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- The NASDAQ Composite was the leader among the major U.S. equity indices in April, as technology earnings drove the index to reach then finish the month above 6,000 for the first time. The index rose 2.4% last month, and was up 12.7% YTD.
- According to FactSet, overall S&P 500 company earnings are expected to grow 12.5% in the first quarter, the highest since September 2011 and the first double-digit increase since December 2011.
- Foreign equities generally outpaced U.S. markets in April and year-to-date (YTD).

U.S. stocks advanced for a sixth straight month, as strong earnings overshadowed both a pullback in economic growth and increased geopolitical risks. Global equity indices approached or reached record highs, also, as the first round winner of France's presidential elections eased concerns the nation may leave the European Union. The S&P 500 ended lower on the final session of the month after the Commerce Department reported that the U.S. economy expanded by 0.7% in the first quarter, the slowest growth pace in three years and down from 2.1% GDP growth the quarter prior. Weak consumer spending was the primary drag on domestic growth. On the other hand, wages and benefits rose at the fastest pace since 2007 and headline business investment rose 9.4%, the most since 2013. On the earnings front, with nearly 300 S&P 500 companies reporting first quarter results, approximately 85% have topped analysts' profit projections. Moreover, 66% of S&P 500 companies have exceeded their revenue forecasts, their highest level since the second quarter 2011.

Within the S&P 500, 8 of its 11 major sector groups advanced in April, led by Technology (+2.52%), Consumer Discretionary (+2.44%), and Industrials (+1.76%). Telecom (-3.31%), Energy (-2.89%), and Financials (-0.84%) lagged. On a year-to-date basis, all but two sectors posted gains. Technology again took top honors, up 15.41%, followed by Consumer Discretionary (+11.09%) and Healthcare (+10.04%). Energy (-9.38%) and Telecom (-7.15%) are this year's worst performers.

Small cap stocks, as measured by the Russell 2000 Index, performed best in April, outperforming large and mid cap shares. The Russell 2000 Index gained 1.1% last month, while the Russell Mid Cap Index returned 0.77%. Large cap stocks, as measured by the S&P 500, have gained the most this year, up 7.16% YTD. Growth stocks outperformed value stocks in April, with the Russell 1000 Growth Index up 2.29%, while the Russell 1000 Value Index declined 0.19%. The outperformance in growth stocks has continued to widen on a year-to-date basis, with growth shares up 11.4%, while value stocks trailed with a 3.07% YTD gain.

The MSCI EAFE Index, a broad performance measure of global developed markets outside of the U.S. and Canada, outperformed emerging market equities last month, rallying 2.54%. The MSCI Emerging Markets Index posted a 2.19% advance in April. On a YTD basis, however, the MSCI Emerging Markets Index has risen the most, up 13.88% versus a return of 9.97% for the MSCI EAFE Index. The MSCI All Country World Index excluding the U.S. rose 2.14% in April and 10.17% YTD. Amid rising geopolitical risks, prices on benchmark 10-year U.S. Treasury notes rose in April, pulling its yield lower by 10.7 basis points to end the month at 2.28%. The Bloomberg Barclays U.S. Municipal Bond Index gained 0.73% last month, while the Bloomberg Barclays U.S. Aggregate Bond Index, a broader measure of U.S. investment grade bonds, rose 0.77%. At the other end of the credit spectrum, the Bloomberg Barclays U.S. Corporate High Yield Index, a proxy for below-investment grade corporate bonds, was the best performing domestic bond index, returning 1.15% in April and 3.89% YTD.

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