

Weekly Market Update



Market Data as of Week Ending: 3/4/2022 unless noted otherwise

U.S. stock prices declined as Russia's invasion of Ukraine escalated and Russia was charged with a wide range of sanctions. With only a few exceptions, these sanctions have effectively closed off Russia, the world's ninth largest by population and eleventh largest by GDP, to the most of their key trading partners around the globe. Growth stocks lagged their value counterparts while large companies generally outperformed their smaller company peers. The price of oil surged to more than \$115 per barrel and the energy sector gained more than 9%. Traditionally defensive sectors such as healthcare, real estate, and utilities were once again among the best performing sectors while financials and technology stocks significantly lagged. Both developed foreign and emerging markets significantly lagged U.S. stocks for the second consecutive week.

U.S. Treasury yields declined as the 10-year ended the week at 1.73%. In another turbulent week for bonds, characterized by increased volatility, higher quality government bonds were the best performing segment. Investment grade corporate bonds also delivered solid gains and long duration outperformed short duration bonds. Despite risk aversion in the stock market, yields narrowly declined for investment grade corporate bonds whereas high yield corporate bonds edged higher and finished the week at 3.1% and nearly 6.0%, respectively.

Economic data releases were mostly positive but continue to be overshadowed by the crisis in Ukraine. The job market continues to remain attractive as there were 678,000 jobs added in February, well above the consensus estimate. The unemployment rate dropped to 3.8% and initial jobless claims fell to 215,000, near the lowest levels on record. ISM reported that Manufacturing PMI beat consensus estimates and rose for a second straight month to 58.6 in February. Services PMI was more sanguine and declined to 56.5 for the month of February. China, which has been struggling to re-accelerate domestic growth, has not joined major countries in implementing sanctions against Russia. The commercial real estate market in China remains fragile and recent PMI data shows that the manufacturing and services sectors are only narrowly in growth territory at 50.4 and 50.2 respectively.

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

	Week			MTD			QTD			YTD		
	Value	Core	Growth	Value	Core	Growth	Value	Core	Growth	Value	Core	Growth
Large	-0.45%	-1.48%	-2.49%	0.05%	-1.34%	-2.71%	-3.41%	-9.46%	-14.84%	-3.41%	-9.46%	-14.84%
Mid	-0.99%	-1.82%	-3.48%	-0.57%	-1.61%	-3.69%	-5.26%	-9.51%	-17.13%	-5.26%	-9.51%	-17.13%
Small	-0.41%	-1.92%	-3.57%	-0.72%	-2.27%	-3.96%	-4.96%	-10.74%	-16.47%	-4.96%	-10.74%	-16.47%

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	0.42%	0.80%	2.62%	0.10%	0.30%	0.47%	-1.33%	-1.43%	-5.08%	-1.33%	-1.43%	-5.08%
Corp	0.23%	0.55%	1.28%	-0.11%	0.00%	-0.38%	-2.08%	-2.96%	-9.22%	-2.08%	-2.96%	-9.22%
HY	-0.24%	-0.18%	0.02%	-0.31%	-0.34%	-0.55%	-2.22%	-3.70%	-9.12%	-2.22%	-3.70%	-9.12%

Index Returns

	Week	MTD	QTD	YTD
Equities (Stocks)				
S&P 500	-1.24%	-1.01%	-8.94%	-8.94%
S&P MidCap 400	-1.70%	-1.71%	-7.78%	-7.78%
Russell 2000	-1.92%	-2.27%	-10.74%	-10.74%
MSCI EAFE	-6.51%	-6.57%	-12.66%	-12.66%
MSCI Emerging Markets	-2.29%	-2.24%	-6.95%	-6.95%
MSCI EAFE Small Cap	-5.03%	-6.05%	-14.03%	-14.03%
Fixed Income (Bonds)				
Barclays Int Gov/Credit	0.71%	0.20%	-1.92%	-1.92%
Barclays US Agg	0.95%	0.16%	-3.09%	-3.09%
Barclays US High Yield	-0.16%	-0.35%	-4.07%	-4.07%
Other				
Bloomberg Commodity	13.03%	10.90%	28.15%	28.15%
S&P Dev Property	-0.54%	0.15%	-7.76%	-7.76%

S&P 500 Sector Returns

	Week	MTD	QTD	YTD
Consumer Disc	-2.59%	-3.20%	-16.06%	-16.06%
Consumer Staples	0.02%	1.34%	-1.47%	-1.47%
Energy	9.31%	6.57%	35.97%	35.97%
Financials	-4.79%	-3.40%	-4.66%	-4.66%
Health Care	1.18%	1.94%	-5.92%	-5.92%
Industrials	1.23%	0.50%	-5.09%	-5.09%
Info Technology	-3.01%	-2.85%	-13.97%	-13.97%
Materials	-1.54%	-0.39%	-8.35%	-8.35%
Real Estate	2.18%	3.98%	-9.61%	-9.61%
Communication Svcs	-2.66%	-2.66%	-15.08%	-15.08%
Utilities	4.97%	4.42%	-0.86%	-0.86%

Bond Yields

	3/4/22	2/28/22	12/31/21	12/31/21
3Mo Libor	0.61%	0.50%	0.21%	0.21%
SOFR 3Mo Swap	0.40%	0.37%	0.09%	0.09%
2Yr Treasury	1.48%	1.43%	0.73%	0.73%
10Yr Treasury	1.73%	1.83%	1.51%	1.51%
2-10 Slope	0.25%	0.39%	0.78%	0.78%

Commodities and Currency

	3/4/22	2/28/22	12/31/21	12/31/21
Oil (\$/barrel)	115.68	95.72	76.99	76.99
Gold (\$/oz.)	1970.7	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.