



[. \(https://www.ajg.com/us/\)](https://www.ajg.com/us/)

Industries
Consulting
About Us
CareersLocations
Insurance
News & Insights
Investor Relations



[News & Insights \(https://www.ajg.com/us/news-and-insights/\)](https://www.ajg.com/us/news-and-insights/) >
[Finance \(https://www.ajg.com/us/news-and-insights/?filters={{E9B048D8-5574-4A0D-9620-1EE0645C3545}}\)](https://www.ajg.com/us/news-and-insights/?filters={{E9B048D8-5574-4A0D-9620-1EE0645C3545}}) >
Weekly Financial Markets Update February 20, 2024

News & Insights

Weekly Financial Markets Update: February 20, 2024

This Weekly Financial Markets Update reviews the top market headlines:
Inflation Runs Hotter than Expected in January, Retail Sales Falter in
January, Inflation Dampens Small Business Optimism

SHARE

 (mailto:?subject=Sending you a great page to check out from Gallagher:
Weekly%20Financial%20Markets%20Update%20February%2020%2C%202024&body=This%20Weekly%20Financial%20Ma
 <https://www.ajg.com/us/news-and-insights/2024/feb/weekly-financial-markets-update-february-20-2024/>)

- **The “core” Consumer Price Index (CPI) rose 3.9% in January, unchanged from the prior month**
- **U.S. retail sales fell 0.8% in January from the prior month**
- **The NFIB Small Business Optimism Index fell to 89.9 in January**

Top Three Market Headlines

Inflation Runs Hotter than Expected in January: The U.S. Department of Labor reported last week that the Consumer Price Index (CPI) rose 0.3% in January versus the prior month, up from December’s (revised) 0.2% pace. Compared to the prior year the CPI increased 3.1%; while this was down from a 3.4% pace in December, it exceeded the consensus forecast of 2.9%. The “core” CPI, which excludes volatile food and energy items, rose 0.4% on the month, also higher than the prior month pace of 0.3%; on a year-over-year basis, core CPI was up 3.9%, unchanged from

December. Key product areas contributing to the higher readings in January included shelter (+0.6% on the month), food (+0.4%), motor vehicle insurance (+1.4%), and medical care (+0.5%).

Retail Sales Falter in January: The U.S. Census Bureau reported last week that sales at U.S. retail and food service establishments fell 0.8% in January. This fell short of economists' expectations and represented the largest month-over-month decline since March of 2023. Weakness was fairly widespread across different types of businesses during the month, with the largest declines experienced in building materials and garden equipment (-4.1% versus last month), miscellaneous store retailers (-3.0%), and motor vehicles/parts (-1.8%). The lone bright spots were furniture & home stores (+1.5%) and restaurants (+0.7%).

Inflation Dampens Small Business Optimism: Small business owners were slightly less enthused about business conditions in January, according to the latest Small Business Optimism Index. Released last week by the National Federation of Independent Business, the index fell from 91.9 in the prior month to 89.9 in January. This was its lowest level in eight months and its 25th straight month below the 50-year average of 98. The report highlighted that inflation remained the single most important concern facing business operators, followed by labor quality.

As of February 20, 2024	Week	Quarter-To-Date	Year-To-Date	One-Year
MSCI All Country World	0.35%	3.32%	3.32%	17.79%
S&P 500	-0.35%	5.15%	5.15%	24.37%
Russell 2000	1.17%	0.40%	0.40%	6.33%
MSCI EAFE	1.47%	1.04%	1.04%	10.68%
MSCI Emerging Markets	2.11%	-0.65%	-0.65%	3.12%
FTSE NAREIT	0.30%	-3.08%	-3.08%	0.80%
Bloomberg Commodity	-0.62%	-1.72%	-1.72%	-5.56%
Barclays U.S. Aggregate	-0.55%	-2.01%	-2.01%	2.53%

US Dept of Labor 2/13/2024, Barron's 2/19/2024, NFIB 2/13/2024, WSJ 2/15/2024. Data from Morningstar Direct. Returns for periods greater than one year are annualized. Investment advisory, named and independent fiduciary services are offered through Gallagher Fiduciary Advisors, LLC, an SEC Registered Investment Adviser. Gallagher Fiduciary Advisors, LLC does not express an investment opinion regarding any specific commodity, sector or individual security. Unless otherwise expressly noted, the contents of this communication do not constitute securities or investment advice, nor should this communication be construed as an opinion regarding the appropriateness of any investment. Gallagher Fiduciary Advisors, LLC is a single-member, limited-liability company, with Gallagher Benefit Services, Inc. as its single member. Neither Arthur J. Gallagher & Co., Gallagher Fiduciary Advisors, LLC nor their affiliates provide accounting, legal or tax advice. The information provided cannot take into account all the various factors that may affect your particular situation, therefore you should consult your Gallagher Fiduciary Advisors consultant before acting upon any information or recommendation contained herein to discuss the suitability of the information/recommendation for your specific situation.

Industries (<https://www.ajg.com/us/industries/>)

Healthcare
(<https://www.ajg.com/us/industries/healthcare-insurance-and-consulting/>)

Higher Education
(<https://www.ajg.com/us/industries/higher-education-insurance-and-consulting/>)

Public Sector & K-12 Education
(<https://www.ajg.com/us/industries/government-public-entities-k-12-schools-insurance/>)

Consulting (<https://www.ajg.com/us/services/>)

Health and Welfare Consulting
(<https://www.ajg.com/us/services/health-and-welfare-consulting/>)

Voluntary Benefits
(<https://www.ajg.com/us/services/voluntary-benefits/>)

Human Resources and Compensation Consulting
(<https://www.ajg.com/us/services/human-resources-compensation-consulting/>)

Construction
(<https://www.ajg.com/us/industries/construction-insurance/>)

Retirement Plan Consulting
(<https://www.ajg.com/us/services/retirement-plan-consulting/>)

Insurance (<https://www.ajg.com/us/insurance/>)

Claims Advocacy
(<https://www.ajg.com/us/insurance/insurance-claims-contacts/claims-advocacy/>)

Cyber Liability Insurance
(<https://www.ajg.com/us/insurance/cyber-liability-insurance/>)

Crisis Resilience
(<https://www.ajg.com/us/insurance/crisis-resilience-insurance/>)

Loss Control (<https://www.ajg.com/us/insurance/loss-control-insurance/>)

About Gallagher (<https://www.ajg.com/us/about-us/>)

Contact Us (<https://www.ajg.com/us/contact-us/>)

Our Purpose (<https://www.ajg.com/us/about-us/our-purpose/>)

The Gallagher Way (<https://www.ajg.com/us/about-us/the-gallagher-way/>)

Investor Relations

Careers (<https://www.ajg.com/us/careers/>)

Locations (<https://www.ajg.com/us/locations/>)



TOP

Contact Us (<https://www.ajg.com/us/contact-us/>)
Terms of Use (<https://www.ajg.com/us/terms-of-use/>)
Global Privacy Notice (<https://www.ajg.com/us/global-privacy-notice/>)

© 2024 Arthur J. Gallagher & Co.