

Weekly Market Update



Market Data as of Week Ending: 10/9/2020 unless noted otherwise

U.S. stock prices advanced again last week as investors embraced risk assets. Small and medium sized company stocks generally outperformed large company peers, while growth stocks moved back to a leadership position and outperformed value. All major economic sectors delivered positive returns with notable gains in the energy, materials, information technology, and utilities sectors. Developed foreign stocks in Europe and Asia narrowly lagged U.S. stocks while Emerging Market stocks outperformed developed foreign markets.

U.S. Treasury yields rose this past week (bond prices and yields move in opposite directions) as investors demonstrated a strong preference for yield over quality. High yield (below investment grade) corporate bonds were the top performing asset class. Investment grade corporate bonds also delivered positive gains, whereas 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%.

Initial unemployment claims for the week were little changed at 840,000 and approximately 11 million Americans continue to claim ongoing unemployment benefits. Economic data released during the week was sparse, headlined by PMI numbers that show the global economy is continuing to recover as the global composite PMI index came in at 52.1 for last month. Coronavirus cases rose in Spain, Italy, France, and the UK despite measures to reduce virus transmission. China reported strong PMI data for the services sector that rose from 54.0 in August to 54.8 in September. That was the fifth consecutive monthly improvement for the services sector and the latest evidence of China's post-COVID-19 recovery.

U.S. Equity Returns (Size & Style - Russell)

	Week			MTD			QTD			YTD		
	Value	Core	Growth	Value	Core	Growth	Value	Core	Growth	Value	Core	Growth
Large	3.81%	4.03%	4.23%	4.33%	3.81%	3.34%	4.33%	3.81%	3.34%	-7.75%	10.45%	28.49%
Mid	4.33%	4.74%	5.47%	6.15%	6.08%	5.96%	6.15%	6.08%	5.96%	-7.48%	3.59%	20.71%
Small	5.75%	6.40%	6.99%	9.16%	8.64%	8.17%	9.16%	8.64%	8.17%	-14.36%	-0.80%	12.36%

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
Govt	-0.09%	-0.19%	-1.62%	-0.12%	-0.24%	-2.07%	-0.12%	-0.24%	-2.07%	4.20%	5.71%	18.62%
Corp	0.11%	0.13%	0.09%	0.14%	0.17%	0.07%	0.14%	0.17%	0.07%	4.37%	5.80%	8.44%
HY	0.97%	1.17%	1.50%	1.14%	1.35%	1.45%	1.14%	1.35%	1.45%	-0.28%	1.15%	13.90%

Index Returns

	Week	MTD	QTD	YTD
Equities (Stocks)				
S&P 500	3.89%	3.46%	3.46%	9.22%
S&P MidCap 400	4.94%	7.28%	7.28%	-1.96%
Russell 2000	6.40%	8.64%	8.64%	-0.80%
MSCI EAFE	2.98%	2.99%	2.99%	-4.31%
MSCI Emerging Markets	3.78%	3.79%	3.79%	2.59%
MSCI EAFE Small Cap	3.53%	3.46%	3.46%	-0.88%
Fixed Income (Bonds)				
Barclays Int Gov/Credit	-0.07%	-0.09%	-0.09%	5.83%
Barclays US Agg	-0.17%	-0.22%	-0.22%	6.55%
Barclays US High Yield	1.20%	1.36%	1.36%	1.99%
Other				
Bloomberg Commodity	4.94%	3.39%	3.39%	-9.11%
S&P Dev Property	1.68%	4.34%	4.34%	-13.41%

S&P 500 Sector Returns

	Week	MTD	QTD	YTD
Consumer Discretionary	3.88%	4.34%	4.34%	28.73%
Consumer Staples	2.70%	2.60%	2.60%	6.84%
Energy	5.00%	2.72%	2.72%	-46.68%
Financials	3.87%	4.84%	4.84%	-16.36%
Health Care	4.06%	2.65%	2.65%	7.80%
Industrials	4.01%	4.84%	4.84%	0.65%
Info Technology	4.61%	2.94%	2.94%	32.47%
Materials	5.12%	4.50%	4.50%	10.21%
Real Estate	1.39%	4.60%	4.60%	-2.03%
Communication Svcs	2.49%	1.82%	1.82%	10.58%
Utilities	4.59%	6.85%	6.85%	0.78%

Bond Yields

	10/9/2020	9/30/2020	9/30/2020	12/31/2019
3Mo Libor	0.22%	0.23%	0.23%	1.91%
SOFR 3Mo Swap	0.08%	0.08%	0.08%	1.57%
2Yr Treasury	0.16%	0.13%	0.13%	1.57%
10Yr Treasury	0.78%	0.69%	0.69%	1.92%
2-10 Slope	0.62%	0.56%	0.56%	0.35%

Commodities and Currency

	10/9/2020	9/30/2020	9/30/2020	12/31/2019
Oil (\$/barrel)	40.6	40.22	40.22	61.06
Gold (\$/oz.)	1930.4	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.