

# WEEKLY MARKET UPDATE

Week of April 26, 2023



## BY THE NUMBERS

<u>Index</u>	<u>DOW</u>	<u>S&amp;P 500</u>	<u>NASDAQ</u>	<u>10YR Yield</u>
Yesterday's Close	33,531	4,071	11,799	3.37%
Market Change since Last Update	-1.3%	-2%	-2.9%	-4.8%
Market Change Year-To-Date	+0.94%	+5.8%	+13%	+0.5%

## SLOWING ECONOMY

- American consumers cut their retail spending for the second straight month in March.
- Manufacturing output, which is sensitive to interest rates, declined 0.5% in March.
- Hiring has eased for two straight months and the number of new job openings has declined.
- Initial unemployment claims increased by 5,000 to 245,000 new claims last week.
- Continuing unemployment claims are now at the highest level since November 2021.
- Existing home sales fell 2.4% in March; sales are down 22% over the past 12 months.

## FED NOTES

Next Fed meeting and possible rate-hike will take place on Tuesday and Wednesday of next week. Fed members are currently in a silent period, but here are what a few had to say before going quiet:

- Philadelphia Fed President Harker said the Fed is going to need to do more to get inflation back down to target.
- New York Fed President Williams signaled support for another rate-hike.
- Cleveland Fed President Mester said that policy needs to move somewhat further into tightening territory.

## CORPORATE EARNINGS

Seventy-six percent of reporting companies have beaten analyst's expectations so far; however, analysts kept their expectations relatively low given the rising rate environment and anticipation of the economy slowing down. Here are some corporate reporting highlights:

- Tesla reported their income is down 24% from this time last year.
- Coca Cola and PepsiCo both reported higher than expected earnings and profits.
- First Republic Bank lost 40% of deposits, 25% of their workforce, and the stock is down over 90% since the collapse of Silicon Valley Bank.
- Morgan Stanley reported weakness in both Investment Banking and Wealth Management

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