

Performance Update

as of 04/30/2024

Fixed Income	April	YTD	Equity Sectors	April	YTD
US Treasury Index	▼ -2.33%	▼ -3.26%	Utilities	▲ 1.65%	▲ 6.29%
Core Bonds	▼ -2.53%	▼ -3.28%	Energy	▼ -0.89%	▲ 12.54%
Aa Corporate Bonds	▼ -3.04%	▼ -3.99%	Consumer Staples	▼ -1.11%	▲ 5.70%
High Yield Corporate	▼ -1.00%	▲ 0.49%	Industrials	▼ -3.58%	▲ 7.01%
US Equities			Financials	▼ -4.18%	▲ 7.76%
S&P 500	▼ -4.08%	▲ 6.04%	Materials	▼ -4.59%	▲ 4.04%
US Mid Caps	▼ -5.40%	▲ 2.73%	Communication Services	▼ -4.63%	▲ 7.54%
US Small Caps	▼ -7.04%	▼ -2.22%	Consumer Discretionary	▼ -4.64%	▼ -1.65%
Non-US Equities			Health Care	▼ -5.08%	▲ 3.32%
International Developed	▼ -2.56%	▲ 3.08%	Technology	▼ -5.81%	▲ 2.20%
ACWI ex-US	▼ -1.80%	▲ 2.81%	Real Estate	▼ -8.50%	▼ -9.00%
Emerging Market Equities	▲ 0.45%	▲ 2.83%			

Equity Style: Month | Year-to-Date

	Value	Core	Growth
Large Cap	-4.27%	-4.08%	-4.24%
	4.33%	6.04%	6.69%
Mid Cap	-5.23%	-5.40%	-5.81%
	2.56%	2.73%	3.14%
Small Cap	-6.37%	-7.04%	-7.70%
	-3.66%	-2.22%	-0.70%

Commentary & Outlook

Inflation Ripples Continue

As another day (week, month, year) of Fed Watching begins, we thought it would be useful to remind readers that CPI is not a mystical beast but rather a man-made system for measuring price changes across a *basket of goods*. These baskets are well known and their price indices are published each month.

The CPI aggregate index tends to mask what is actually happening in the individual components. Journalists can't see past the mask and their reports are misleading. They report on "sticky" inflation but the underlying evidence clearly tells a different story. For example: inflation impacted the various components of housing at different times. Inflation hit prices of single-family homes first, then eased. Household furnishings rose next, then eased. Rent of Shelter rose last, and is now easing. A similar pattern occurred with Autos: inflation for new and used autos led (then eased), followed by auto parts, and now auto insurance. These examples depict delayed (or "lagged") relationships in price trends. The same relationship is true for input prices, where inflation has nearly vanished and disinflation is widespread.

Inflation continues to ripple *through* the economy. It is not remaining *persistent* in any one place, as many are (mis)reporting. These are the facts. Hopefully the Fed committee sees them.

