



# WEALTHSHIELD

## FIVE FAST FACTS

May 2024

COUPON	NAME	YIELD	
0.10 %	3 Month	0.18 %	+12
0.30 %	6 Month	0.42 %	+26
0.40 %	1 Year	0.58 %	+36
0.60 %	2 Year	0.80 %	+48
0.80 %	5 Year	1.15 %	+51
1.00 %	10 Year	1.48 %	+47

### FEDERAL RESERVE HOLDS RATES STEADY AT MAY MEETING

The Federal Reserve has once again held rates steady at a target range of 5.25-5.5% during the May meeting. The Fed cited a lack of progress towards their target of 2% inflation. The Fed's commentary has remained consistent with prior meetings this year and has reiterated that rate decisions are data dependent.

Source: The Federal Reserve



### US PENDING HOME SALES DROP TO 4 YEAR LOW

Pending home sales dropped 7.7% month-over-month to 72.3, the lowest mark since February 2021. The decline exceeded expectations of most economists and all regions of the country experienced declines. Elevated interest rates have limited affordability of homes, while those locked in at lower rates are reluctant to move.

Source: National Association of Realtors



### US BANKS UNREALIZED LOSSES CLIMBING

US Banks unrealized losses have increased \$39 billion in the first quarter to a total of \$517 billion, according to a report released by the FDIC in May. The FDIC offered continued stress in the housing market as a leading factor in the increased paper losses. The number of 'problem banks' increased to 63 from 52 in Q1 2024 and have been increasing since Q2 2023. Although increasing, the FDIC considers the number of 'problem banks' within the normal range.

Source: FDIC



### INVESTORS 'MOST BULLISH' SINCE NOVEMBER 2021

Bank of America's monthly Fund Manager Survey determined investors to be the 'most bullish' since November of 2021. The optimism is led by expectations of rate cuts opposed to earnings growth. The survey found that 82% expect rate cuts this year, while 78% say a recession is unlikely within the next year. The survey also showed that investors have begun to allocate more to stocks and have reached the highest level of stock allocation since January 2021.

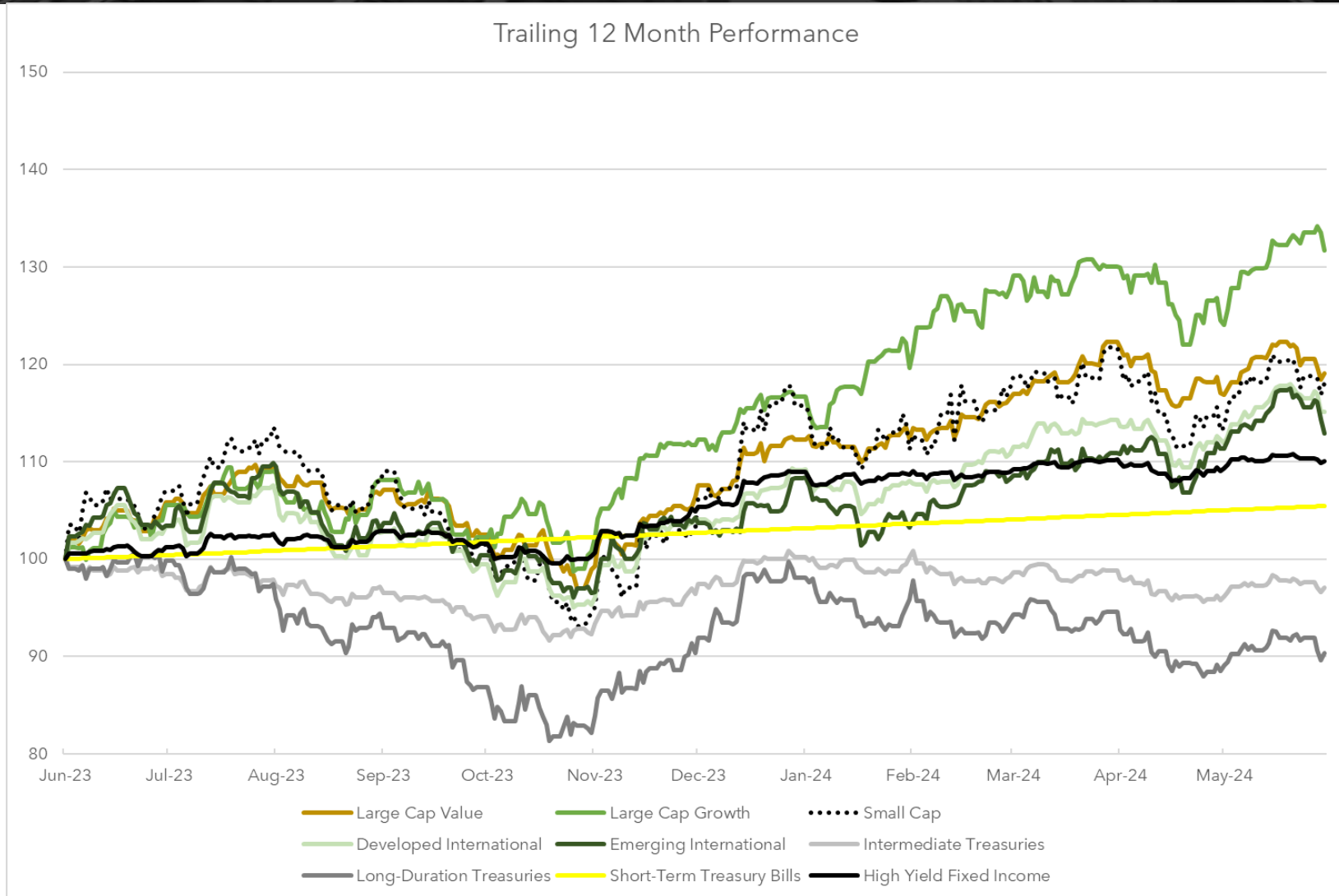
Source: Bank of America, Reuters



### S&P 500 STOCK CONCENTRATION AT THE TOP CONTINUES

The top 10 largest companies by market cap in the S&P 500 now account for 35% of the total index. Valuations in Mega Cap companies continue to soar, leading to a higher concentration at the top of the index. The current concentration levels are the highest they have been for over 50 years.

Source: S&P Global



Asset	Equities				Asset	Fixed Income			
	1-Month	QTD	YTD	TTM		1-Month	QTD	YTD	TTM
Large Cap Value	3.17	7.64	7.64	20.81%	Intermediate Treasuries	1.80	-2.62	-2.62	-2.45%
Large Cap Growth	5.99	13.08	13.08	31.98%	Long-Duration Treasuries	2.93	-7.13	-7.13	-8.89%
Small Cap	5.02	2.68	2.68	18.86%	Short-Term Treasury Bills	0.48	2.25	2.25	5.50%
Developed International	2.90	5.79	5.79	15.49%	High Yield Fixed Income	1.21	1.29	1.29	10.37%
Emerging International	0.56	3.41	3.41	12.00%					

Source: Morningstar Direct as of 5/31/2024

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Asset Class	Proxy	Asset Class	Proxy
Large Cap Value	Russell 1000 Value TR USD	Large Cap Value Equity	S&P 500 Dividend Aristocrats TR USD
Large Cap Value Equity	Russell 1000 Dividend Select EW TR USD	Large Cap Growth	Pacer US Cash Cows Growth Index TR
Large Cap Growth Equity	Russell 1000 Growth TR USD	Momentum Equity	MSCI USA Momentum NR USD
Small Cap Equity	Russell 2000 TR USD	Managed Futures	SG Trend Index
International Developed Equity	MSCI EAFE NR USD	Dividend Growth Strategies	S&P 500 Dividend Aristocrats TR USD
Small Cap Dividend Growth	Russell 2000 Dividend Growth Select USD	Large Cap Dividend Growth	Russell 1000 Dividend Select EW TR USD
International Emerging Equity	MSCI EM NR USD	Quality	MSCI USA Sector Neutral Quality NR USD
Intermediate/Aggregate Bond	BBgBarc US Agg Bond TR USD	Commodities	Bloomberg Commodity TR USD
Municipal Bonds	S&P Municipal Bond TR USD	Private Equity	Cambridge Associates US Private Equity USD
International Bond	BBgBarc Gbl Agg Ex USD TR Hdg USD	Short Term Bond/Cash	BBgBarc US Aggregate 1-3 Yr TR USD
High Yield Bond	BbgBarc US Corporate High Yield TR USD	Long Term Treasuries	ICE U.S. Treasury 20+ Year Bond TR USD
Intermediate Treasuries	ICE U.S. Treasury 7-10 Year Bond TR USD	Short Term Treasuries	ICE U.S Treasury 1-3 Year Bond TR USD
Mid Cap Equity	Russell Mid Cap TR USD	Real Estate	NCREIF Indexes
International Equity	MSCI ACWI Ex US NR USD	US Equity	Russell 3000 TR USD
Global Equity	MSCI ACWI NR USD	Low Volatility Equity	S&P 500 Low Volatility TR USD
Global Alternatives	Hedge Fund Research HFRX Global Hedge Fund Index	Long Short Alternatives	Bloomberg Long/Short Hedge Fund Index
Merger Arbitrage	Hedge Fund Research Merger Arbitrage Index	Private Credit/Direct Lending	Cliffwater Direct Lending Index

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