

WEEKLY MARKET SNAPSHOT

Week Ended | Friday, July 31, 2020

Market Commentary

Global equities added 0.7% last week. U.S. stocks gained 1.7%, developed international equities declined 2.1%, and emerging markets gained 1.8%. Year-to-date, global equities are down 1.3% with domestics up 1.2%, followed by emerging markets (-1.7%) and developed international (-9.3%). Bonds gained 0.2% adding to year-to-date gains of 6.1%. The US 10-yr treasury yield declined 6 bps to 0.53%.

GDP data released last week showed that the U.S. economy contracted 32.9% (annualized) in the second quarter, marking the sharpest downturn since at least the 1940's and quantifying how the COVID-19 pandemic has devastated businesses and left millions of Americans out of work. Still, stocks finished slightly higher on better than expected earnings news. With about half of S&P 500 companies reported 84% have exceeded analyst's low expectations in 2Q. Initial jobless claims came in marginally higher for the second week in a row. Meanwhile, consumer sentiment deteriorated further highlighting the precarious state of consumer finances as policymakers have yet to reach agreement on the next relief package. The Fed kept interest rates unchanged and reaffirmed its commitment to support the U.S. economy using its full range of tools noting that the path of the economy will depend heavily on the course of the virus.

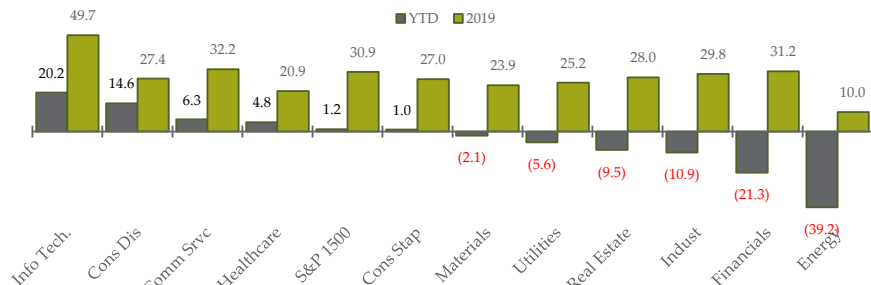
In addition to another deluge of earnings reports, the week ahead brings the July unemployment report on Friday (8/7). The U.S. labor market is expected to have added 1.6M nonfarm payrolls with total unemployment declining to 10.5% from 11.1% in June. Investors will also be looking for progress towards agreement on the next fiscal relief package as the August recess deadline (8/10) approaches.

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

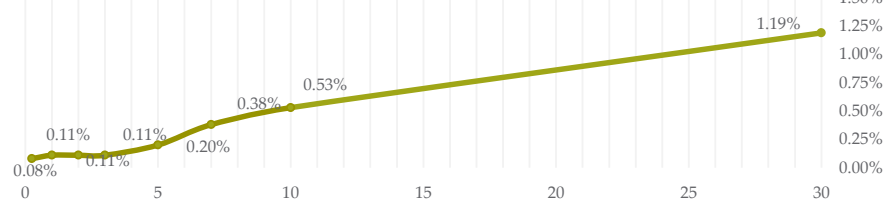
Total Returns (%)

Global Stocks	Price	0.7	5.3	5.3	(1.3)	7.2	7.0	7.4
US Stocks	741.7	1.7	5.5	5.5	1.2	10.4	11.2	11.0
Developed International	5819.9	(2.1)	2.3	2.3	(9.3)	(1.7)	0.6	2.1
Emerging Markets	518.5	1.8	8.9	8.9	(1.7)	6.5	2.8	6.1
Domestic Stocks	Price	1.7	5.5	5.5	1.2	10.4	11.2	11.0
Large Cap	3271.1	1.8	5.6	5.6	2.4	11.9	12.0	11.5
Large Cap Value	1107.1	(0.3)	3.7	3.7	(12.4)	(0.7)	4.4	6.7
Large Cap Growth	2239.4	3.1	7.0	7.0	15.5	26.1	18.2	15.4
Mid Cap	1863.9	0.8	4.6	4.6	(8.8)	(3.6)	3.6	6.1
Small Cap	865.4	1.6	4.1	4.1	(14.5)	(8.7)	1.5	5.4
Domestic Fixed Income	Yield	0.2	0.7	0.7	6.1	7.3	4.5	3.5
1-5 Year: Treasuries	0.15	0.1	0.2	0.2	4.4	5.2	3.2	2.3
IG Corps	0.93	0.2	0.8	0.8	4.1	5.8	4.0	3.5
Municipals	0.50	0.1	0.6	0.6	2.4	2.9	2.4	2.0
5-10 Year: Treasuries	0.37	0.4	0.7	0.7	10.4	10.8	6.1	4.4
IG Corps	1.67	0.4	2.3	2.3	7.7	10.4	6.8	6.1
Municipals	0.86	0.3	1.6	1.6	4.0	4.7	4.1	3.8
10+ Year: Treasuries	1.10	0.9	4.2	4.2	26.3	27.2	13.4	9.1
IG Corps	2.78	0.1	6.2	6.2	12.9	17.9	10.5	9.6
Municipals	1.70	0.5	2.2	2.2	4.3	5.8	5.6	5.2
High Yield	5.37	0.8	4.7	4.7	0.7	4.5	4.5	5.9
High Yield Muni	4.53	0.6	2.7	2.7	0.0	2.6	6.0	6.4

S&P 1500 | GICS Sectors | Total Return



US Treasury Yield Curve



Price Changes (%)

Currencies/Commodities	Price	(1.2%)	(4.1%)	(4.1%)	(3.2%)	(4.8%)	0.2%	(0.8%)
US Dollar	93.3	(1.2%)	(4.1%)	(4.1%)	(3.2%)	(4.8%)	0.2%	(0.8%)
Crude Oil (WTI)	40.3	(2.5%)	2.5%	2.5%	(34.0%)	(27.7%)	(6.7%)	(3.1%)
Gold	1975.9	3.9%	10.9%	10.9%	30.2%	37.1%	16.0%	12.5%
Industrial Metals	111.8	0.7%	6.9%	6.9%	(2.4%)	0.2%	(2.2%)	1.7%

Coming This Week

Event	Date	Time	Period	Consensus Exp.
Markit Eurozone Flash PMI	8/3/2020	4:00 AM	Jul	51.10
Markit US Flash PMI	8/3/2020	9:45 AM	Jul	51.30
ISM Manufacturing PMI (US)	8/3/2020	10:00 AM	Jul	53.50
US Durable Goods New Orders	8/4/2020	10:00 AM	Jun	7.30%
US Manufacturing New Orders	8/4/2020	10:00 AM	Jun	5.00%
Eurozone Retail Sales	8/5/2020	5:00 AM	Jun	0.20%
US Trade Balance Goods & Services	8/5/2020	8:30 AM	Jun	(50.00)
US Initial Jobless Claims	8/6/2020	8:30 AM	Wk Ended 8/1	1.42M
China Imports/Exports	8/7/2020	NA	Jul	42.50
US Non-Farm Payrolls	8/7/2020	8:30 AM	Jul	1.58M
US Unemployment	8/7/2020	8:30 AM	Jul	10.50%
China CPI YoY	8/9/2020	9:00 PM	Jul	2.40%

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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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