

Weekly Update – August 21, 2023

Market Returns Ending 8/18/2023			
Category	1 Week	YTD	1 Year
US			
Large Cap	-2.1%	15.0%	3.7%
Mid Cap Growth	-2.6%	11.4%	0.4%
Mid Cap Value	-3.0%	3.8%	-3.6%
Small Cap	-3.4%	6.6%	-5.6%
International			
Developed	-2.8%	9.2%	10.0%
Emerging	-2.3%	4.0%	-0.6%
Bonds			
Aggregate	-0.7%	-0.07%	-4.3%
High Yield	-0.7%	5.8%	2.5%

US Equity Style Returns			
	Weekly		
	Value	Core	Growth
Large	-2.4	-2.1	-1.9
Mid	-3.0	-2.9	-2.6
Small	-3.6	-3.4	-3.1
	YTD		
	Value	Core	Growth
Large	4.6	14.8	25.6
Mid	3.8	6.7	11.4
Small	3.5	6.6	9.2

Source: Bloomberg

Key Events: Acceleration

The widely followed “Real GDP Now” estimate from the Atlanta Fed shot up to 5.8% for third quarter GDP.

Minutes of their July 25-26 meeting indicate that, despite the risk of higher inflation, the FOMC is cautiously optimistic about the ability to achieve a soft landing.

Housing starts increased at a higher rate than expected as mortgage rates hit a 20-year high of 7.6%.¹

Market review: Summer doldrums

Stocks were down across the board, with smaller cap and international stocks losing more than the S&P 500.

Bonds were down on increased growth estimates as the 10-year treasury yield hit a 2023 high of 4.25%.

Outlook: Crosscurrents present a cloudy outlook

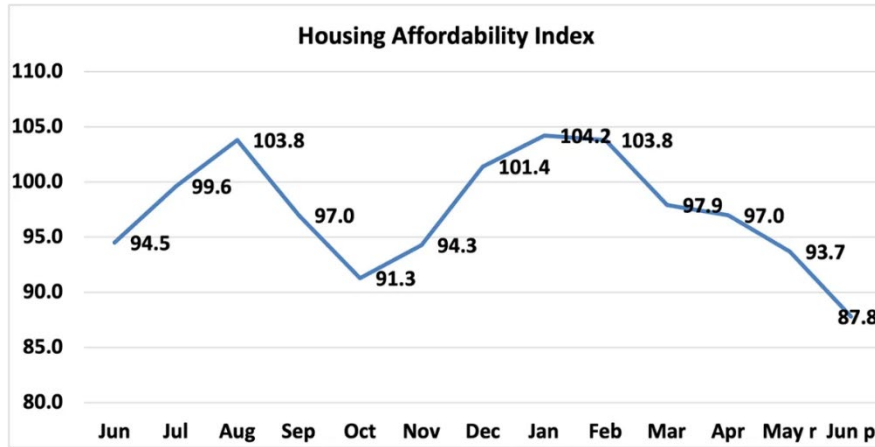
This week presents investors with a stark contrast of positive real-time data versus clear economic headwinds:

- Increases in growth estimates, better than expected housing starts, and retail sales all reflect continued strength across the economy.
- Twenty-year highs in mortgage rates, tougher credit standards, and lower corporate loan demand suggest consumer spending and corporate profits may slow.

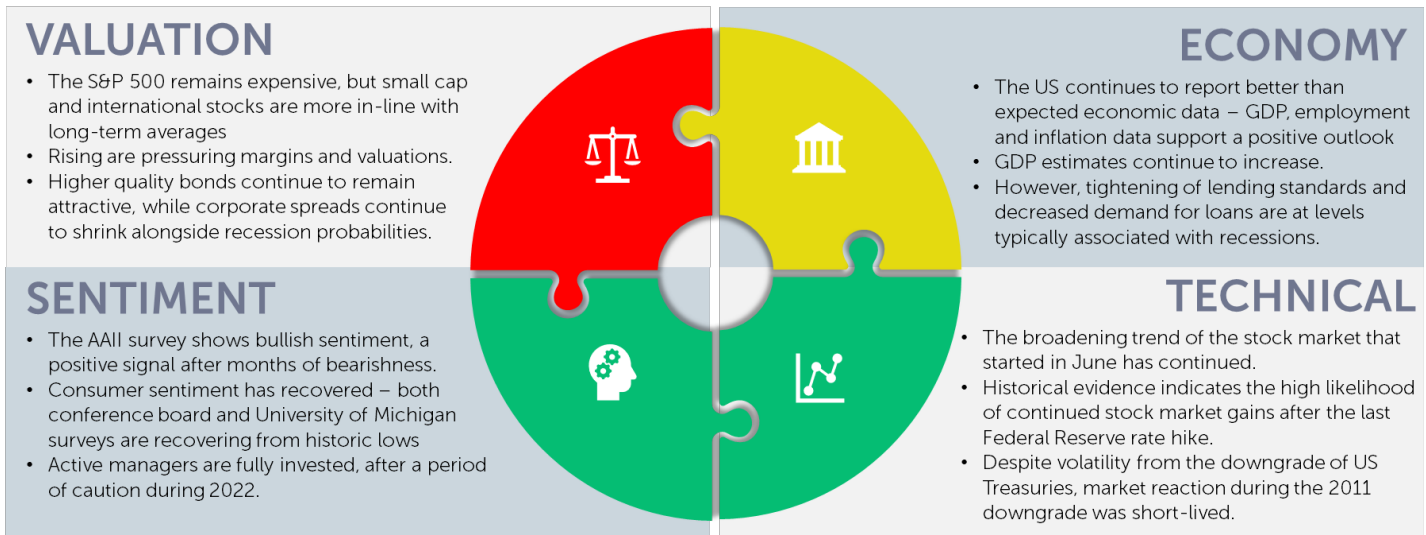
We encourage investors to maintain exposure to the markets while managing risk. OneAscent portfolios are fully invested across a range of assets that present sound values over the long-term.



Reduced housing affordability pressures the US consumerⁱⁱ



OneAscent Navigator Outlook: August 2023



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approach on their own. Before participating in any investment program or making any investment, clients as well as all other readers are encouraged to consult with their own professional advisers, 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 Source: Bankrate 30-year national average mortgage rate

ⁱⁱ Source: National Association of Realtors [Affordability Conditions Continue to Weaken in June 2023 \(nar.realtor\)](https://www.nar.realtor)

ⁱⁱⁱ 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