

Weekly Market Update



Market Data as of Week Ending: 3/5/2021 unless noted otherwise

U.S. stock prices were mixed as long-term interest rates trended higher, reducing the outlook for growth stock valuations. The fourth quarter of 2020 marked three consecutive quarters of better than expected profit growth. 79% of companies in the S&P 500 reported a positive earnings surprise, the third highest since FactSet began tracking this metric in 2008. Analyst have been raising estimates for the first quarter of 2021. According to FactSet, the current estimated earnings growth rate for the S&P 500 is 21.8%. Value stocks outperformed growth led by strong gains in the energy sector as oil prices reached their highest levels in more than a year. Weakness in growth-oriented sectors such as consumer discretionary and information technology, were offset by gains in cyclical sectors such as financials and industrials. Declined. Developed foreign stocks in Europe and Asia lagged U.S. stocks and Emerging Market stocks outperformed developed foreign markets.

U.S. Treasury yields advanced this past week (bond prices and yields move in opposite directions) as the \$1.9 trillion stimulus package passed in the Senate and Fed Chair Jerome Powell remains committed to allowing inflation rise above 2%. Investment grade corporate bonds ended the week yielding approximately 2.2% and high yield corporate bonds are yielding more than 4.5%.

Economic data released during the week was better than expected but mostly overshadowed by the stimulus package and rising inflation expectations. The February jobs report came in above expectations with nonfarm payrolls rising by 379,000 and the unemployment dropped to 6.2%, a new low since the beginning of the recovery. Germany extended lockdown restrictions until March 28, but relaxed the rules in areas with low infection rates. Japan reported growth in the manufacturing data as the index rose to 51.4 in February from 49.8 in January.

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

	Week			MTD			QTD			YTD		
	Value	Core	Growth	Value	Core	Growth	Value	Core	Growth	Value	Core	Growth
Large	2.64%	0.42%	-1.76%	2.64%	0.42%	-1.76%	7.85%	2.48%	-2.51%	7.85%	2.48%	-2.51%
Mid	2.23%	-0.20%	-4.77%	2.23%	-0.20%	-4.77%	9.90%	5.08%	-3.46%	9.90%	5.08%	-3.46%
Small	3.51%	-0.38%	-4.21%	3.51%	-0.38%	-4.21%	19.19%	11.15%	3.72%	19.19%	11.15%	3.72%

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	-0.12%	-0.32%	-2.84%	-0.12%	-0.32%	-2.84%	-0.48%	-1.38%	-11.47%	-0.48%	-1.38%	-11.47%
Corp	-0.26%	-0.74%	-2.90%	-0.26%	-0.74%	-2.90%	-0.54%	-1.92%	-8.53%	-0.54%	-1.92%	-8.53%
HY	0.09%	-0.11%	-0.73%	0.09%	-0.11%	-0.73%	1.63%	0.61%	-0.27%	1.63%	0.61%	-0.27%

Index Returns

	Week	MTD	QTD	YTD
Equities (Stocks)				
S&P 500	0.84%	0.84%	2.57%	2.57%
S&P MidCap 400	0.69%	0.69%	9.15%	9.15%
Russell 2000	-0.38%	-0.38%	11.15%	11.15%
MSCI EAFE	-0.49%	-0.49%	0.66%	0.66%
MSCI Emerging Markets	0.05%	0.05%	3.91%	3.91%
MSCI EAFE Small Cap	-0.95%	-0.95%	1.29%	1.29%
Fixed Income (Bonds)				
Barclays Int Gov/Credit	-0.46%	-0.46%	-1.55%	-1.55%
Barclays US Agg	-0.80%	-0.80%	-2.93%	-2.93%
Barclays US High Yield	-0.16%	-0.16%	0.54%	0.54%
Other				
Bloomberg Commodity	0.68%	0.68%	10.01%	10.01%
S&P Dev Property	-0.70%	-0.70%	1.69%	1.69%

S&P 500 Sector Returns

	Week	MTD	QTD	YTD
Consumer Discretionary	-2.82%	-2.82%	-3.33%	-3.33%
Consumer Staples	1.96%	1.96%	-4.67%	-4.67%
Energy	10.10%	10.10%	40.16%	40.16%
Financials	4.38%	4.38%	14.43%	14.43%
Health Care	0.30%	0.30%	-0.42%	-0.42%
Industrials	3.10%	3.10%	5.47%	5.47%
Info Technology	-1.35%	-1.35%	-1.07%	-1.07%
Materials	2.47%	2.47%	3.89%	3.89%
Real Estate	-1.45%	-1.45%	0.07%	0.07%
Communication Svcs	2.45%	2.45%	7.37%	7.37%
Utilities	2.26%	2.26%	-4.88%	-4.88%

Bond Yields

	3/5/21	2/28/21	12/31/20	12/31/20
3Mo Libor	0.19%	0.19%	0.24%	0.24%
SOFR 3Mo Swap	0.04%	0.05%	0.06%	0.06%
2Yr Treasury	0.14%	0.13%	0.12%	0.12%
10Yr Treasury	1.57%	1.41%	0.92%	0.92%
2-10 Slope	1.43%	1.28%	0.79%	0.79%

Commodities and Currency

	3/5/21	2/28/21	12/31/20	12/31/20
Oil (\$/barrel)	66.09	61.5	48.52	48.52
Gold (\$/oz.)	1700.64	1734.04	1898.36	1898.36

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