

Weekly Update – July 10, 2023

Market Returns Ending 7/7/2023			
Category	1 Week	YTD	1 Year
US			
Large Cap	-1.1%	15.6%	14.6%
Mid Cap Growth	-1.4%	14.3%	15.5%
Mid Cap Value	-0.3%	4.9%	7.6%
Small Cap	-1.3%	6.7%	7.0%
International			
Developed	-2.0%	9.9%	17.4%
Emerging	-0.6%	4.4%	1.9%
Bonds			
Aggregate	-1.3%	0.77%	-2.3%
High Yield	-0.6%	4.7%	7.0%

US Equity Style Returns			
	Weekly		
	Value	Core	Growth
Large	-1.1	-1.1	-1.1
Mid	-0.3	-0.6	-1.4
Small	-0.7	-1.3	-1.8
	YTD		
	Value	Core	Growth
Large	4.0	15.4	27.6
Mid	4.9	8.3	14.3
Small	1.7	6.7	11.5

Source: Bloomberg

Key Events: A week without consensus

Economic data releases painted the picture of a slowing manufacturing sector, but a services sector that is showing momentum.ⁱ

Minutes from the Federal Reserve’s last meeting showed dissent among voting members as a few members favored another rate hike rather than the pause that occurred.

Market Review: Summer break

After a 16.9% return through the first half of the year, gains took a break. The third quarter began with a whimper as the S&P 500 dropped slightly; both small cap and international stocks joined in the declines.

Bonds lost ground as the market weighed the likelihood of further rate hikes.

Outlook: Planning for the best – or the worst

Some investors expect the mega cap technology names to drive the market to further gains. Others expect a recession to result in losses.

This has led to a very wide divergence among views on Wall Street. The most optimistic forecast is for a further 10% gain, while the most negative forecast is for a 27% loss in the second halfⁱⁱ. The chart below shows that this is one of the widest ranges of Wall Street forecast we’ve seen in some years.

Tune into our Q3 market update webinar on July 18 to learn how we are managing through this uncertainty. [Register](#)

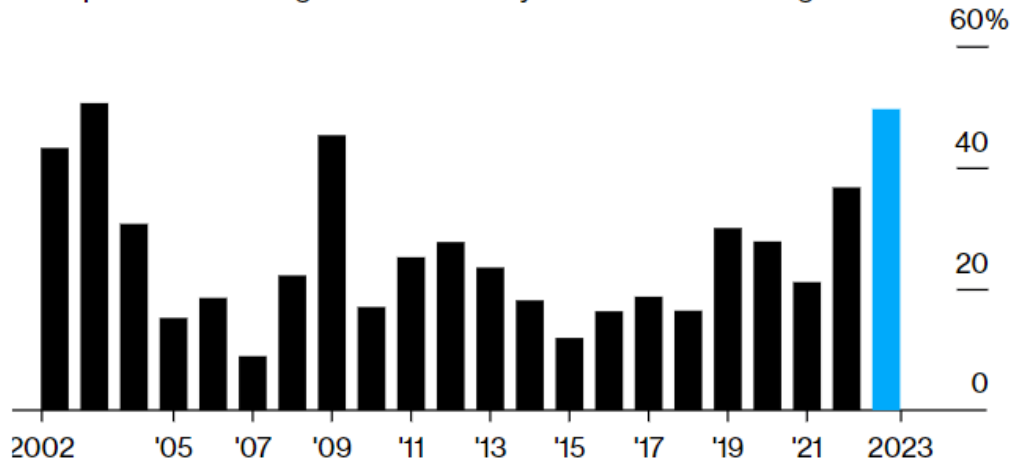
Big difference between bulls and bearsⁱⁱⁱ



Wall Street Sharply Split on S&P 500 Path

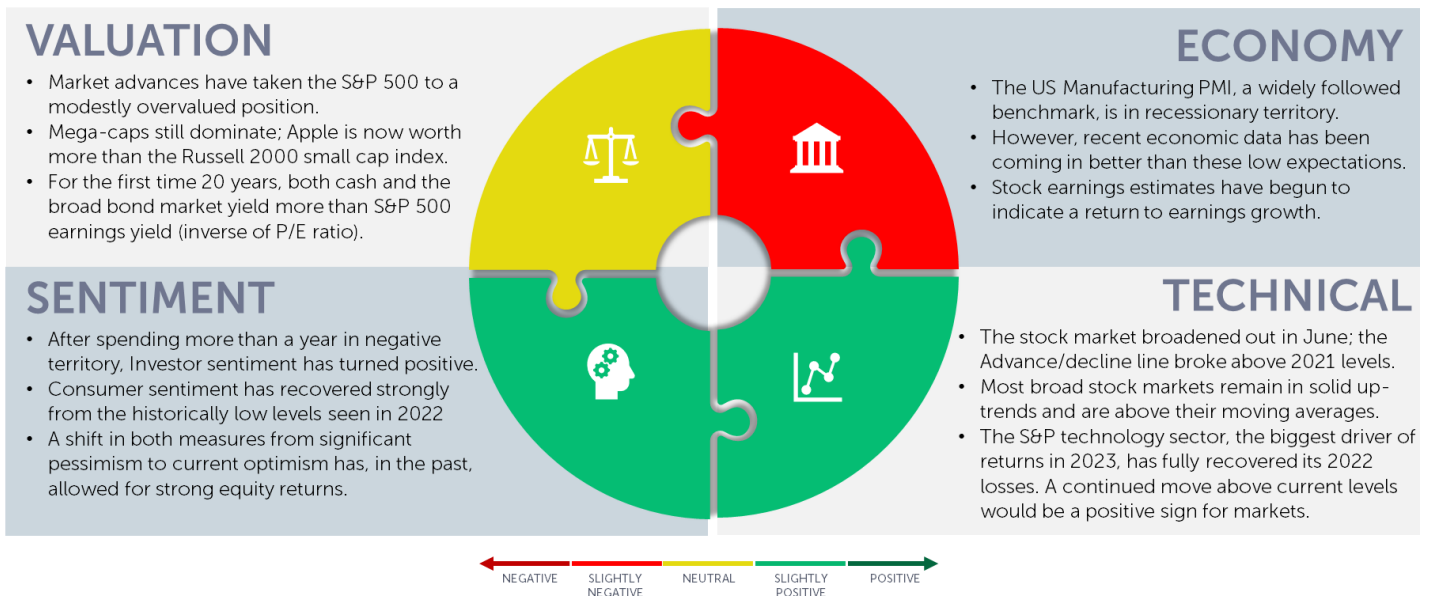
Strategists post biggest gap between the highest and lowest targets

■ Gap between the highest and lowest year-end S&P 500 targets



Bloomberg

Navigator Outlook: July 2023



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ⁱ Source: Bloomberg, S&P Global manufacturing purchasing managers index data

ⁱⁱ Source: Bloomberg [Wall Street Forecasters, Blindsided by Tech Stock Rally, Divided on 2023 Outlook - Bloomberg](#)

ⁱⁱⁱ Source: Bloomberg [Wall Street Forecasters, Blindsided by Tech Stock Rally, Divided on 2023 Outlook - Bloomberg](#)

^{iv} 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