



111 E. Washington Street  
Charles Town, WV 25414  
BCTWealth@mybct.bank  
(304) 728-2435

## October 2023 | Markets Summary

*Markets make it three in a row.*

### Equity Markets

Stock markets declined for the third consecutive month. The S&P 500 total return for October was -2.10%, with sharper declines of -5.34% and -5.74% for the S&P 400 Mid Cap and S&P 600 Small Cap, respectively. Ten of eleven sectors declined, with only Utilities posting a positive return. Cyclical sectors were hit hard as investors sought safety in large technology companies with high valuations.

Global equity markets declined under the pressure of a weak U.S. market. The S&P Global BMI ex-U.S. October return was -4.34%. The S&P Developed BMI ex-U.S. Index and S&P Emerging Markets Index returns were -4.62% and -1.86% respectively. Diverging central bank policies supported dollar strength along with rising geopolitical risks.

### Fixed Income Markets

Bond returns were negative in October due to rising yields. The Bbg U.S Aggregate Index return was -1.58% in October. The 10-year Treasury reached 5% during the month, the highest since July 2007 and sharply higher than the April 2023 low of 3.3%. Increased Treasury supply from rising budget deficits added to investor anxiety over inflationary remnants not dissipating quickly enough. U.S. investment grade corporates underperformed as spreads widened, with high-yield returns doing better. The Global Aggregate ex-U.S. return for October was -.92%.

#### INVESTMENTS ARE:

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