

## Economic Calendar

### Monday, March 4

No Major Releases.

### Tuesday, March 5

S&P/ISM Services PMIs,  
Factory Orders, Vehicle  
Sales.

### Wednesday, March 6

Mortgage Activity, ADP  
Private Sector Payrolls,  
JOLTS Job Openings,  
Wholesale Trade  
Sales/Inventories, Fed Beige  
Book.

### Thursday, March 7

Jobless  
Claims, U.S. Trade Deficit,  
Labor Costs/Productivity,  
Consumer Credit.

### Friday, March 8

Nonfarm Payrolls,  
Unemployment Rate, Hourly  
Wages.

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[Bullish Sentiment Expands](#)

[Manufacturing PMI Still in  
Contraction](#)

[Consumer Spending Growth  
Slows](#)

[The Week Ahead Video](#)

# WEEKLY RECAP

February 26-March 1, 2024 Recap

## S&P 500 Ends at 15<sup>th</sup> All-Time High

### *Small Caps Return to Gains*

The S&P 500 closed Friday above 5,100 for the first time and completed a run of 16 positive weeks out of the last 18 for first time since 1971. Boosted by continuing interest in AI (artificial intelligence) companies, the Nasdaq Composite capped its seventh gain in the past eight weeks. Economic data and commentary from Federal Reserve officials continued to support a higher-for-longer stance on interest rates. Last week's commentary comes ahead of Fed Chair Powell's appearance on Capitol Hill this Wednesday and Thursday.

### *For the Week...*

The S&P 500 gained 0.99%, scoring its 15<sup>th</sup> record high this year. The Dow Jones Industrial Average was unchanged, and the tech-heavy Nasdaq Composite gained 1.76%. After falling 0.77% the week prior, the small cap focused Russell 2000 Index returned to a weekly gain, up 3.0%.

### *Consumer Sentiment Eases*

The University of Michigan's final February reading of Consumer Sentiment was revised lower to 76.9 from its initial reading of 79.6 and down from 79.0 in January. Year-ahead inflation expectations edged up to 3.0% from 2.9% in January. Consumer sentiment slipped lower from January but is holding gains seen over the past three months ahead.

### *Weekly Sector Insights*

Six of the 11 major S&P 500 sectors posted gains last week, led by Technology (+2.52%), Real Estate (+2.17%), and Consumer Discretionary (+2.08%). Industrials (+1.08%) gained the least, Financials were unchanged and Healthcare (-1.04%) and Consumer Staples (-0.45%) fell the most. Technology (+12.47%) and Communication Services (+11.58%) continue to top the 2024 year-to-date leaderboard.

### *Treasury Yields Ease*

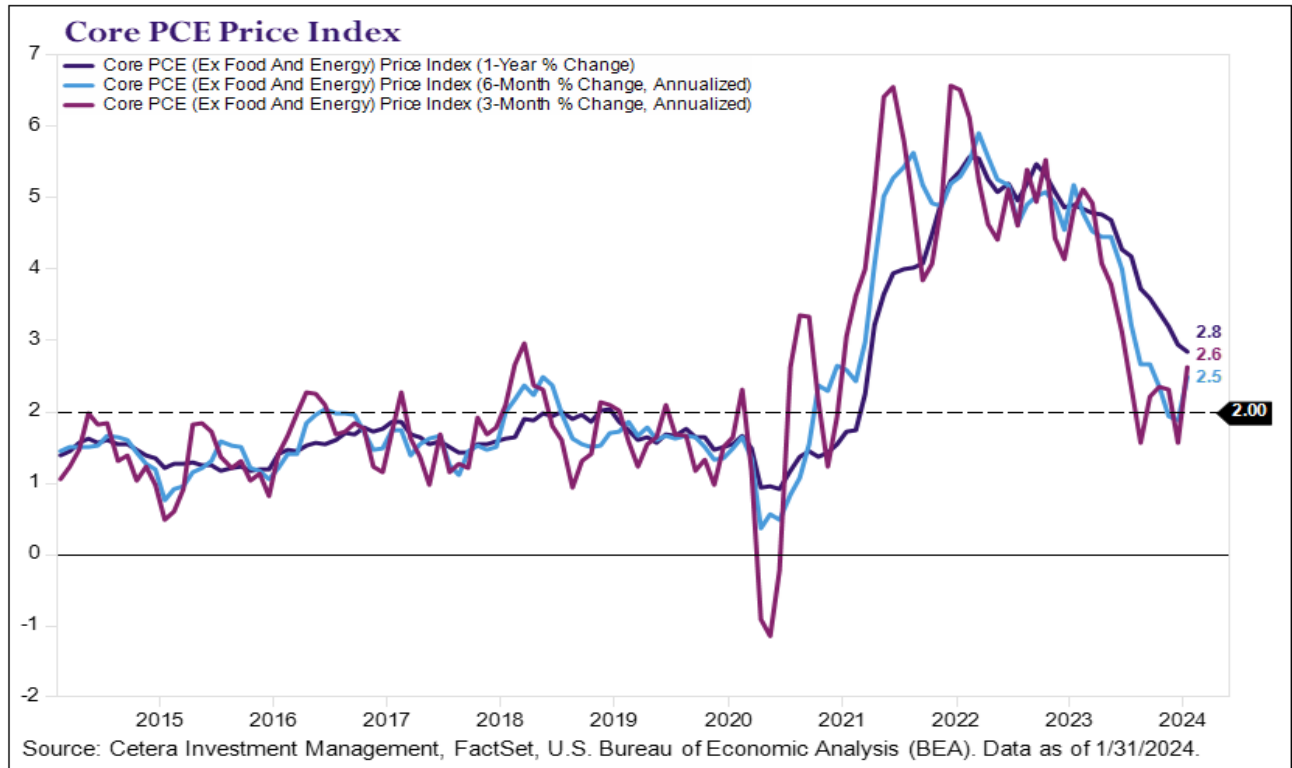
The yield on 10-year Treasury notes ended the week at 4.185%, down 0.07% from the week prior. The yield on policy-sensitive 2-year Treasury notes finished the week just above 4.50%, its lowest yield since February 15. Spot gold futures jumped 2.3% for the week, its strongest weekly gain in two months.

## Market Watch

Stocks	1-Week	MTD	3-Month	YTD	1-Year	3-Year
Dow Jones Industrial Avg.	0.00%	0.24%	8.29%	4.09%	20.97%	9.61%
S&P 500	0.99%	0.81%	12.21%	7.97%	31.11%	11.32%
NASDAQ Composite	1.76%	1.14%	13.97%	8.55%	43.12%	7.02%
Russell 3000	1.13%	0.78%	12.15%	7.42%	29.19%	9.28%
Russell 2000	3.00%	1.06%	11.84%	2.62%	10.86%	-1.68%
MSCI EAFE	0.72%	0.79%	8.43%	3.23%	15.36%	4.24%
MSCI Emerging Markets	-0.30%	0.38%	4.71%	0.27%	7.35%	-6.72%
Bonds	1-Week	MTD	3-Month	YTD	1-Year	3-Year
Bloomberg US Agg Bonds	0.47%	0.39%	1.61%	-1.30%	4.65%	-2.98%
Bloomberg Municipal Bonds	0.19%	0.01%	1.78%	-0.37%	5.70%	-0.21%
Bloomberg US Corp High Yield	0.20%	0.18%	3.88%	0.47%	11.60%	1.82%
Commodities	1-Week	MTD	3-Month	YTD	1-Year	3-Year
Bloomberg Commodity	2.00%	0.55%	-2.90%	-0.54%	-4.15%	7.55%
S&P GSCI Crude Oil	4.55%	2.19%	7.97%	11.61%	2.32%	9.65%
S&P GSCI Gold	2.26%	2.00%	0.29%	1.15%	13.87%	6.74%

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

## Chart of the Week: Inflation's Bumpy Ride Lower



The Fed's preferred inflation gauge is the core PCE price index. This index eased to 2.8% year-over-year, but January's 0.4% monthly increase was the highest in 12 months. January's strong reading pushed up the 3 and 6-month annualized rate to 2.5% and 2.6% respectively. Both figures were under 2.0% as of December. Inflation is heading in the right direction, but it might be a bumpy ride over the last mile towards the Fed's 2.0% target.

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