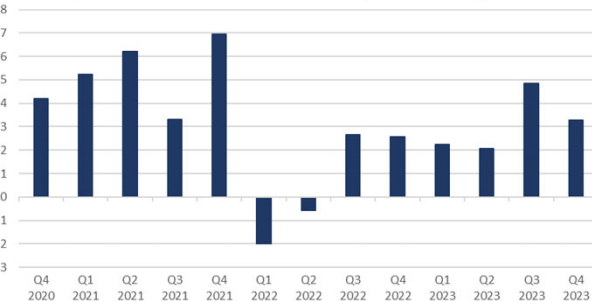
The Week's Highlights

December PCE (Personal Consumption Expenditure) report came in nearly level with consensus; headline read of 0.17% (0.2% consensus), up from last month's 0.07% decline. Annualized PCE lowest since February 2021 at 2.60%, just below November's 2.64% print. Core PCE (the Fed's preferred inflation measure) of 0.17% also in line, up from last month's 0.06% print, while annualized core lowest since March 2021 at 2.9%.

First read for Q4 GDP (Gross Domestic Product) was annualized 3.3% (chart below), below Q3's 4.9% but well ahead of consensus for 2%. Consumer spending a notable driver; strength in both services (particularly food services and accommodations) and goods (pharmaceutical products, software). Q4 chain price at 1.5%, below consensus 2.3% and Q3's 3.3%.

Markit's January services PMI (Purchasing Managers Index) hit 52.9 versus consensus for 51.0 and last month's 51.4. Both input and selling costs rose at a slower pace, while companies reduced workforces at only a marginal pace. Manufacturing PMI returned to expansion at 50.3 versus forecasts for 47.8 and December's 47.9. Aided by improved order inflows. Release noted improved operating conditions at goods producers, first time in 9 months, but also supply chain issues.

Chart of the Week – GDP Annualized (Preliminary) - 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	38,109	0.65	1.20	1.20	14.69	99.72%	4.89	22.41	18.49	1.93
S&P 500	4,891	1.07	2.62	2.62	22.41	99.68%	4.59	23.52	20.23	1.46
NASDAQ COMPOSITE	15,455	0.94	2.98	2.98	35.43	98.89%	6.19	40.73	29.07	0.76
Russell 2000 Index	1,978	1.75	-2.37	-2.37	5.56	95.49%	2.04	30.23	23.56	1.57
Russell Growth Index	3,172	0.88	3.98	3.98	37.93	99.08%	12.64	34.53	26.92	0.72
Russell Value Index	1,634	1.24	0.40	0.40	6.70	99.63%	2.47	17.52	15.49	2.30
MSCI EAFE Index	2,223	2.01	-0.55	-0.55	9.23	98.79%	1.75	14.90	13.86	3.12
MSCI Emerging Markets Index	985	1.47	-3.73	-3.73	-3.70	93.15%	1.55	14.74	11.43	2.72

Fixed Income	Last	1 Week	MTD	YTD	1 YR
U.S. Aggregate Bond Index	2,134	0.10	-1.30	-1.30	1.09
U.S. Treasury Index	2,246	0.02	-1.37	-1.37	0.21
U.S. Corporate Index	3,186	0.22	-1.08	-1.08	3.33
U.S. MBS Index	2,098	0.09	-1.52	-1.52	0.04
U.S. Municipal Bond Index	1,307	-0.09	-1.10	-1.10	2.30
U.S. High Yield Index	2,478	0.61	-0.07	-0.07	9.08
Emerging Markets USD Index	1,156	0.13	-1.33	-1.33	4.18

Alternative Assets	Last	1 Week	MTD	YTD	1 YR
ICE LBMA Gold Index	317.5	-0.50	-2.88	-2.88	4.45
LBMA Silver Price/USD Index	22.9	0.50	-3.68	-3.68	-3.35
Bloomberg Commodity Index	98.8	2.05	0.14	0.14	-12.11
Alerian MLP Index	266.2	5.01	4.77	4.77	22.69
Dow Jones Equity REIT Total Return Index	2,382.0	-0.80	-3.72	-3.72	-0.79
S&P 500 Real Estate Index	241.8	-0.51	-3.85	-3.85	-0.22

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 \$	148.15	141.04	131.12	115.08

Commodities	Price (\$)			
Oil WTI	78.01	71.65	80.26	75.21
Natural Gas	2.71	2.51	4.48	3.73
Gold	2,018.52	2,062.98	1,824.02	1,829.20

Interest Rates	Rate (%)			
Fed Funds Target	5.50	5.50	4.50	0.25
2 year Treasury	4.35	4.25	4.43	0.73
10 year Treasury	4.14	3.88	3.88	1.51
15 year Mortgage	5.50	5.27	5.17	1.86
30 year Mortgage	6.05	5.97	6.00	2.63
Prime Rate	8.50	8.50	7.50	3.25
SOFR	5.32	5.38	4.30	0.05

Source: Bloomberg Finance L.P. & FactSet as of January 26, 2024

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Presentation is prepared by: First Horizon Advisors