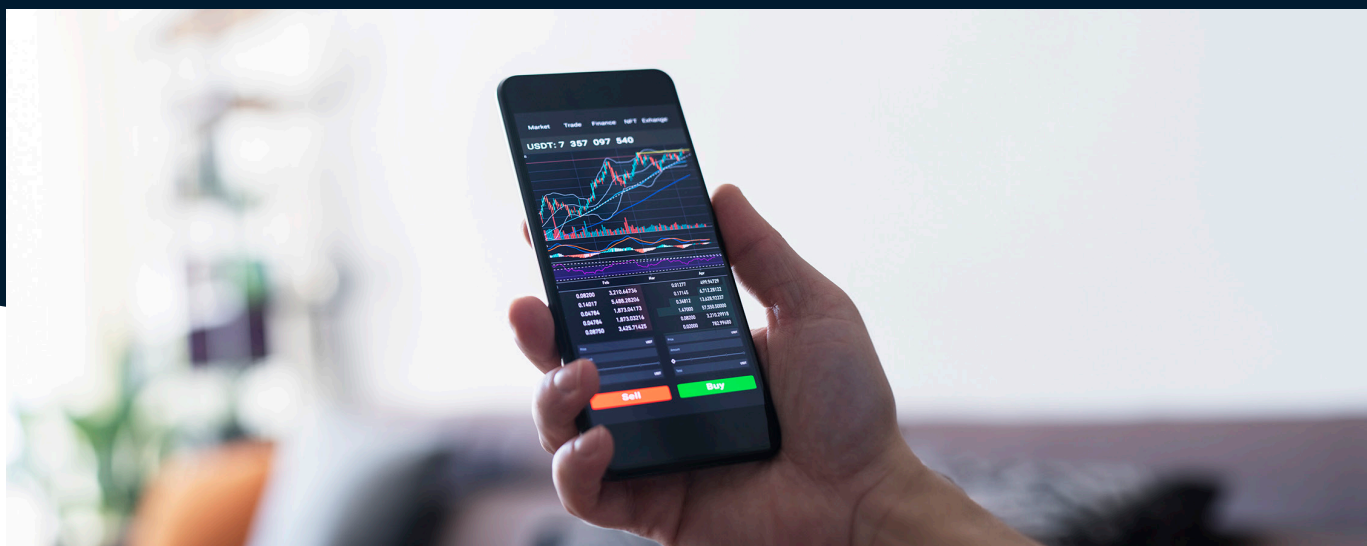


Stocks Trade Higher in February as the Rally Broadens Out

March 2024



Monthly Market Summary

- The S&P 500 Index gained +5.2%, underperforming the Russell 2000 Index's +5.6% return. All eleven S&P 500 sectors traded higher, with cyclical sectors outperforming.
- Corporate investment-grade bonds produced a -1.9% total return as Treasury yields rose, while corporate high-yield bonds produced a +0.3% total return.
- International stocks underperformed U.S. stocks. The MSCI EAFE Index of developed market stocks returned +3.0%, while the MSCI Emerging Market Index gained +4.2%.

Stocks Trade Higher for a Fourth Consecutive Month, While Bonds Trade Lower

Stocks traded higher in February, with the rally broadening after large cap stocks accounted for most of January's gains. The S&P 500 traded above 5,000 for the first time, setting a new all-time high, and has now returned +21.5% since the start of November. The Dow Jones Industrial Average set a new closing high in February, and the Russell 2000 Index of small cap stocks outperformed the S&P 500 after trailing by -5.5% last month. The Consumer Discretionary, Industrial, and Material sectors outperformed the S&P 500, while the Utility, Consumer Staples, and Real Estate sectors underperformed.

In the credit market, bonds traded lower for a second consecutive month as two themes caused rates to rise. First, the Federal Reserve told investors it wants more confirmation that inflation will return to its 2% target. This statement effectively pushed back the timing of the first interest rate cut. Second, multiple inflation reports were hotter than expected, hinting at sticky inflation. This year's bond sell-off suggests the market got ahead of itself by forecasting too many rate cuts. Investors now expect three rate cuts this year, a decrease from the forecast for six rate cuts at the start of the year.

Commodity Price Index Trades Near a 2-Year Low, But Energy Prices Are Rising

The Bloomberg Commodity Index, which tracks a broad group of commodities, currently trades at its lowest level since December 2021. It's been a volatile two years. Commodity prices spiked in early 2022 after Russia's invasion of Ukraine disrupted the energy, metal, and agriculture markets. The sharp rise in commodity prices sent inflation soaring above 9% in June 2022, the highest level in 40 years. Since peaking in mid-2022, commodity prices and inflation have both trended lower. The consumer price index rose by 3.1% year-over-year in January 2024, the slowest since March 2021.

Investors and the Federal Reserve are debating the risk of a second inflation wave. The price declines across commodity markets helped ease inflation pressures, but there are questions about whether the trend can continue. The price of crude oil has risen by +9.2% year-to-date and currently trades at a 3.5-month high, while gas prices have risen by +13.3% this year. With the summer driving season fast approaching, there is concern that gasoline prices could continue to rise. Investors will be watching other commodity markets to see if prices start to rise, as that could delay the Fed's plan to cut rates.

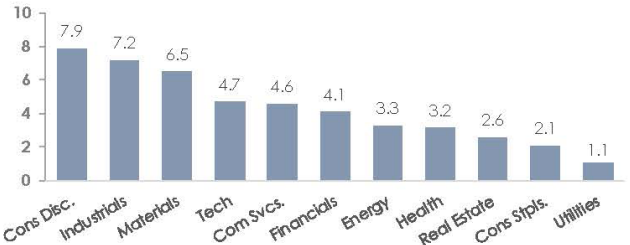
This Month in Numbers

FIGURE 1
U.S. Style Returns (February in %)

	Value	Blend	Growth
Large	3.6	5.2	6.6
Mid	4.7	5.5	7.5
Small	3.3	5.6	8.0

Data Reflects Most Recently Available As of 2/29/2024

FIGURE 2
U.S. Sector Returns (February in %)



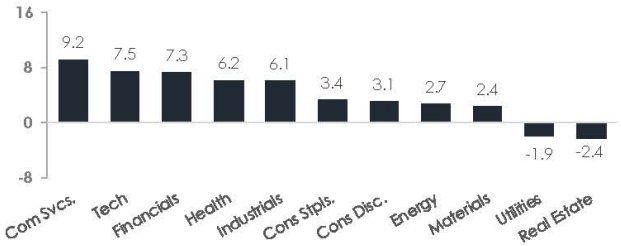
Data Reflects Most Recently Available As of 2/29/2024

FIGURE 3
U.S. Style Returns (YTD in %)

	Value	Blend	Growth
Large	3.6	6.9	9.2
Mid	2.8	4.0	6.8
Small	-1.5	1.5	4.7

Data Reflects Most Recently Available As of 2/29/2024

FIGURE 4
U.S. Sector Returns (YTD in %)



Data Reflects Most Recently Available As of 2/29/2024

This Month in Numbers (continued)

FIGURE 5
Market Data Center

Stocks	1 month	3 months	6 months	YTD	1 year	3 years
S&P 500	5.2%	11.7%	13.6%	6.9%	29.9%	38.5%
Dow Jones	2.4%	8.8%	13.1%	3.7%	21.5%	32.1%
Russell 2000	5.6%	13.8%	8.8%	1.5%	9.7%	-3.3%
Russell 1000 Growth	6.6%	14.1%	17.9%	9.2%	45.3%	40.7%
Russell 1000 Value	3.6%	9.4%	8.9%	3.6%	13.5%	25.8%
MSCI EAFE	3.0%	8.0%	9.3%	2.5%	14.6%	13.3%
MSCI EM	4.2%	3.0%	4.0%	-0.5%	7.4%	-20.0%
NASDAQ 100	5.3%	13.2%	16.6%	7.2%	50.4%	41.8%

Dividend Yield	NTM P/E	P/B
1.31%	20.4x	4.6x
1.74%	18.3x	4.9x
1.34%	22.3x	1.9x
0.57%	27.5x	12.1x
1.95%	15.4x	2.4x
2.91%	14.0x	1.8x
2.65%	12.0x	1.6x
0.53%	26.0x	7.4x

Fixed Income	Yield	1 month	3 months	YTD	1 year	3 years
U.S. Aggregate	4.92%	-1.5%	2.0%	-1.6%	3.3%	-9.1%
U.S. Corporates	5.50%	-1.9%	2.4%	-2.4%	5.9%	-10.2%
Municipal Bonds	3.89%	-0.2%	2.1%	-0.2%	5.1%	-0.3%
High Yield Bonds	8.00%	0.3%	3.6%	0.4%	9.7%	3.2%

Key Rates	2/29/2024	1/31/2024	11/30/2023	8/31/2023	2/28/2023	2/28/2021
2 yr Treasury	4.63%	4.22%	4.71%	4.84%	4.80%	0.14%
10 yr Treasury	4.24%	3.95%	4.36%	4.09%	3.92%	1.46%
30 yr Treasury	4.36%	4.19%	4.51%	4.21%	3.93%	2.19%
30 yr Mortgage	7.31%	6.96%	7.57%	7.53%	7.03%	3.25%
Prime Rate	8.50%	8.50%	8.50%	8.50%	7.75%	3.25%

Commodities	Level	1 month	YTD
Oil (WTI)	78.24	3.2%	9.2%
Gasoline	2.34	5.2%	13.3%
Natural Gas	1.85	-11.9%	-20.5%
Propane	0.83	-7.7%	23.4%
Ethanol	1.42	-6.6%	-12.4%
Gold	2,052	-0.7%	-0.9%
Silver	22.86	-1.3%	-5.1%
Copper	3.83	-1.9%	-1.4%
Steel	795	-8.1%	-30.0%
Corn	4.30	-4.1%	-8.8%
Soybeans	11.37	-7.2%	-11.8%

Data Reflects Most Recently Available As of 2/29/2024

Disclosures

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