

Weekly Recap

Economic Calendar

Monday, October 6

No Major Releases.

Tuesday, October 7

U.S. Trade Deficit**,
Consumer Credit.

Wednesday, October 8

Mortgage Activity, FOMC
September Meeting Minutes.

Thursday, October 9

Jobless Claims**, Wholesale
Trade Sales & Inventories.

Friday, October 10

Preliminary October
Consumer Sentiment,
Federal Budget**

**Shutdown Delayed.

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Stocks Rebound Despite Shutdown

Back to Record-Setting Gains

U.S. equities returned to weekly gains last week as Wall Street remained largely unaffected by the partial government shutdown. The S&P 500 edged slightly higher on Friday and rebounded for the week. The shutdown has however delayed the release of the key Nonfarm Payrolls report on Friday that was expected to show 51,000 new jobs added in September. Despite its absence, markets are pricing in a 90% probability of two more Fed interest rate cuts this year.

For the Week...

The S&P 500 gained 1.11% last week after falling easing 0.30% the week prior, notching three new record closing highs on the first three days of October. The Dow Jones Industrial Average set a new all-time high on Friday and gained 1.11% for the week. The tech-heavy Nasdaq Composite advanced 1.33% last week, setting its 30th record high of the year on Thursday.

Shutdown Duration Outlook

The [YouGov survey](#), published on Friday, found that 41% of Americans believe the federal shutdown will last for two weeks or less. Another 22% expect the shutdown lasting three or four weeks. The shutdown went into effect at midnight last Wednesday after a failed 55-45 Senate vote to pass a funding bill. 60 votes in favor are needed.

Weekly Sector Insights

Gains in six of the eleven S&P 500 sectors drove the weekly rebound, led by Healthcare (+6.86%), Utilities (+2.43%) and Technology (+2.26%). Energy (-3.35%), Communication Services (-2.08%) and Consumer Discretionary (-0.81%) fell the most. In year-to-date (YTD) performance, Technology (+23.40%), Communication Services (+23.06%) and Utilities (+19.94%) are this year's top performers while Real Estate (+5.98%), Consumer Discretionary (+4.45%) and Consumer Staples (+3.15%) have gained the least.

Treasury Yields Ease

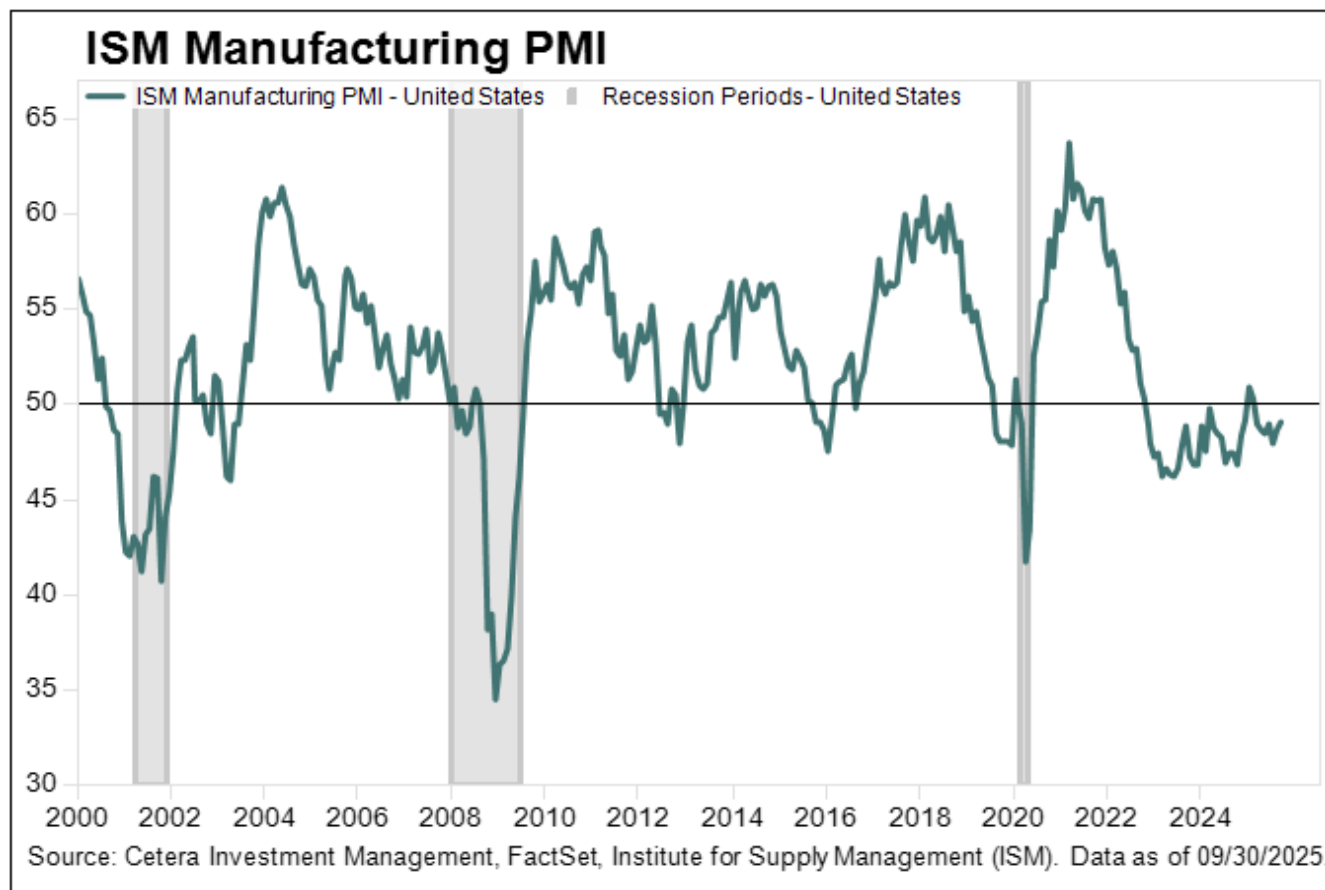
The yield on 10-year Treasury notes slipped 0.06% to 4.1220% last week. The U.S. Dollar Index weakened by 0.4%, while gold futures climbed 2.62% to \$3,908.90 per ounce. U.S. WTI crude oil futures retreated 7.36% to \$60.88 per barrel.

Market Watch

| Stocks | 1-Week | MTD | 3-Month | YTD | 1-Year | 3-Year |
|------------------------------|--------|--------|---------|---------|---------|---------|
| Dow Jones Industrial Avg. | 1.11% | 0.78% | 4.71% | 11.34% | 13.21% | 18.88% |
| S&P 500 | 1.11% | 0.43% | 7.28% | 15.32% | 19.38% | 24.02% |
| NASDAQ Composite | 1.33% | 0.54% | 10.75% | 18.57% | 27.99% | 29.15% |
| Russell 3000 | 1.09% | 0.51% | 7.28% | 14.98% | 19.35% | 23.24% |
| Russell 2000 | 1.78% | 1.64% | 10.47% | 12.20% | 15.14% | 14.82% |
| MSCI EAFE | 2.70% | 1.59% | 6.28% | 27.13% | 19.15% | 21.97% |
| MSCI Emerging Markets | 3.67% | 2.07% | 11.51% | 30.18% | 19.53% | 19.00% |
| Bonds | 1-Week | MTD | 3-Month | YTD | 1-Year | 3-Year |
| Bloomberg US Agg Bonds | 0.46% | 0.24% | 2.73% | 6.39% | 3.43% | 4.71% |
| Bloomberg Municipal Bonds | 0.33% | 0.21% | 3.24% | 2.86% | 1.30% | 4.69% |
| Bloomberg US Corp High Yield | 0.23% | 0.11% | 2.44% | 7.34% | 7.63% | 10.92% |
| Commodities | 1-Week | MTD | 3-Month | YTD | 1-Year | 3-Year |
| Bloomberg Commodity | 0.31% | 0.73% | 2.98% | 10.17% | 7.53% | 2.60% |
| S&P GSCI Crude Oil | -7.36% | -2.39% | -9.13% | -15.11% | -17.41% | -10.03% |
| S&P GSCI Gold | 2.62% | 0.92% | 16.93% | 48.01% | 45.90% | 31.90% |

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

Chart of the Week: Manufacturing Remains in Contraction



The ISM Manufacturing PMI edged higher to 49.1 in September from 48.7 but remains in contraction for a sixth consecutive month. Employment showed a modest improvement and the price index decelerated to an 8-month low, though the forward-looking new orders index weakened.

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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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 USDY or DXY moniker, started in March 1973, beginning with a value of the U.S. Dollar Index at 100.000.