



Weekly Recap

Wednesday's Consumer Price Index (CPI) report showed signs of inflation moderating in March posting an increase of 5% compared to last year and slowing from an annual pace of 6% in February. Despite CPI posting its slowest pace since May 2021, Core CPI which excludes food and energy rose 5.6% compared to the previous month's 5.5% increase. Producer Price Index (PPI) reported on Thursday increased 2.7% on an annual basis, which was below expectations for a 3% increase and fell 0.5% month-over-month (M/M). Core PPI (ex-food, energy and trade) rose 0.1% on a monthly basis. Friday's retail sales fell 1% M/M in March and was largely driven by a 5.5% drop in gasoline sales. Retail sales ex-autos and gas fell 0.3%. Treasury yields increased 8-12 bps throughout the belly of the curve this week as Treasuries sold off on Friday. Fed funds futures are pricing in an 81.4% probability that the Fed will lift rates an additional 0.25% on May 3rd before pausing further rate hikes, bringing the rate to 5%-5.25%. First quarter earnings season has officially started with 28 out of 500 companies reporting so far. The market closely followed reports on Friday from JPMorgan, Wells Fargo, and Citigroup all posting better than anticipated results. The analyst community will be looking for any insights following last month's banking stress that mainly impacted U.S. regional banks. WTI crude oil advanced by 2.37% this week and is now positive year-to-date. Gold inched closer to its all-time high closing above the \$2,000 level. Lastly, the Russell 1000 Value Index outperformed the Russell 1000 Growth Index posting an increase of 1.21% and 0.54%, respectively. The outperformance of value was driven by the financials and energy sectors posting the strongest performance this week up 2.86% and 2.47%, respectively.

Key Thought for The Week

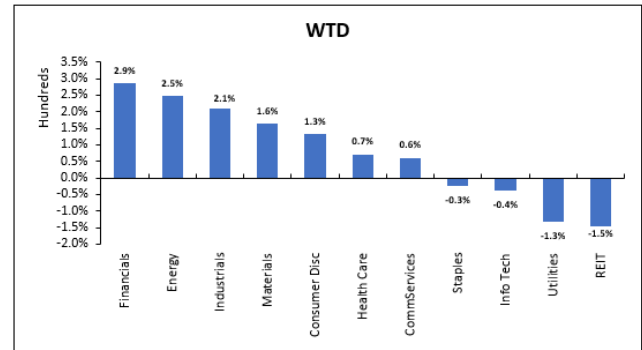
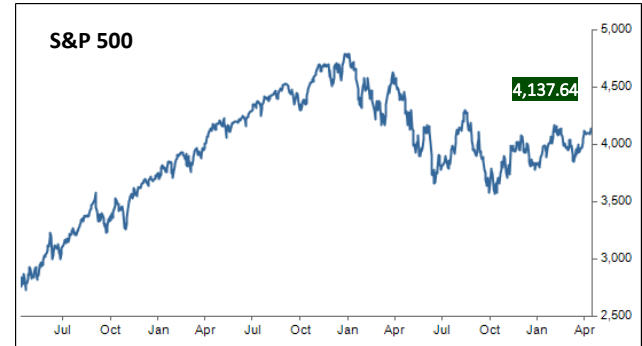
On Thursday, the U.S. Dollar Index (DXY) hit a year-to-date (YTD) low of \$101.01 which equates to a drop of nearly 4.5% from the YTD high of \$105.66 on March 8th. While it is difficult to pinpoint the driver of the dollar's weakening, buyers of the U.S. dollar should not be overly concerned. The drop in the U.S. dollar has had more to do with supply and demand along with developed market interest rate differentials and not the idea of "de-dollarization" across the globe. The U.S. dollar is still considered a sanctuary around the world and its dominance as a safe-haven asset is secure. According to an opinion piece on Bloomberg, the dollar accounts for nearly 88% of all international transactions with the closest competitor being the Euro at a distant 31%. Some transactions involve multiple currencies, therefore, estimates can exceed 100%. The debt ceiling debate can put some added downward pressure on the U.S. dollar, however, a U.S. default is highly unlikely. With that being said, expect demand and liquidity of the U.S. dollar to remain robust.

4/14/2023	Wk Net Change	Wk % Change	Div Yield	YTD % Change	12 Mos % Change
STOCKS					
DJIA	33,886.47	401.18	1.20	2.07	-1.64
S&P 500	4,137.64	32.62	0.79	1.67	-5.80
NASDAQ	12,123.47	35.51	0.29	0.89	-9.19
S&P MidCap 400	2,489.47	42.38	1.73	1.89	-5.29
EAFE	2,144.77	43.71	2.08	3.25	1.24
Emerging Market	997.03	9.96	1.01	3.19	-10.77
				Wk % Change	
TREASURIES	Yield		FOREX	Price	Change
1-Year	4.78		USD/EUR	1.10	0.80
2-Year	4.10		JPY/USD	133.79	-1.22
5-Year	3.61		USD/GBP	1.24	-0.04
10-Year	3.52		CAD/USD	1.34	1.03
30-Year	3.74				

Sector - Large Cap

	Close	Wk Net Change	WTD	MTD	QTD	YTD
Defensive						
Staples	785.47	-1.98	(0.3%)	0.7%	0.7%	0.8%
Health Care	1,568.38	11.05	0.7%	3.8%	3.8%	(1.1%)
CommsServices	197.18	1.18	0.6%	2.9%	2.9%	23.7%
Eco Sensitive						
Consumer Disc	1,144.40	14.81	1.3%	(1.7%)	(1.7%)	13.8%
Energy	670.32	16.18	2.5%	5.6%	5.6%	(0.3%)
Industrials	845.07	17.31	2.1%	(1.3%)	(1.3%)	1.6%
Info Tech	2,599.12	-9.63	(0.4%)	(1.5%)	(1.5%)	19.7%
Materials	509.65	8.14	1.6%	0.3%	0.3%	4.1%
Interest Rate Sensitive						
Financials	547.01	15.20	2.9%	2.2%	2.2%	(4.0%)
Utilities	349.97	-4.75	(1.3%)	1.7%	1.7%	(2.4%)
REIT	229.59	-3.38	(1.5%)	(2.2%)	(2.2%)	(1.2%)

	COMING UP NEXT WEEK	Consensus	Prior
04/17	Empire State Index SA (Apr)	-17.0	-24.6
04/17	NAHB Housing Market Index SA (Apr)	44.0	44.0
04/18	Housing Starts SAAR (Mar)	1,420K	1,450K
04/20	Initial Claims SA (4/15)	250.0K	239.0K
04/20	Philadelphia Fed Index SA (Apr)	-20.0	-23.2
04/20	Existing Home Sales SAAR (Mar)	4,500K	4,580K
04/20	Leading Indicators SA M/M (Mar)	-0.40%	-0.30%
04/21	Markit PMI Manufacturing SA (Preliminary) (Apr)	49.4	49.2
04/21	Markit PMI Services SA (Preliminary) (Apr)	53.2	52.6



Russell Style Return

	WTD	Value	Blend	Growth
Large	1.21%	0.87%	0.54%	
Medium	1.17%	1.43%	1.88%	
Small	0.94%	1.54%	2.09%	

	YTD	Value	Blend	Growth
Large	2.28%	8.06%	14.25%	
Medium	0.91%	3.56%	8.48%	
Small	(2.37%)	1.55%	5.40%	

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