

Weekly Market Update



Market Data as of Week Ending: 11/5/2021 unless noted otherwise

U.S. stock prices advanced for the fifth consecutive week as gains were supported by favorable economic data and corporate earnings. Nearly 90% of companies in the S&P 500 have reported third quarter earnings and the growth rate is expected to be above 39%, despite supply and inflation pressures that have constrained growth. Small stocks surged during the week and significantly outperformed both their mid and large cap peers while the growth and value style factors were mixed. Nine of the eleven major economic sectors were positive, led by gains in the consumer discretionary, information technology, and materials sectors. Financials and health care 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 both U.S. and developed foreign stocks.

U.S. Treasury yields declined with the 10-year ending the week at 1.45%. The Fed announced the widely anticipated decision to begin reducing monthly asset purchases by \$15 billion in November. The Fed expects to continue reducing purchases each month by that amount, but reserves the right to adjust the amount based on economic conditions. All segments of the bond market recorded gains for the week and were led by long duration corporate bonds. Long duration government bonds also fared well while short duration bonds lagged. Investment grade and high yield corporate bonds ended the week with yields near 2.2% and 4.7%, respectively.

Economic data released during the week was mostly positive and headlined by the Fed's tapering decision and a strong jobs report. The U.S. Labor Department announced that payrolls increased by 531,000 jobs and unemployment dropped to 4.6%. The report was significantly higher than consensus expectations and the prior two months were adjusted higher by 235,000 jobs. The weekly initial jobless claims figure was also encouraging as it fell to 269,000. PMI data from ISM was also positive as the both the services and manufacturing sectors grew for the 17th consecutive month. According to ISM, the Services PMI reached an all-time high of 66.7 percent in October, 4.8 percentage points above the prior month and surpassing the former all-time high of 64.1 percent in July. In Europe, the Bank of England unexpectedly kept interest rates unchanged while ECB president Lagarde reiterated their dovish position by stating that an interest rate hike in 2022 is very unlikely.

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

	Week			MTD			QTD			YTD		
	Value	Core	Growth	Value	Core	Growth	Value	Core	Growth	Value	Core	Growth
Large	1.39%	1.95%	2.45%	1.39%	1.95%	2.45%	6.54%	9.02%	11.32%	23.74%	25.59%	27.24%
Mid	2.36%	1.98%	1.34%	2.36%	1.98%	1.34%	7.81%	8.04%	8.44%	27.47%	24.43%	18.86%
Small	6.24%	6.11%	5.99%	6.24%	6.11%	5.99%	10.29%	10.62%	10.95%	35.56%	24.35%	14.08%

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	0.31%	0.50%	1.27%	0.31%	0.50%	1.27%	-0.20%	-0.07%	3.13%	-0.65%	-1.19%	-4.49%
Corp	0.35%	0.58%	1.38%	0.35%	0.58%	1.38%	-0.17%	0.03%	2.90%	0.04%	-0.42%	0.27%
HY	0.31%	0.58%	1.06%	0.31%	0.58%	1.06%	0.42%	0.35%	1.54%	5.82%	4.69%	9.03%

Index Returns

	Week	MTD	QTD	YTD
Equities (Stocks)				
S&P 500	2.03%	2.03%	9.17%	26.56%
S&P MidCap 400	4.00%	4.00%	10.12%	27.21%
Russell 2000	6.11%	6.11%	10.62%	24.35%
MSCI EAFE	1.64%	1.64%	4.14%	12.83%
MSCI Emerging Markets	-0.04%	-0.04%	0.95%	-0.31%
MSCI EAFE Small Cap	1.46%	1.46%	3.05%	13.38%
Fixed Income (Bonds)				
Barclays Int Gov/Credit	0.52%	0.52%	-0.04%	-0.91%
Barclays US Agg	0.64%	0.64%	0.61%	-0.95%
Barclays US High Yield	0.61%	0.61%	0.44%	5.00%
Other				
Bloomberg Commodity	-0.60%	-0.60%	1.97%	31.67%
S&P Dev Property	1.58%	1.58%	7.13%	23.48%

S&P 500 Sector Returns

	Week	MTD	QTD	YTD
Consumer Disc	4.99%	4.99%	16.48%	28.44%
Consumer Staples	2.45%	2.45%	6.43%	11.42%
Energy	1.35%	1.35%	11.85%	60.19%
Financials	-0.61%	-0.61%	6.64%	37.72%
Health Care	-0.63%	-0.63%	4.50%	18.56%
Industrials	1.85%	1.85%	8.85%	21.35%
Info Technology	3.39%	3.39%	11.83%	28.93%
Materials	3.19%	3.19%	11.06%	22.71%
Real Estate	0.79%	0.79%	8.42%	33.90%
Communication Svcs	1.42%	1.42%	4.29%	26.81%
Utilities	0.48%	0.48%	5.23%	9.65%

Bond Yields

	11/5/21	10/31/21	9/30/21	12/31/20
3Mo Libor	0.14%	0.13%	0.13%	0.24%
SOFR 3Mo Swap	0.05%	0.05%	0.06%	0.06%
2Yr Treasury	0.40%	0.50%	0.28%	0.12%
10Yr Treasury	1.45%	1.56%	1.49%	0.92%
2-10 Slope	1.05%	1.06%	1.21%	0.79%

Commodities and Currency

	11/5/21	10/31/21	9/30/21	12/31/20
Oil (\$/barrel)	81.27	83.57	75.03	48.52
Gold (\$/oz.)	1818.36	1783.38	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.