

Weekly Market Update



Market Data as of Week Ending: 5/13/2022 unless noted otherwise

U.S. stock prices generally declined for the sixth consecutive week as the S&P 500 inches dangerously close to bear market territory. A risk-off environment seems to be in place as investors appear to be growing increasingly weary that the Federal Reserve will be able to rein in inflation without causing a recession. Value oriented stocks largely outperformed their growth counterparts while the size factor was mixed. Most major S&P 500 sectors finished lower with the traditionally defensive consumer staples being the only sector to post a positive return for the week. Traditionally, cyclical and sensitive sectors such as real estate, consumer discretionary and information technology led to the downside. Energy lagged the broader market as choppy trading kept crude oil prices elevated over \$100 per barrel. Developed foreign markets posted a negative weekly return but outperformed the U.S., while the decline in emerging markets was worse than developed markets and the U.S.

U.S. Treasury yields fell nearly 0.20% as U.S. government bonds posted a modest comeback sending the 10-year treasury below the 3.0% mark, ending the week at 2.93%. Spreads widened over the week as demand for higher quality, longer maturity credits seemed to increase as risk-off sentiment took hold. Higher quality government bonds outperformed for the week while credit sensitive bonds lagged. Yields decreased for investment grade corporate bonds while high yield corporate bonds increased, finishing the week at nearly 4.4% and 7.6%, respectively.

Economic data was largely mixed as all eyes were focused on Wednesday's inflation reading. Public expectations of inflation over the next year moderated in April as consumers now anticipate 6.3% inflation, down from 6.6% in March. The NFIB small-business index steadied in April, coming in at March's reading of 93.2, surpassing expectations. The yearly inflation rate slowed in April to 8.3%, marking the first decline in eight months as lower gas prices were the main reason for the decline. However, the monthly core inflation rate, which strips out food and energy, was higher-than-expected at 0.6%. The University of Michigan's consumer sentiment index fell to a preliminary 59.1 in May, its lowest level in more than 10 years. Shares in Europe rebounded last week as the ECB President said that their bond-buying program could end by early Q3 and be followed by a rate increase a few weeks later.

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

	Week			MTD			QTD			YTD		
	Value	Core	Growth	Value	Core	Growth	Value	Core	Growth	Value	Core	Growth
Large	-1.84%	-2.35%	-2.90%	-1.20%	-2.81%	-4.48%	-6.77%	-11.48%	-16.02%	-7.46%	-16.02%	-23.61%
Mid	-1.88%	-1.96%	-2.15%	-1.65%	-2.96%	-5.76%	-7.49%	-10.43%	-16.38%	-9.18%	-15.52%	-26.90%
Small	-2.83%	-2.50%	-2.11%	-2.94%	-3.76%	-4.72%	-10.47%	-13.30%	-16.41%	-12.62%	-19.83%	-26.96%

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	0.45%	0.68%	1.92%	0.34%	0.26%	-2.51%	-0.52%	-1.33%	-11.15%	-3.86%	-5.46%	-20.54%
Corp	0.34%	0.49%	0.82%	0.23%	-0.03%	-1.98%	-1.18%	-2.91%	-11.55%	-4.87%	-8.01%	-21.65%
HY	-1.10%	-1.22%	-0.95%	-1.85%	-2.35%	-3.17%	-3.75%	-5.66%	-9.99%	-6.31%	-9.83%	-19.56%

Index Returns

	Week	MTD	QTD	YTD
Equities (Stocks)				
S&P 500	-2.35%	-2.53%	-11.03%	-15.12%
S&P MidCap 400	-1.97%	-2.71%	-9.62%	-14.03%
Russell 2000	-2.50%	-3.76%	-13.30%	-19.83%
MSCI EAFE	-1.41%	-4.20%	-10.40%	-15.70%
MSCI Emerging Markets	-2.60%	-6.62%	-11.81%	-17.96%
MSCI EAFE Small Cap	-2.00%	-5.60%	-12.08%	-19.58%
Fixed Income (Bonds)				
Barclays Int Gov/Credit	0.62%	0.17%	-1.83%	-6.26%
Barclays US Agg	0.89%	-0.23%	-4.02%	-9.71%
Barclays US High Yield	-1.21%	-2.38%	-5.85%	-10.41%
Other				
Bloomberg Commodity	-1.54%	-0.87%	3.24%	29.61%
S&P Dev Property	-2.57%	-6.83%	-11.75%	-15.15%

S&P 500 Sector Returns

	Week	MTD	QTD	YTD
Consumer Disc	-3.38%	-6.64%	-18.78%	-26.11%
Consumer Staples	0.31%	-1.00%	1.54%	0.52%
Energy	-2.61%	7.30%	5.64%	46.87%
Financials	-3.54%	-2.95%	-12.53%	-13.83%
Health Care	-0.88%	-1.32%	-5.97%	-8.39%
Industrials	-2.51%	-2.15%	-9.52%	-11.65%
Info Technology	-3.47%	-4.06%	-14.88%	-22.00%
Materials	-2.44%	-2.99%	-6.37%	-8.60%
Real Estate	-3.95%	-7.59%	-10.73%	-15.99%
Communication Svcs	-0.16%	0.90%	-14.86%	-25.01%
Utilities	-1.07%	0.21%	-4.05%	0.53%

Bond Yields

	5/13/22	4/30/22	3/31/22	12/31/21
3Mo Libor	1.44%	1.33%	0.96%	0.21%
SOFR 3Mo Swap	1.25%	1.14%	0.67%	0.09%
2Yr Treasury	2.58%	2.72%	2.34%	0.73%
10Yr Treasury	2.92%	2.94%	2.34%	1.51%
2-10 Slope	0.34%	0.22%	0.00%	0.78%

Commodities and Currency

	5/13/22	4/30/22	3/31/22	12/31/21
Oil (\$/barrel)	110.49	104.69	100.28	76.99
Gold (\$/oz.)	1811.79	1896.93	1937.44	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.