

# Weekly Market Update



Market Data as of Week Ending: 3/25/2022 unless noted otherwise

U.S. stock prices advanced for the second consecutive week as the S&P 500 reached its highest level in more than six weeks. The positive sentiment for risk assets was supported by concern in the bond market as Fed Chair Powell made a public statement that a 0.50% increase remains a possibility to help slow the pace of inflation. Large companies generally outperformed their small company peers while the style factor displayed mixed results. Ten of the eleven major economic sectors increased with health care as the only exception. Energy stocks were supported by surging oil prices and were followed by gains in the materials and utilities sectors. Real estate and consumer discretionary stocks lagged as some investors are clearly concerned that inflation will remain a problem. Developed foreign markets and emerging markets lagged gains in the U.S.

U.S. Treasury yields rose again as the 10-year treasury ended the week at 2.48% and the 2-year note surpassed 2% to finish at 2.27%. Investor sentiment also supported risk assets in the bond market but the sharp increase in yields was such a strong headwind that all segments declined. High yield corporate bonds outperformed while government bonds lagged and underperformed across the curve. Yields increased for both investment grade corporate bonds and high yield corporate bonds as they finished the week at nearly 3.8% and 6.4%, respectively.

Economic data releases were mixed and once again largely overshadowed by inflation concerns and the crisis in Ukraine. Durable goods orders were worse than expected and fell 2.2% in February. New and pending home sales followed a similar trend from last week and reported declines of 2.0% and 4.1% respectively. According to the National Association of Realtors, the combination of higher mortgage rates and rapid increase in housing prices, resulted in a 28% annual rise in mortgage payments as of February. According to S&P Global, the manufacturing and services sectors rebounded sharply in March as the US PMI composite reached an eight-month high of 58.5 after an omicron induced slowdown earlier in the year. The labor market remains tight as initial jobless claims dropped to 187,000 and reached its lowest level in more than 50 years. Business activity in Europe declined for the month of March, due to higher commodity prices and supply chain delays due to the war in Ukraine.

## U.S. Equity Returns (Size & Style - Russell)

	Week			MTD			QTD			YTD		
	Value	Core	Growth	Value	Core	Growth	Value	Core	Growth	Value	Core	Growth
Large	1.59%	1.65%	1.71%	3.74%	3.56%	3.39%	0.15%	-4.96%	-9.50%	0.15%	-4.96%	-9.50%
Mid	1.55%	0.97%	-0.20%	3.62%	2.65%	0.71%	-1.27%	-5.60%	-13.35%	-1.27%	-5.60%	-13.35%
Small	0.70%	-0.38%	-1.55%	3.00%	1.58%	0.03%	-1.40%	-7.22%	-13.00%	-1.40%	-7.22%	-13.00%

## U.S. Fixed Income Returns (Quality & Duration - Bloomberg Barclays)

	Week			MTD			QTD			YTD		
	Short	Interm	Long	Short	Interm	Long	Short	Interm	Long	Short	Interm	Long
Govt	-0.96%	-1.40%	-3.47%	-2.11%	-2.90%	-7.66%	-3.51%	-4.57%	-12.77%	-3.51%	-4.57%	-12.77%
Corp	-0.75%	-1.28%	-2.46%	-2.17%	-3.12%	-5.30%	-4.10%	-5.99%	-13.71%	-4.10%	-5.99%	-13.71%
HY	-0.44%	-0.61%	-1.29%	-1.44%	-1.93%	-3.54%	-3.32%	-5.24%	-11.85%	-3.32%	-5.24%	-11.85%

## Index Returns

	Week	MTD	QTD	YTD
<b>Equities (Stocks)</b>				
S&P 500	1.81%	3.98%	-4.35%	-4.35%
S&P MidCap 400	0.25%	2.05%	-4.26%	-4.26%
Russell 2000	-0.38%	1.58%	-7.22%	-7.22%
MSCI EAFE	0.19%	-0.61%	-7.09%	-7.09%
MSCI Emerging Markets	0.22%	-3.75%	-8.39%	-8.39%
MSCI EAFE Small Cap	-0.14%	-0.88%	-9.29%	-9.29%
<b>Fixed Income (Bonds)</b>				
Barclays Int Gov/Credit	-1.35%	-2.94%	-5.00%	-5.00%
Barclays US Agg	-1.82%	-3.76%	-6.89%	-6.89%
Barclays US High Yield	-0.64%	-2.02%	-5.68%	-5.68%
<b>Other</b>				
Bloomberg Commodity	5.27%	13.38%	31.02%	31.02%
S&P Dev Property	0.19%	2.79%	-5.33%	-5.33%

## S&P 500 Sector Returns

	Week	MTD	QTD	YTD
Consumer Disc	1.07%	4.20%	-9.64%	-9.64%
Consumer Staples	1.47%	0.71%	-2.08%	-2.08%
Energy	7.42%	12.57%	43.63%	43.63%
Financials	1.67%	2.95%	1.61%	1.61%
Health Care	-0.21%	5.19%	-2.91%	-2.91%
Industrials	1.15%	4.19%	-1.60%	-1.60%
Info Technology	2.35%	3.19%	-8.62%	-8.62%
Materials	4.12%	7.53%	-1.06%	-1.06%
Real Estate	0.41%	5.62%	-8.19%	-8.19%
Communication Svcs	2.15%	1.90%	-11.09%	-11.09%
Utilities	3.49%	7.93%	2.47%	2.47%

## Bond Yields

	3/25/22	2/28/22	12/31/21	12/31/21
3Mo Libor	0.98%	0.50%	0.21%	0.21%
SOFR 3Mo Swap	0.63%	0.37%	0.09%	0.09%
2Yr Treasury	2.27%	1.43%	0.73%	0.73%
10Yr Treasury	2.48%	1.83%	1.51%	1.51%
2-10 Slope	0.20%	0.39%	0.78%	0.78%

## Commodities and Currency

	3/25/22	2/28/22	12/31/21	12/31/21
Oil (\$/barrel)	115.4	95.72	76.99	76.99
Gold (\$/oz.)	1958.29	1908.99	1829.2	1829.2

Past performance is not a guarantee of future results. We believe the information presented is reliable, but we do not guarantee its accuracy.