

Weekly Update – April 22, 2024

Market Returns Ending 4/19/2024			
Category	1 Week	MTD	YTD
US			
Large Cap	-3.0%	-5.4%	4.6%
Mid Cap Growth	-3.7%	-7.4%	1.4%
Mid Cap Value	-1.8%	-6.1%	1.6%
Small Cap	-2.8%	-8.3%	-3.5%
International			
Developed	-1.8%	-4.2%	1.5%
Emerging	-2.2%	-2.3%	0.1%
Bonds			
Aggregate	-0.7%	-2.5%	-3.2%
High Yield	-0.7%	-1.7%	-0.3%

US Equity Style Returns			
	Weekly		
	Value	Core	Growth
Large	-0.7	-3.0	-4.9
Mid	-1.8	-2.4	-3.7
Small	-1.5	-2.8	-4.0
	YTD		
	Value	Core	Growth
Large	3.8	4.2	4.6
Mid	1.6	1.5	1.4
Small	-4.3	-3.5	-2.7

Source: Bloomberg

Key Events: Inflation and geopolitical worries

Bond yields rose as Fed Chair Powell cautioned the Fed would keep rates where they are as long as necessary given persistent inflationary pressures.

Middle East tensions escalated as Israel responded to Iran's first ever direct attack on its territory.

Market review: Inflation fears drive volatility

Interest rates rose, driving volatility higher and stock prices lower - particularly higher PE growth stocks.

Improving economic data and lower valuations helped to limit international declines despite a strong dollar.

Outlook: Maintaining discipline through risky times

The market is beginning to digest earnings; analysts are optimistic, expecting 10% earnings growth in 2024. Earnings are likely to be a key driver of returns.

The middle east conflict is front and center in many peoples' minds. Coupled with the war in Ukraine and tensions with China, there is a lot to worry about. We encourage investors to remember that while there is almost always a reason to sell, it is rarely the right move.

The chart below highlights an index of geopolitical risk. Each spike has been a great time to buy stocks when you look on a long-term horizon such as ten or twenty years. We encourage investors to stick with your plan, know your risk tolerance, and ignore the noise.

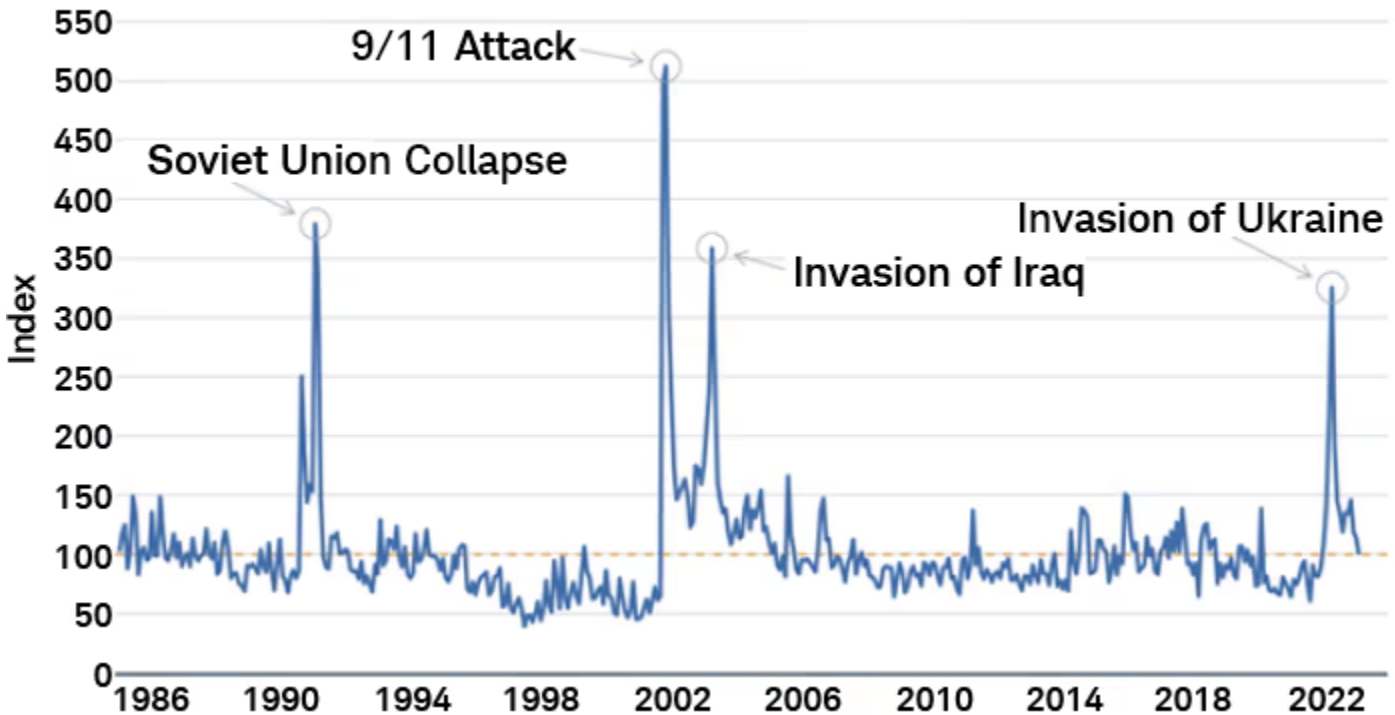
That advice assumes that you actually know your risk tolerance. If you don't, or think it might have changed, talk with your advisor.

OneAscent portfolios are built to be resilient; Make sure that your investment plan is resilient as well.



Stock Markets and Geopolitical riskⁱ

– Geopolitical Risk Index from U.S. Federal Reserve



OneAscent Navigator Outlook: April 2024

<h3>VALUATION</h3> <ul style="list-style-type: none"> • The S&P remains expensive by many measures: the relationship of market cap to US GDP is nearing the 2021 all-time high. • Smaller companies – particularly those which are profitable – remain a compelling value. • High-yield bond premiums have narrowed, reducing expectations for excess returns. 	<h3>ECONOMY</h3> <ul style="list-style-type: none"> • US Growth forecasts rose drastically in the first quarter while the probability of recession dropped from 65% last year to 35% today • The long-term trend of disinflation remains intact despite expected monthly volatility. • Earnings estimate revisions have stagnated due to rising interest and labor costs.
<h3>SENTIMENT</h3> <ul style="list-style-type: none"> • Investor sentiment, a contrarian indicator, has been quite bullish for several months with 50% bullish sentiment at the end of March. • The Conference Board Consumers Confidence survey shows that, while views of current situation have recovered somewhat, consumers remain pessimistic regarding future expectations. 	<h3>TECHNICAL</h3> <ul style="list-style-type: none"> • In the large cap market, breadth remains strong with many stocks making new highs and fewer stocks making new lows. • The S&P 500 remains well above its 200-day moving average; the percentage of stocks trading above their 200-day moving averages is higher than any point since 2021



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ⁱ Source: Charles Schwab [Investors' Guide to Geopolitical Risk | Charles Schwab](#)

ⁱⁱ 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