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December Markets Summary

Equity Markets

December completed the year of surprises, mostly negative, as stocks fell in what has more often than not been a positive month for equities. The S&P 500 Index total return was -5.8% with the S&P Mid Cap 400 at -5.5% and the S&P Small Cap 600 at -6.7%. The selling was persistent as the S&P 500 dropped on the first day of the month and closed lower on 2 out of every 3 trading days in December. Rising concerns of an economic recession pushed cyclical stocks lower with value besting growth stocks in December. Turning the calendar did not wipe the slate clean of challenges facing investors and expectations are resetting to a more sober reality. Global equity bourses reacted less negatively to similar forces impacting the U.S. The S&P Global BMI ex-U.S. total return was -.61%, aided by a 2.2% decline in the dollar during the month.

Fixed Income Markets

Fixed income assets faced mixed results in December as rising yields weighed on asset class performance. The Treasury yield curve is experiencing the largest and longest inversion since the Volcker era in the early 1980s. Credit markets have been stable and resilient in the face of economic uncertainty. The Fed raised its policy rate in December, but less than the previous four rate hikes. Chairman Powell reiterated the Fed's position to keep rates restrictive until the path back to 2% inflation is visible.

INVESTMENTS ARE:

Not Insured by FDIC or Any Other Government Agency	Not Bank Guaranteed
Not Bank Deposits or Obligations	May Lose Value