

Weekly Market Update



Market Data as of Week Ending: 10/15/2021 unless noted otherwise

U.S. stocks advanced for the second consecutive week as gains for the S&P 500 were fueled by favorable economic data and corporate earnings. Despite oil prices reaching their highest level in over three years and supply chain issues that are expected to persist through the holidays, investor sentiment has looked through these issues as consumer demand appears resilient. Mid cap stocks outperformed both large and their small cap peers while value stocks lagged their growth counterparts. An eclectic group of sectors outperformed, led by gains in the materials, consumer discretionary, and real estate sectors. Communication services was the only sector in negative territory, followed by underperformance in the health care and consumer staples sectors. Developed foreign stocks in Europe and Asia outperformed U.S. stocks while Emerging Market stocks outperformed both.

U.S. Treasury yields were mixed as short-term yields rose while the 10-year declined and ended the week at 1.59%. Long duration government and corporate bonds were the best performing asset classes as the yield curve flattened. Short duration government and corporate bonds declined and underperformed as expectations for higher short-term rates are getting priced into the market. Investment grade and high yield corporate bonds ended the week with yields above 2.2% and 4.7%, respectively.

Economic data released during the week was mostly favorable including weekly jobless claims that dropped to 293,000, the lowest level since before the pandemic. The employment situation supports continued economic growth with strong demand, 10.4 million job openings, and a supply gap that shows there are 5.0 million fewer people employed today versus the pre-pandemic level in February 2020. Inflation rose 0.4% in September following a 0.3% gain in August and is up 5.4% from a year earlier. Inflation has been persistently higher than normal as the economy grapples with supply constraints and labor shortages. Another sign that supports economic growth was a strong retail sales report. Retail sales were up 0.7% for the month of September and nearly 14% over the same period last year.

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

	Week			MTD			QTD			YTD		
	Value	Core	Growth	Value	Core	Growth	Value	Core	Growth	Value	Core	Growth
Large	1.35%	2.01%	2.62%	3.91%	3.97%	4.03%	3.91%	3.97%	4.03%	20.68%	19.77%	18.90%
Mid	1.74%	2.34%	3.40%	4.40%	4.27%	4.04%	4.40%	4.27%	4.04%	23.45%	20.09%	14.03%
Small	0.99%	1.47%	1.94%	3.45%	2.81%	2.19%	3.45%	2.81%	2.19%	27.15%	15.57%	5.07%

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	-0.20%	-0.15%	1.99%	-0.34%	-0.40%	0.44%	-0.34%	-0.40%	0.44%	-0.78%	-1.51%	-6.98%
Corp	-0.15%	-0.01%	1.86%	-0.32%	-0.38%	0.43%	-0.32%	-0.38%	0.43%	-0.11%	-0.82%	-2.14%
HY	0.14%	0.12%	0.44%	0.03%	-0.17%	-0.33%	0.03%	-0.17%	-0.33%	5.41%	4.15%	7.02%

Index Returns

	Week	MTD	QTD	YTD
Equities (Stocks)				
S&P 500	1.84%	3.86%	3.86%	20.40%
S&P MidCap 400	2.18%	4.12%	4.12%	20.28%
Russell 2000	1.47%	2.81%	2.81%	15.57%
MSCI EAFE	2.42%	1.93%	1.93%	10.44%
MSCI Emerging Markets	2.13%	2.47%	2.47%	1.19%
MSCI EAFE Small Cap	2.83%	1.51%	1.51%	11.69%
Fixed Income (Bonds)				
Barclays Int Gov/Credit	-0.10%	-0.39%	-0.39%	-1.26%
Barclays US Agg	0.33%	-0.17%	-0.17%	-1.72%
Barclays US High Yield	0.15%	-0.18%	-0.18%	4.35%
Other				
Bloomberg Commodity	2.06%	3.94%	3.94%	34.22%
S&P Dev Property	3.51%	4.15%	4.15%	20.06%

S&P 500 Sector Returns

	Week	MTD	QTD	YTD
Consumer Disc	3.55%	5.13%	5.13%	15.93%
Consumer Staples	1.17%	2.87%	2.87%	7.70%
Energy	1.18%	9.76%	9.76%	57.21%
Financials	1.24%	5.27%	5.27%	35.95%
Health Care	0.84%	0.58%	0.58%	14.11%
Industrials	1.94%	5.23%	5.23%	17.31%
Info Technology	2.61%	4.38%	4.38%	20.34%
Materials	3.65%	6.36%	6.36%	17.51%
Real Estate	3.50%	3.87%	3.87%	28.29%
Communication Svcs	-0.43%	1.39%	1.39%	23.28%
Utilities	1.42%	2.84%	2.84%	7.16%

Bond Yields

	10/15/21	9/30/21	9/30/21	12/31/20
3Mo Libor	0.12%	0.13%	0.13%	0.24%
SOFR 3Mo Swap	0.05%	0.06%	0.06%	0.06%
2Yr Treasury	0.40%	0.28%	0.28%	0.12%
10Yr Treasury	1.57%	1.49%	1.49%	0.92%
2-10 Slope	1.18%	1.21%	1.21%	0.79%

Commodities and Currency

	10/15/21	9/30/21	9/30/21	12/31/20
Oil (\$/barrel)	82.28	75.03	75.03	48.52
Gold (\$/oz.)	1767.62	1756.95	1756.95	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.