



# Weekly Market Update

Market Data as of Week Ending: 1/14/2022 unless noted otherwise

U.S. stock indexes began the year with declines for the second consecutive week. Market sentiment has shifted lower as investors absorb inflation data and the economic impact of the recent surge in coronavirus cases. Growth stocks lagged for the second consecutive week as the threat of higher interest rates and slower economic growth looms large. Smaller sized companies generally underperformed and dispersion across sectors narrowed. Energy was the only outlier, up more than 5% followed by a small gain in the communication services sector. The rest of the major economic sectors declined for the week. Both developed foreign and emerging market stocks ended the week in positive territory and outperformed U.S. stocks.

U.S. Treasury markets absorbed the inflation data with ease as yields narrowly rose and the 10-year finished the week at 1.79%. Several Fed voting members, including chair Powell, addressed the threat of persistent inflation. Most segments of the bond market declined with shorter maturities outperforming longer duration bonds. High yield bonds were the outlier as the short and intermediate maturities produced small gains and outperformed. Investment grade corporate bond yields rose while high yield corporate bond yields were little changed and finished the week at 2.7% and 5.1%, respectively.

Economic data was generally worse than expected and headlined by the highest level of inflation in nearly 40 years. Consumer Price Inflation (CPI) advanced 7.0% in the month of December, compared to the same period one year ago. Excluding energy and food, Core CPI was up 5.5%, reaching a level not seen in more than 30 years. Concerns about growth were amplified by a nearly 2% decline in retail sales for the month of December and weekly initial jobless claims unexpectedly rose to 230,000. In Europe, several countries announced easing of coronavirus restrictions and growth came in lower than expected in Germany. After declining more than 4.5% in 2020, Germany is expected to have advanced only 2.7% in 2021, which is substantially lower relative to other countries in the region.

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

	Week			MTD			QTD			YTD		
	Value	Core	Growth	Value	Core	Growth	Value	Core	Growth	Value	Core	Growth
Large	0.15%	-0.38%	-0.88%	0.97%	-2.53%	-5.65%	0.97%	-2.53%	-5.65%	0.97%	-2.53%	-5.65%
Mid	-0.05%	-0.77%	-2.15%	-0.19%	-3.54%	-9.53%	-0.19%	-3.54%	-9.53%	-0.19%	-3.54%	-9.53%
Small	0.32%	-0.79%	-1.95%	0.36%	-3.67%	-7.68%	0.36%	-3.67%	-7.68%	0.36%	-3.67%	-7.68%

## 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	-0.17%	-0.17%	-0.16%	-0.68%	-1.06%	-4.31%	-0.68%	-1.06%	-4.31%	-0.68%	-1.06%	-4.31%
Corp	-0.23%	-0.28%	-0.70%	-0.73%	-1.30%	-4.00%	-0.73%	-1.30%	-4.00%	-0.73%	-1.30%	-4.00%
HY	0.16%	0.11%	-0.45%	-0.25%	-0.73%	-2.72%	-0.25%	-0.73%	-2.72%	-0.25%	-0.73%	-2.72%

## Index Returns

	Week	MTD	QTD	YTD
Equities (Stocks)				
S&P 500	-0.29%	-2.11%	-2.11%	-2.11%
S&P MidCap 400	-0.36%	-2.05%	-2.05%	-2.05%
Russell 2000	-0.79%	-3.67%	-3.67%	-3.67%
MSCI EAFE	0.18%	-0.11%	-0.11%	-0.11%
MSCI Emerging Markets	2.57%	2.09%	2.09%	2.09%
MSCI EAFE Small Cap	-0.25%	-1.65%	-1.65%	-1.65%
Fixed Income (Bonds)				
Barclays Int Gov/Credit	-0.20%	-1.13%	-1.13%	-1.13%
Barclays US Agg	-0.29%	-1.82%	-1.82%	-1.82%
Barclays US High Yield	0.07%	-0.87%	-0.87%	-0.87%
Other				
Bloomberg Commodity	2.23%	4.41%	4.41%	4.41%
S&P Dev Property	-0.46%	-3.03%	-3.03%	-3.03%

## S&P 500 Sector Returns

	Week	MTD	QTD	YTD
Consumer Disc	-1.47%	-4.02%	-4.02%	-4.02%
Consumer Staples	-0.42%	-0.01%	-0.01%	-0.01%
Energy	5.26%	16.42%	16.42%	16.42%
Financials	-0.83%	4.57%	4.57%	4.57%
Health Care	-0.22%	-4.83%	-4.83%	-4.83%
Industrials	-0.61%	0.04%	0.04%	0.04%
Info Technology	-0.06%	-4.73%	-4.73%	-4.73%
Materials	-0.57%	-2.04%	-2.04%	-2.04%
Real Estate	-2.00%	-6.89%	-6.89%	-6.89%
Communication Svcs	0.52%	-1.99%	-1.99%	-1.99%
Utilities	-1.40%	-2.99%	-2.99%	-2.99%

## Bond Yields

	1/14/22	12/31/21	12/31/21	12/31/21
3Mo Libor	0.24%	0.21%	0.21%	0.21%
SOFR 3Mo Swap	0.14%	0.09%	0.09%	0.09%
2Yr Treasury	0.97%	0.73%	0.73%	0.73%
10Yr Treasury	1.79%	1.51%	1.51%	1.51%
2-10 Slope	0.82%	0.78%	0.78%	0.78%

## Commodities and Currency

	1/14/22	12/31/21	12/31/21	12/31/21
Oil (\$/barrel)	83.82	76.99	76.99	76.99
Gold (\$/oz.)	1817.94	1829.2	1829.2	1829.2

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