

# Weekly Market & Economic Highlights



January 6, 2025

## The Week's Highlights

December ISM (Institute for Supply Management) Manufacturing Index came in at 49.3, above consensus 48.4 that was also November's reading. This was the highest since April 2024. Report had mixed takeaways. New orders expanded again this month and production increased. Employment fell and prices index was up. Report noted that US manufacturing activity contracted but at a slower rate this month. Also noted de-staffing continued but anticipated to end soon. Respondent commentary was mixed with some noting softening sales at year-end with orders "well-below forecasts" (some seasonal reasons). Also comments suggesting optimism around 2025.

Final December Markit PMI (Purchasing Managers Index) came in at 49.4, up from initial December reading of 48.3 but down from 49.7 in November. Manufacturing output was down for fifth consecutive month with fastest rate of contraction in 18 months. Input costs accelerated sharply. Employment rose, while output and new orders fell.

Pending home sales were up 2.2%, rising for fourth straight month in November, and above expectations for 0.8% and October's surprise 2.0% jump. Pending Home Sales Index up 6.9% year/year. Gains were seen in the Midwest, South, and West regions, while the Northeast saw declines.

## Chart of the Week – Markit PMI Manufacturing SA - US



Equities	Last	Total Returns (%)				Index Characteristics				
		1 Week	MTD	YTD	1 YR	% of 52 Wk High	P/B	P/E	NTM P/E	Div. Yld.
Dow Jones Industrial Average	42,732	-0.59	0.46	0.46	16.31	94.81%	5.20	23.32	20.06	1.65
S&P 500	5,942	-0.45	1.05	1.05	28.04	97.42%	5.16	26.75	21.91	1.26
NASDAQ COMPOSITE	19,622	-0.49	1.62	1.62	35.46	97.12%	7.21	40.80	29.10	0.69
Russell 2000 Index	2,268	1.13	1.72	1.72	17.37	91.97%	2.14	56.11	29.21	1.38
Russell Growth Index	4,101	-0.63	1.45	1.45	38.62	97.18%	13.93	37.85	28.93	0.56
Russell Value Index	1,838	0.03	0.78	0.78	15.85	93.37%	2.74	19.95	16.74	2.08
MSCI EAFE Index	2,255	-0.87	-0.30	-0.30	6.37	89.81%	1.76	14.06	14.07	3.12
MSCI Emerging Markets Index	1,073	-0.81	-0.13	-0.13	10.04	89.92%	1.69	13.71	11.79	2.71

Fixed Income	Last	1 Week	MTD	YTD	1 YR
U.S. Aggregate Bond Index	2,186	0.18	-0.13	-0.13	1.56
U.S. Treasury Index	2,288	0.24	-0.11	-0.11	0.72
U.S. Corporate Index	3,285	0.08	-0.14	-0.14	2.72
U.S. MBS Index	2,152	0.18	-0.18	-0.18	1.52
U.S. Municipal Bond Index	1,340	0.61	0.29	0.29	1.39
U.S. High Yield Index	2,692	0.40	0.31	0.31	9.48
Emerging Markets USD Index	1,250	0.23	0.14	0.14	7.67

Alternative Assets	Last	1 Week	MTD	YTD	1 YR
LBMA Gold Price PM USD	2,646.8	1.18	1.44	1.44	29.61
LBMA Silver Price/USD Index	29.8	0.57	1.21	1.21	28.07
Bloomberg Commodity Index	98.5	0.29	-0.27	-0.27	0.17
Alerian MLP Index	299.8	2.35	1.83	1.83	25.07
Dow Jones Equity REIT Total Return Index	2,603.3	0.86	0.35	0.35	6.58
S&P 500 Real Estate Index	256.8	0.80	0.41	0.41	7.20

Currencies	Current	12/31/24	12/29/23	12/30/22
	Exchange Rate			
\$ per €	1.03	1.04	1.10	1.07
\$ per £	1.24	1.25	1.27	1.21
¥ per \$	157.26	157.20	141.04	131.12

Commodities	Price (\$)			
Oil WTI	73.96	71.72	71.65	80.26
Natural Gas	3.35	3.63	2.51	4.48
Gold	2,640.22	2,624.50	2,062.98	1,824.02

Interest Rates	Rate (%)			
Fed Funds Target	4.50	4.50	5.50	4.50
2 year Treasury	4.28	4.24	4.25	4.43
10 year Treasury	4.60	4.57	3.88	3.88
15 year Mortgage	6.13	5.93	5.68	2.44
30 year Mortgage	6.91	6.61	6.42	3.23
Prime Rate	7.50	7.50	8.50	7.50
SOFR	4.31	4.49	5.38	4.30

Source: Bloomberg Finance L.P. & FactSet as of January 3, 2025

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Presentation is prepared by: First Horizon Advisors