



Weekly Market Recap

The week in review

- Consumer confidence fell to 67.4 in May.

The week ahead

- CPI
- PPI
- Retail sales
- Housing starts

Thought of the week

Despite weak income growth in early 2024, consumer spending remained resilient, and real wages stayed positive. The personal saving rate, however, slid to 3.6% for the quarter and 3.2% in March, lower than for any year since 2007. This may seem concerning, but it's important to note that the personal saving rate, calculated as the residual of disposable personal income less personal outlays, is inherently volatile.

This week's chart, which shows the personal saving rate from 1978 to today, reveals that consumers' unwavering spending habits over the past few years have pushed the personal saving rate well below its long-term average of 8.5%. In 2020 and 2021, pandemic aid boosted personal savings, allowing consumers to spend cash accumulated from the government without drawing down on existing savings. While this tailwind persisted into 2022, it began to fade in 2023. Consumers had to adapt and began accumulating credit card debt, which has now risen above pre-pandemic levels. This suggests that consumers might finally be ready to pause their spending.

However, it is worth noting that wage gains have outpaced inflation for over a year, and household wealth rose by 8% in 2023. Consumer sentiment remains positive. Despite a possibly overstated 12.7% month-over-month drop in early May, it's up 14.2% year-over-year, standing 17.4 index points above its low of 50 in June 2022. Consequently, the saving rate will likely stay low as consumers continue to find ways to keep the spending party going.

Please see important disclosures on next page.

Weekly Data Center

Equities	Level	Index Returns (%)				
		1 week	QTD	YTD	1 year	3-yr. Cum.
S&P 500	5223	1.89	-0.47	10.03	28.22	30.68
Dow Jones 30	39513	2.20	-0.61	5.48	20.33	20.87
Russell 2000	5119	1.21	-2.95	2.07	18.89	-2.96
Russell 1000 Growth	2240	1.61	-0.11	11.30	36.44	37.36
Russell 1000 Value	1074	2.16	-1.28	7.59	19.55	16.91
MSCI EAFE	2346	1.80	0.74	6.59	13.25	10.48
MSCI EM	1072	0.99	3.33	5.56	12.78	-12.87
NASDAQ	16341	1.17	-0.18	9.12	33.85	24.83

Fixed Income	Yield	Index Returns (%)				
		1 week	QTD	YTD	1 year	3-yr. Cum.
U.S. Aggregate	5.11	0.09	-1.20	-1.97	-0.05	-9.09
U.S. Corporates	5.55	0.02	-1.23	-1.63	3.04	-7.88
Municipals (10yr)	3.23	0.36	-0.51	-1.05	1.68	-1.69
High Yield	8.10	-0.02	-0.02	1.46	10.36	5.20

Key Rates	Levels (%)					
	5/10/24	5/3/24	3/28/24	12/29/23	5/10/23	5/10/21
2-yr U.S. Treasuries	4.87	4.81	4.59	4.23	3.90	0.16
10-yr U.S. Treasuries	4.50	4.50	4.20	3.88	3.43	1.63
30-yr U.S. Treasuries	4.64	4.66	4.34	4.03	3.80	2.32
10-yr German Bund	2.52	2.51	2.29	2.00	2.30	-0.21
SOFR	5.31	5.31	5.34	5.38	5.06	0.01
3-mo. EURIBOR	3.82	3.83	3.89	3.91	3.30	-0.53
6-mo. CD rate	2.33	2.34	2.33	2.23	1.90	0.16
30-yr fixed mortgage	7.18	7.18	6.91	6.76	6.48	3.11
Prime Rate	8.50	8.50	8.50	8.50	8.25	3.25

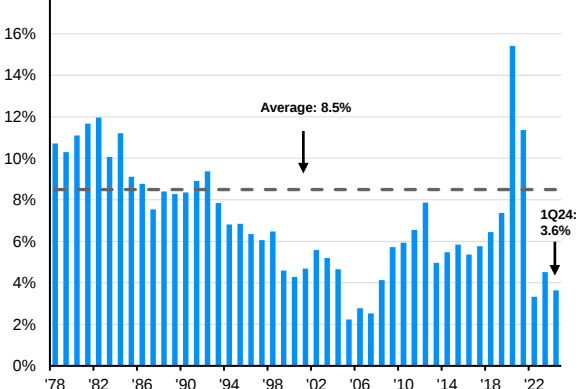
Index Characteristics			
NTM P/E	P/B	Div. Yld.	Mkt. Cap (bn)
20.47	4.53	1.34	43833
18.26	4.87	1.79	13764
22.56	1.90	1.32	2548
26.94	11.73	0.67	26196
15.72	2.43	2.11	21498
14.26	1.84	2.99	16890
12.41	1.63	2.78	7396
26.92	6.10	0.72	26534

Levels			
Currencies	5/10/24	12/29/23	5/10/23
\$ per €	1.08	1.10	1.10
\$ per £	1.25	1.27	1.26
¥ per \$	155.88	140.98	134.43

Levels			
Commod.	5/10/24	12/29/23	5/10/23
Oil (WTI)	79.26	71.89	72.53
Gasoline	3.64	3.12	3.53
Natural Gas	2.30	2.58	2.12
Gold	2372	2078	2037
Silver	28.64	23.79	25.52
Copper	9942	8476	8469
Corn	4.56	4.59	6.36
BBG Idx	240.58	226.43	227.86

Chart of the Week

Despite a saving slide, consumer spending still has room to grow
Personal saving rate, seasonally adjusted, annualized



Style Returns

	V		
	B	G	
	L	M	S
V	2.2	1.9	1.6
B	2.2	2.0	1.4
G	1.2	1.2	1.2
L	7.6	10.0	11.3
M	6.5	6.3	5.9
S	1.0	2.1	3.2

S&P 500 Sector Returns

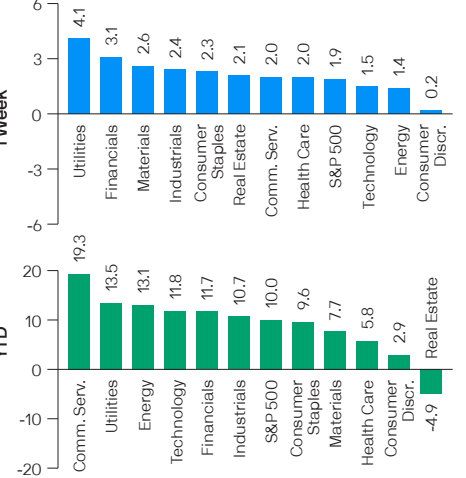




Chart of the Week: Source: FactSet, BEA, J.P. Morgan Asset Management.

Thought of the week: Source: FactSet, University of Michigan, J.P. Morgan Asset Management.

Abbreviations: Cons. Sent.: University of Michigan Consumer Sentiment Index; CPI: Consumer Price Index; EIA: Energy Information Agency; FHFA HPI: - Federal Housing Finance Authority House Price Index; FOMC: Federal Open Market Committee; GDP: gross domestic product; HPI: Home Price Index; HMI: Housing Market Index; ISM Mfg. Index: Institute for Supply Management Manufacturing Index; PCE: Personal consumption expenditures; Philly Fed Survey: Philadelphia Fed Business Outlook Survey; PMI: Purchasing Managers' Manufacturing Index; PPI: Producer Price Index; SAAR: Seasonally Adjusted Annual Rate

Equity Price Levels and Returns: All returns represent total return for stated period. Index: S&P 500; provided by: Standard & Poor's. Index: Dow Jones Industrial 30 (The Dow Jones is a price-weighted index composing of 30 widely-traded blue chip stocks.); provided by: S&P Dow Jones Indices LLC. Index: Russell 2000; provided by: Russell Investments. Index: Russell 1000 Growth; provided by: Russell Investments. Index: Russell 1000 Value; provided by: Russell Investments. Index: MSCI – EAFE; provided by: MSCI – gross official pricing. Index: MSCI – EM; provided by: MSCI – gross official pricing. Index: Nasdaq Composite; provided by: NASDAQ OMX Group.

MSCI EAFE is a Morgan Stanley Capital International Index that is designed to measure the performance of the developed stock markets of Europe, Australasia, and the Far East.

Bond Returns: All returns represent total return. Index: Bloomberg US Aggregate; provided by: Bloomberg Capital. Index: Bloomberg Investment Grade Credit; provided by: Bloomberg Capital. Index: Bloomberg Municipal Bond 10 Yr; provided by: Bloomberg Capital. Index: Bloomberg Capital High Yield Index; provided by: Bloomberg Capital.

Key Interest Rates: 2 Year Treasury, FactSet; 10 Year Treasury, FactSet; 30 Year Treasury, FactSet; 10 Year German Bund, FactSet. 3 Month LIBOR, British Bankers' Association; 3 Month EURIBOR, European Banking Federation; 6 Month CD, Federal Reserve; 30 Year Mortgage, Mortgage Bankers Association (MBA); Prime Rate: Federal Reserve.

Commodities: Gold, FactSet; Crude Oil (WTI), FactSet; Gasoline, FactSet; Natural Gas, FactSet; Silver, FactSet; Copper, FactSet; Corn, FactSet. Bloomberg Commodity Index (BBG Idx), Bloomberg Finance L.P.

Currency: Dollar per Pound, FactSet; Dollar per Euro, FactSet; Yen per Dollar, FactSet.

S&P Index Characteristics: Dividend yield provided by FactSet Pricing database. Fwd. P/E is a bottom-up weighted harmonic average using First Call Mean estimates for the "Next 12 Months" (NTM) period. Market cap is a bottom-up weighted average based on share information from Compustat and price information from FactSet's Pricing database as provided by Standard & Poor's.

MSCI Index Characteristics: Dividend yield provided by FactSet Pricing database. Fwd. P/E is a bottom-up weighted harmonic average for the "Next 12 Months" (NTM) period. Market cap is a bottom-up weighted average based on share information from MSCI and Price information from FactSet's Pricing database as provided by MSCI.

Russell 1000 Value Index, Russell 1000 Growth Index, and Russell 2000 Index Characteristics: Trailing P/E is provided directly by Russell. Fwd. P/E is a bottom-up weighted harmonic average using First Call Mean estimates for the "Next 12 Months" (NTM) period.

Market cap is a bottom-up weighted average based on share information from Compustat and price information from FactSet's Pricing database as provided by Russell.

Sector Returns: Sectors are based on the GICS methodology. Return data are calculated by FactSet using constituents and weights as provided by Standard & Poor's. Returns are cumulative total return for stated period, including reinvestment of dividends.

Style Returns: Style box returns based on Russell Indexes with the exception of the Large-Cap Blend box, which reflects the S&P 500 Index. All values are cumulative total return for stated period including the reinvestment of dividends. The Index used from L to R, top to bottom are: Russell 1000 Value Index (Measures the performance of those Russell 1000 companies with lower price-to-book ratios and lower forecasted growth values), S&P 500 Index (Index represents the 500 Large Cap portion of the stock market, and is comprised of 500 stocks as selected by the S&P Index Committee), Russell 1000 Growth Index (Measures the performance of those Russell 1000 companies with higher price-to-book ratios and higher forecasted growth values), Russell Mid Cap Value Index (Measures the performance of those Russell Mid Cap companies with lower price-to-book ratios and lower forecasted growth values), Russell Mid Cap Index (The Russell Midcap Index includes the smallest 800 securities in the Russell 1000), Russell Mid Cap Growth Index (Measures the performance of those Russell Mid Cap companies with higher price-to-book ratios and higher forecasted growth values), Russell 2000 Value Index (Measures the performance of those Russell 2000 companies with lower price-to-book ratios and lower forecasted growth values), Russell 2000 Index (The Russell 2000 includes the smallest 2000 securities in the Russell 3000), Russell 2000 Growth Index (Measures the performance of those Russell 2000 companies with higher price-to-book ratios and higher forecasted growth values).

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