



Capital Markets Snapshot

Courtesy of Sage Advisors

Week ending November 15, 2024

Last week, the equity markets experienced a notable pullback after a strong post-election rally. Major indices like the S&P 500, Nasdaq, and Russell 2000 all posted significant losses, with the Russell 2000 down over 4%. This decline was driven by rising bond yields, which reached multi-month highs, and comments from Fed Chair Jerome Powell suggesting a more cautious approach to rate cuts. Additionally, there was a noticeable sector rotation as investors moved out of Information Technology and into more cyclical sectors like Financials, Industrials, and Energy. Despite the pullback, the overall market remains up for the year, supported by strong economic fundamentals and resilient consumer spending.

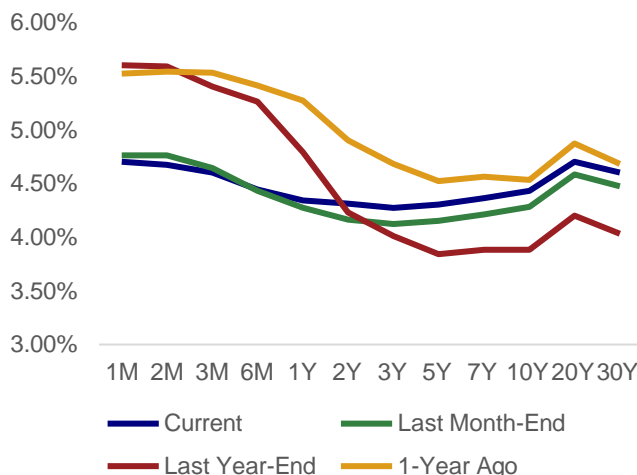
Fixed Income Markets Overview

- Bond yields surged to multi-month highs, with the 10-year Treasury yield briefly surpassing 4.50% before closing around 4.44% on Friday.
- The Federal Reserve delivered a 25-basis-point rate cut but emphasized inflation remains somewhat elevated and the economy is firm.
- Economic data, including the Consumer Price Index (CPI) and Producer Price Index (PPI), showed persistent inflation, particularly in services.
- The probability of future rate cuts decreased, with the CME FedWatch tool suggesting a lower likelihood of a December rate cut.

Asset Class	Name	1W	YTD	3Y(Ann.)	5Y(Ann.)
Short	1-3 Year Govt/Credit	0.0%	3.8%	1.4%	1.5%
	Core Plus				
	Intermediate Govt/Credit	-0.4%	2.7%	-0.2%	0.9%
	International Aggregate	-1.3%	-1.2%	-4.4%	-1.7%
	US Aggregate	-0.8%	1.3%	-2.2%	-0.2%
	US Treasury	-0.7%	0.7%	-2.6%	-0.7%
	US TIPS	-1.0%	2.2%	-2.2%	2.1%
	US Corporate	-1.1%	2.4%	-2.0%	0.6%
	US Corporate High Yield	-0.4%	7.9%	3.0%	4.6%
Other	Emerging Markets Aggregate	-0.7%	6.5%	-0.5%	1.0%
Muni	US Municipals	0.1%	1.5%	-0.3%	1.2%
	US Municipals High Yield	0.2%	6.7%	0.6%	2.9%

Source: Bloomberg as of November 15, 2024

U.S. Treasury Yield Curve



Source: Bloomberg and U.S. Treasury as of November 15, 2024

Interest Rates (%)

Date	11/15/2024	10/31/2024	12/29/2023	11/15/2023
Federal Funds Rate	4.70%	4.76%	5.60%	5.52%
3 Month Treasury	4.60%	4.64%	5.40%	5.53%
6 Month Treasury	4.44%	4.43%	5.26%	5.41%
2 Year Treasury	4.31%	4.16%	4.23%	4.90%
5 Year Treasury	4.30%	4.15%	3.84%	4.52%
10 Year Treasury	4.43%	4.28%	3.88%	4.53%
30 Year Treasury	4.60%	4.47%	4.03%	4.68%
US Aggregate	4.84%	4.73%	4.53%	5.30%
US Corporate	5.25%	5.16%	5.06%	5.93%
US Corporate High Yield	7.29%	7.33%	7.59%	8.72%
US Municipal	3.59%	3.66%	3.22%	3.99%
US Municipal High Yield	5.38%	5.44%	5.57%	6.06%

Spreads Over 10-Year US Treasuries

Date	11/15/2024	10/31/2024	12/29/2023	11/15/2023
30 Year Treasury	0.17%	0.19%	0.15%	0.15%
US Aggregate	0.41%	0.45%	0.65%	0.77%
US Corporate	0.82%	0.88%	1.18%	1.40%
US Corporate High Yield	2.86%	3.05%	3.71%	4.19%
US Municipal	-0.84%	-0.62%	-0.66%	-0.54%
US Municipal High Yield	0.95%	1.16%	1.69%	1.53%

Source: Bloomberg and U.S. Treasury as of November 15, 2024

Equity Markets Overview

- All three major large cap indices experienced pullbacks ranging from -1% to -3%, after last week's strong rallies, with rising bond yields and Fed Chair Powell's comments about their planned cautious approach to future cuts contributing to the decline.
- Most sectors were down for the week, with Healthcare (-5.54%), Materials (-3.33%), and Technology (-3.18%) posting the biggest losses. Energy (+1.42%) and Financials (+0.58%) were the only positive gains for the week, while Utilities came in flat for the week and all remaining sectors posted losses of -1% to -2%.
- From a size perspective, small-cap stocks gave up the most ground falling -3% compared to large- and mid-cap with losses of -2.1% and -2.7%, respectively. From a style perspective, value stocks held up better than their growth counterparts across all market caps, with the largest outperformance in the large cap segment.

Asset Class	Name	1W	YTD	3Y(Ann.)	5Y(Ann.)
All-Cap	S&P 1500	-2.1%	23.8%	9.1%	15.0%
Large-Cap	S&P 500	-2.0%	24.6%	9.5%	15.3%
	S&P 500 Growth	-2.7%	31.6%	7.2%	17.3%
	S&P 500 Value	-1.1%	16.7%	11.3%	12.1%
Mid-Cap	S&P Midcap 400	-2.7%	16.8%	5.0%	11.6%
	S&P Midcap 400 Growth	-3.3%	19.0%	3.4%	11.3%
	S&P Midcap 400 Value	-2.0%	14.5%	6.5%	11.5%
Small-Cap	S&P Smallcap 600	-3.0%	12.6%	1.9%	10.0%
	S&P Smallcap 600 Growth	-3.2%	14.8%	1.1%	10.3%
	S&P Smallcap 600 Value	-2.8%	10.4%	2.5%	9.4%
Int'l.	MSCI ACWI ex-USA	-3.0%	6.3%	0.3%	5.1%
	MSCI EM	-4.4%	8.3%	-3.0%	3.1%

Source: Bloomberg as of November 15, 2024

Alternative Markets Overview

- Oil prices slid down around -4% last week due to weaker Chinese demand and a increasing expectations of slowing in the pace of U.S. Federal Reserve interest rate cuts.
- Gold prices continued to retreat falling just over -4%, their biggest weekly decline in over three years, as expectations of less aggressive interest rate cuts by the U.S. Federal Reserve fell.
- Bitcoin's price reached a new record high for the second consecutive week, trading around \$91,000 on Friday afternoon after briefly hitting \$93,000 earlier in the week, up from approximately \$77,000 the previous week.

Name	1W	YTD	3Y (Ann.)	5Y (Ann.)
S&P GSCI	-2.3%	3.9%	6.7%	6.9%
Gold	-4.1%	25.2%	11.5%	11.9%
FTSE All Equity NAREIT	-1.9%	9.6%	-0.9%	4.4%
Bitcoin	19.1%	115.1%	12.7%	61.0%
Ethereum	5.0%	33.9%	-12.2%	76.6%

Source: Bloomberg as of November 15, 2024



Upcoming Week

- As third quarter earnings season approaches its end, it will be a lighter week of releases, with notable ones from Walmart, Nvidia, and Deere & Company.
- This week we will be keeping an eye on the Wednesday's Leading Economic Indicator Index and Friday's Purchasing Managers Index releases. Other notable releases include a variety of housing market data throughout the week.

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

MM202711-310955