

## Economic Calendar

### Monday, March 6

Factory Orders.

### Tuesday, March 7

Wholesale Trade  
Sales/Inventories, Consumer  
Credit.

### Wednesday, March 8

Mortgage Activity, ADP  
Private Payrolls, Trade  
Deficit, JOLTS Job  
Openings, Fed Beige Book.

### Thursday, March 9

Jobless Claims.

### Friday, March 10

Nonfarm Payrolls,  
Unemployment Rate,  
Average Hourly Earnings,  
Federal Budget Deficit.

## [The Latest from @CeteraIM](#)

### [Growth in Apartment Rents Slow](#)

### [Mortgage Purchase Applications Drop](#)

### [Services Activity Expands](#)

### [The Week Ahead Video](#)

# WEEKLY RECAP

February 27- March 3, 2023 Recap

## Equities Rebound as Yields Ease

### ***S&P 500 Snaps Three-Week Losing Streak***

U.S. equities finished the week with strong gains on Friday as investors re-assess their outlooks for peak terminal interest rates of at least 5.5%. Wall Street is appearing more comfortable with the Fed's higher-for-longer tightening cycle sparked by stronger economic data. During the week, Fed Governor Waller endorsed a higher peak rate should positive economic data continue while Atlanta Fed President Bostic said he continues to favor a smaller 0.25% rate increase later this month.

### ***For the Week...***

The S&P 500 gained 1.96% to end Friday back above 4,000. The Dow Jones Industrial Average rose 1.75% to break a four-week losing streak and the tech-heavy Nasdaq Composite surged 2.61%. The broad market S&P 500 closed out a volatile February on Tuesday, down 2.44% for the month.

### ***Fewer Jobless Claims***

New first-time claims for unemployment benefits fell by 2,000 last week to 190,000, beating expectations of 196,000. Unemployment claims remain low on a historical basis. For context, the weekly average over the last five calendar years (2015-2019) of the prior expansion was 244,000.

### ***Materials Gained Most***

Nine of the 11 major S&P 500 sector groups posted gains last week, led by Materials (+4.20%), Industrials (+3.34%) and Communication Services (+3.28%). Technology (+2.94%) and Healthcare (+0.52%) rose the least. The lagging sectors were Consumer Staples (-0.32%) and Utilities (-0.51%). The top two year-to-date (YTD) gainers are Consumer Discretionary (+13.19%) and Technology (+12.66%).

### ***Treasury Yields Edge Higher for the Week***

Treasury yields climbed a fourth week, with the yield on benchmark 10-year notes ending Friday at 3.971%, up less than 0.03% for the week. The 10-year yield, however had finished above 4.07% on Thursday before falling more than 0.10% on Friday.

## Market Watch

Stocks	1-Week	MTD	3-Month	YTD	1-Year	3-Year
Dow Jones Industrial Avg.	1.75	2.25	-3.02	0.74	-1.20	8.82
S&P 500	1.96	1.93	-0.21	5.69	-5.70	12.25
NASDAQ Composite	2.61	2.06	2.22	11.87	-12.90	11.30
Russell 3000	2.00	1.94	0.29	6.41	-5.89	11.94
Russell 2000	2.05	1.67	2.22	9.70	-3.73	10.45
MSCI EAFE	1.81	0.88	4.73	6.77	0.99	6.40
MSCI Emerging Markets	1.68	2.50	1.80	3.43	-13.28	1.06
Bonds	1-Week	MTD	3-Month	YTD	1-Year	3-Year
Bloomberg US Agg Bonds	0.12	-0.13	-1.49	0.28	-9.56	-3.96
Bloomberg Municipal Bonds	-0.15	-0.18	0.16	0.36	-5.13	-1.62
Bloomberg US Corp High Yield	0.78	0.31	1.22	2.79	-5.19	1.14
Commodities	1-Week	MTD	3-Month	YTD	1-Year	3-Year
Bloomberg Commodity	2.71	2.07	-4.29	-3.21	-9.39	15.12
S&P GSCI Crude Oil	4.40	3.41	-0.38	-0.72	-26.01	19.10
S&P GSCI Gold	2.06	0.97	2.49	1.56	-4.20	4.09

Source: Morningstar

## Chart of the Week: Treasury Yields Rise



Markets are pricing in higher for longer interest rates. Bond yields are rising across the curve and the 10-year Treasury yield rose above 4% last week for the first time since November. The path forward for bond yields will depend on how quickly inflation slows.

This report is created by Cetera Investment Management LLC. For more insights and information from the team, follow [@CeteraIM](https://twitter.com/CeteraIM) on Twitter.

### ***About Cetera® Investment Management***

Cetera Investment Management LLC is an SEC registered investment adviser owned by Cetera Financial Group®. Cetera Investment Management provides market perspectives, portfolio guidance, model management, and other investment advice to its affiliated broker-dealers, dually registered broker-dealers and registered investment advisers.

### ***About Cetera Financial Group***

“Cetera Financial Group” refers to the network of independent retail firms encompassing, among others, Cetera Advisors LLC, Cetera Advisor Networks LLC, Cetera Investment Services LLC (marketed as Cetera Financial Institutions or Cetera Investors) and Cetera Financial Specialists LLC. All firms are members FINRA / SIPC. Located at 655 W. Broadway, 11th Floor, San Diego, CA 92101.

### ***Disclosures***

Individuals affiliated with Cetera firms are either Registered Representatives who offer only brokerage services and receive transaction-based compensation (commissions), Investment Adviser Representatives who offer only investment advisory services and receive fees based on assets, or both Registered Representatives and Investment Adviser Representatives, who can offer both types of services.

The material contained in this document was authored by and is the property of Cetera Investment Management LLC. Cetera Investment Management provides investment management and advisory services to a number of programs sponsored by affiliated and non-affiliated registered investment advisers. Your registered representative or investment adviser representative is not registered with Cetera Investment Management and did not take part in the creation of this material. He or she may not be able to offer Cetera Investment Management portfolio management services.

Nothing in this presentation should be construed as offering or disseminating specific investment, tax, or legal advice to any individual without the benefit of direct and specific consultation with an investment adviser representative authorized to offer Cetera Investment Management services. Information contained herein shall not constitute an offer or a solicitation of any services. Past performance is not a guarantee of future results.

For more information about Cetera Investment Management, please reference the Cetera Investment Management LLC Form ADV disclosure brochure and the disclosure brochure for the registered investment adviser your adviser is registered with. Please consult with your adviser for his or her specific firm registrations and programs available.

No independent analysis has been performed and the material should not be construed as investment advice. Investment decisions should not be based on this material since the information contained here is a singular update, and prudent investment decisions require the analysis of a much broader collection of facts and context. All information is believed to be from reliable sources; however, we make no representation as to its completeness or accuracy. The opinions expressed are as of the date published and may change without notice. Any forward-looking statements are based on assumptions, may not materialize, and are subject to revision.

All economic and performance information is historical and not indicative of future results. Investors cannot directly invest in unmanaged indices. Additional risks are associated with international investing, such as currency fluctuations, political and economic instability, and differences in accounting standards.

### ***Glossary***

The **Dow Jones Industrial Average** is a price-weighted average of 30 significant stocks traded on the New York Stock Exchange and the NASDAQ.

The **S&P 500** is an index of 500 stocks chosen for market size, liquidity and industry grouping (among other factors) designed to be a leading indicator of U.S. equities and is meant to reflect the risk/return characteristics of the large cap universe.

The **NASDAQ Composite Index** includes all domestic and international based common type stocks listed on The NASDAQ Stock Market. The NASDAQ Composite Index is a broad based index

The **Russell 2000 Index** measures the performance of the small-cap segment of the U.S. equity universe and is a subset of the Russell 3000 Index representing approximately 10% of the total market capitalization of that index. It includes approximately 2000 of the smallest securities based on a combination of their market cap and current index membership.

The **Russell 3000 Index** measures the performance of the largest 3,000 U.S. companies representing approximately 98% of the investable U.S. equity market.

The **Russell Midcap Index** measures the performance of the mid-cap segment of the U.S. equity universe and is a subset of the Russell 1000 Index. It includes approximately 800 of the smallest securities based on a combination of their market cap and current index membership.

The **Bloomberg US Aggregate Bond Index**, which was originally called the Lehman Aggregate Bond Index, is a broad-based flagship benchmark that measures the investment grade, US dollar-denominated, fixed-rate taxable bond market. The index includes Treasuries, government-related and corporate debt securities, MBS (agency fixed-rate and hybrid ARM pass-throughs), ABS and CMBS (agency and non-agency) debt securities that are rated at least Baa3 by Moody's and BBB- by S&P. Taxable municipals, including Build America bonds and a small amount of foreign bonds traded in U.S. markets are also included. Eligible bonds must have at least one year until final maturity, but in practice the index holdings have a fluctuating average life of around 8.25 years.

The **Bloomberg US Corporate High Yield Index** measures the USD-denominated, non-investment grade, fixed-rate, taxable corporate bond market. Securities are classified as high yield if the middle rating of Moody's, Fitch, and S&P is Ba1/BB+/BB+ or below, excluding emerging market debt. Payment-in-kind and bonds with predetermined step-up coupon provisions are also included. Eligible securities must have at least one year until final maturity, but in practice the index holdings has a fluctuating average life of around 6.3 years.

The **Bloomberg US Municipal Bond Index** covers the USD-denominated long-term tax-exempt bond market. The index has four main sectors: state and local general obligation bonds, revenue bonds, insured bonds, and refunded bonds. Eligible securities must be rated investment grade (Baa3/BBB- or higher) by Moody's and S&P and have at least one year until final maturity.

The **MSCI EAFE Index** is designed to measure the equity market performance of developed markets (Europe, Australasia, Far East) excluding the U.S. and Canada. The Index is market-capitalization weighted.

The **MSCI Emerging Markets Index** is designed to measure equity market performance in global emerging markets. It is a float-adjusted market capitalization index.

The **Bloomberg Commodity Index** is a broadly diversified index that measures 22 exchange-traded futures on physical commodities in five groups (energy, agriculture, industrial metals, precious metals, and livestock), which are weighted to account for economic significance and market liquidity. No single commodity can comprise less than 2% or more than 15% of the index; and no group can represent more than 33% of the index.

The **S&P GSCI Crude Oil Index** is a sub-index of the S&P GSCI, provides investors with a reliable and publicly available benchmark for investment performance in the crude oil market.

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

The **U.S. Dollar Index** is a weighted geometric mean that provides a value measure of the United States dollar relative to a basket of major foreign currencies. The index, often carrying a USDX or DXY moniker, started in March 1973, beginning with a value of the U.S. Dollar Index at 100.000.