

WEEKLY MARKET SNAPSHOT

Week Ended | Friday, May 1, 2020

Market Commentary

Global equities gained 1.3% last week. U.S. stocks were flat, while developed and emerging international stocks gained 3.1% and 4.3%, respectively. Year-to-date, global equities are down 14.8% with domestics down 12.9%, followed by emerging markets (-17.3%) and developed international (-18.9%). Bonds gained 0.1% for the week. The US 10-yr treasury yield closed the week pretty much where it started at 0.61%. Year-to-date, treasuries have significantly outperformed investment grade corporates and high yield (-8.9%).

While stocks are still down significantly year-to-date, April 2020 marked the best month for the S&P 500 since 1987 with a total return of nearly 13%. Decelerating new COVID-19 cases and substantial fiscal and monetary stimulus initiatives have supported a market rebound from the March 23 low. Economic data remains ugly, but there are indications that a bottoming out process has begun. An initial estimate showed that U.S. GDP shrank 4.8% in the first quarter – the second quarter will be much worse, but also likely the worst of this recession. As expected, the Fed kept rates unchanged and pledged to keep them unchanged pending a return to growth. Another 3.8M Americans filed for unemployment benefits, bringing the five-week total to over 30M, but also marking the fourth straight week of lower claims.

The week ahead brings another slug of earnings reports - analysts now expect a 1Q earnings decline of 13.7% vs. a 16.1% projected a week ago. From an economic perspective, jobless claims are due on Thursday (4/7) and the U.S. unemployment report on Friday (4/8). We expect jobless claims to continue trending lower and unemployment in the mid-to-upper teens.

One Week To Date Month To Date Quarter To Date Year To Date One Year Three Years Five Years

Total Returns (%)

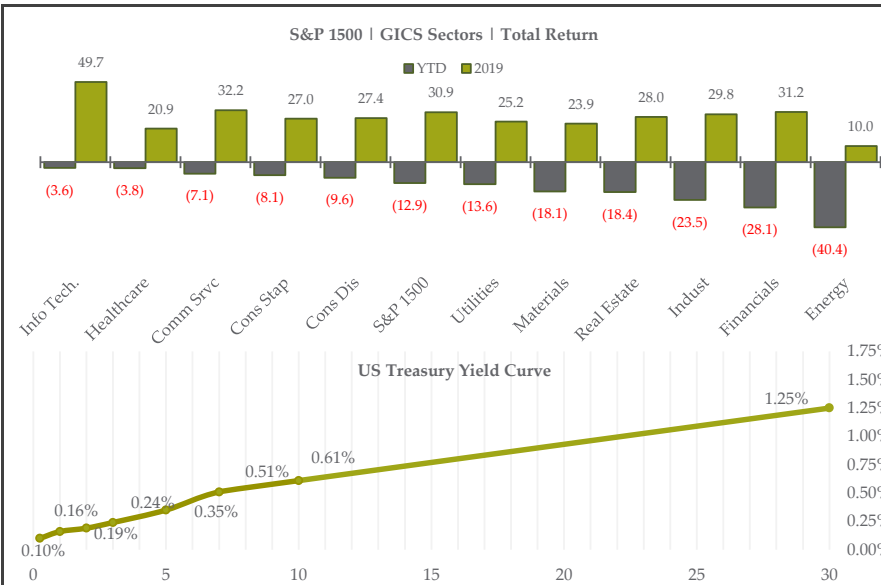
	Price	One Week	Month To Date	Quarter To Date	Year To Date	One Year	Three Years	Five Years	
Global Stocks		1.3	(2.2)	8.3	(14.8)	(6.7)	3.6	3.8	
US Stocks	641.1	0.0	(2.9)	9.7	(12.9)	(2.8)	7.0	7.7	
Developed International	5201.3	3.1	(1.3)	5.1	(18.9)	(12.7)	(1.1)	(0.4)	
Emerging Markets	436.1	4.3	(0.9)	8.2	(17.3)	(12.9)	0.2	(0.2)	
Domestic Stocks		0.0	(2.9)	9.7	(12.9)	(2.8)	7.0	7.7	
Large Cap	2830.7	(0.2)	(2.8)	9.7	(11.8)	(1.2)	7.9	8.3	
Large Cap Value	1022.5	(0.5)	(2.9)	7.5	(19.7)	(9.5)	2.5	4.4	
Large Cap Growth	1851.4	0.1	(2.7)	11.3	(4.8)	4.5	12.7	11.4	
Mid Cap	1590.5	2.6	(3.4)	10.3	(22.5)	(16.9)	(1.3)	2.7	
Small Cap	740.0	3.5	(4.0)	8.2	(27.1)	(22.2)	(3.3)	2.3	
Domestic Fixed Income		Yield	0.1	(0.1)	1.3	3.7	8.3	4.0	3.1
1-5 Year: Treasuries	0.28	0.0	(0.1)	0.1	3.9	7.0	3.2	2.3	
IG Corps	1.99	0.2	(0.1)	2.9	0.6	4.7	3.2	2.8	
Municipals	1.41	(0.0)	0.1	0.2	(0.2)	2.1	1.8	1.5	
5-10 Year: Treasuries	0.52	(0.2)	(0.1)	0.4	9.1	14.9	6.0	4.3	
IG Corps	2.64	0.1	(0.3)	5.0	0.5	8.5	5.1	4.5	
Municipals	1.82	(0.4)	0.2	(0.3)	(1.1)	2.5	3.0	2.8	
10+ Year: Treasuries	1.21	(1.6)	(0.1)	2.0	23.3	37.5	13.6	8.8	
IG Corps	3.44	(1.3)	(0.6)	6.8	1.9	16.3	8.4	6.9	
Municipals	2.75	(0.6)	0.5	(1.8)	(2.5)	2.3	4.2	3.9	
High Yield	8.05	0.7	(0.2)	4.3	(8.9)	(4.3)	1.7	3.4	
High Yield Muni	5.62	(0.4)	0.6	(2.8)	(9.5)	(4.2)	3.1	3.7	

Price Changes (%)

Currencies/Commodities	Price	One Week	Month To Date	Quarter To Date	Year To Date	One Year	Three Years	Five Years
US Dollar	99.1	(1.3%)	0.1%	0.0%	2.8%	1.6%	(0.0%)	0.8%
Crude Oil (WTI)	19.8	16.8%	5.0%	(3.4%)	(67.6%)	(68.1%)	(25.5%)	(19.7%)
Gold	1700.4	(1.7%)	0.8%	7.8%	12.1%	32.9%	11.2%	7.6%
Industrial Metals	94.0	(1.0%)	(1.3%)	1.0%	(17.9%)	(19.1%)	(5.2%)	(5.8%)

Coming This Week

Event	Date	Time	Period	Consensus Exp.
Markit Eurozone Flash PMI	5/4/2020	4:00 AM	Apr	33.60
US Durable Goods New Orders	5/4/2020	10:00 AM	Mar	(14.40%)
US Manufacturing New Orders	5/4/2020	10:00 AM	Mar	(9.40%)
US Trade Balance Goods & Services	5/5/2020	8:30 AM	Mar	(44.20)
Eurozone Retail Sales	5/6/2020	5:00 AM	Mar	(6.40%)
China Imports/Exports	5/7/2020	NA	Apr	15.80
US Initial Jobless Claims	5/7/2020	8:30 AM	Wk Ended 5/2	3.0M
US Non-Farm Payrolls	5/8/2020	8:30 AM	Apr	(21.3M)
US Unemployment	5/8/2020	8:30 AM	Apr	16.00%



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Data sources:

Source: Bloomberg Finance L.P.; Global stocks = MSCI ACWI Index; US Stocks = S&P 1500 Composite Index; Developed International = MSCI EAFE Index; Emerging Markets = MSCI Emerging Markets Index; Large Cap Stocks = S&P 500 Index; Large Cap Value = S&P 500 Value Index; Large Cap Growth = S&P 500 Large Cap Growth Index; Mid Cap = S&P 400 Index; Small Cap = S&P 600 Index; Domestic Fixed Income = Bloomberg Barclays Intermediate Government/Credit Index; 1-5 Year Treasuries = Bloomberg Barclays US Treasury 1-5 Yr Total Return Index; 1-5 Year IG Corps = Bloomberg Barclays US Corporate 1-5 years Total Return Index; 1-5 Year Municipals = Bloomberg Barclays Municipal Short (1-5) Yr Total Return Index; 5-10 Year Treasuries = Bloomberg Barclays US Treasury 5-10 Yr Total Return Index; 5-10 Year IG Corps = Bloomberg Barclays US Credit Corp 5-10Y Total Return Index; 5-10 Year Municipals = Bloomberg Barclays Municipal Bond: Muni Intermediate (5-10) Total Return Index; 10+ Year Treasuries = Bloomberg Barclays US Long Treasury Total Return Index; 10+ Year IG Corps = Bloomberg Barclays Long U.S. Corporate Total Return Index; 10+ Year Municipals = Weighted average of Bloomberg Barclays Municipal Bond 15 Year (12-17) TR Index, Bloomberg Barclays Municipal Bond 20 Year (17-22) TR Index & Bloomberg Barclays Municipal Long Bond Index (22+ TR Index; High Yield = Bloomberg Barclays US Corporate High Yield Total Return Index; High Yield Muni = Bloomberg Barclays Muni High Yield Total Return Index; US Dollar = US Dollar Index Spot Rate; Crude Oil (WTI) = Generic 1st Crude Oil, WTI; Gold = Gold Spot \$/Oz Curncy; Industrial Metals = Bloomberg Industrial Metals Subindex; Info Tech. = S&P Supercomposite Information Technology Sector GICS Level 1 Index; Healthcare = S&P Supercomposite Health Care Sector GICS Level 1 Index; Real Estate = S&P Supercomposite Real Estate Sector GICS Level 1 Index; Utilities = S&P Supercomposite Utilities Sector GICS Level 1 Index; Cons Stap = S&P Supercomposite Consumer Staples Sector GICS Level 1 Index; S&P 1500 = S&P 1500 Composite Index; Indust = S&P Supercomposite Industrials Sector GICS Level 1 Index; Materials = S&P Supercomposite Materials Sector GICS Level 1 Index; Financials = S&P Supercomposite Financials Sector GICS Level 1 Index; Cons Dis = S&P Supercomposite Consumer Staples Sector GICS Level 1 Index; Comm Srvc = S&P Supercomposite Communication Services Sector GICS Level 1 Index; Energy = S&P Supercomposite Energy Sector GICS Level 1 Index

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