

WEEKLY MARKET SNAPSHOT

Week Ended | Friday, August 7, 2020

Market Commentary

Global equities added 2.1% last week. U.S. stocks gained 2.6%, while developed international and emerging markets gained 2.0% and 1.0%, respectively. Year-to-date, global equities are up 0.8% with domestics up 3.9%, followed by emerging markets (-0.7%) and developed international (-7.5%). Bonds gained 0.1% adding to year-to-date gains of 6.1%. The US 10-yr treasury yield gained 3 bps to 0.56%.

The S&P 500 recorded its fifth positive week out of the last six, moving to within 1% of the pre-pandemic peak. Second quarter earnings season is shaping up poorly, but much better than expected with earnings decline of 34% vs. expectations of 44% projected a month ago. The U.S. labor market continued to heal, but at a decelerating pace with 1.8M jobs added in July and unemployment down 0.9% to 10.1%. Anxiety remains over the lack of progress on the next relief package from Washington. White house officials and Democratic leaders ended the week at an apparent impasse and on Saturday, President Trump announced four executive actions including a temporary payroll tax deferral, continuation of expanded unemployment benefits (\$400/week down from \$600), student loan relief and eviction protection.

In the week ahead, presidential candidate Joe Biden will announce his running mate and the economic calendar includes jobless claims on Thursday (8/13) and consumer sentiment on Friday (8/14). The focus will be Friday's U.S. retail sales report. U.S. retail sales are expected to continue their rebound however, after a record 18.2% monthly increase in May and a 7.5% increase in June economists are forecasting a smaller increase of about 2% in July.

	One Week	Month To Date	Quarter To Date	Year To Date	One Year	Three Years	Five Years
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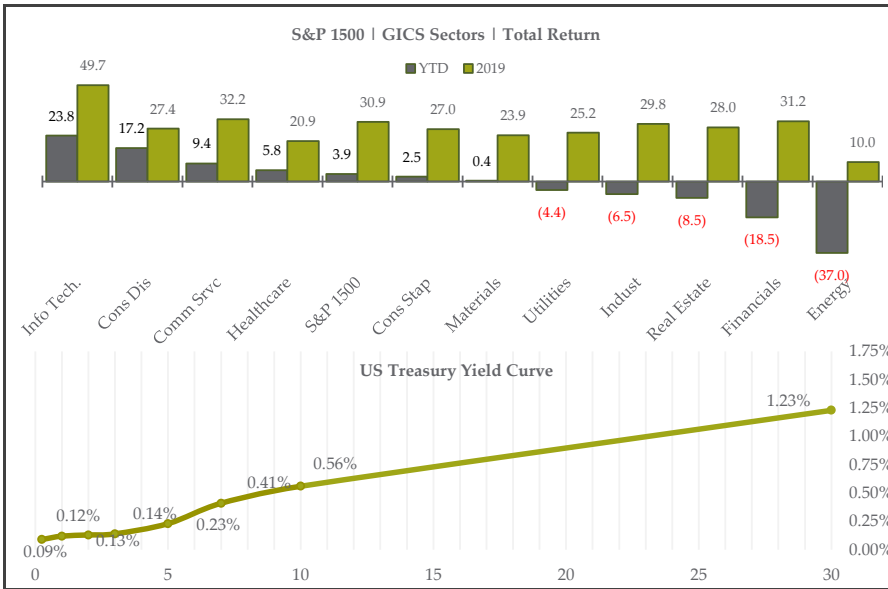
		Total Returns (%)						
Global Stocks	Price	2.1	2.1	7.5	0.8	13.6	7.5	8.0
US Stocks	761.0	2.6	2.6	8.3	3.9	17.1	12.0	11.8
Developed International	5933.6	2.0	2.0	4.3	(7.5)	4.0	1.0	2.6
Emerging Markets	523.6	1.0	1.0	10.0	(0.7)	14.7	2.9	6.7

		Total Returns (%)						
Domestic Stocks	Price	2.6	2.6	8.3	3.9	17.1	12.0	11.8
Large Cap	3351.3	2.5	2.5	8.3	4.9	18.5	12.7	12.3
Large Cap Value	1134.9	2.6	2.6	6.3	(10.2)	2.7	5.4	7.1
Large Cap Growth	2293.4	2.4	2.4	9.6	18.3	29.1	19.1	15.9
Mid Cap	1938.5	4.0	4.0	8.8	(5.1)	4.5	5.1	7.2
Small Cap	911.7	5.4	5.4	9.7	(9.9)	0.4	3.7	6.9

		Yield						
Domestic Fixed Income	Yield	0.1	0.1	0.8	6.1	7.0	4.5	3.6
1-5 Year: Treasuries	0.16	(0.0)	(0.0)	0.1	4.4	4.9	3.2	2.4
IG Corps	0.89	0.2	0.2	1.0	4.3	5.8	4.1	3.6
Municipals	0.46	0.1	0.1	0.7	2.5	2.8	2.4	2.0
5-10 Year: Treasuries	0.39	(0.1)	(0.1)	0.6	10.2	9.8	6.0	4.5
IG Corps	1.61	0.4	0.4	2.7	8.1	10.5	7.0	6.3
Municipals	0.79	0.4	0.4	2.0	4.4	4.5	4.1	3.9
10+ Year: Treasuries	1.12	(0.5)	(0.5)	3.7	25.7	23.1	13.1	9.2
IG Corps	2.74	0.6	0.6	6.8	13.6	17.2	10.9	9.9
Municipals	1.61	0.7	0.7	2.9	5.0	5.6	5.7	5.3
High Yield	5.31	0.6	0.6	5.3	1.3	5.4	4.8	6.2
High Yield Muni	4.42	0.7	0.7	3.5	0.8	2.6	6.1	6.6

		Price Changes (%)						
Currencies/Commodities	Price	0.1%	0.1%	(4.1%)	(3.1%)	(4.2%)	(0.0%)	(0.9%)
US Dollar	93.4	0.1%	0.1%	(4.1%)	(3.1%)	(4.2%)	(0.0%)	(0.9%)
Crude Oil (WTI)	41.2	2.4%	2.4%	5.0%	(32.5%)	(24.4%)	(6.0%)	(1.2%)
Gold	2035.6	3.0%	3.0%	14.3%	34.2%	36.0%	16.8%	13.2%
Industrial Metals	113.0	1.1%	1.1%	8.1%	(1.3%)	0.4%	(2.9%)	2.3%

Coming This Week				
Event	Date	Time	Period	Consensus Exp.
US CPI (Inflation) YoY	8/12/2020	8:30 AM	Jul	0.70%
US Federal Budget Surplus/Deficit	8/12/2020	2:00 PM	Jul	(151.50)
US Initial Jobless Claims	8/13/2020	8:30 AM	Wk Ended 8/8	1.10M
Eurozone GDP QoQ	8/14/2020	5:00 AM	2Q 20	-12.10%
US Retail Sales	8/14/2020	8:30 AM	Jul	1.90%
US Industrial Production	8/14/2020	9:15 AM	Jul	3.00%
UofM Consumer Confidence	8/14/2020	10:00 AM	Aug	71.90
US Manufacturing Trade & Inv	8/14/2020	10:00 AM	Jun	(1.10%)



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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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