

Weekly Market Update



Market Data as of Week Ending: 10/22/2021 unless noted otherwise

U.S. stocks continued to move higher, bringing the winning streak of weekly gains to three, with both the S&P 500 and Dow reaching record highs. Earnings season remained in full force with approximately 20% of S&P 500 companies reporting results. A series of positive earnings surprises has seemingly helped lift sentiment and counter elevated inflation concerns. Mid cap stocks outperformed both their large and small cap peers while growth stocks outperformed their value counterparts for the second week in a row. Real estate and financials along with traditionally defensive sectors, health care and utilities, led the index higher. Communication services was the only sector in negative territory for the second week in a row, as social media stocks' sharp drop Friday caused the underperformance. Developed foreign stocks in Europe and Asia underperformed U.S. stocks while Emerging Market stocks outperformed developed foreign stocks.

U.S. Treasury yields increased through most of the week with the 10-year ending the week at 1.63%. High yield bonds were the best performing asset classes as broader risk markets rallied due to positive earnings results. Long duration government and corporate bonds declined as weak demand for the Treasury Department's 20-year bond auction added upward pressure on long-term rates. Investment grade and high yield corporate bonds ended the week with yields above 2.3% and 4.7%, respectively.

Economic data released during the week was mixed. This was especially evident in the housing market where building permits and housing starts both came in below expectations, potentially reflecting the ongoing supply-chain issues, while existing home sales jumped to their highest level since January. Industrial production fell -1.3% in September, marking the biggest decline since February when Winter Storm Uri shutdown Texas. The Philly Fed manufacturing index dropped 7 points to 23.8 in October, remaining in solid growth territory after a large jump in September. Flash IHS PMI readings showed the service side of the economy ramping up before the holiday season, while the manufacturing side slipped slightly due to ongoing labor shortages and supply bottlenecks.

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

	Week			MTD			QTD			YTD		
	Value	Core	Growth	Value	Core	Growth	Value	Core	Growth	Value	Core	Growth
Large	1.56%	1.69%	1.81%	5.54%	5.73%	5.91%	5.54%	5.73%	5.91%	22.57%	21.79%	21.05%
Mid	1.82%	2.02%	2.37%	6.30%	6.38%	6.50%	6.30%	6.38%	6.50%	25.69%	22.52%	16.73%
Small	0.98%	1.14%	1.29%	4.46%	3.97%	3.51%	4.46%	3.97%	3.51%	28.40%	16.88%	6.43%

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	-0.21%	-0.29%	-0.67%	-0.55%	-0.69%	-0.23%	-0.55%	-0.69%	-0.23%	-0.99%	-1.80%	-7.61%
Corp	-0.25%	-0.38%	-0.64%	-0.57%	-0.76%	-0.21%	-0.57%	-0.76%	-0.21%	-0.37%	-1.20%	-2.76%
HY	0.03%	-0.09%	0.10%	0.06%	-0.26%	-0.23%	0.06%	-0.26%	-0.23%	5.44%	4.05%	7.13%

Index Returns

	Week	MTD	QTD	YTD
Equities (Stocks)				
S&P 500	1.66%	5.58%	5.58%	22.39%
S&P MidCap 400	1.78%	5.97%	5.97%	22.42%
Russell 2000	1.14%	3.97%	3.97%	16.88%
MSCI EAFE	0.62%	2.57%	2.57%	11.13%
MSCI Emerging Markets	0.75%	3.24%	3.24%	1.95%
MSCI EAFE Small Cap	0.50%	2.02%	2.02%	12.24%
Fixed Income (Bonds)				
Barclays Int Gov/Credit	-0.32%	-0.71%	-0.71%	-1.57%
Barclays US Agg	-0.37%	-0.54%	-0.54%	-2.09%
Barclays US High Yield	-0.08%	-0.26%	-0.26%	4.26%
Other				
Bloomberg Commodity	-0.93%	2.98%	2.98%	32.97%
S&P Dev Property	1.45%	5.66%	5.66%	21.79%

S&P 500 Sector Returns

	Week	MTD	QTD	YTD
Consumer Disc	1.49%	6.69%	6.69%	17.65%
Consumer Staples	0.91%	3.80%	3.80%	8.67%
Energy	1.18%	11.06%	11.06%	59.06%
Financials	2.79%	8.20%	8.20%	39.73%
Health Care	2.89%	3.48%	3.48%	17.40%
Industrials	1.84%	7.16%	7.16%	19.47%
Info Technology	1.61%	6.07%	6.07%	22.28%
Materials	0.86%	7.28%	7.28%	18.53%
Real Estate	3.24%	7.24%	7.24%	32.45%
Communication Svcs	-0.61%	0.77%	0.77%	22.52%
Utilities	2.34%	5.26%	5.26%	9.67%

Bond Yields

	10/22/21	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	0.46%	0.28%	0.28%	0.12%
10Yr Treasury	1.63%	1.49%	1.49%	0.92%
2-10 Slope	1.18%	1.21%	1.21%	0.79%

Commodities and Currency

	10/22/21	9/30/21	9/30/21	12/31/20
Oil (\$/barrel)	84.61	75.03	75.03	48.52
Gold (\$/oz.)	1792.65	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.