

# Morning Market Report



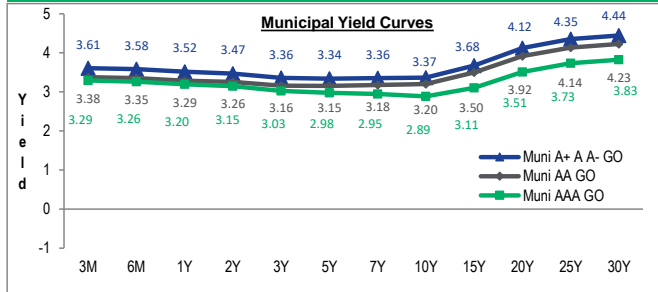
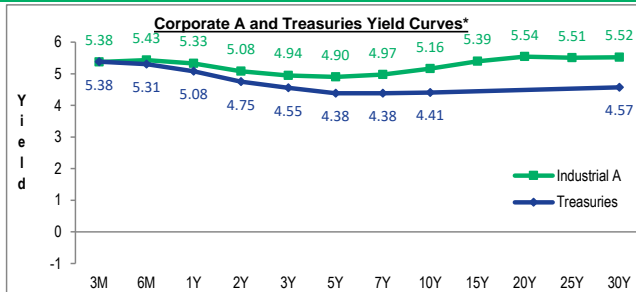
FIFTH THIRD BANK

Compiled by: Equity Research Team

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Equity Markets (Total Returns (change in closing price + dividend yield))					
Index	Level	Daily	MTD	YTD	1-Year
MSCI AC World	806.79	0.38%	0.61%	12.26%	20.66%
MSCI World	3,537.51	0.50%	0.74%	12.87%	21.67%
S&P 100	2,681.74	0.67%	1.38%	20.75%	31.14%
S&P 400	2,910.61	0.35%	-0.65%	5.46%	12.80%
S&P 500	5,509.01	0.62%	0.89%	16.32%	25.65%
Russell 2000	2,033.87	0.19%	-0.67%	1.05%	9.29%
Russell 2500	874.11	0.23%	-0.67%	1.66%	9.71%
Russell 3000	3,121.87	0.57%	0.74%	14.39%	24.02%
Russell Midcap	3,224.46	0.34%	-0.50%	4.43%	12.28%
DJIA	39331.85	0.41%	0.54%	5.36%	16.65%
NASDAQ Comp	18028.76	0.84%	1.67%	20.55%	31.83%
NASDAQ 100	20011.89	1.01%	1.67%	19.44%	32.96%
MSCI EAFE	2323.31	0.16%	0.39%	6.19%	12.61%
Stoxx Europe 600	510.91	-0.40%	-0.08%	9.44%	14.47%
MSCI EM	1079.78	-0.65%	-0.52%	7.04%	12.27%
S&P U.S. REIT	1675.87	0.59%	-0.27%	-0.62%	7.23%
Alerian MLPI	476.82	0.28%	1.02%	20.24%	35.32%
S&P Global Infrastr	2768.78	0.32%	0.17%	4.19%	7.19%
Fifth Third (FITB)	36.98	1.96%	1.34%	9.28%	47.28%

Other Markets					
Index	Level	Daily	MTD	YTD	1-Year
U.S. Dollar	105.72	-0.17%	-0.14%	4.33%	2.73%
Gold (oz.)	2,329.46	-0.10%	0.12%	12.92%	21.37%
Silver (oz.)	29.53	0.26%	1.32%	24.09%	29.65%
Oil (barrel)	82.81	-0.68%	1.56%	15.58%	17.23%
Commodity (BCOM)	101.24	-0.09%	0.24%	2.63%	-0.24%
Bitcoin (USD)	61,922.42	-2.08%	0.03%	47.66%	102.41%
Bberg Muni	1,314.30	0.01%	-0.17%	-0.57%	3.04%
Bberg Int. G/C.	2,274.07	0.19%	-0.09%	0.39%	4.09%
Bberg 1-3Y G/C.	1,394.89	0.07%	0.01%	1.39%	4.88%
Bberg Agg.	2,140.93	0.32%	-0.27%	-0.97%	2.36%
Bberg High Yield	2,541.06	0.02%	-0.12%	2.46%	10.31%
Bberg U.S. TIPS	343.62	0.20%	-0.19%	0.51%	2.51%
Bberg ex. USD	402.34	0.08%	-0.27%	-5.51%	-0.93%
JPM EM Bond	908.27	0.11%	-0.58%	1.75%	8.60%
SOFR Overnight:	5.35%	SOFR 1M	5.33%	SOFR 3M	5.31%
30Y fix mortgage av	7.37%	BSBY 1M:	5.38%	Fed Funds:	5.50%
Treasury MM Rate	5.17%	Gov MM Rate	5.23%	Prime Rate:	8.50%



## Overnight News

- > U.S. equity index futures fluctuated between gains and losses, after the S&P 500 closed at its 32nd record high this year. The 10-year U.S. Treasury yield is little changed, while the 2-year yield rose. The dollar slightly weakened against major peers.
- > European equities broadly gained, led by French stocks once again as the country's left-wing parties, including President Emmanuel Macron's centrist group, have coordinated to avoid splitting votes against the far right party, Marine Le Pen's National Rally.
- > Stocks in Asia Pacific were mostly higher, with the exception of mainland Chinese equities. The People's Bank of China has tapped two of the nation's biggest banks to borrow government bonds, in an attempt to cool a market rally which pushed sovereign yields to a record low.
- > West Texas Intermediate (WTI) and Brent crude rose on signs of a huge drop in U.S. crude oil inventories, while crack spreads narrowed. Both U.S. and European natural gas retreated. Precious metals, base metals and agricultural commodities all rallied based on a weaker dollar.
- > President Joe Biden blamed his disastrous debate performance on travel plans which brought him to France and Italy, weeks before the scheduled debate. According to betting site Predictit, Biden now has only a 40% chance of being the Democratic presidential nominee.
- > Ukrainian President Volodymyr Zelenskyy challenged former U.S. President Donald Trump to reveal plans to quickly end the Russia-Ukraine war. Zelenskyy mentioned that Ukraine wants to be ready if there are any risks to the country's independence and statehood.

## Economic Reports

- > ADP reported U.S. added 150,000 jobs in June, lower than estimates and declining from a 157,000 revised reading in May.
- > U.S. Initial Jobless Claims was at 238,000 for the week ending June 29, slightly rising from a reading of 234,000 for the prior week.

## Company News

- > Shares of media company Paramount Global (PARA) surged during pre-market trading after film producer David Ellison's Skydance Media announced to acquire PARA's parent company National Amusements for \$1.75 billion.
- > Shares of alcoholic beverages maker Constellation Brands (STZ) rallied during pre-market trading after reporting quarterly comparable earnings ahead of estimates, while maintaining full-year comparable earnings forecast.
- > Shares of budget airline Southwest Airlines (LUV) are slight higher in pre-market action after adopting a shareholder rights plan, commonly known as a "poison pill", to defend against a push for leadership change by activist investor Elliott Investment Management.
- > Shares of computer hardware manufacturer Dell Technologies (DELL) gained during pre-market trading after being added to Bank of America's best investment ideas list. Online marketplace Amazon.com's (AMZN) shares are little changed while its status on the list is renewed.
- > Shares of oil and gas driller Permian Resources (PR) climbed in pre-market action after being upgraded by an analyst at BMO Capital Markets, who sees the expansion in the Delaware Basin and strong execution has led to a top-tier cost structure and operational performance.

\*These yield values come from the BVAL function which is not an indication of bonds on offer but an algorithmically assembled estimate of bond price from multiple sources, and implied price. Historically, this has been quite representative of bonds that could be purchased; however, currently the demand for corporate short term bonds with any pickup over comparable treasuries is very high relative to dealer inventories. BVAL is estimating the 'value' of a bond, (not the bid or ask price) and as a result should not be represented as actionable prices.

Sources: News, economic and market information compiled from various sources including the Wall Street Journal, Bloomberg and CNBC

**Dow Jones Industrial Average** is a price-weighted average of 30 large, frequently traded stocks with the objective of representing large and well-known U.S. companies.

**Standard & Poor's 500 Stock Index** is a composite of 500 of the largest companies in the United States and it often used as a measure of the overall U.S. stock market.

**NASDAQ Composite Index** measures all NASDAQ domestic and non-U.S. based common stocks listed in the NADAQ Stock Market. The index is market value weighted and currently includes over 5,000 companies.

**NASDAQ 100 Index** is a modified capitalization-weighted index of the 100 largest and most active non-financial domestic and international assets listed on the NASDAQ with no security allowed to have more than 24% weighting

**S&P Midcap 400 Index** provides investors with a benchmark for mid-sized companies. The index, which is distinct from the large-cap S&P 500®, measures the performance of mid-sized companies, reflecting the distinctive risk and return characteristics of this market segment.

**S&P 100 Index** is a sub-set of the S&P 500®, measures the performance of large cap companies in the United States. The Index comprises 100 major, blue chip companies across multiple industry groups. Individual stock options are listed for each index constituent.

**Russell 2000** measures the performance of the 2,000 smallest companies in the Russell 3000 Index, which represents approximately 8% of the total market capitalization of the Russell 3000 Index.

**Russell 2500 Index** measures the performance of the smallest 2,500 companies in the Russell 3000 Index. This index is constructed to give a comprehensive and unbiased barometer for the small and mid-cap segment of the U.S. equity universe.

**Russell 3000 Index** is composed of 3000 large U.S. companies, measured by market capitalization. The index is comprised of stocks within the Russell 1000 and Russell 2000 indices.

**Russell Midcap Index** measures the performance of the 800 smallest companies in the Russell 1000 Index, which represent about 25% of the total market capitalization of the Russell 1000 Index.

**Bloomberg U.S. Intermediate Government/Credit Bond Index** tracks the performance of intermediate term US government and corporate bonds with maturities between one and ten years.

**MSCI AC World Index** (MSCI ACWI) is a free-float weighted equity index that represents the Modern Index Strategy and captures all sources of equity returns in 23 developed and 23 emerging markets. The **MSCI World Index** is a free-float weighted equity index of developed world markets

**MSCI EAFE Index** is designed to represent the performance of large and mid-cap securities across 21 developed markets, including countries in Europe, Australasia and the Far East, excluding the U.S. and Canada. The Index is available for a number of regions, market segments/sizes and covers approximately 85% of the free float-adjusted market capitalization in each of the 21 countries.

**MSCI Emerging Markets Index** is a free float weighted equity index that captures large and mid cap representation across Emerging Markets (EM) countries. The index covers approximately 85% of the free float-adjusted market capitalization in each country.

**The Stoxx Europe 600 Index** is derived from the STOXX Europe Total Market Index and is a subset of the STOXX Global 1800 Index. With a fixed number of 600 components, the STOXX Europe 600 Index represents large, mid and small capitalization companies across 17 countries of the European region.

**Pre-Market S&P Futures** are traded on the Chicago Mercantile Exchange (CME) and closely follow the price movement of the S&P 500 index, providing risk management and investing opportunities for financial professionals and individual investors.

**The U.S. Dollar Index (USDx)** indicates the general int'l value of the USD. The USDx does this by averaging the exchange rates between the USD and 6 major world currencies. The FINEX computes this by using the rates supplied by some 500 banks.

**Gold Spot Price** is quoted as U.S. Dollars per Troy Ounce. The **Silver Spot Price** is quoted as U.S. Dollars per Troy Ounce.

**Oil price** represents Light Crude Oil for current month delivery priced per barrel from the New York Mercantile Exchange.

**Muni AAA GO** is derived from data points on Bloomberg's option-free Fair Market Curves; the yield at each maturity point represents the composite yield of securities around that maturity.

**Corporate Industrials Rated A** yield curve is populated daily with currency denominated fixed-rate bonds within a given industry sector; represents the composite yield of securities around that maturity.

**The Alerian MLP Infrastructure Index** is a composite of energy infrastructure Master Limited Partnerships (MLPs). The capped, float-adjusted, capitalization-weighted index, whose 25 constituents earn the majority of their cash flow from the transportation, storage, and processing of energy commodities, is disseminated real-time on a price-return basis (AMZ)

**Bloomberg U.S. Municipal Bond Index** covers the USD-denominated long-term tax exempt bond market. The index has four main sectors: state and local general obligation bonds, revenue bonds, insured bonds and refunded bonds.

**Bloomberg Commodity Index - BCOM** The index rebalances annually weighted 2/3 by trading volume and 1/3 by world production. Weight-caps are applied at the commodity, sector and group level for diversification.

**Bitcoin** is a decentralized, fully independent, digital or virtual currency also known as a cryptocurrency.

**S&P 500 U.S. REIT** defines and measures the investable universe of publicly traded real estate investment trusts domiciled in the United States.

**Bloomberg U.S. Aggregate Bond Index** is a broad-based flagship benchmark that measures the investment grade, US dollar-denominated, fixed-rate taxable bond market. The index includes Treasuries, government-related and corporate securities, MBS (agency fixed-rate and hybrid ARM pass-throughs), ABS and CMBS (agency and non-agency).

**Bloomberg Global Aggregate ex-USD Bond Index** is a flagship measure of global investment grade debt from twenty-four local currency markets excluding the United States. This multi-currency benchmark includes treasury, government-related, corporate and securitized fixed-rate bonds from both developed and emerging markets issuers.

**Bloomberg U.S. Corporate High Yield Index** represents the universe of fixed rate, non-investment grade debt. Eurobonds and debt issues from countries designated as emerging markets (e.g., Argentina, Brazil, Venezuela, etc.) are excluded but, Canadian and global bonds (SEC registered) of issuers in non-EMG countries are included. Original issue zeroes, step-up coupon structures, 144-As and pay-in-kind bonds (PIKs, as of October 1, 2009) are also included. The index includes corporate sectors. The corporate sectors are Industrial, Utility, and Finance, encompassing both US and non-US Corporations. An investment cannot be made directly in a market index.

**Bloomberg U.S. Treasury Inflation Protected Securities Index** consists of inflation-protection securities issued by the US Treasury. They must have at least one year until final maturity and at least \$250 million par amount outstanding. Also known as "TIPS".

**London Interbank Offered Rate (LIBOR)** is the rate of interest at which banks borrow funds, in marketable size, from other banks in the London interbank market. LIBOR, the most widely used benchmark or reference rate for short term interest rates, is an international rate.

The indices are unmanaged and do not represent the performance of any particular investment. You cannot invest directly into the indices.

**U.S. Treasury securities** are direct debt obligations issued and backed by the "full faith and credit" of the United States government, i.e. timely payment of principal and interest is guaranteed. Income from Treasury securities is exempt from state and local, but not federal income tax.

**U.S. Treasury bills** are issued with maturities of three months to one year in denominations beginning at \$1,000. Investors purchase bills at a discounted price from their face value. At maturity, the Treasury redeems the bills at full face value. The difference between the discounted price paid and the face value of the bill when it is redeemed is its return.

**U.S. Treasury notes** are issued with initial maturities of two to ten years and pay interest semi-annually at a fixed, predetermined rate. Notes are issued in minimum denominations of \$1,000.

**U.S. Treasury bonds** are available in maturities of ten to 30 years and pay interest semi-annually at a fixed, predetermined rate. Treasury bonds are issued in minimum denominations of \$1,000.

The **JPMorgan Emerging Markets Bond Index Global** tracks total returns for traded external debt instruments in the emerging markets, including U.S. dollar-denominated Brady bonds, loans and Eurobonds with an outstanding face value of at least \$500 million.

**T.E.Y** is the yield equivalence at which the rate of interest on a tax-exempt security and a taxable security of similar quality provide the same return.

**Secured Overnight Financing Rate (SOFR)** is a broad measure of the cost of borrowing cash overnight collateralized by Treasury securities.

**Bloomberg 1Month Short Term Bank Yield Index (BSBY)** is a proprietary index that is calculated daily. It addresses the needs of the market by providing a credit sensitive reference rates that incorporate bank credit spreads and defines a forward term structure.

**Federated Hermes Treasury Obligations Fund Rate (TOIX)**: is the rate that seeks current income consistent with the stability of principal by investing in a portfolio of short-term U.S treasury securities which include repurchase agreements collateralized fully by U.S treasury securities.

**Federated Hermes Government Obligations Fund Rate (GOIX)**: is the rate that seeks current income consistent with the stability of principal by investing in a portfolio of short-term U.S treasury securities and government agency securities, including repurchase agreements collateralized fully by U.S treasury and government agency securities.

The quality of any bond is based on the issuer's financial ability to make interest payments and repay the loan in full at maturity. Standard & Poor's, an independent credit rating services, evaluates the creditworthiness of bonds. They research the financial health of each bond issuer and assign ratings to the bonds being offered.

Bonds rated AAA (highest quality) to BBB (medium) are considered investment grade. Bonds rated BB (speculative) to D (default) are considered non-investment grade. Standard & Poor's append their ratings with a plus or minus indicator to show a bond's ranking within a category. For example, A+ is better than A, and A is better than A-.

All bonds are subject to availability and yields are subject to change. The bond's income may be subject to certain state and local taxes depending upon your tax status and or the federal alternative minimum tax.

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