

Weekly Recap

Economic Calendar

Monday, April 15

Empire State Manufacturing, Retail Sales, Business Inventories, Homebuilder Confidence.

Tuesday, April 16

Housing Starts/Building Permits, Industrial Production.

Wednesday, April 17

Mortgage Activity, Fed Beige Book of District Conditions.

Thursday, April 18

Jobless Claims, Philadelphia Manufacturing, Existing Home Sales, Leading Economic Indicators.

Friday, April 19

No Major Releases.

[The Latest from @CeteraIM](#)

[S&P 500 Holds 50-day Moving Average](#)

[National Rent Falls Tenth Month](#)

[Auto Expenses Roar](#)

[The Week Ahead Video](#)

Worst Week of the Year for the Dow... Again

Sticky Inflation Dashes Rate Cut Outlook

Stocks retreated sharply on Friday's start of the first quarter earnings season, with the Dow Industrials and S&P 500 capping back-to-back weekly losses. A hotter-than-expected consumer inflation report on Wednesday slashed hopes that Fed policymakers would begin cutting interest rates by mid-year. Cooler producer inflation offered some reassurance on Thursday, however mixed earnings from large cap banks on Friday quickly degraded investor sentiment. Friday was the S&P 500's largest single day loss since January, down as much as 1.75% intra-day before settling with a closing loss of 1.46%.

For the Week...

The S&P 500 fell 1.52% and is down nearly 2.5% from its most recent all-time high. After falling 2.23% the prior week, the Dow Jones Industrial Average slumped another 2.36% for its second straight worst weekly performance of the year. The Nasdaq Composite fell the least, off just 0.45%. The small cap focused Russell 2000 Index fell sharply, down another 2.91% for the week.

Consumer Prices Run Hotter

The Consumer Price Index (CPI) climbed 0.4% in March, the same increase as in February, and exceeded the 0.3% consensus forecast. From a year ago, March's CPI climbed 3.5%, in line with forecasts but accelerated from 3.2% the month prior. The readings signal inflation may be more than a bump on the path to inflation heading toward the Federal Reserve's 2% goal.

Weekly Sector Insights

For the first time since last September, all 11 major sectors ended negative for the week. Financials (-3.58%), Materials (-3.08%), and Healthcare (-3.05%) led the way lower while Technology (-0.21%), Communication Services (-0.39%), and Consumer Discretionary (-0.68%) fell the least. Year-to-date, Communication Services (+18.26%), Energy (+15.85%), and Technology (+11.34%) remain the top 2024 leaders.

Treasury Yields Climb

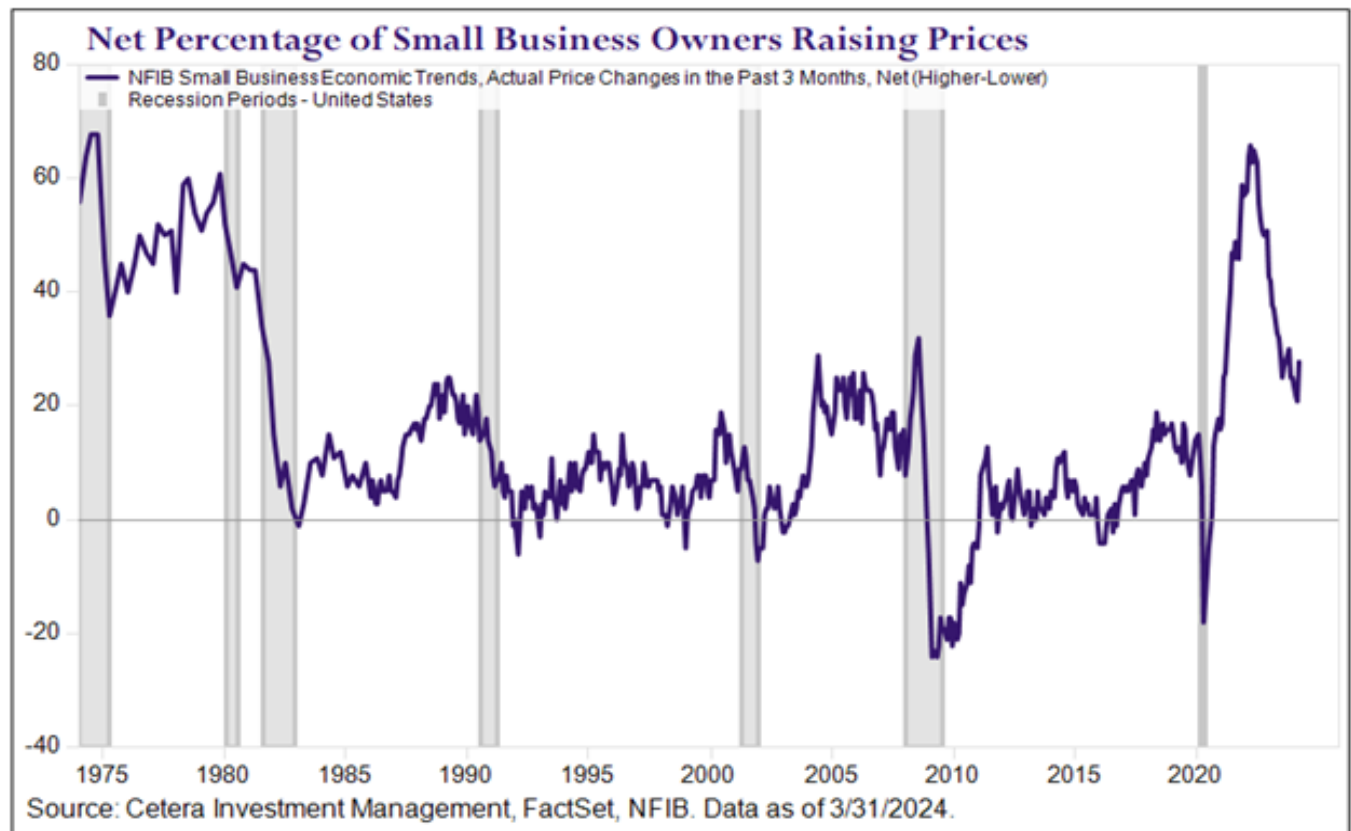
The yield on 10-year Treasury notes ended Friday at 4.521%, up nearly 0.13% and follows a 0.19% increase the week prior. The U.S. Dollar Index advanced 1.6%, its strongest weekly performance since September 2022. Gold futures advanced 1.2%, while U.S. WTI crude oil fell 1.4%.

Market Watch

Stocks	1-Week	MTD	3-Month	YTD	1-Year	3-Year
Dow Jones Industrial Avg.	-2.36%	-4.54%	1.53%	1.32%	15.28%	6.15%
S&P 500	-1.52%	-2.44%	7.49%	7.86%	27.19%	9.15%
NASDAQ Composite	-0.45%	-1.23%	8.23%	7.97%	36.67%	6.13%
Russell 3000	-1.67%	-2.72%	7.07%	7.03%	26.50%	7.44%
Russell 2000	-2.91%	-5.68%	3.05%	-0.80%	14.71%	-2.23%
MSCI EAFE	-1.12%	-2.45%	3.61%	3.20%	10.64%	3.17%
MSCI Emerging Markets	-0.34%	-0.06%	5.09%	2.30%	7.65%	-5.22%
Bonds	1-Week	MTD	3-Month	YTD	1-Year	3-Year
Bloomberg US Agg Bonds	-0.70%	-1.75%	-2.23%	-2.52%	-0.70%	-3.18%
Bloomberg Municipal Bonds	-0.08%	-0.72%	-0.87%	-1.11%	1.21%	-0.82%
Bloomberg US Corp High Yield	-0.58%	-1.07%	0.55%	0.39%	9.37%	1.60%
Commodities	1-Week	MTD	3-Month	YTD	1-Year	3-Year
Bloomberg Commodity	0.13%	3.68%	6.48%	5.95%	0.91%	10.36%
S&P GSCI Crude Oil	-1.92%	2.30%	16.88%	18.74%	2.31%	12.50%
S&P GSCI Gold	1.22%	6.06%	14.61%	14.59%	17.25%	11.06%

Source: Cetera Investment Management, FactSet. Total returns used, which includes dividends and interest.

Chart of the Week: Small Businesses Squeezed by Inflation



Small business optimism fell to an 11-year low last month according to the National Federation of Independent Business (NFIB). Inflation was cited as the single most important problem for 25% of business owners. The net percentage of small businesses raising prices increased to a five-month high of 28%.

This report is created by Cetera Investment Management LLC. For more insights and information from the team, follow [@CeteraIM](#) on X.

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

The **S&P 500** is an index of 500 stocks chosen for market size, liquidity and industry grouping (among other factors) designed to be a leading indicator of U.S. equities and is meant to reflect the risk/return characteristics of the large cap universe.

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 index.

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 **Bloomberg US 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 have a fluctuating average life of around 8.25 years.

The **Bloomberg 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.

The **Bloomberg 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.

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

The **Bloomberg Commodity Index** is a broadly diversified index that measures 22 exchange-traded futures on physical commodities in five groups (energy, agriculture, industrial metals, precious metals, and livestock), which are weighted to account for economic significance and market liquidity. No single commodity can comprise less than 2% or more than 15% of the index; and no group can represent more than 33% of the index.

The **S&P GSCI Crude Oil Index** is a sub-index of the S&P GSCI, provides investors with a reliable and publicly available benchmark for investment performance in the crude oil market.

The **S&P GSCI Gold Index**, a sub-index of the S&P GSCI, provides investors with a reliable and publicly available benchmark tracking the COMEX gold futures market.

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.