

# Market Commentary

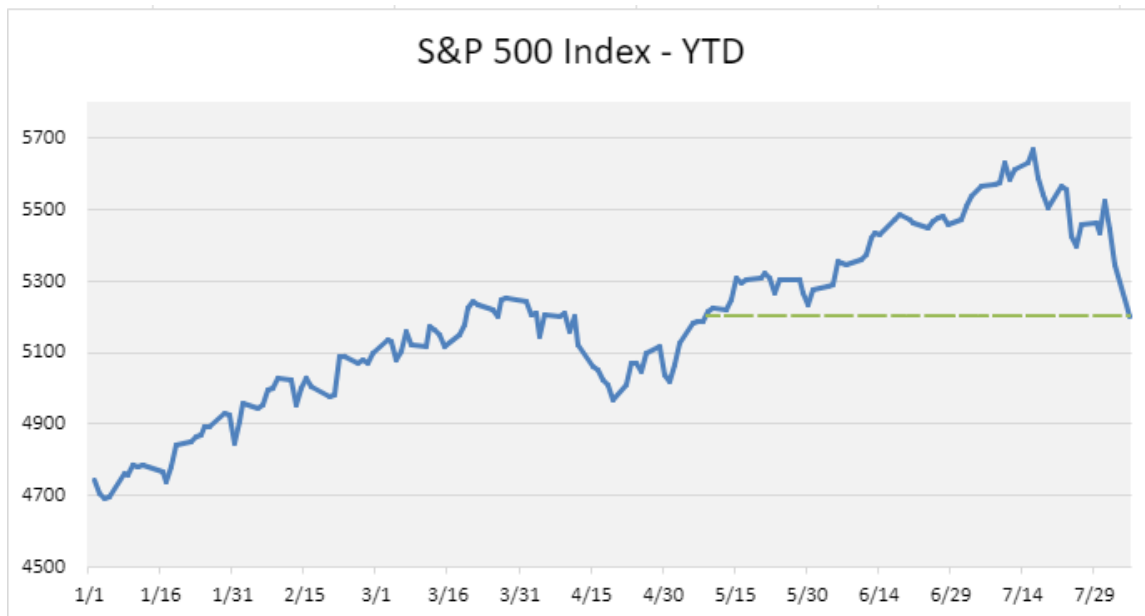
August 5, 2024

## What's Happening?

A strong and broadening equity market environment in July has been followed by abrupt selling in August. Quarter to-date, the S&P 500 is down 5.0%, the tech-heavy Nasdaq is down 8.6% and the Russell 2000 is down 0.4%. In foreign markets, the MSCI ACWI ex-US index is down 4.6%. Despite the recent selloff, most indices are still positive for the year. For 2024, the S&P 500 is up 8.7%, the Nasdaq is up 7.9%, the Russell 2000 is up 2.1%, and MSCI ACWI ex-US index is up 5.4%.

## Why are markets correcting?

Soft employment and manufacturing data released last week raised concerns about US economic growth, leading to fears the Fed has waited too long to cut interest rates. Escalating geopolitical tensions in the Middle East and extended valuations have contributed to additional market uncertainty. These events have triggered a global stock market selloff, most notably in Asian markets and technology-related assets. By contrast, bond markets are rallying as investors seek safety. US Treasury rates have fallen between 40-70 basis points and the yield curve is steepening. While the equity market declines have been abrupt, they are taking place in the context of an otherwise strong year.



Operose remains committed to helping you navigate the market volatility. Please do not hesitate to contact our team with any questions.

## U.S. Equity Returns

	Jul	YTD	1 Yr	3 Yr
S&P 500	1.2%	16.7%	22.1%	9.6%
Russell 3000	1.9%	15.7%	21.1%	8.1%
NASDAQ	-0.7%	17.7%	23.6%	7.1%
Dow Jones	4.5%	9.5%	17.2%	7.5%

## Style Index Returns

	Month-to-Date			Year-to-Date		
	Value	Core	Growth	Value	Core	Growth
Large	5.1%	1.5%	-1.7%	12.1%	15.9%	18.6%
Mid	6.0%	4.7%	0.6%	10.9%	9.9%	6.6%
Small	12.2%	10.2%	8.2%	11.2%	12.1%	13.0%

## Non-U.S. Equity Returns

	Jul	YTD	1 Yr	3 Yr
ACWI	1.6%	13.1%	17.0%	5.7%
ACWI ex. US	2.3%	8.1%	9.7%	1.8%
EAFE Index	2.9%	8.4%	11.2%	3.6%
EAFE Local	0.8%	11.9%	14.1%	8.2%
EAFE Growth	1.2%	7.5%	8.6%	-0.1%
EAFE Value	4.7%	9.4%	13.9%	7.2%
EAFE Small Cap	5.7%	6.2%	9.1%	-2.1%
Emerging Markets	0.3%	7.8%	6.3%	-2.7%
EM Small Cap	0.0%	7.0%	12.6%	3.0%

## Regional Returns

	Jul	YTD	1 Yr	3 Yr
Europe	2.1%	8.2%	10.8%	3.2%
Asia ex-Japan	-0.1%	9.6%	6.2%	-3.3%
EM Latin America	1.0%	-14.8%	-9.3%	2.7%
UK	4.2%	11.4%	13.3%	8.1%
Germany	1.9%	7.6%	8.9%	-0.3%
France	2.4%	0.3%	0.7%	2.9%
Japan	5.8%	12.4%	16.2%	4.7%
China	-1.3%	3.3%	-12.4%	-13.8%
Brazil	1.3%	-17.7%	-10.9%	-0.3%
India	4.0%	21.5%	35.6%	14.6%

## Real Estate Returns

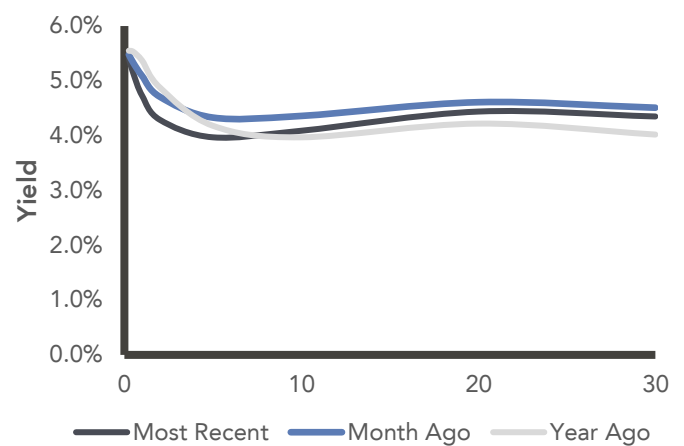
	Qtr	YTD	1 Yr	3 Yr
NCREIF NPI National*	-0.3%	-1.2%	-5.5%	2.3%
FTSE NAREIT	7.1%	4.8%	10.9%	-1.0%

\*Returns as of June 30, 2024

## Fixed Income Returns

	Jul	YTD	1 Yr	3 Yr
Aggregate	2.3%	1.6%	5.1%	-2.6%
Universal	2.3%	2.0%	5.7%	-2.3%
Government	2.2%	1.3%	4.2%	-2.9%
Treasury	2.2%	1.3%	4.1%	-3.0%
Int. Gov/Credit	1.9%	2.4%	5.9%	-0.8%
Long Gov/Credit	3.4%	-0.9%	2.8%	-8.3%
TIPS	1.8%	2.5%	4.4%	-1.6%
Municipal 5 Year	1.0%	0.2%	3.0%	-0.5%
High Yield	1.9%	4.6%	11.1%	2.2%
Bank Loans	0.7%	5.2%	10.4%	6.2%

## Yield Curve



## Hedge Fund Returns

	Jul	YTD	1 Yr	3 Yr
HFRX Equal Wtd.	0.9%	2.9%	5.8%	1.0%
HFRX Hedged Equity	0.7%	5.4%	9.2%	4.1%
HFRX Event Driven	1.5%	2.6%	5.4%	-1.9%
HFRX Macro	-1.1%	3.3%	2.9%	1.2%
CBOE PutWrite	1.6%	6.6%	7.4%	6.7%

## Commodity Returns

	Jul	YTD	1 Yr	3 Yr
GSCI Total	-3.5%	7.2%	0.2%	10.8%
Precious Metals	2.7%	18.1%	20.9%	8.4%
Livestock	2.4%	12.2%	1.9%	5.7%
Industrial Metals	-6.8%	1.6%	-1.5%	-1.3%
Energy	-7.6%	-0.3%	-12.8%	2.5%
Agriculture	-4.8%	-10.8%	-16.1%	1.5%
WTI Crude Oil	-2.9%	15.6%	8.3%	13.9%
Gold	4.1%	17.3%	22.4%	9.7%

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### ABOUT OPEROSE ADVISORS

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Asset Class Returns			
Category	Index	Category	Index
<b>U.S. Equity</b>		<b>Fixed Income</b>	
S&P 500	S&P 500 Index	Aggregate	Bloomberg U.S. Aggregate Index
Russell 3000	Russell 3000 Index	Universal	Bloomberg U.S. Universal Index
NASDAQ	NASDAQ Composite	Government	Bloomberg U.S. Government Index
Dow Jones	DJ U.S. Composite, Float Adjusted	Treasury	Bloomberg U.S. Treasury Index
<b>Non-U.S. Equity</b>		Int. Gov/Credit	Bloomberg U.S. Interm Gov/ Credit Index
		Long Gov/Credit	Bloomberg U.S. Long Gov/Credit Index
ACWI	MSCI ACWI	TIPS	Bloomberg U.S. TIPS Index
ACWI ex. US	MSCI ACWI ex. US	Municipal	Bloomberg U.S. Municipal 5-YR Index
EAFE Index	MSCI EAFE Index	High Yield	Bloomberg U.S. High Yield Index
EAFE Local	MSCI EAFE Local	Bank Loans	Credit Suisse Leveraged Loan Index
EAFE Growth	MSCI EAFE Growth		
EAFE Value	MSCI EAFE Value		
EAFE Small Cap	MSCI EAFE Small Cap		
Emerging Markets (EM)	MSCI Emerging Markets	<b>Hedge Fund</b>	
EM Small Cap	MSCI Emerging Markets Small Cap	HFRX Equal Weighted	HFRX Equal Weighted Strategies Index
<b>Regional</b>		HFRX Hedged Equity	HFRX Equity Hedge Index
Europe	MSCI AC Europe	HFRX Event Driven	HFRX Event Driven Index
Asia ex-Japan	MSCI AC Asia ex-Japan	HFRX Macro	HFRX Macro CTA Index
EM Latin America	MSCI EM Latin America	HFRX Relative Value	HFRX Relative Value Arbitrage Index
U.K.	MSCI U.K.	CBOE PutWrite	CBOE S&P 500 PutWrite Index (Defensive Equity)
Germany	MSCI Germany	<b>Commodity</b>	
France	MSCI France	GSCI Total	S&P GSCI
Japan	MSCI Japan	Precious Metals	Bloomberg Sub Precious Metals
China	MSCI China	Livestock	Bloomberg Sub Livestock
Brazil	MSCI Brazil	Industrial Metals	Bloomberg Sub Industrial Metals
India	MSCI India	Energy	Bloomberg Sub Energy
<b>Real Estate</b>		Agriculture	Bloomberg Sub Agriculture
NCREIF NPI National	NCREIF Property Index	WTI Crude Oil	Bloomberg Sub WTI Brent Crude
FTSE NAREIT	FTSE NAREIT All Reits Total Return Index	Gold	Bloomberg Sub Gold

Style Box Returns	
Category	Index
Large Value	Russell 1000® Value Index
Large Core	Russell 1000® Index
Large Growth	Russell 1000® Growth Index
Mid Value	Russell Midcap® Value Index
Mid Core	Russell Midcap® Index
Mid Growth	Russell Midcap® Growth Index
Small Value	Russell 2000® Value Index
Small Core	Russell 2000® Index
Small Growth	Russell 2000® Growth Index