

WEEKLY MARKET SNAPSHOT

Week Ended | Friday, November 6, 2020

Market Commentary

Global equities rallied 7.6% last week. U.S. stocks gained 7.3%, while developed international and emerging markets added 8.1% and 6.6%, respectively. Year-to-date, global equities are down 6.4% led by domestics (+9.2%), followed by emerging markets (+7.6%) and developed international (-3.6%). Bonds climbed 0.2%, up 6.0% year-to-date. The U.S. 10-yr treasury yield dropped 5 bps to 0.82%.

U.S. stocks notched their largest weekly gain since early April. As election results rolled in, Joe Biden's victory became increasingly clear (unofficially called by national media outlets on Saturday), while prospects for a blue wave dwindled. The result seemed to be interpreted as a goldilocks scenario with divided government creating higher hurdles for corporate tax increases and a Biden presidency boding well for additional near-term stimulus. President Trump has not conceded defeat and legal challenges are pending, but he would need to be successful in overturning results in at least three states to capture 270 electoral votes, an outcome that appears unlikely in our view. Democrats retained control of the House, while two special elections in Georgia will determine Senate control on January 5 – Republicans need only win one to maintain the majority. In other news, the Fed kept rates unchanged, corporate earnings continued to exceed expectations, and the October jobs report came in stronger than forecast with payrolls up 638K and unemployment down 1.0% to 6.9%.

In the week ahead, corporate earnings reports continue to roll in while the economic calendar brings initial and continuing jobless claims on Thursday (11/12) and consumer sentiment on Friday (11/13).

	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	7.6	7.6	5.0	6.4	11.3	7.9	9.7
US Stocks	796.2	7.3	7.3	4.8	9.2	14.9	12.0	12.6
Developed International	6186.2	8.1	8.1	3.8	(3.6)	(0.5)	1.3	4.8
Emerging Markets	567.4	6.6	6.6	8.8	7.6	12.5	3.8	9.2

Domestic Stocks		Price	7.3	7.3	4.8	9.2	14.9	12.0	12.6
Large Cap	3509.4	7.4	7.4	4.5	10.3	16.2	12.8	13.1	
Large Cap Value	1147.2	5.3	5.3	3.2	(8.6)	(5.0)	4.8	7.9	
Large Cap Growth	2456.7	8.7	8.7	5.3	27.0	34.0	19.3	17.5	
Mid Cap	2027.0	6.7	6.7	9.0	(0.4)	3.6	4.9	8.5	
Small Cap	925.2	5.6	5.6	8.3	(8.2)	(4.5)	2.3	7.0	

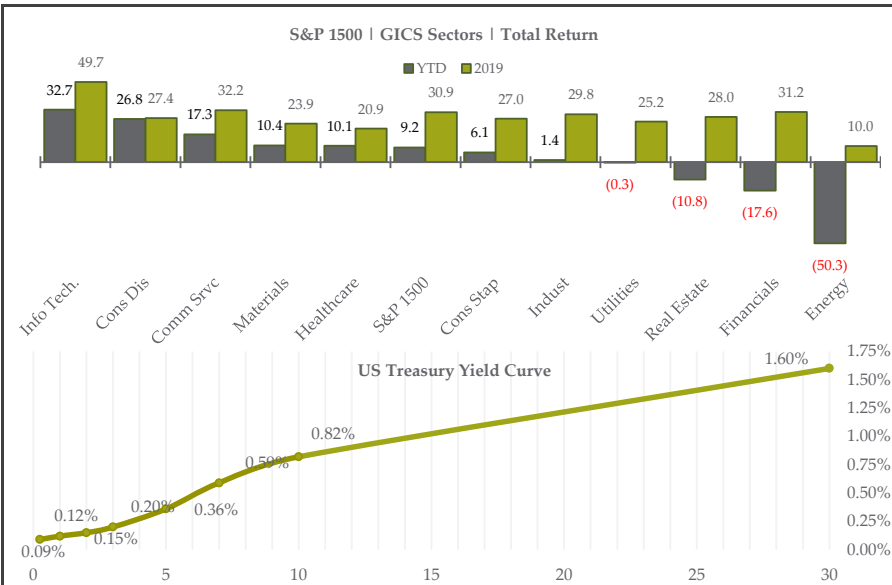
Domestic Fixed Income		Yield	0.2	0.2	0.0	6.0	6.7	4.4	3.6
1-5 Year: Treasuries	0.22	0.0	0.0	(0.1)	4.2	4.7	3.2	2.3	
IG Corps	0.87	0.2	0.2	0.4	4.6	5.4	4.1	3.6	
Municipals	0.53	0.1	0.1	(0.0)	2.4	3.0	2.4	1.9	
5-10 Year: Treasuries	0.58	0.2	0.2	(0.7)	9.2	9.7	5.7	4.3	
IG Corps	1.71	0.9	0.9	0.8	8.1	9.7	6.7	6.2	
Municipals	0.92	0.5	0.5	0.2	4.0	5.1	3.9	3.6	
10+ Year: Treasuries	1.44	0.8	0.8	(2.2)	18.7	19.8	10.5	8.5	
IG Corps	2.96	2.6	2.6	2.0	10.6	14.0	9.0	9.6	
Municipals	1.87	0.9	0.9	0.5	4.0	5.4	4.8	5.0	
High Yield	5.01	2.1	2.1	2.6	3.3	5.5	5.1	6.9	
High Yield Muni	4.46	0.7	0.7	0.9	1.3	2.6	5.7	6.0	

Price Changes (%)

Currencies/Commodities	Price							
US Dollar	92.2	(1.9%)	(1.9%)	(1.8%)	(4.3%)	(6.2%)	(0.9%)	(1.4%)
Crude Oil (WTI)	37.1	3.8%	3.8%	(7.7%)	(39.2%)	(35.1%)	(13.2%)	(3.5%)
Gold	1951.4	3.9%	3.9%	3.5%	28.6%	33.7%	15.1%	12.4%
Industrial Metals	123.4	3.1%	3.1%	6.2%	7.8%	4.6%	(2.2%)	5.5%

Coming This Week

Event	Date	Time	Period	Consensus Exp.
China CPI YoY	11/9/2020	8:30 AM	Oct	0.80%
US Initial Jobless Claims	11/12/2020	8:30 AM	Wk Ended 11/7	0.73M
US CPI (Inflation) YoY	11/12/2020	8:30 AM	Oct	1.30%
US Federal Budget Surplus/Deficit	11/12/2020	2:00 PM	Oct	(274)B
Eurozone GDP QoQ	11/13/2020	5:00 AM	3Q 20	12.70%
UofM Consumer Confidence	11/13/2020	10:00 AM	Nov	81.80



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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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