

# WEEKLY MARKET SNAPSHOT

Week Ended | Thursday, July 2, 2020

## Market Commentary

Global equities rallied 3.2% last week. U.S. stocks gained 4.0%, while developed international and emerging markets added 1.7% and 2.7%, respectively. Year-to-date, global equities are down 4.9% with domestics down 3.2%, followed by emerging markets (-7.1%) and developed international (-10.0%). Bonds gained 0.1% adding to year-to-date gains of 5.3%. The US 10-yr treasury yield climbed 3 bps to end the week at 0.67%.

In a holiday-shortened week, U.S. stocks recovered all ground lost in the previous week and then some. The S&P 500 returned 20.5% in the second quarter marking a near-complete turnaround from the first quarter and leaving the index down just 3.1% in the first half of the year. The labor market improved more than anticipated in June with 4.8M payroll additions and unemployment of 11.1% compared to expectations of 3.2M and 12.5%. The net addition of 4.8M jobs marks the largest single-month gain in U.S. history, second only to the 2.5M additions posted in May. In the last two months, we have recovered 3.6 percentage points in unemployment from the 14.7% peak level reported in April. Favorable results reflected a mid-month snapshot and hiring may have weakened heading into July as coronavirus cases spiked and several states began to suspend or reverse reopening plans. FOMC meeting Minutes showed that interest rates likely remain near zero through at least 2022 and policymakers remain concerned over the potential economic harm from lifting coronavirus-related restrictions too quickly.

The week ahead should be relatively quiet from an economic data perspective. Weekly initial and continuing jobless claims are due on Thursday (7/9). We would be encouraged by even modest continued declines in both.

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

## Total Returns (%)

Global Stocks	Price	3.2	1.4	1.4	(4.9)	2.6	6.6	6.6
US Stocks	709.5	4.0	0.9	0.9	(3.2)	6.0	10.2	10.2
Developed International	5775.4	1.7	1.5	1.5	(10.0)	(4.4)	1.3	2.2
Emerging Markets	490.3	2.7	3.0	3.0	(7.1)	(1.4)	2.9	3.5
Domestic Stocks	Price	4.0	0.9	0.9	(3.2)	6.0	10.2	10.2
Large Cap	3130.0	4.1	1.0	1.0	(2.1)	7.4	11.1	10.8
Large Cap Value	1073.6	3.3	0.3	0.3	(15.2)	(5.6)	3.6	6.0
Large Cap Growth	2123.8	4.6	1.4	1.4	9.5	17.2	17.2	14.8
Mid Cap	1779.0	3.5	(0.2)	(0.2)	(13.0)	(7.0)	2.3	5.1
Small Cap	824.0	4.5	(0.9)	(0.9)	(18.6)	(11.7)	0.2	4.3
Domestic Fixed Income	Yield	0.1	0.1	0.1	5.3	7.5	4.5	3.4
1-5 Year: Treasuries	0.21	0.0	(0.0)	(0.0)	4.2	5.6	3.3	2.3
IG Corps	1.11	0.3	0.1	0.1	3.4	5.8	4.0	3.3
Municipals	0.73	0.0	(0.0)	(0.0)	1.7	2.9	2.3	1.9
5-10 Year: Treasuries	0.48	(0.1)	(0.1)	(0.1)	9.5	11.4	6.1	4.4
IG Corps	1.92	0.6	0.4	0.4	5.8	9.9	6.6	5.7
Municipals	1.17	0.0	0.0	0.0	2.3	4.3	3.8	3.5
10+ Year: Treasuries	1.33	(1.0)	(0.3)	(0.3)	20.8	25.4	12.0	9.0
IG Corps	3.10	1.1	1.1	1.1	7.5	15.0	9.2	8.8
Municipals	2.06	0.1	0.0	0.0	2.0	5.0	5.2	4.9
High Yield	6.62	0.3	0.7	0.7	(3.1)	0.5	3.6	4.9
High Yield Muni	4.91	0.1	(0.0)	(0.0)	(2.6)	0.9	5.0	5.8

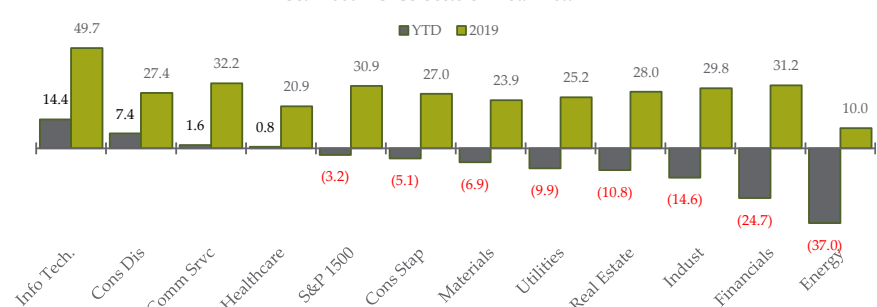
## Price Changes (%)

Currencies/Commodities	Price	(0.1%)	(0.1%)	(0.1%)	1.0%	0.0%	0.4%	0.2%
US Dollar	97.3	(0.1%)	(0.1%)	(0.1%)	1.0%	0.0%	0.4%	0.2%
Crude Oil (WTI)	40.7	5.6%	3.5%	3.5%	(33.4%)	(29.3%)	(3.4%)	(6.5%)
Gold	1775.4	0.2%	(0.3%)	(0.3%)	17.0%	26.9%	13.1%	8.7%
Industrial Metals	105.0	1.7%	0.5%	0.5%	(8.3%)	(5.5%)	(2.6%)	(1.3%)

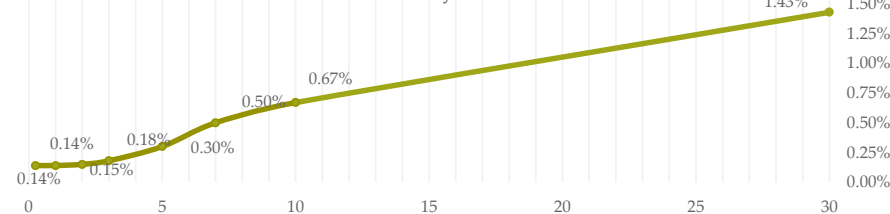
## Coming This Week

Event	Date	Time	Period	Consensus Exp.
Eurozone Retail Sales	7/6/2020	5:00 AM	May	(6.50%)
China CPI YoY	7/8/2020	9:30 PM	Jun	2.50%
US Initial Jobless Claims	7/9/2020	8:30 AM	Wk Ended 7/4	NA

S&P 1500 | GICS Sectors | Total Return



US Treasury Yield Curve



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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 Currency; 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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