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## December 2023 | Markets Summary

*December closes 2023 on a positive note for both stock and bond markets.*

### Equity Markets

December continued the market rally, closing just shy of the 2023 high and the all-time high in January 2022. The S&P 500 Index return was 4.54% while S&P 400 Mid Cap and 600 Small Cap Indexes returned 8.72% and 12.80%, respectively. Momentum dipped in large cap stocks and increased in mid and small cap stocks. Cyclical stocks outperformed non-cyclicals and value outperformed growth as investor optimism improved for 2024.

International equity bourses also delivered strong positive returns. The S&P Global BMI ex-U.S. December return was 5.23%. The S&P Developed BMI ex-U.S. Index and S&P Emerging Markets Index returns were 5.81% and 3.63% respectively. The dollar declined 2.09%, aiding results along with moderating returns in the U.S. technology sector.

### Fixed Income Markets

Fixed Income Markets also rallied for the second consecutive month. Widespread expectations of the end of the rate hike cycle by global central banks sparked the global rally in bond prices. The 10-year Treasury yield ended December at 3.88%, well off the October high of 5.00% and at the same level it started the year. Credit spreads were consistent with the drop in government yields along the curve. The 2-to-10-year Treasury curve remained inverted at -37 basis points, unchanged from the November month-end.

#### INVESTMENTS ARE:

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