

Monthly Market Perspectives

April 2023

KEY INSIGHTS

- Stock and bond markets both rose during the month of April. Data continued to support waning economic growth in the US.
- Most asset classes delivered positive returns. Stocks, bonds, and gold all moved modestly higher.
- After a volatile month, yields across most of the US Treasury curve ended April at the same place they began.

WHAT TO WATCH

- FOMC rate announcement 5/3
- ISM Services release 5/3
- Unemployment data 5/5
- CPI data release 5/10

ECONOMY

- The U.S. unemployment rate held steady at 3.5%, signaling ongoing strength in labor markets.
- Inflation, as measured by Consumer Price Index, remains elevated and rose 5% year over year in April. This reading was slightly less than expected and below the prior month reading of 6%. More importantly, it is well below the high of 9% made in July of 2022 and trending lower.
- Service activity moderated in April as measured by the ISM Services Index. This forward looking gauge came in at 51 vs the expected 54. Services have made up a large component in recent inflation readings, so this softness is welcome.
- 1st quarter GDP came in at 1.1%, well below the estimated 1.9%. Consumer spending was the primary driver of strength, generating 2.5% of the headline number, which was partially offset by inventory build, among other factors.

EQUITY MARKETS

- In April, the S&P 500 appreciated 1.56%. Outside of large capitalization stocks, however, other US indices were negative for the month. Small cap fared the worst, down 8.94% for the month. Growth continued to outpace value across the entire spectrum of market capitalization.
- In the developed international markets the MSCI EAFE Index rose 2.9%. Economic strength and better valuations have helped the relative performance of Eurozone companies. Emerging market equity was weak, down 1.1% for the month.

FIXED INCOME

- In the bond markets, the 2 year yield has been trading between 3.75% and 4.25%. The Bloomberg U.S. Aggregate Index rose by 0.6%. Corporate bonds fared the best as fears around a credit crisis and banking contagion subsided. The Bloomberg U.S. Corporate High Yield Index rose 1.0%.
- Overall, the bond markets showed modest positive rates of total return across most tenors and credit quality.
- The Federal Reserve met market expectations with another 25 bps hike announced May 3rd. This may well be the final rate hike in this most recent tightening cycle.

COMMODITIES / CURRENCIES / REAL ESTATE

- West Texas Intermediate (WTI) traded lower for the month, ending down 5.3% at \$76.78 a barrel.
- Gold prices rose, closing at \$1,990 per oz., up 1% from the end of March.
- The U.S. dollar (USD) was mixed against a basket of currencies.
- The Euro rose to 1.10 vs the dollar, continuing March's rise.
- Domestic real estate finished the month higher, as the Wilshire U.S. Real Estate Securities Index rose 0.74% in April.



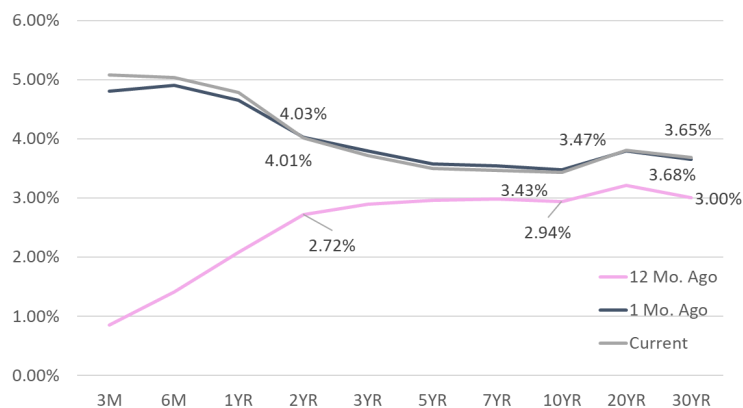
GLOBAL MARKET SUMMARY

Index	Level	1 Mos.	3 Mos.	12 Mos.
S&P 500	4,169	1.56%	2.71%	2.64%
Dow Jones Industrial Average	34,098	2.57%	0.58%	5.64%
NASDAQ Composite	12,227	0.07%	5.78%	0.05%
MSCI Emerging Markets	977	-1.12%	-4.68%	-6.15%
MSCI EAFE	2,144	2.92%	3.43%	9.10%
MSCI All Country World	655	1.48%	1.72%	2.61%

U.S. TREASURY MARKET

Maturity	12 Mo. Ago	1 Mo. Ago	Current	Change 1 Month
1M	0.36%	4.66%	4.27%	0.39%
3M	0.85%	4.80%	5.08%	-0.28%
6M	1.41%	4.91%	5.04%	-0.13%
1YR	2.08%	4.65%	4.78%	-0.13%
2YR	2.72%	4.03%	4.01%	0.02%
3YR	2.89%	3.79%	3.72%	0.07%
5YR	2.96%	3.58%	3.50%	0.08%
7YR	2.99%	3.54%	3.47%	0.07%
10YR	2.94%	3.47%	3.43%	0.04%
20YR	3.21%	3.80%	3.80%	0.00%
30YR	3.00%	3.65%	3.68%	-0.03%

U.S. TREASURY YIELD CURVE



U.S. EQUITY SIZE & STYLE RETURNS

1 Month			12 Months			
Value	Core	Growth	Value	Core	Growth	
-0.04%	2.71%	5.27%	Large	6.69%	2.64%	-1.89%
-8.97%	-5.72%	-2.46%	Medium	1.61%	1.28%	0.72%
-10.19%	-8.94%	-7.75%	Small	-3.04%	-3.91%	-4.72%

S&P 500 Index Sector Returns

Index	1 Mos.	3 Mos.	12 Mos.
Information Technology	0.45%	11.94%	8.08%
Health Care	3.07%	0.51%	4.17%
Financials	3.18%	-8.82%	-1.86%
Cons. Discretionary	-0.95%	-0.06%	-8.54%
Industrials	-1.18%	-1.42%	7.00%
Communication Services	3.78%	9.21%	1.14%
Cons. Staples	3.60%	5.39%	2.24%
Energy	3.30%	-4.25%	18.97%
Utilities	1.87%	0.57%	-0.21%
Real Estate	0.97%	-6.40%	-15.98%
Materials	-0.14%	-4.44%	-3.03%

U.S. FIXED INCOME

Index	Level	1 Mos.	3 Mos.	1 Year
Bloomberg U.S. T-Bills: 1-3 Months	272	0.3%	1.1%	1.0%
Bloomberg U.S. Aggregate	2,122	0.6%	0.5%	-0.4%
Bloomberg Treasury	2,266	0.5%	1.0%	-0.9%
Bloomberg U.S. TIPS	340	0.1%	1.6%	-4.0%
Bloomberg U.S. Credit	3,096	0.8%	0.3%	0.7%
Bloomberg Corporate High Yield	2,287	1.0%	0.8%	1.2%

OTHER

	4/28/2023	10/31/2022	4/29/2022
Fed Funds Target	5	3.25	0.5
30-Year Fixed Mortgage	6.85	7.22	5.42
WTI Oil (\$/barrel)	76.78	80	85.89
Gold (\$/oz)	1990	1633.56	1896.93
Natural Gas (\$/mmBtu)	2.41	6.355	7.244
Euro (\$/€)	1.1019	0.9882	1.0545



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