Monthly Recap

At-A-Glance

The S&P 500 posted its strongest monthly gain (+5.87%) since November 2023, easily overcoming October's sub -1% loss. The S&P 500 extended its 2024 YTD gain just above 28%.

The Dow Jones Industrial Average outperformed the S&P 500 last month, gaining 7.74%. The index finished November at its 47th record high in 2024, closing just 89-points below a new 45,000 milestone. The Dow-30 index is up 21.21% YTD.

The Nasdaq Composite rallied 6.29% in November, extending its YTD gain to 28.86%.

The small cap-focused Russell 2000 (+10.97%) was the standout November outperformer, posting its biggest monthly gain since December 2023 and surpassing the S&P 500 November gain by 5.10%.

Bloomberg's Commodities Index rose just 0.41% last month, lifting its YTD gain to 4.329%.

Gold futures snapped an eight-month winning streak, falling 2.48% in November, ending at $2,681 per ounce. Even so, gold is up 29.4% YTD. U.S. WTI crude oil fell 1.82% to $68/barrel last month, extending its YTD decline to 5.09%.

Market Indices[1]	November	Year-to-Date
S&P 500	5.87%	28.07%
Russell 3000	6.65%	27.71%
Russell 2000	10.97%	21.58%
MSCI EAFE	-0.57%	6.24%
MSCI Emerging Markets	-3.59%	7.65%
Bloomberg U.S. Aggregate Bond	1.06%	2.93%
Bloomberg U.S. Municipal Bond	1.73%	2.55%
Bloomberg U.S. Corporate High Yield	1.15%	8.66%

[1]FactSet (all equity performance is total return, which includes dividends).

All three major U.S. equity indices returned to gains in November as Donald Trump's sweeping presidential election victory fanned a rebound rally supported by earnings optimism over proposed tax cuts and deregulation. Likewise, Trump's pick of Scott Bessent for Treasury Secretary fueled investor optimism that trade tariffs will be more measured, boosting both stocks and bonds for the month. November inflows of approximately $141 billion into equities is the heaviest for a four-week period on record, according to EPFR Global.

The S&P 500 gained nearly 5.9% in November, its strongest monthly gain of the year. The index finished November at its 53rd all-time closing high in 2024. Impressively, the S&P 500 has a total return of 73.97% since its current bull market began on October 14, 2022. Its total return is 48.85% since last year's correction low on October 27, 2023.

Financial markets were also underpinned by hopes that lower interest rates will boost economic growth and risk appetites. Federal Reserve officials have, however, signaled that they may slow the pace of future rate cuts if inflation-reduction progress stalls. Financial markets are currently pricing in 64% odds that the Fed will cut interest rates by a quarter point (-0.25%) at their December 17-18 FOMC policy meeting. They then forecast the central bank will hold rates steady at its January 2025 meeting.

The National Retail Federation consumer spending survey for the 2024 winter holiday season is expected to reach a record average of $902 per person across gifts, food, decorations, and other seasonal items. That is $25 per person higher compared with last year's spending. Moreover, a record 183.4 million people are planning to shop in-store and online from Thanksgiving through Cyber Monday.

In other recently released economic data, homebuying momentum is building after nearly two years of suppressed sales. Despite modestly rising interest rates, pending home sales contracts unexpectedly rose 2% in October (-2.1% expected), capping a third straight monthly increase. Meanwhile, the third quarter corporate earnings season is now 97% complete. The blended earnings growth rate is 5.6% with 74.7% of S&P 500 companies beating analysts' consensus forecasts.

All sizes and styles posted strong November gains led by Mid and Small cap Growth. Style box performance again largely echoed continuing year-to-date (YTD) trends, with Large cap Growth (+32.19%) displaying best in class returns, up from a 24.14% YTD gain the month prior. While Small cap Value (+17.88%) remained the smallest gainer in 2024 YTD performance, it advanced over 10% from a 7.51% YTD gain in October.

November Returns

	Value	Blend	Growth
Large Cap	6.39%	6.44%	6.49%
Mid Cap	7.36%	8.82%	13.33%
Small Cap	9.65%	10.97%	12.26%

YTD Returns

	Value	Blend	Growth
Large Cap	22.76%	28.08%	32.19%
Mid Cap	22.00%	24.07%	30.20%
Small Cap	17.88%	21.58%	25.42%

Source: Cetera Investment Management, FactSet, FTSE Russell. Returns shown are total return, which includes dividends. Investors cannot invest directly in indexes. Data as of 11/30/2024.

While all 11 major S&P 500 sector groups posted November gains, sector leadership broadened into cyclicals versus October's defensive-oriented gains. Consumer Discretionary led the November rally, followed by double-digit performance in Financials. Healthcare gained the least. All 11 major sectors also posted positive YTD performance, led by 35%+ returns in Financials, Communication Services, and Technology. Healthcare is also up the least for the year.

Top Sector Performers – November[1]	Bottom Sector Performers – November[1]
Consumer Discretionary (+13.34%)	Communication Services (+3.10%)
Financials (+10.28%)	Materials (+1.63%)
Industrials (+7.51%)	Healthcare (+0.28%)
Top Sector Performers – YTD[1]	**Bottom Sector Performers – YTD[1]**
Financials (+38.06%)	Real Estate (+15.12%)
Communication Services (+35.38%)	Materials (+11.96%)
Technology (+35.05%)	Healthcare (+9.37%)

[1] FactSet (all S&P 500 sector performance percentages are total return based, which include dividends).

Foreign equities in developed markets underperformed relative to the U.S. last month with the MSCI EAFE Index (representing developed markets outside of the U.S. and Canada) down 0.57% to extend a 5.44% October loss. In MSCI EAFE country-specific indices, France and Switzerland declined respectively by 4.23% and 2.18%. Emerging markets recorded a deeper November loss of 3.59% amid steep declines in Indonesia (-7.92%), Brazil (-7.06%) and China (-4.44%). India fell the least (-0.42%).

The yield on benchmark 10-year Treasury notes declined to 4.171% in November, down 0.12% on the month. The Bloomberg U.S. Government Index gained 0.77% in November, lifting its YTD gain to 2.18%. The longer-duration Bloomberg index of U.S. Government long-term bonds jumped 1.82% last month, trimming its YTD performance to 1.12%.

On a broader basis, investment-grade bonds of all types, as measured by the Bloomberg U.S. Aggregate Bond Index gained 1.06% in November. Bloomberg's U.S. High Yield Bond Index, representing holdings of below investment-grade (junk-rated) corporate bonds, trailed with a 1.15% monthly gain. Municipal bonds outperformed in November, gaining 1.73%.

About Cetera® Investment Management

Cetera Investment Management LLC is an SEC registered investment adviser owned by Cetera Financial Group®. Cetera Investment Management provides market perspectives, portfolio guidance, model management, and other investment advice to its affiliated broker-dealers, dually registered broker-dealers and registered investment advisers.

About Cetera Financial Group

"Cetera Financial Group" refers to the network of independent retail firms encompassing, among others, Cetera Advisors LLC, Cetera Advisor Networks LLC, Cetera Investment Services LLC (marketed as Cetera Financial Institutions or Cetera Investors), and Cetera Financial Specialists LLC. All firms are members FINRA / SIPC. Located at 655 W. Broadway, 11th Floor, San Diego, CA 92101.

About Avantax

Avantax, Inc. (Avantax) is a wholly owned subsidiary of Aretec Group, Inc. (dba Cetera Holdings). Avantax is a unique community within Cetera Holdings. Avantax Investment Services, Inc., a subsidiary of Avantax, Member FINRA / SIPC. Located at 3200 Olympus Blvd, Suite 100, Dallas, TX, 75019.
Avantax and Cetera Financial Group are under common ownership.

Disclosures

Individuals affiliated with Cetera firms are either Registered Representatives who offer only brokerage services and receive transaction-based compensation (commissions), Investment Adviser Representatives who offer only investment advisory services and receive fees based on assets, or both Registered Representatives and Investment Adviser Representatives, who can offer both types of services.

The material contained in this document was authored by and is the property of Cetera Investment Management LLC. Cetera Investment Management provides investment management and advisory services to a number of programs sponsored by affiliated and non-affiliated registered investment advisers. Your registered representative or investment adviser representative is not registered with Cetera Investment Management and did not take part in the creation of this material. He or she may not be able to offer Cetera Investment Management portfolio management services.

Nothing in this presentation should be construed as offering or disseminating specific investment, tax, or legal advice to any individual without the benefit of direct and specific consultation with an investment adviser representative authorized to offer Cetera Investment Management services. Information contained herein shall not constitute an offer or a solicitation of any services. Past performance is not a guarantee of future results.

For more information about Cetera Investment Management, please reference the Cetera Investment Management LLC Form ADV disclosure brochure and the disclosure brochure for the registered investment adviser your adviser is registered with. Please consult with your adviser for his or her specific firm registrations and programs available.

No independent analysis has been performed and the material should not be construed as investment advice. Investment decisions should not be based on this material since the information contained here is a singular update, and prudent investment decisions require the analysis of a much broader collection of facts and context. All information is believed to be from reliable sources; however, we make no representation as to its completeness or accuracy. The opinions expressed are as of the date published and may change without notice. Any forward-looking statements are based on assumptions, may not materialize, and are subject to revision.

All economic and performance information is historical and not indicative of future results. The market indices discussed are not actively managed. Investors cannot directly invest in unmanaged indices. Please consult your financial advisor for more information.

Additional risks are associated with international investing, such as currency fluctuations, political and economic instability, and differences in accounting standards.

A diversified portfolio does not assure a profit or protect against loss in a declining market.

Glossary

The **Bloomberg Barclays Capital U.S. Aggregate Bond Index**, which was originally called the Lehman Aggregate Bond Index, is a broad-based flagship benchmark that measures the investment grade, US dollar-denominated, fixed-rate taxable bond market. The index includes Treasuries, government–related and corporate debt securities, MBS (agency fixed-rate and hybrid ARM pass-throughs), ABS and CMBS (agency and non-agency) debt securities that are rated at least Baa3 by Moody's and BBB- by S&P. Taxable municipals, including Build America bonds and a small amount of foreign bonds traded in U.S. markets are also included. Eligible bonds must have at least one year until final maturity, but in practice the index holdings has a fluctuating average life of around 8.25 years. This total return index, created in 1986 with history backfilled to January 1, 1976, is unhedged and rebalances monthly.

The **Bloomberg Barclays US Municipal Bond Index** covers the USD-denominated long-term tax-exempt bond market. The index has four main sectors: state and local general obligation bonds, revenue bonds, insured bonds, and prerefunded bonds. Eligible securities must be rated investment grade (Baa3/BBB- or higher) by Moody's and S&P and have at least one year until final maturity, but in practice the index holding have a fluctuating average life of around 12.8 years. This total return index is unhedged and rebalances monthly.

The **Bloomberg Barclays US Corporate High Yield Index** measures the USD-denominated, non-investment grade, fixed-rate, taxable corporate bond market. Securities are classified as high yield if the middle rating of Moody's, Fitch, and S&P is Ba1/BB+/BB+ or below, excluding emerging market debt. Payment-in-kind and bonds with predetermined step-up coupon provisions are also included. Eligible securities must have at least one year until final maturity, but in practice the index holdings has a fluctuating average life of around 6.3 years. This total return unhedged index was created in 1986, with history backfilled to July 1, 1983 and rebalances monthly.

The **Barclays U.S. Government Bond Index** is comprised of the U.S. Treasury and U.S. Agency Indices. The index includes U.S. dollar-denominated, fixed-rate, nominal US Treasuries and US agency debentures (securities issued by US government owned or government sponsored entities, and debt explicitly guaranteed by the US government). The US Government Index is a component of the U.S. Government/Credit and U.S. Aggregate Indices, and eligible securities also contribute to the multi-currency Global Aggregate Index. The U.S. Government Index has an inception date of January 1, 1973.

The **Bloomberg Commodity Index** is a broadly diversified index that allows investors to track commodity futures through a single, simple measure. It is composed of futures contracts on physical commodities and is designed to minimize concentration in any one commodity or sector. It currently includes 19 commodity futures in five groups. No one commodity can comprise less than 2% or more than 15% of the index, and no group can represent more than 33% of the index (as of the annual reweightings of the components).

The **Cboe Volatility Index®** (VIX®) is a key measure of market expectations of near-term volatility conveyed by S&P 500 stock index option prices.

The **MSCI EAFE** is designed to measure the equity market performance of developed markets (Europe, Australasia, Far East) excluding the U.S. and Canada. The Index is market-capitalization weighted.

The **MSCI Emerging Markets** is designed to measure equity market performance in global emerging markets. It is a float-adjusted market capitalization index.

The **Russell 1000 Growth Index** measures the performance of the large-cap growth segment of the U.S. equity universe. It includes those Russell 1000 Index companies with higher price-to-book ratios and higher forecasted growth values.

The **Russell 1000 Value Index** measures the performance of the large-cap value segment of the U.S. equity universe. It includes those Russell 1000 Index companies with lower price-to-book ratios and lower forecasted growth values

The **Russell 2000 Index** measures the performance of the small-cap segment of the U.S. equity universe and is a subset of the Russell 3000 Index representing approximately 10% of the total market capitalization of that index. It includes approximately 2000 of the smallest securities based on a combination of their market cap and current index membership.

The **Russell 3000 Index** measures the performance of the largest 3,000 U.S. companies representing approximately 98% of the investable U.S. equity market.

The **Russell Midcap Index** measures the performance of the mid-cap segment of the U.S. equity universe and is a subset of the Russell 1000 Index. It includes approximately 800 of the smallest securities based on a combination of their market cap and current index membership. The Russell Midcap represents approximately 31% of the total market capitalization of the Russell 1000 companies.

The **S&P BSE SENSEX Index** is a free-float market-weighted index of 30 well-established and financially sound stocks on the Bombay Stock Exchange, representative of various industrial sectors of the Indian economy.

The **S&P 500** is a capitalization-weighted index of 500 stocks designed to measure performance of the broad domestic economy through changes in the aggregate market value of 500 stocks representing all major industries.

The **Dow Jones Industrial Average** is a price-weighted average of 30 significant stocks traded on the New York Stock Exchange and the NASDAQ.

The **NASDAQ Composite Index** includes all domestic and international based common type stocks listed on The NASDAQ Stock Market. The NASDAQ Composite Index is a broad-based capitalization-weighted index.

The **Shanghai Composite Index** is a stock market index of all stocks (A shares and B shares) that are traded at the Shanghai Stock Exchange.

The **U.S. Dollar Index** is a weighted geometric mean that provides a value measure of the United States dollar relative to a basket of major foreign currencies. The index, often carrying a USDX or DXY moniker, started in March 1973, beginning with a value of the U.S. Dollar Index at 100.000. It has since reached a February 1985 high of 164.720, and has been as low as 70.698 in March 2008.

West Texas Intermediate (WTI) is a crude oil stream produced in Texas and southern Oklahoma which serves as a reference or "marker" for pricing a number of other crude streams. WTI is the underlying commodity of the New York Mercantile Exchange's oil futures contracts.