

# Weekly Market Update



Market Data as of Week Ending: 10/2/2020 unless noted otherwise

U.S. stock prices advanced last week and put an end to consecutive weekly losses. Small and medium sized company stocks generally outperformed large company peers, while value stocks rotated back to a leadership position and outperformed growth. Defensive sectors such as real estate and utilities were the top performing sectors whereas a mix of cyclical and economically sensitive sectors such as materials, energy, information technology, and communication services lagged. Developed foreign stocks in Europe and Asia narrowly lagged U.S. stocks while Emerging Market stocks outperformed both U.S. and developed foreign markets.

U.S. Treasury yields edged higher this past week (bond prices and yields move in opposite directions) as investors pivoted back toward risk assets across most asset classes. High yield (below investment grade) corporate bonds were the top performing asset class and the only segment to record gains across short, intermediate, and long maturities. Investment grade corporate bonds were mixed with positive gains in short and intermediate term bonds, while U.S. government bonds lagged across the curve. Investment grade corporate bonds are yielding approximately 2% and high yield corporate bonds are yielding more than 5.5%.

Initial unemployment claims for the week were lower than anticipated at 837,000 and approximately 11.8 million Americans continue to claim ongoing unemployment benefits. Economic data released during the week was mixed as the September monthly payrolls came in well below consensus with 661,000 jobs added, whereas consumer confidence rose to 101.8 this month from 86.3 in August. According to the Conference Board, that was the biggest one-month increase in 17 years. Several European countries such as Spain ordered partial lockdowns to combat a recent spike in coronavirus cases. Inflation data in the Eurozone declined for a second consecutive month in September and the year-over-year inflation rate hit a four-year low of -0.3%.

U.S. Equity Returns (Size & Style - Russell)												
	Week			MTD			QTD			YTD		
	Value	Core	Growth	Value	Core	Growth	Value	Core	Growth	Value	Core	Growth
<b>Large</b>	2.20%	1.79%	1.41%	0.51%	-0.21%	-0.85%	0.51%	-0.21%	-0.85%	-11.13%	6.18%	23.28%
<b>Mid</b>	3.45%	3.18%	2.70%	1.74%	1.28%	0.46%	1.74%	1.28%	0.46%	-11.32%	-1.10%	14.45%
<b>Small</b>	5.71%	4.42%	3.26%	3.23%	2.11%	1.10%	3.23%	2.11%	1.10%	-19.01%	-6.76%	5.02%

  

U.S. Fixed Income Returns (Quality & Duration - Bloomberg Barclays)												
	Week			MTD			QTD			YTD		
	Short	Interm	Long	Short	Interm	Long	Short	Interm	Long	Short	Interm	Long
<b>Govt</b>	-0.03%	-0.07%	-1.22%	-0.03%	-0.05%	-0.47%	-0.03%	-0.05%	-0.47%	4.29%	5.91%	20.56%
<b>Corp</b>	0.13%	0.20%	-0.17%	0.03%	0.04%	-0.02%	0.03%	0.04%	-0.02%	4.25%	5.66%	8.35%
<b>HY</b>	0.78%	0.90%	0.74%	0.17%	0.17%	-0.05%	0.17%	0.17%	-0.05%	-1.24%	-0.02%	12.22%

Index Returns				
	Week	MTD	QTD	YTD
<b>Equities (Stocks)</b>				
S&P 500	1.54%	-0.42%	-0.42%	5.13%
S&P MidCap 400	4.76%	2.24%	2.24%	-6.57%
Russell 2000	4.42%	2.11%	2.11%	-6.76%
MSCI EAFE	1.53%	0.01%	0.01%	-7.08%
MSCI Emerging Markets	2.21%	0.01%	0.01%	-1.15%
MSCI EAFE Small Cap	2.29%	-0.06%	-0.06%	-4.26%
<b>Fixed Income (Bonds)</b>				
Barclays Int Gov/Credit	0.03%	-0.02%	-0.02%	5.90%
Barclays US Agg	-0.09%	-0.05%	-0.05%	6.74%
Barclays US High Yield	0.89%	0.16%	0.16%	0.78%
<b>Other</b>				
Bloomberg Commodity	-1.25%	-1.48%	-1.48%	-13.39%
S&P Dev Property	4.20%	2.61%	2.61%	-14.84%

S&P 500 Sector Returns				
	Week	MTD	QTD	YTD
Consumer Discretionary	2.51%	0.45%	0.45%	23.93%
Consumer Staples	1.66%	-0.09%	-0.09%	4.03%
Energy	-2.84%	-2.17%	-2.17%	-49.22%
Financials	3.34%	0.94%	0.94%	-19.47%
Health Care	1.06%	-1.35%	-1.35%	3.60%
Industrials	1.47%	0.79%	0.79%	-3.23%
Info Technology	0.83%	-1.60%	-1.60%	26.64%
Materials	1.27%	-0.59%	-0.59%	4.85%
Real Estate	5.02%	3.17%	3.17%	-3.37%
Communication Svcs	0.94%	-0.65%	-0.65%	7.90%
Utilities	3.34%	2.17%	2.17%	-3.64%

Bond Yields				
	10/2/2020	9/30/2020	9/30/2020	12/31/2019
3Mo Libor	0.23%	0.23%	0.23%	1.91%
SOFR 3Mo Swap	0.08%	0.08%	0.08%	1.57%
2Yr Treasury	0.13%	0.13%	0.13%	1.57%
10Yr Treasury	0.70%	0.69%	0.69%	1.92%
2-10 Slope	0.57%	0.56%	0.56%	0.35%

Commodities and Currency				
	10/2/2020	9/30/2020	9/30/2020	12/31/2019
Oil (\$/barrel)	37.05	40.22	40.22	61.06
Gold (\$/oz.)	1899.84	1885.82	1885.82	1517.27

Past performance is not a guarantee of future results. We believe the information presented is reliable, but we do not guarantee its accuracy.