



PACIFIC GLOBAL
Investment Management Company

Weekly Recap

December 13, 2024

Market Returns

INDEX ¹	CLOSE	WEEKLY CHANGE	YTD CHANGE
Dow Jones Industrial Avg.	43,828.06	-814.46 / -1.82%	16.29%
S&P 500 [®]	6,051.09	-39.18 / -0.64%	26.86%
Nasdaq	19,926.72	66.95 / 0.34%	32.74%
Russell 2000 [®]	2,349.90	-62.09 / -2.58%	15.78%
	12/13/24 CLOSE	12/13/23 CLOSE	
10-Year U.S. Treasury	4.40%	4.04%	

Data: Bloomberg, Federal Reserve

The Bottom Line

This week's economic reports dominated the markets in advance of next week's much-anticipated Federal Reserve's meeting. Nasdaq (0.34%) rose on the strength of various technology names while the other major indices declined: the S&P 500[®] Index (-0.66%) and the Dow Jones Industrial Average (-1.82%) ended 4-week and 3-week winning streaks, respectively; the Russell 2000[®] Index (-2.58%) underperformed. The yield on the 10-Year U.S. Treasury Note reversed recent declines, rising 25 basis points, to 4.40% from 4.15% last Friday.

The November **Consumer Price Index (CPI)** rose 0.3% for the month, and 2.7% year-over-year; the **core CPI** results, which also rose 0.3% for the month and 3.3% year-over-year, were consistent with expectations. The **Producer Price Index (PPI)** numbers, up 0.4% for the month, and 3.0% year-over-year, were above estimates. The **core PPI** rose 0.2 for the month and repeated the prior month's upwardly revised 3.4% annual increase. Of note, the **PPI's** 'cost of goods' component rose 0.7% due, in part, to a 56% increase in the cost of eggs.

Together, the **CPI** and **PPI** data seem to solidify expectations for a 25-basis point rate cut announcement by the Fed next Wednesday. The more anticipated issues will be the Fed's guidance on the timing and amount of future rate cuts as well as other data in the quarterly Summary of Economic Projections update.

Overall market sentiment reflects both positivity, in seasonal optimism and various upbeat post-election commentaries, and some caution. Market data reveal the Dow's longest losing streak (seven days) since 2020 also, more companies in the S&P 500[®] declined than advanced in each of the last ten trading days. Market momentum will likely reset following next week's Fed commentary.

¹The Dow Jones Industrial Average is an unmanaged, price weighted measure of 30 U.S. stocks selected by the Averages Committee to represent the performance of all U.S. stocks outside the Transportation and Utilities sectors. The S&P 500[®] Index is an unmanaged, market capitalization weighted index which measures the performance of the large cap segment of the U.S. equities market, covering approximately 75% of the U.S. equities market. The Index includes 500 leading companies in leading industries of the U.S. economy. The Nasdaq Composite Index is an unmanaged, market capitalization weighted measure of all domestic and international common stocks listed on The Nasdaq Stock Market. The Russell Midcap[®] Index measures the 800 smallest companies within the Russell 1000[®] Index based on a combination of their market cap and current index

membership. The Russell 2000® Index is an unmanaged, market-weighted measure of stock market performance. It contains stocks of the 2,000 smallest publicly traded companies of the Russell 3000® Index. It is not possible to invest in the Indices.

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