

Market and Economic Highlights

- ▶ U.S. equities lower in April following substantial gains in Q1
- ▶ Big tech stock prices were mostly lower for the month
- ▶ A more hawkish Fed helped moved stock and bond prices lower
- ▶ Inflation data remained sticky possibly keeping the Fed higher for longer
- ▶ Corporate earnings for Q1 have thus far been mostly stronger than expected

Source: FactSet

Market Returns

Market Index	1-Month	3-Month	YTD	1-Year
Bloomberg 9-12 Month T-Bill	0.26%	0.81%	1.17%	4.75%
Bloomberg 1-5 Year Government	-0.69%	-1.04%	-0.73%	1.30%
Bloomberg Intermediate U.S. Gov/ Credit A or Better	-1.13%	-1.57%	-1.36%	0.45%
Bloomberg Intermediate U.S. Agg.	-1.57%	-1.98%	-1.98%	0.11%
S&P 500	-4.08%	4.29%	6.04%	22.65%
Russell 2000	-7.04%	1.73%	-2.23%	13.28%

Source: Bloomberg

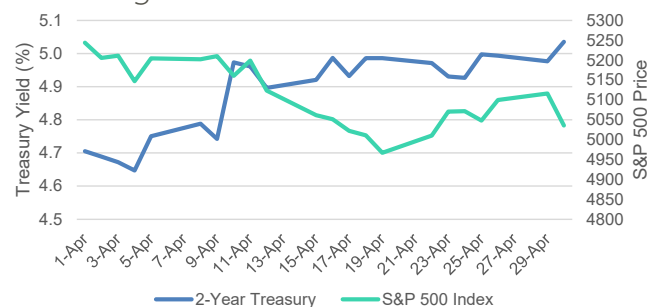
FEATURED MARKET DATA

A Mixed Bag of Data

Inflation, employment and GDP growth data received in April all contributed to declines in stock and bond prices. During April, Fed speak focused on patience with respect to a potential rate cut. In his press conference following the May 1, 2024, FOMC meeting, Federal Reserve Chairman Powell noted a "lack of further progress" regarding inflation data, while reiterating that policy remains sufficiently restrictive. A higher for longer narrative returned when March CPI came in higher than expected for the third consecutive month. Regarding economic growth, March nonfarm payrolls were higher than consensus, potentially contributing to inflation. 1st quarter GDP, meanwhile, was below expectations. Softer GDP growth renewed attention to the possibility of a bumpy landing. Stronger than expected Q1 earnings remain a bright spot for markets.

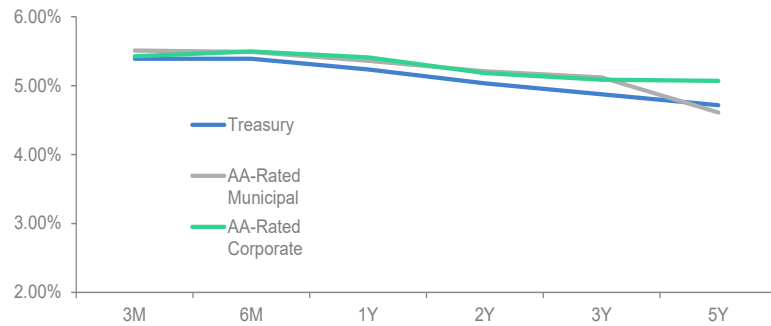
Source: Bloomberg

Yields Higher and Stocks Down



Source: Bloomberg

Market Yields



Source: Bloomberg Finance L.P. 4/30/24

U.S. Economic Indicators

Event	Event Date	Period	Survey	Actual	Prior / Revised (R)
Core CPI (MoM)	04/10/24	MAR	0.3%	0.4%	0.4%
Consumer Price Index (YoY)	04/10/24	MAR	3.4%	3.5%	3.2%
GDP Annualized QoQ	04/25/24	1Q A	2.5%	1.6%	3.4%
Personal Income	04/26/24	MAR	0.5%	0.5%	0.3%
Personal Spending	04/26/24	MAR	0.6%	0.8%	0.8%
Consumer Confidence	04/30/24	APR	104.0	97.0	103.1 (R)
ISM Manufacturing	05/01/24	APR	50.0	49.2	50.3
Change in Nonfarm Payrolls	05/03/24	APR	240K	--	303K
Unemployment Rate	05/03/24	APR	3.8%	--	3.8%

Source: Bloomberg Finance L.P. 4/30/24. Glossary terms on following page.

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Glossary of Terms

Term	What is it:
Building Permits	Records the number of permits for future housing construction.
Capacity Utilization	Tracks the extent to which capacity is being used in the production of goods and services.
Change in Nonfarm Payrolls	This indicator measures the change in the number of employees on business and government payrolls.
Chicago Fed National Activity Index	A nationwide measure of economic activity and inflation pressures. An index value of zero indicates that the national economy is expanding at its historical trend rate of growth.
Consumer Confidence	Index examines how consumers feel about jobs, the economy and spending.
Consumer Price Index (CPI)	Measures the average change in retail prices over time for a basket consisting of more than 200 categories of assorted goods and services paid directly by consumers.
Core Consumer Price Index (Core CPI)	This measure of CPI excludes food and energy costs.
Durable Goods Orders	A measure of new orders placed with domestic manufacturers for durable goods, which are items that last three years or more.
Existing Home Sales	Measures monthly sales of previously owned single-family homes.
GDP Annualized QoQ	Measures the annualized quarterly growth of the final market value of all goods and services produced within a country. GDP is the foremost report on how fast or slow the economy is growing.
Housing Starts	Records the number of new housing units started during a period.
Index of Leading Economic Indicators (LEI)	An index designed to predict the direction of the economy.
Initial Jobless Claims	Tracks new filings for unemployment insurance benefits.
ISM Manufacturing	Measures manufacturing activity based on a monthly survey of purchasing managers.
MBA Mortgage Applications	The Mortgage Bankers Association's weekly mortgage application survey includes home loan application activity for conventional and government loans for home purchases and refinances.
Mortgage Delinquencies	A measure of the percent of total conventional and government loans which are at least one payment past due, but not in the process of foreclosure.
Personal Consumption Expenditure (PCE)	The Federal Reserve's preferred measure of inflation tracks overall price changes for goods and services. Core PCE excludes food and energy.
Personal Income and Spending	Index records the income Americans receive, how much they spend, and what they save.
Retail Sales	Tracks the sale of new and used goods for personal or household consumption.
Retail Sales Ex. Auto	Retail sales excluding motor vehicles and parts.
S&P Case-Shiller Home Price Index	Tracks the value of single-family housing within the U.S. There are multiple indexes including the 20-City Composite.
Unemployment Rate	The U-3 unemployment rates tracks the percentage of the civilian workforce that is unemployed.

Source: Bloomberg, The Secrets of Economic Indicators by Bernard Baumohl; PMA Asset Management, LLC

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