

Weekly Recap

Economic Calendar

Monday, June 10

No Major Releases.

Tuesday, June 11

Small Business Optimism.
FOMC Meeting Starts.

Wednesday, June 12

Mortgage Activity, Consumer Price Index (CPI), FOMC Rate & Policy Decisions, FOMC Press Conference, U.S. Federal Budget.

Thursday, June 13

Jobless Claims, Producer Price Index (PPI).

Friday, June 14

Import/Export Prices, Consumer Sentiment.

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Stocks Have a Winning Week

Rate Cut Expectations Slip Further

U.S. stocks had a winning week coupled with a mixed payrolls report on Friday that strengthened views the Fed could keep rates higher for longer. Nonfarm payrolls came in stronger than expected while the headline unemployment rate climbed to 4%. Megacap technology stocks led the way higher, yet valuation concentration concerns resurfaced. Gains for the week peaked on Wednesday, with the S&P 500 closing the mid-week session at its 25th all-time high of 2024.

For the Week...

The S&P 500 and Nasdaq Composite rose 1.36% and 2.40%, respectively, both posting their sixth gain of the past seven weeks. The Dow Jones Industrial Average rose a lesser 0.33%. The broader Russell 3000 rose 0.98% while the small cap focused Russell 2000 slumped 2.07%.

Mixed Payrolls Takeaways

U.S. jobs growth expanded by 272,000 in May, widely topping forecasts for 180,000. The increase also exceeded the 232,000 average monthly gain over the past 12 months. Separate data showed the unemployment rate increased to 4% for the first time since January 2022 while workers average hourly wages rose 0.4%, up 4.1% from a year ago.

Weekly Sector Insights

Six of the 11 major sector groups posted losses last week, led by Utilities (-3.81%), Energy (-3.41%) and Materials (-1.87%). Real Estate (-0.12%) fell the least while Technology (+3.83%), Healthcare (+1.96%) and Communication Services (+1.73%) gained the most. The 2024 year-to-date leaderboard continues to be led by Communication Services (+2.97%), Technology (+21.81%) and Utilities (+11.41%). The Real Estate sector again remains the only negative performer this year, down 4.49%.

Treasury Yields Dip

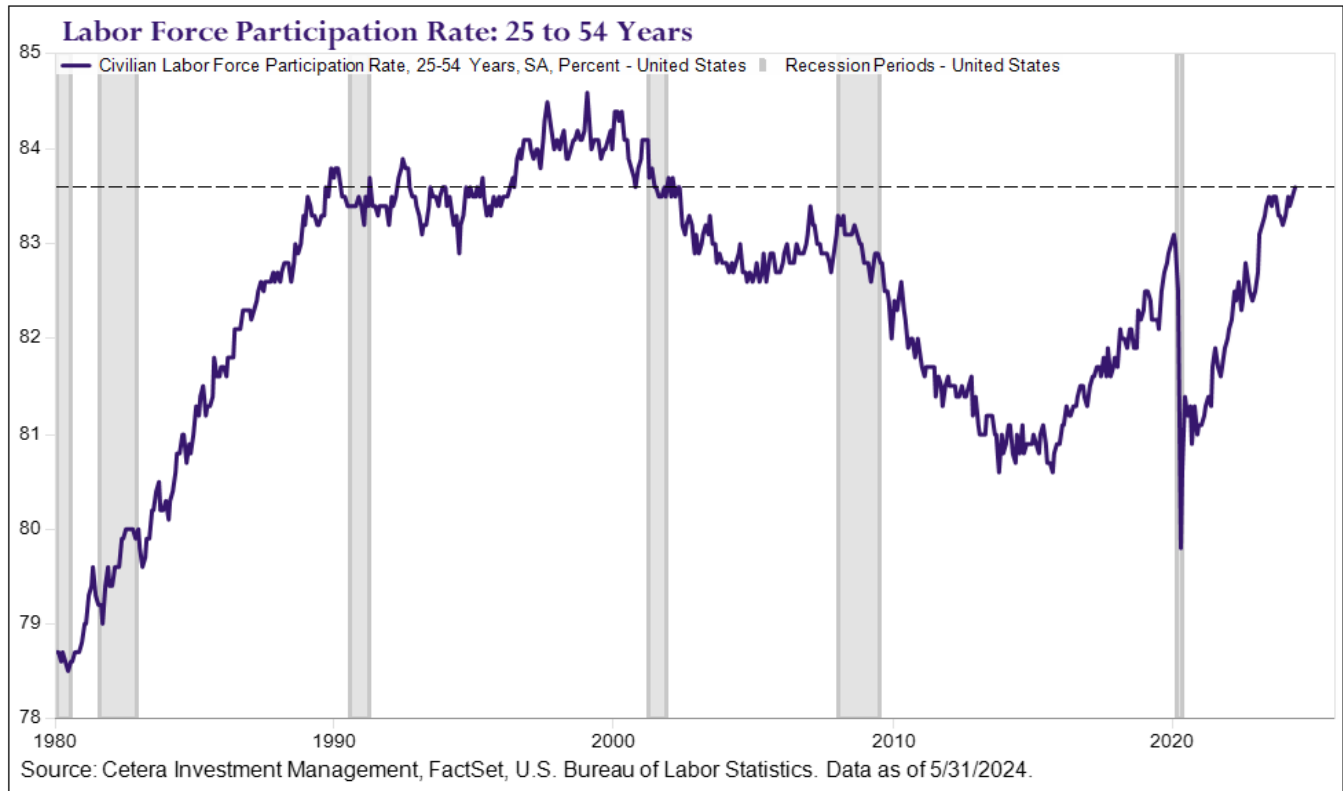
The yield on 10-year Treasury notes retreated nearly 0.15% on Friday, ending at 4.431%, but were down just 0.06% for the week. The U.S. Dollar Index rose 0.2% while gold futures fell 0.9% and U.S. WTI crude oil fell a third straight week, down 1.96%, ending Friday at \$75.53/barrel.

Market Watch

Stocks	1-Week	MTD	3-Month	YTD	1-Year	3-Year
Dow Jones Industrial Avg.	0.33%	0.33%	0.48%	3.86%	17.62%	5.99%
S&P 500	1.36%	1.36%	4.04%	12.81%	27.21%	9.84%
NASDAQ Composite	2.40%	2.40%	5.48%	14.51%	31.75%	8.10%
Russell 3000	0.98%	0.98%	3.10%	11.22%	25.50%	7.93%
Russell 2000	-2.07%	-2.07%	-2.43%	0.56%	8.96%	-3.05%
MSCI EAFE	0.61%	0.61%	2.41%	7.72%	16.01%	2.78%
MSCI Emerging Markets	2.36%	2.36%	4.97%	5.85%	10.72%	-5.61%
Bonds	1-Week	MTD	3-Month	YTD	1-Year	3-Year
Bloomberg US Agg Bonds	0.44%	0.44%	-0.58%	-1.21%	2.44%	-2.98%
Bloomberg Municipal Bonds	1.07%	1.07%	-0.87%	-0.86%	3.30%	-1.03%
Bloomberg US Corp High Yield	0.43%	0.43%	1.15%	2.06%	10.73%	1.79%
Commodities	1-Week	MTD	3-Month	YTD	1-Year	3-Year
Bloomberg Commodity	-1.04%	-1.04%	4.99%	5.68%	6.73%	5.97%
S&P GSCI Crude Oil	-1.98%	-1.98%	-4.24%	5.33%	4.02%	2.93%
S&P GSCI Gold	-0.89%	-0.89%	7.18%	12.22%	18.72%	6.98%

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

Chart of the Week: Prime-Age Labor Force Participation Rate Hits 22-Year High



The prime-age (25-54) labor force participation rate hit a 22-year high of 83.6% in May. With 11,000 baby boomers reaching 65 each day, the economy needs a combo of higher productivity and rising labor participation to counter our aging population trends.

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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.