

## Weekly Update – February 12, 2024

Market Returns Ending 2/9/2024			
Category	1 Week	MTD	YTD
<b>US</b>			
Large Cap	1.4%	3.8%	5.5%
Mid Cap Growth	2.9%	5.3%	4.7%
Mid Cap Value	0.6%	1.6%	-0.2%
Small Cap	2.4%	3.3%	-0.8%
<b>International</b>			
Developed	0.0%	-1.1%	-0.5%
Emerging	1.0%	2.2%	-2.5%
<b>Bonds</b>			
Aggregate	-0.7%	-1.1%	-1.4%
High Yield	0.0%	0.1%	0.1%

US Equity Style Returns			
	Weekly		
	Value	Core	Growth
Large	0.1	1.5	2.6
Mid	0.6	1.3	2.9
Small	1.4	2.4	3.5
	YTD		
	Value	Core	Growth
Large	1.1	5.2	8.8
Mid	-0.2	1.3	4.7
Small	-3.2	-0.8	1.8

Source: Bloomberg

### Key Events: A super week

The economic data showed a strong economy and slowing in services inflation, confirming the market's expectations for disinflation coupled with growth.

With 2/3 of companies reporting, the earnings are growing slightly more than expected at year-end. Profit margins declined from last quarter, remaining below the 5-year average and fourth quarter 2022.

### Market review: New highs

After recovering its all-time high in January, the market moved through 5,000, the next barrier.

Small caps joined the party – particularly growth stocks, which rose 3.5% on the week. Economic momentum in the US didn't carry over to international markets though; developed market stocks were flat and emerging markets rose slightly during the week.

### Outlook: Positive momentum

Markets often continue to gain after psychological barriers are broken. Two have been broken in the last couple of weeks; the S&P 500 regained its January 3, 2021, all-time high broke through 5,000 the 9<sup>th</sup> of February. Meanwhile, some measures of breadth are showing deterioration; we'd far prefer broader participation in the upside.

We also note that, as illustrated below, only the US large cap market has broken to new highs. Small caps have only recently broken out of bear market territory, now sitting 18% below their 2021 highs. International and emerging markets are also well below their highs. Our portfolios maintain a sensible balance between US large cap, small cap and international stocks, with a slight tactical overweight in US mid and large cap stocks.

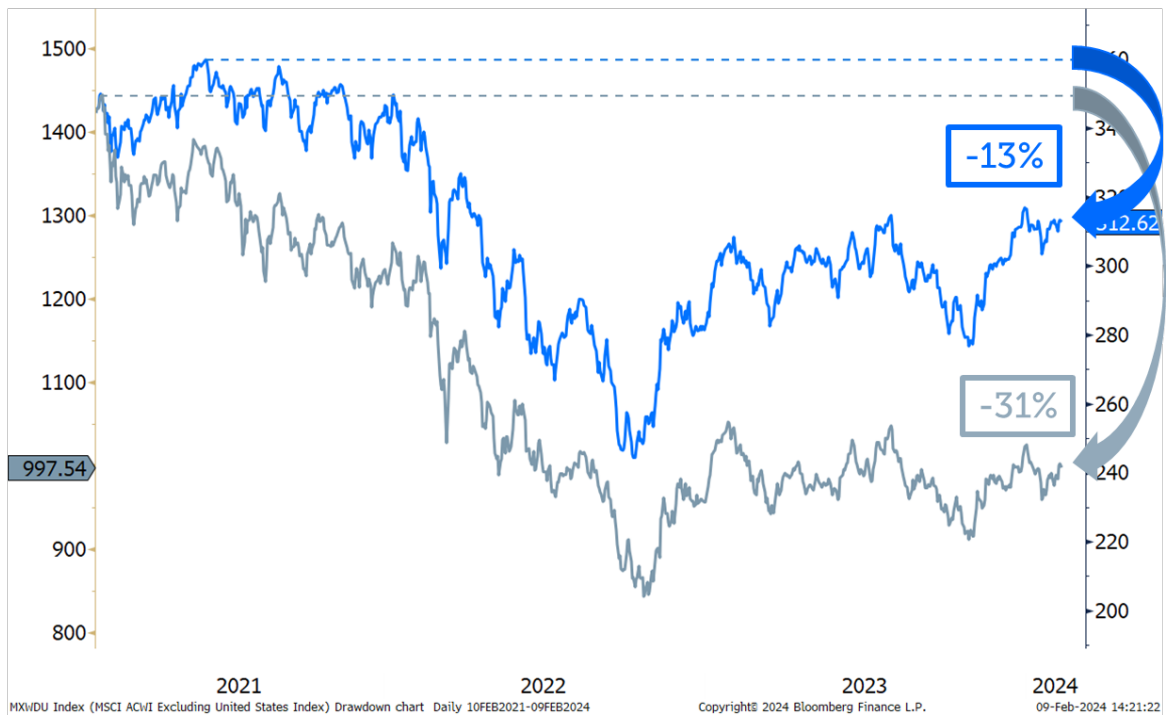
**Most markets are still well below all-time highs <sup>i</sup>**



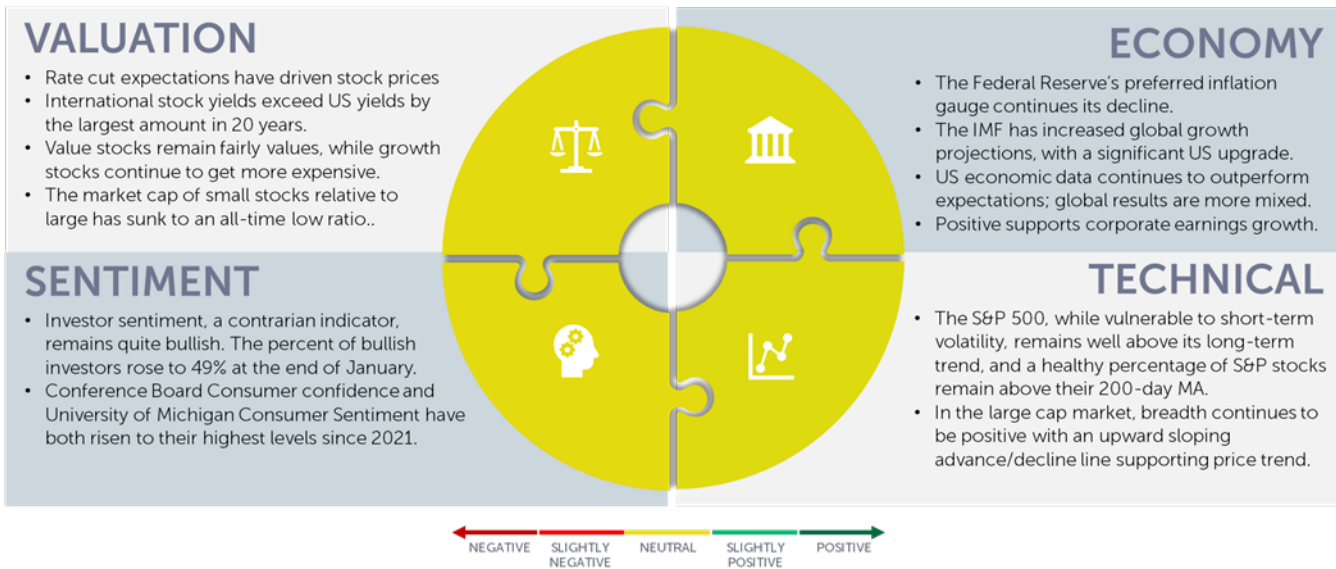
**S&P 500 – new all-time high**  
**Russell 2000 – 18% below November 2021 high**



**MSCI All Country World ex-USA – 13% below June 2021 high**  
**MSCI Emerging Markets – 31% below February 2021 high**



# OneAscent Navigator Outlook: February 2024



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<sup>i</sup> Source : Bloomberg

<sup>ii</sup> 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