

# Daily Market Monitor

State Farm Investment Management (SFIM)  
Investment Planning Services



**February 3, 2023**

## Equities

- U.S. equities finished mixed on Thursday, highlighted by a jump in technology stocks. The tech-heavy NASDAQ and broad-based S&P 500 gained 3.25% and 1.47%, respectively, while the blue-chip Dow lost 0.11%.
- Stocks results were uneven yesterday, following the Fed's latest interest rate hike and another batch of earnings reports from the largest firms in the tech sector. For the day, the NASDAQ and S&P 500 touched roughly five-month highs, while the Dow fell, weighed down by declines in healthcare stocks.

## Fixed Income

- Government bond rates were generally lower on Thursday, with the yield on the 10-year Treasury declining to 3.40%. Treasury yields ticked down a day after the Fed lifted its policy interest rate and convinced some investors the interest rate hike cycle was nearing an end.

## Top Stories

- With U.S. households showing signs of economic stress, more Americans are tapping their 401(k)s for financial emergencies. A record 2.8% of the five million people in 401(k) plans run by the Vanguard Group tapped into their retirement savings in 2022 to deal with hardships such as medical bills, evictions or foreclosures. This increase in the number of people taking hardship withdrawals is partially driven by several government moves since 2018 that have loosened the rules for taking such distributions. For example, in December Congress passed a law that eliminates the requirement that savers must submit evidence of a hardship, such as an eviction notice, before making withdrawals.

## Index Total Returns (%)

| Stocks                        | CLOSE     | 1 WEEK               | YTD              |
|-------------------------------|-----------|----------------------|------------------|
| S&P 500 Index                 | 4,179.76  | 2.96                 | 8.98             |
| Dow Jones Industrial Average  | 34,053.94 | 0.31                 | 2.83             |
| NASDAQ Composite              | 12,200.82 | 5.99                 | 16.62            |
| Russell 2000                  | 2,001.22  | 5.17                 | 13.69            |
| MSCI EAFE                     | 2,133.83  | 1.42                 | 9.83             |
| Bonds                         | YIELD     | 1 WEEK               | YTD              |
| US Aggregate                  | 4.18      | 0.79                 | 3.85             |
| US Government                 | 3.77      | 0.64                 | 3.04             |
| US Corporate Investment Grade | 4.83      | 1.07                 | 5.00             |
| Municipal Bond                | 3.04      | 0.37                 | 3.24             |
| Treasury Yields               | YIELD     | PRIOR YEAR END YIELD | YTD CHANGE (BPS) |
| 2-Year Treasury               | 4.08      | 4.42                 | -0.34            |
| 10-Year Treasury              | 3.40      | 3.88                 | -0.48            |
| 30-Year Treasury              | 3.56      | 3.97                 | -0.41            |
| Commodities                   | CLOSE     | 1 WEEK               | YTD              |
| Crude Oil WTI                 | 75.88     | -6.33                | -5.84            |
| Gold                          | 1,930.80  | -0.80                | 4.84             |

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