

Weekly Market Update



Market Data as of Week Ending: 8/5/2022 unless noted otherwise

U.S. stock prices finished the week mixed as investors weighed U.S.-China relations, earnings and a much stronger-than-expected jobs report. The higher-than-expected job growth revived investors' concerns that the Federal Reserve will need to maintain aggressive monetary tightening in response to the data. Growth stocks continued their outperformance versus their value counterparts while small and mid-sized companies generally outperformed their large company peers. The major economic sectors produced mixed results for the week with information technology, consumer discretionary and communication services sectors leading the way. Energy and traditionally cyclical sectors such as real estate and materials lagged. Developed foreign stock prices moved lower and underperformed the U.S., while emerging markets outperformed both.

U.S. Treasury yields moved higher last week as positive economic data eased recession fears. The 10-year U.S. Treasury increased to 2.83% on the back of the stronger-than-expected jobs report while the 2-year yield jumped to 3.23%. Lower quality bonds outperformed for the third week in a row and were led by outperformance from long duration high yield bonds. Government and corporate bonds failed to post a gain across the duration spectrum. Yields on investment grade rose while high yield corporate bonds declined, finishing the week at 4.5% and 7.7%, respectively.

Economic releases were generally positive as the "good news is bad news" dynamic remained intact. The ISM manufacturing index fell to 52.8%, marking a 25-month low but showed that inflation pressures eased and was above expectations. Americans added \$312 billion in debt in the second quarter, with \$46 billion of that on their credit cards, marking the sharpest increase in more than 20 years. The ISM services index rose to 56.7% from 55.3% in July, suggesting the economy continues to expand despite growing headwinds. The U.S. added a surprising 528,000 new jobs in July sending the unemployment rate to a pre-pandemic low of 3.5% as the labor market continues to be a beacon of light. The BoE raised its key interest rate by 0.50% to 1.75%, the biggest increase in 27 years.

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

	Week			MTD			QTD			YTD		
	Value	Core	Growth	Value	Core	Growth	Value	Core	Growth	Value	Core	Growth
Large	-0.23%	0.67%	1.52%	-0.23%	0.67%	1.52%	6.39%	10.04%	13.70%	-7.29%	-13.01%	-18.22%
Mid	-0.24%	0.69%	2.37%	-0.24%	0.69%	2.37%	8.34%	10.63%	14.90%	-9.24%	-13.24%	-20.72%
Small	0.95%	1.96%	2.97%	0.95%	1.96%	2.97%	10.72%	12.61%	14.50%	-8.45%	-13.77%	-19.22%

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

	Week			MTD			QTD			YTD		
	Short	Interm	Long	Short	Interm	Long	Short	Interm	Long	Short	Interm	Long
Govt	-0.80%	-0.96%	-0.66%	-0.80%	-0.96%	-0.66%	-0.02%	0.36%	2.00%	-4.21%	-5.44%	-19.62%
Corp	-0.67%	-0.85%	-0.96%	-0.67%	-0.85%	-0.96%	0.84%	1.50%	3.81%	-4.81%	-7.61%	-19.81%
HY	0.66%	0.63%	1.22%	0.66%	0.63%	1.22%	5.15%	6.54%	8.06%	-4.99%	-7.93%	-18.11%

Index Returns

	Week	MTD	QTD	YTD
Equities (Stocks)				
S&P 500	0.39%	0.39%	9.64%	-12.24%
S&P MidCap 400	-0.31%	-0.31%	10.50%	-11.09%
Russell 2000	1.96%	1.96%	12.61%	-13.77%
MSCI EAFE	-0.65%	-0.65%	4.30%	-16.11%
MSCI Emerging Markets	0.96%	0.96%	0.72%	-17.04%
MSCI EAFE Small Cap	-0.52%	-0.52%	6.06%	-20.15%
Fixed Income (Bonds)				
Bloomberg Int Gov/Credit	-0.92%	-0.92%	0.70%	-6.12%
Bloomberg US Agg	-1.04%	-1.04%	1.38%	-9.11%
Bloomberg US High Yield	0.66%	0.66%	6.60%	-8.53%
Other				
Bloomberg Commodity	-3.22%	-3.22%	0.91%	19.51%
S&P Dev Property	-1.96%	-1.96%	5.83%	-15.74%

S&P 500 Sector Returns

	Week	MTD	QTD	YTD
Consumer Disc	1.17%	1.17%	20.33%	-19.17%
Consumer Staples	0.11%	0.11%	3.41%	-2.36%
Energy	-6.80%	-6.80%	2.26%	34.82%
Financials	-0.01%	-0.01%	7.20%	-12.87%
Health Care	-0.70%	-0.70%	2.60%	-5.95%
Industrials	0.58%	0.58%	10.13%	-8.36%
Info Technology	2.00%	2.00%	15.81%	-15.35%
Materials	-1.29%	-1.29%	4.77%	-13.97%
Real Estate	-1.31%	-1.31%	6.92%	-14.06%
Communication Svcs	1.16%	1.16%	4.91%	-26.73%
Utilities	0.41%	0.41%	5.94%	5.35%

Bond Yields

	8/5/22	7/31/22	6/30/22	12/31/21
3Mo Libor	2.87%	2.79%	2.29%	0.21%
SOFR 3Mo Swap	2.69%	2.55%	2.10%	0.09%
2Yr Treasury	3.23%	2.89%	2.96%	0.73%
10Yr Treasury	2.83%	2.65%	3.02%	1.51%
2-10 Slope	-0.40%	-0.24%	0.06%	0.78%

Commodities and Currency

	8/5/22	7/31/22	6/30/22	12/31/21
Oil (\$/barrel)	89.01	98.62	105.76	76.99
Gold (\$/oz.)	1775.5	1765.94	1807.27	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.