



Capital Markets Snapshot

Courtesy of Sage Advisors

Week ending July 26, 2024

July has been a month for rotations as we have seen presidential candidate polling swing following the attempted shooting of former President Trump and subsequently President Biden's exit of the 2024 presidential campaign. Further, we have seen value and small cap stocks begin and sustain short-term outperformance of their growth and large cap peers. With Vice President Harris poised as the favored Democratic nominee to take on former President Trump, election odds are looking like more of a coin flip than they were prior to Biden's bowing out. This political uncertainty can be expected to add uncertainty to market outlooks ahead of the November election. This is to be expected as history has shown market uncertainty tends to increase leading into elections and subsequently decrease back to normal levels.

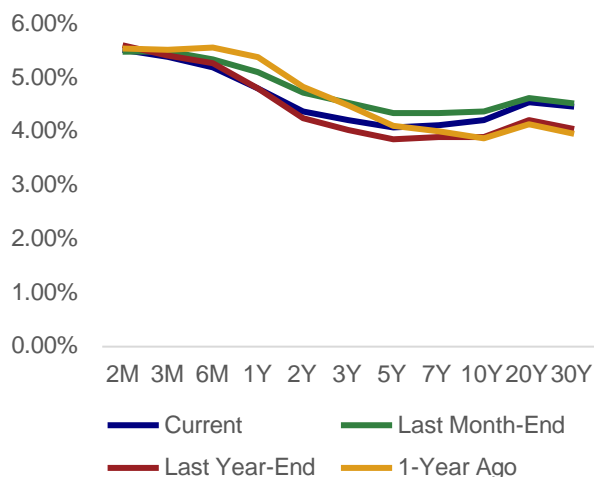
Fixed Income Markets Overview

- 2-Year Treasuries saw the largest yield change last week, dropping 13 bps from the prior week. Overall, the ends of the yield curve remained flat week over week while the middle of the curve saw yields fall between 8 to 13 bps.
- Following a strong Q2 GDP reading, a downside surprise in initial jobless claims, and inflation coming in within expectations, the market continues to expect a rate cut at the upcoming September Federal Reserve meeting.
- 30-Year fixed mortgage rates were flat for the week but have fallen just over 1% from their October 2023 high. Despite lower rates, existing home sales continue to drop and came in below expectations reporting their lowest levels since December 2023.

Asset Class	Name	1W	YTD	3Y(Ann.)	5Y(Ann.)
Short	1-3 Year Govt/Credit	0.2%	2.3%	0.8%	1.4%
	Core Plus				
Core Plus	Intermediate Govt/Credit	0.3%	1.8%	-1.0%	1.0%
	International Aggregate	0.3%	-1.3%	-5.2%	-1.5%
	US Aggregate	0.3%	0.8%	-2.9%	0.1%
	US Treasury	0.3%	0.5%	-3.3%	-0.3%
	US TIPS	0.1%	1.7%	-1.8%	2.3%
	US Corporate	0.2%	1.0%	-3.0%	0.9%
	US Corporate High Yield	0.3%	4.3%	2.1%	4.2%
Other	Emerging Markets Aggregate	0.2%	3.5%	-1.9%	0.6%
Muni	US Municipals	0.1%	0.4%	-0.9%	1.2%
	US Municipals High Yield	0.1%	5.0%	0.0%	3.0%

Source: Bloomberg as of July 26, 2024

U.S. Treasury Yield Curve



Source: Bloomberg and U.S Treasury as of July 26, 2024

Interest Rates (%)

Date	7/26/2024	6/28/2024	12/29/2023	7/26/2023
Federal Funds Rate	5.49%	5.47%	5.60%	5.46%
3 Month Treasury	5.38%	5.48%	5.40%	5.51%
6 Month Treasury	5.18%	5.33%	5.26%	5.55%
2 Year Treasury	4.36%	4.71%	4.23%	4.82%
5 Year Treasury	4.06%	4.33%	3.84%	4.09%
10 Year Treasury	4.20%	4.36%	3.88%	3.86%
30 Year Treasury	4.45%	4.51%	4.03%	3.94%
US Aggregate	4.77%	5.00%	4.53%	4.80%
US Corporate	5.26%	5.48%	5.06%	5.44%
US Corporate High Yield	7.63%	7.91%	7.59%	8.35%
US Municipal	3.59%	3.72%	3.22%	3.43%
US Municipal High Yield	5.45%	5.43%	5.57%	5.66%

Spreads Over 10-Year US Treasuries

Date	7/26/2024	6/28/2024	12/29/2023	7/26/2023
30 Year Treasury	0.25%	0.15%	0.15%	0.08%
US Aggregate	0.57%	0.64%	0.65%	0.94%
US Corporate	1.06%	1.12%	1.18%	1.58%
US Corporate High Yield	3.43%	3.55%	3.71%	4.49%
US Municipal	-0.61%	-0.64%	-0.66%	-0.43%
US Municipal High Yield	1.25%	1.07%	1.69%	1.80%

Source: Bloomberg and U.S. Treasury as of July 26, 2024

Equity Markets Overview

- For the second week in a row on the back of a falling technology sector, both the Nasdaq and S&P 500 continue to pull back falling -2.1% and -0.8%, respectively, while the Dow Jones continued its recent 4-week rally posting a weekly gain of 0.7%.
- Small cap stocks continue to outperform their large cap peers for the month of July (10.28% vs 0.05%, respectively). Despite such strong short-term performance, they still lag large caps on a year-to-date basis but the margin is shrinking (9.5% vs 15.3%, respectively).
- Across all market cap sizes, value stocks again outpaced their growth peers last week. For the month of July, large cap value outpaced large growth names (4.31% vs -3.11%, respectively). However, like the size rotation story, value stocks still lag significantly on a year-to-date basis (10.1% vs 20.1%, respectively).
- Through Friday for the month of July, Communication Services and Technology sectors were the only losers experiencing declines of -5.94% and -2.61%, respectively, while Real Estate and Financial Services lead all sectors with gains of 6.52% and 6.19%, respectively.

Asset Class	Name	1W	YTD	3Y(Ann.)	5Y(Ann.)
All-Cap	S&P 1500	-0.6%	15.0%	8.9%	14.1%
Large-Cap	S&P 500	-0.8%	15.3%	9.1%	14.4%
	S&P 500 Growth	-2.3%	20.1%	6.9%	15.5%
	S&P 500 Value	1.1%	10.1%	10.8%	12.2%
Mid-Cap	S&P Midcap 400	2.0%	11.5%	6.6%	10.9%
	S&P Midcap 400 Growth	1.4%	15.7%	5.7%	10.8%
	S&P Midcap 400 Value	2.6%	7.1%	7.4%	10.5%
Small-Cap	S&P Smallcap 600	3.6%	9.5%	4.5%	10.0%
	S&P Smallcap 600 Growth	3.2%	12.9%	4.1%	10.0%
	S&P Smallcap 600 Value	3.9%	6.0%	4.7%	9.5%
Int'l.	MSCI ACWI ex-USA	-1.1%	6.4%	1.5%	5.7%
	MSCI EM	-1.6%	6.5%	-2.5%	2.9%

Source: Bloomberg as of July 26, 2024

Alternative Markets Overview

- Oil prices continued their recent decline, likely due to falling Chinese demand and continued hope for a potential ceasefire in Gaza easing Middle East tensions and associated supply concerns.
- Bitcoin's price saw a modest 1.0% gain for the week but continues to remain well off its record high. Former President Donald Trump spoke at a bitcoin conference over the weekend announcing promises to maintain a strategic national bitcoin reserve if elected.

Name	1W	YTD	3Y (Ann.)	5Y (Ann.)
S&P GSCI	-1.1%	6.7%	11.2%	7.8%
Gold	-0.8%	17.2%	10.4%	11.1%
FTSE All Equity NAREIT	0.4%	3.9%	-1.2%	4.5%
Bitcoin	1.0%	61.7%	21.4%	47.1%
Ethereum	-7.1%	42.1%	13.4%	71.6%

Source: Bloomberg as of July 26, 2024



Upcoming Week

- It will be a busy week; the Federal Reserve policy meeting concludes Wednesday. Current expectations are for no changes to interest rates.
- Other notable releases this week include Tuesday's Consumer Confidence Index, Thursday's ISM Index data, and Friday's jobs report.
- As second quarter earnings season continues look for a host of earnings releases this week, including Proctor & Gamble, Microsoft, and Apple.

Glossary and Disclosures

This commentary is brought to you courtesy of MML Investors Services, a subsidiary of Massachusetts Mutual Life Insurance Company. Securities, investment advisory, and wealth management solutions offered by MML Investors Services, LLC member SIPC, a registered broker-dealer, and a registered investment adviser. Sage Advisors is not a subsidiary or affiliate of MML Investors Services, LLC or its affiliated companies.

Past performance is not indicative of future results. Indexes are unmanaged. You cannot invest directly in an index.

This material does not constitute a recommendation to engage in or refrain from a particular course of action. The information within has not been tailored for any individual. The opinions expressed herein are those of the author as of the date of writing and are subject to change. Also, this material may contain forward looking statements that are subject to certain risks and uncertainties. Actual results, performance, or achievements may differ materially from those expressed or implied.

Neither MML Investors Services, LLC, nor its representatives, can assist with digital asset purchases or sales or otherwise provide investment advice concerning digital assets, such as cryptocurrencies. Any information provided is educational in nature and should not be relied upon to make digital asset related decisions.

S&P 1500 Index combines three leading indices, the S&P 500, the S&P Midcap 400, and the S&P Smallcap 600, to cover approximately 90% of U.S. equity market capitalization.

S&P 500 Index includes approximately 500 leading companies that covers approximately 80% of available U.S. equity market capitalization.

S&P 500 Growth Index is a stock index that represents the fastest-growing companies in the S&P 500 based on three factors: sales growth, ratio of earnings change to price, and momentum.

S&P 500 Value Index is a stock index that represents the companies in the S&P 500 with the most attractive valuations based on three factors: book value, earnings, and sales to price.

S&P Midcap 400 Index is distinct from the large-cap S&P 500 and designed to measure the performance of 400 U.S. mid-sized companies, which have differing liquidity and growth potential than large and small cap companies.

S&P Midcap 400 Growth Index is a stock index that represents the fastest-growing companies in the S&P Midcap 400 based on three factors: sales growth, ratio of earnings change to price, and momentum.

S&P Midcap 400 Value Index is a stock index that represents the companies in the S&P Midcap 400 with the most attractive valuations based on three factors: book value, earnings, and sales to price.

S&P Smallcap 600 Index measures the performance of 600 small-sized U.S. companies to reflect the small-cap segment of the U.S. equity market, which is typically known for less liquidity than large cap stocks.

S&P Smallcap 600 Growth Index is a stock index that represents the fastest-growing companies in the S&P Smallcap 600 based on three factors: sales growth, ratio of earnings change to price, and momentum.

S&P Smallcap 600 Value Index is a stock index that represents the companies in the S&P Smallcap 600 with the most attractive valuations based on three factors: book value, earnings, and sales to price.

MSCI ACWI ex-US Index captures large and mid-cap representation across 22 of 23 Developed Markets (DM) countries (excluding the US) and 24 Emerging Markets (EM) countries.

MSCI Emerging Markets Index captures large and mid-cap representation across 24 Emerging Markets (EM) countries.

S&P GSCI is broad-based and production weighted to represent the global commodity market beta. The index is designed to be investable by including the most liquid commodity futures.

S&P GSCI Gold a sub-index of the S&P GSCI, provides investors with a reliable and publicly available benchmark tracking the COMEX gold future.

FTSE All Equity NAREIT Index contains all tax-qualified REITs with more than 50 percent of total assets in qualifying real estate assets other than mortgages secured by real property that also meet minimum size and liquidity criteria.

Bitcoin USD Spot Exchange Rate measures the last price of 1 Bitcoin in USD.

Bloomberg Galaxy Bitcoin Index is designed to measure the performance of a single bitcoin traded in USD.

Ethereum USD Spot Exchange Rate measure the last price of 1 Ethereum in USD.

Bloomberg Galaxy Ethereum Index is designed to measure the performance of a single Ethereum traded in USD.

Bloomberg Barclays 1-3 Year Govt/Credit Index is the 1-3 Yr. component of the U.S. Government/Credit index, which includes securities in the Government, which includes treasuries and agencies debt securities, and Credit Indices, which includes publicly issued U.S. corporate and foreign debt that meet specified maturity, liquidity, and quality requirements.

Bloomberg Intermediate US Government/Credit Bond Index is a broad-based flagship benchmark that measures the non-securitized component of the US Aggregate Index with less than 10 years to maturity; this includes investment grade, US dollar-denominated, fixed-rate treasuries, government-related and corporate securities

Bloomberg Barclays Global Aggregate Bond Index provides a broad-based measure of the global investment-grade fixed income markets, with three major components of this index are the U.S. Aggregate, the Pan-European Aggregate, and the Asian-Pacific Aggregate Indices.

Bloomberg Barclays U.S. Aggregate Bond Index represents securities that are SEC-registered, taxable, and dollar denominated. The index covers the U.S. investment grade fixed rate bond market, with index components for government and corporate securities, mortgage pass-through securities, and asset-backed securities.

Bloomberg Barclays U.S. Treasury Aggregate Bond Index is the U.S. Treasury component of the U.S. Government index and represents public obligations of the U.S. Treasury with a remaining maturity of one year or more.

Bloomberg US TIPS Index consists of Inflation-Protection securities issued by the U.S. Treasury.

Bloomberg Barclays US Corporate Bond Index is the Corporate component of the U.S. Credit index and represents publicly issued U.S. corporate and specified foreign debentures and secured notes that meet the specified maturity, liquidity, and quality requirements.

Bloomberg Barclays U.S. Corporate High Yield Index covers the universe of fixed rate, non-investment grade debt.

Bloomberg Barclays Emerging Markets Bond Index is broad-based with country eligibility and classification as an Emerging Market being rules-based and reviewed on an annual basis using World Bank income group and International Monetary Fund (IMF) country classifications.

Bloomberg Barclays U.S. Municipal Index is a rules-based, market-value-weighted index engineered for the long-term tax-exempt bond market.

Bloomberg Barclays US High Yield Municipal Index is an unmanaged index of noninvestment-grade municipal debt securities, which provides a representation of the performance of US high-yield tax-exempt bonds.

Federal Funds Rate is the interest rate at which depository institutions trade federal funds (balances held at Federal Reserve Banks) with each other overnight.

U.S. Treasury Securities are issued by the federal government and are considered to be among the safest investments you can make, because all Treasury securities are backed by the "full faith and credit" of the U.S. government.

©2022 Massachusetts Mutual Life Insurance Company, Springfield, MA 01111-0001 All Rights Reserved. www.massmutual.com

MM202707-309857