

Weekly Update – November 25, 2024

Market Retur	ns Ending	11/22/2	024
Category	1 Week	MTD	YTD
	<u>US</u>		
Large Cap	1.7%	4.7%	26.7%
Mid Cap	4.4%	8.6%	19.8%
Small Cap	4.5%	9.7%	20.1%
In	ternation	al_	
Developed	0.0%	-2.3%	4.9%
Emerging	0.2%	-2.8%	8.9%
	<u>Bonds</u>		
Aggregate	0.2%	-0.3%	1.5%
High Yield	0.3%	0.7%	8.2%

US Equity Style Returns

	US Equity Style Returns				
	Weekly				
	Value	Core	Growth		
Large	2.5	2.1	1.7		
Mid	3.3	3.7	5.1		
Small	3.4	4.5	5.6		
	<u>YTD</u>				
	Value	Core	Growth		
Large	21.5	26.8	30.8		
Mid	20.7	22.9	29.4		
Small	16.8	20.1	23.6		
Source: Bloomberg					

Key Events: Surveying Stability

Fiscal sustainability emerged as the primary risk In the Fed's semi-annual financial stability report. Inflation has faded away as a risk to stability.

Geopolitical instability remains a significant concern following the US decision to provide Ukraine with access to longer-range missiles, prompting strong reactions from Moscow.

Market review: Santa Claus is coming to town

The "Santa Claus" rally may have begun early this year, as most US markets performed well this week.

International stocks were subdued, while bonds performed well after two months of losses.

Outlook: Maintaining discipline

It's important to acknowledge that our "Santa Claus rally" thesis is largely speculative. There is quite a limited level of certainty about what influences the market on any given day or week. We strive to maintain discipline and build portfolios aimed at long-term stability, but current government spending policies are antithetical to that goal.

In the coming weeks and months, we will delve deeper into these issues. For now, we are taking two concrete actions: First, while stocks are not particularly cheap, we are allocating funds towards attractive opportunities outside the current leaders. Second, while corporate bond yields are narrow and offer limited long-term value, we are seeing rising yields across various sectors, such as mortgages, which present compelling investment opportunities.

We wish you a joyful and prosperous season of gratitude and celebration!



OneAscent Navigator Outlook: November 2024

VALUATION

- · While technology has driven valuations higher, the broad market remains attractive
- Bonds remain attractively valued relative to the earnings of large cap stocks.
- While broad bond yields have risen, Corporate bond yield premiums are low, indicating bond markets do not fear a recession.

SENTIMEN

- · Investor sentiment has declined; sentiment readings are close to long-term averages.
- Consumer confidence rebounded in October alongside a jump in labor market confidence.
- Consumer inflation expectations have stabilized while uncertainty about future inflation is lower, validating the Fed's shift of focus to labor markets.



SLIGHTLY NEGATIVE NEUTRAL SLIGHTLY POSITIVE POSITIVE

ECONOMY

- The Citigroup Economic Surprise index accelerated in October, reflecting stronger growth and labor market conditions.
- Inflation data ticked up a touch in September, reflecting continued services pressures.
- Fiscal spending is likely to increase, lending short-term support to the economy.

TECHNICAL

- Stock market breadth remains in a positive trend despite a dip in October.
- Small and mid-cap stocks have performed well, historically, after presidential elections, indicating potential for broadening of returns.
- · Stock and bond volatility have both increased, indicating heightened uncertainty.

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including investment advisers and tax advisors. OneAscent can assist in determining a suitable investment approach for a given individual, which may or may not closely resemble the strategies outlined herein.

ⁱ Market Returns reference the following indices: Large Cap – S&P 500, Mid Cap Growth – Russell Midcap growth, Mid Cap Value – Russell Midcap Value, Small Cap – Russell 2000, Developed – MSCI EAFE, Emerging – MSCI Emerging Markets, Aggregate – Bloomberg US Aggregate, High Yield – Bloomberg High Yield