

# Monthly Newsletter

## April 2024



### Monthly Market Recap

March brought another stroke of luck with St. Patrick's Day, marking yet another positive month for the markets. The S&P 500 surged by 3.2%, accompanied by a 2.2% increase in the DJIA and a 1.8% rise in the NASDAQ.

Despite the backdrop of rising gas prices, retail sales saw a notable 0.6% increase in February, reinforcing the resilience of the broader U.S. economy. Even after a sharp decline in January, retail spending has shown an upward trend over the last ten months, buoyed by a solid labor market with unemployment rates consistently below 4%.

However, signs of a cooling labor market emerged as the unemployment rate rose to a two-year high of 3.9% in February, even as job creation exceeded expectations. This shift signals a potential soft landing, further underscoring the labor market's crucial role in supporting economic stability. Consequently, the mixed report increases the likelihood of the Federal Reserve initiating interest rate cuts by June.

Inflation continued its upward trajectory in February, with the CPI increasing by 0.4% for the month and 3.2% from a year ago. Though the monthly gain aligned with expectations, the annual rate slightly exceeded predictions. Excluding food and energy prices, the Core CPI rose by 0.4% in February and 3.8% from a year ago, with housing costs posing the greatest concern. Despite these higher-than-expected readings, market participants remain cautiously optimistic.

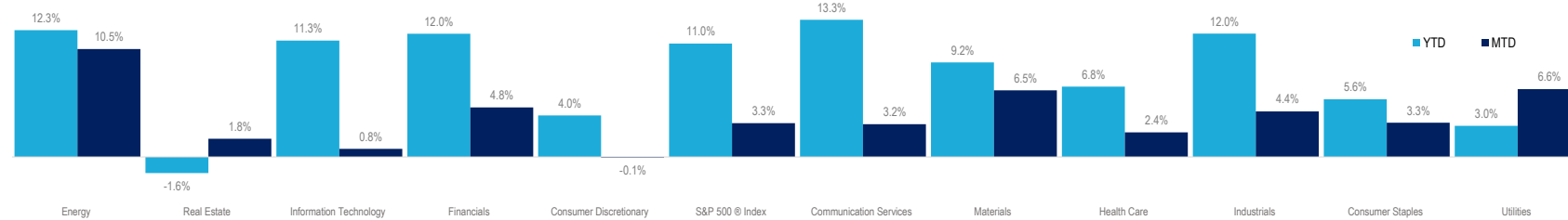
The Federal Reserve maintained its policy interest rate unchanged at the current range of 5.25% - 5.5%, marking the fifth consecutive meeting with steady rates. Chairman Jerome Powell reiterated the committee's cautious approach, emphasizing the need for continued progress and reaffirming the commitment to achieving the 2% inflation target. Investors are closely monitoring economic indicators, with anticipation focused on the timing and extent of potential rate cuts this year.

As historical data suggests, April typically yields positive results for the stock market, with theories attributing this to factors such as investors utilizing tax refunds for stock purchases. As we enter April, the hope is to sustain this trend and witness another month of positive performance.

	Index Return %	
	MTD	YTD
<b>Equities</b>		
S&P 500	3.2%	10.6%
Russell 3000	3.2%	10.0%
Nasdaq	1.8%	9.3%
Dow Jones	2.2%	6.1%
<b>Fixed Income</b>		
US Aggregate	0.9%	-0.8%
US Corporate High Yield	1.2%	1.5%
	<b>Rate %</b>	
	<b>Feb-24</b>	
US Unemployment Rate	3.90%	
US Inflation Rate	3.15%	
	<b>Levels</b>	
	<b>Feb-24</b>	<b>Mar-24</b>
<b>Commodities</b>		
Oil (WTI)	79.22	83.96
Gold	2,048.10	2,214.40
DowJ. Commodity Index	948.49	989.28
	<b>Rate %</b>	
	<b>Feb-24</b>	<b>Mar-24</b>
<b>Interest Rates</b>		
10 Year Treasury Rate	4.25%	4.20%
30 Year Treasury Rate	4.38%	4.34%
30 Year Mortgage Rate	6.94%	6.79%
US Corp. AAA Effective Yield	4.87%	4.80%

All numbers reported are as of March 31 2024

Major Economic Events	Date
Employment Situation	5-Apr
Inflation Rate	10-Apr
FOMC Meeting	1-May



**Sources**

S&P 500 Performance	<a href="https://ycharts.com/indices/%5ESPXTR/level">https://ycharts.com/indices/%5ESPXTR/level</a>
Russell 3000 Performance	<a href="https://ycharts.com/indices/%5ERUATR/level">https://ycharts.com/indices/%5ERUATR/level</a>
Nasdaq Performance	<a href="https://ycharts.com/indices/%5ENA100TR/level">https://ycharts.com/indices/%5ENA100TR/level</a>
Dow Jones Performance	<a href="https://ycharts.com/indices/%5EDJITR">https://ycharts.com/indices/%5EDJITR</a>
US Aggregate Performance	<a href="https://ycharts.com/indices/%5EBBUSATR">https://ycharts.com/indices/%5EBBUSATR</a>
US Corporate High Yield Performance	<a href="https://ycharts.com/indices/%5EBBUSCOHYTR">https://ycharts.com/indices/%5EBBUSCOHYTR</a>
US Unemployment Rate	<a href="https://ycharts.com/indicators/us_unemployment_rate">https://ycharts.com/indicators/us_unemployment_rate</a>
US Inflation Rate	<a href="https://ycharts.com/indicators/us_inflation_rate">https://ycharts.com/indicators/us_inflation_rate</a>
10 Year Treasury Rate	<a href="https://ycharts.com/indicators/10_year_treasury_rate">https://ycharts.com/indicators/10_year_treasury_rate</a>
30 Year Treasury Rate	<a href="https://ycharts.com/indicators/30_year_treasury_rate">https://ycharts.com/indicators/30_year_treasury_rate</a>
30 Year Mortgage Rate	<a href="https://ycharts.com/indicators/30_year_mortgage_rate">https://ycharts.com/indicators/30_year_mortgage_rate</a>
US Corp. AAA Effective Yield	<a href="https://ycharts.com/indicators/us_corporate_aaa_effective_yield">https://ycharts.com/indicators/us_corporate_aaa_effective_yield</a>
European Markets Performance	<a href="https://russellinvestments.com/middle-east/global-market-outlook#ColorBoxesRoot_5c2d1932-eb2f-4ad5-a377-5c496b847736">https://russellinvestments.com/middle-east/global-market-outlook#ColorBoxesRoot_5c2d1932-eb2f-4ad5-a377-5c496b847736</a>
Sectors & Industries Performance	<a href="https://ycharts.com">https://ycharts.com</a>
Dow Jones Commodity Index	<a href="https://ycharts.com/indices/%5EDJCI">https://ycharts.com/indices/%5EDJCI</a>
Gold Price	<a href="https://ycharts.com/indicators/gold_price_in_us_dollar">https://ycharts.com/indicators/gold_price_in_us_dollar</a>
Crude Oil Price	<a href="https://ycharts.com/indicators/wti_crude_oil_spot_price">https://ycharts.com/indicators/wti_crude_oil_spot_price</a>