

Weekly Market Update



Market Data as of Week Ending: 6/17/2022 unless noted otherwise

U.S. stock prices continued their downward trajectory as persistent inflation, central bank tightening, and higher yields sent markets lower. The S&P 500 officially entered bear market territory after recording its worst week since March 2020, returning -5.75%. The percentage of S&P 500 companies trading above their 50-day moving average fell below 5% last week, the lowest level since the beginning of the pandemic. In a reversal from last week, growth stocks held up better than value and larger companies generally outperformed their small company peers. All eleven S&P 500 sectors were solidly lower, with most declining between 4 to 6%. The energy sector was the worst performer, returning -17.10%, as oil prices experienced volatility on the back of supply concerns. Developed foreign and emerging market stocks narrowly outperformed the U.S.

U.S. Treasury yields had a choppy week, briefly touching multi-year highs before a relief rally sent the 10-year treasury yield down to 3.23%. Higher-quality government bonds outperformed while shorter durations were able to provide value. Yields on investment grade corporate bonds and high yield corporate bonds were sent higher, finishing the week at 4.8% and 8.5%, respectively.

Economic data releases were relatively sluggish as the Federal Reserve's rate decision loomed large. The NFIB small-business index was unchanged in May at 93.1 as expectations for future business conditions continued to deteriorate amid persisting inflation. U.S. retail sales fell for the first time in five months, declining 0.3% in May due to fewer auto purchases. The NAHM home builders index declined for the sixth month in a row and to a two year low of 67, reflecting growing pessimism as interest and mortgage rates climb. The Federal Reserve announced a 0.75% rate hike, the largest in three decades, as the Fed continues to be aggressive in combating inflation. The Philadelphia manufacturing index contracted for the first time since May 2020, falling to -3.3 in June from 2.6. The Bank of England raised its key interest rate by 0.25%, the fifth meeting in a row in which the BOE rose rates, as inflation recently reached 9.0% in the U.K.

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

	Value	Week Core	Growth	Value	MTD Core	Growth	Value	QTD Core	Growth	Value	YTD Core	Growth
Large	-6.60%	-5.86%	-5.05%	-11.20%	-11.00%	-10.79%	-14.58%	-19.06%	-23.39%	-15.21%	-23.21%	-30.31%
Mid	-7.87%	-7.42%	-6.42%	-12.77%	-12.15%	-10.72%	-16.38%	-18.85%	-23.84%	-17.90%	-23.46%	-33.42%
Small	-7.89%	-7.43%	-6.87%	-10.75%	-10.56%	-10.33%	-16.10%	-19.30%	-22.82%	-18.11%	-25.37%	-32.56%

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

	Short	Week Interm	Long	Short	MTD Interm	Long	Short	QTD Interm	Long	Short	YTD Interm	Long
Govt	-0.27%	-0.33%	-1.31%	-1.46%	-1.83%	-3.62%	-1.66%	-2.74%	-13.80%	-4.96%	-6.81%	-22.91%
Corp	-0.56%	-0.79%	-1.90%	-1.90%	-2.59%	-4.75%	-2.49%	-4.56%	-13.19%	-6.13%	-9.57%	-23.09%
HY	-2.38%	-2.85%	-4.15%	-4.07%	-5.46%	-7.65%	-6.06%	-8.44%	-14.04%	-8.57%	-12.48%	-23.19%

Index Returns

	Week	MTD	QTD	YTD
Equities (Stocks)				
S&P 500	-5.75%	-10.97%	-18.59%	-22.33%
S&P MidCap 400	-7.53%	-11.59%	-17.26%	-21.30%
Russell 2000	-7.43%	-10.56%	-19.30%	-25.37%
MSCI EAFE	-5.73%	-10.48%	-15.64%	-20.63%
MSCI Emerging Markets	-4.67%	-6.62%	-11.43%	-17.61%
MSCI EAFE Small Cap	-5.94%	-10.89%	-17.61%	-24.63%
Fixed Income (Bonds)				
Bloomberg Int Gov/Credit	-0.47%	-2.06%	-3.30%	-7.66%
Bloomberg US Agg	-0.92%	-2.81%	-5.89%	-11.48%
Bloomberg US High Yield	-2.90%	-5.55%	-8.68%	-13.10%
Other				
Bloomberg Commodity	-6.37%	-3.42%	2.11%	28.20%
S&P Dev Property	-5.10%	-10.84%	-19.29%	-22.40%

S&P 500 Sector Returns

	Week	MTD	QTD	YTD
Consumer Disc	-5.53%	-11.84%	-27.02%	-33.61%
Consumer Staples	-4.24%	-7.59%	-9.59%	-10.51%
Energy	-17.10%	-15.42%	-3.60%	34.03%
Financials	-4.84%	-12.81%	-19.27%	-20.47%
Health Care	-4.42%	-9.30%	-12.33%	-14.58%
Industrials	-5.80%	-9.64%	-16.84%	-18.81%
Info Technology	-4.89%	-11.32%	-22.00%	-28.52%
Materials	-8.24%	-12.87%	-14.95%	-16.97%
Real Estate	-5.10%	-11.54%	-18.94%	-23.72%
Communication Svcs	-4.57%	-9.01%	-21.85%	-31.16%
Utilities	-9.11%	-12.78%	-12.88%	-8.72%

Bond Yields

	6/17/22	5/31/22	3/31/22	12/31/21
3Mo Libor	2.10%	1.61%	0.96%	0.21%
SOFR 3Mo Swap	1.94%	1.41%	0.67%	0.09%
2Yr Treasury	3.18%	2.56%	2.34%	0.73%
10Yr Treasury	3.23%	2.85%	2.34%	1.51%
2-10 Slope	0.05%	0.29%	0.00%	0.78%

Commodities and Currency

	6/17/22	5/31/22	3/31/22	12/31/21
Oil (\$/barrel)	109.56	114.67	100.28	76.99
Gold (\$/oz.)	1839.39	1837.35	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.