

Weekly Market Update



Market Data as of Week Ending: 10/29/2021 unless noted otherwise

U.S. stocks were mixed as several major indexes reached new highs and the S&P 500 advanced for the fourth consecutive week. More than half of companies in the S&P 500 have reported quarterly results and many companies are reporting record earnings while citing supply and inflation pressures that have constrained growth. Large stocks outperformed both their mid and small cap peers while growth stocks outperformed their value counterparts for the third week in a row. Consumer discretionary, communication services, and information technology stocks were the top performing sectors. Cyclical sectors such as financials, energy, and industrials lagged and were the only sectors in negative territory for the week. Developed foreign stocks in Europe and Asia underperformed U.S. stocks while Emerging Market stocks lagged developed foreign stocks.

U.S. Treasury yields declined with the 10-year ending the week at 1.56%. Most segments of the bond market recorded gains for the week and were led by long duration government bonds. Long duration corporate bonds also fared well while short duration bonds lagged. Investment grade and high yield corporate bonds ended the week with yields near 2.3% and 4.8%, respectively.

Economic data released during the week was mixed. Economic growth slowed to a seasonally adjusted annual rate of 2.0% in the third quarter. Consumers and business struggled to work through the combination of a new surge of coronavirus cases along with persistent supply constraints and inflation. The Fed's closely followed Personal Consumption Expenditures (PCE) showed that inflation rose 0.3% in September and 0.2%, excluding food and energy prices. Offsetting some of those price increases have been accelerating wages and benefits, as evidenced by the employment-cost index which rose 1.3% in the quarter which is the fastest pace in more than 20 years. Initial unemployment benefits, decreased for the fourth consecutive week to 281,000 and reached a new pandemic low. Inflation is not unique to the U.S. as European growth accelerated to 2.2% in the quarter, but annual inflation was estimated to be 4.1%, the highest level in 13 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	-0.44%	1.14%	2.60%	5.08%	6.94%	8.66%	5.08%	6.94%	8.66%	22.03%	23.18%	24.20%
Mid	-0.92%	-0.40%	0.48%	5.32%	5.95%	7.01%	5.32%	5.95%	7.01%	24.54%	22.02%	17.29%
Small	-0.62%	0.27%	1.13%	3.81%	4.25%	4.68%	3.81%	4.25%	4.68%	27.60%	17.19%	7.64%

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	0.04%	0.12%	2.07%	-0.51%	-0.57%	1.84%	-0.51%	-0.57%	1.84%	-0.95%	-1.68%	-5.69%
Corp	0.05%	0.21%	1.71%	-0.52%	-0.55%	1.50%	-0.52%	-0.55%	1.50%	-0.31%	-0.99%	-1.10%
HY	0.05%	0.04%	0.71%	0.11%	-0.22%	0.48%	0.11%	-0.22%	0.48%	5.49%	4.09%	7.88%

Index Returns

	Week	MTD	QTD	YTD
Equities (Stocks)				
S&P 500	1.35%	7.01%	7.01%	24.04%
S&P MidCap 400	-0.08%	5.89%	5.89%	22.32%
Russell 2000	0.27%	4.25%	4.25%	17.19%
MSCI EAFE	-0.11%	2.46%	2.46%	11.01%
MSCI Emerging Markets	-2.18%	0.99%	0.99%	-0.27%
MSCI EAFE Small Cap	-0.44%	1.57%	1.57%	11.75%
Fixed Income (Bonds)				
Barclays Int Gov/Credit	0.15%	-0.56%	-0.56%	-1.43%
Barclays US Agg	0.52%	-0.03%	-0.03%	-1.58%
Barclays US High Yield	0.09%	-0.17%	-0.17%	4.35%
Other				
Bloomberg Commodity	-0.38%	2.58%	2.58%	32.46%
S&P Dev Property	-0.19%	5.45%	5.45%	21.56%

S&P 500 Sector Returns

	Week	MTD	QTD	YTD
Consumer Disc	3.98%	10.94%	10.94%	22.34%
Consumer Staples	0.08%	3.89%	3.89%	8.76%
Energy	-0.63%	10.36%	10.36%	58.07%
Financials	-0.84%	7.30%	7.30%	38.56%
Health Care	1.63%	5.16%	5.16%	19.31%
Industrials	-0.26%	6.88%	6.88%	19.15%
Info Technology	1.98%	8.17%	8.17%	24.70%
Materials	0.33%	7.63%	7.63%	18.91%
Real Estate	0.31%	7.57%	7.57%	32.86%
Communication Svcs	2.04%	2.83%	2.83%	25.02%
Utilities	-0.50%	4.73%	4.73%	9.13%

Bond Yields

	10/29/21	9/30/21	9/30/21	12/31/20
3Mo Libor	0.13%	0.13%	0.13%	0.24%
SOFR 3Mo Swap	0.05%	0.06%	0.06%	0.06%
2Yr Treasury	0.50%	0.28%	0.28%	0.12%
10Yr Treasury	1.56%	1.49%	1.49%	0.92%
2-10 Slope	1.06%	1.21%	1.21%	0.79%

Commodities and Currency

	10/29/21	9/30/21	9/30/21	12/31/20
Oil (\$/barrel)	83.57	75.03	75.03	48.52
Gold (\$/oz.)	1783.38	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.