

MARKET RECAP

U.S. Equities

Stocks had one of their worst daily performances of the year on Friday, with major U.S. indices falling more than 1% as sticky inflation, escalating geopolitical tensions, and disappointing Q1 bank earnings (see JPM) rattled investors. On Wednesday, we saw the Consumer Price Index (CPI), rose more than expected in March, increasing 0.4% while the year-over-year jumped to +3.5% (it was +3.2% in February). Excluding food and energy prices, core CPI rose 0.4% last month and was +3.8% YoY. Then on Thursday, the Producer Price Index (PPI) showed a 0.2% gain last month, less than expected and down from the +0.6% reading in February. Year-over-year, PPI rose 2.1%, while core PPI, rose 0.2% for the month and +2.8% YoY. For the week, the S&P 500 fell 1.56%, the Dow lost 2.37%, the Nasdaq fell 0.45%, and the small-cap Russell 2000 declined 2.92%.

	Prior Week Close	High	4/8/24 - 4/12-24 1-Week Low	Close	Weekly Chg	Low	52-Week Range	High
S&P 500	5,204	5,225	5,108	5,123	↓ -1.56%	4,048	•	5,265
DJIA	38,904	39,013	37,877	37,983	↓ -2.37%	32,327	•	39,889
NASDAQ	16,249	16,465	16,092	16,175	↓ -0.45%	11,799	•	16,539
Russell 2000	2,063	2,084	1,995	2,003	↓ -2.92%	1,634	•	2,135
							Weekly Closing Price	

U.S. Treasuries

Treasury yields actually fell on Friday (a good sign for those hedging equity risk), but were still higher for the week. Yields spiked following the CPI report, with the 10-year Treasury rising back above 4.5%. Market participants have now pushed expectations of Fed rate cut to September rather than in June, per data from the CME Group's FedWatch tool. After the CPI report on Wednesday, the Fed also released their meeting minutes from March, which further confirmed the FOMC is not yet ready to lower target rates, particularly given recent inflation readings that remain above their 2% target.

	Prior Week Close		4/8/24 - 4/12-24 1-Week	Close	Washington		52 Week Barrer	
	Prior Week Close	High	Low	Close	Weekly Chg	Low	52-Week Range	High
U.S. 5-Year Yield	4.40%	4.66%	4.34%	4.57%	↑ 16.9 bps	3.21%	•	5.00%
U.S. 10-Year Yield	4.41%	4.61%	4.34%	4.53%	↑ 12.6 bps	3.29%	•	5.02%
U.S. 30-Year Yield	4.56%	4.69%	4.46%	4.63%	↑ 7.5 bps	3.61%	•	5.18%
							Weekly Closing Price	

Commodities

The broad-based S&P GSCI was down 0.60% as the oil rally took a breather this week, despite Brent & WTI crude gaining nearly 1% on Friday. For the week, WTI fell 1.44% to settle at \$85.66 per barrel. Both precious metals and industrial metals sub-indices were higher for the week. Copper hit its highest level in nearly two years, while gold continues to hit new record highs despite rising yields (which are typically a headwind). The precious metal has risen more than 14% year-to-date and is up ~30% from its 52-week low of \$1,8250 in October '23.

	Prior Week Close	High	4/8/24 - 4/12-24 1-Week Low	Close		Veekly Chg	Low	52-Week Range	High
S&P GSCI (Spot)		599.17	594.13	598.32	4	-0.60%	520.26	52-Week Railge	619.63
Crude Oil (WTI)		\$87.67	\$84.55	\$85.66	4	-1.44%	\$63.57	•	\$95.03
Gold (Spot)	\$2,345.40	\$2,448.80	\$2,321.70	\$2,374.10	1	1.22%	\$1,824	•	\$2,449
	ı	52-Week High						Weekly Closing Price	



WEEKLY REVIEW

For the week ending April 12, 2024

QUOTE OF THE WEEK

"Last impressions can be lasting impressions."

- DON REDELMEIER (FROM THE UNDOING PROJECT)

WEEKEND READS

Two Market Stats Not To Worry About - A Wealth of Common Sense

My Dream Break from Work Wasn't What I Expected - WSJ

The Unintended Consequences of Al [In Finance] - Portfolio for the Future (CAIA)

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