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## February 2024 | Markets Summary

*Equities lead the way in February.*

### Equity Markets

The S&P 500 rose for the fourth consecutive month, with a February gain of 5.34%, and the S&P 400 Mid Cap and 600 Small Cap up 5.94% and 3.32%, respectively. The S&P 500 reached a new record, and all major economic sectors moved higher. Investor confidence in the economy and enthusiasm over artificial intelligence were favorable for U.S. stocks.

International equity returns were below U.S. markets. The S&P Global ex-U.S. return was 2.48%, while the S&P Developed ex-U.S. Index and S&P Emerging Markets Index returned 1.90% and 4.17%, respectively. The dollar rose .85% – a headwind for a U.S. investor. Outperformance of technology stocks, dominated by U.S. companies, contributed to international markets trailing the U.S. market.

### Fixed Income Markets

Fixed income markets faced rising yields, which weighed on bonds. Shorter maturities outperformed in February. Credit spreads for investment grade bonds were unchanged while high yield spreads tightened. Spreads across the credit quality spectrum are notably tight relative to longer-term averages.

The yield for on-the-run 10-year Treasuries peaked at 4.3% intra-month, its highest level since November 2023. The latest inflation report and a resilient economy fueled expectations of a delay in the Federal Reserve's plans to lower rates. The 2-to-10-year spread has narrowed from the lows but remains negative at -0.38%.

#### INVESTMENTS ARE:

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