

Weekly Market Update



Market Data as of Week Ending: 11/26/2021 unless noted otherwise

U.S. stock prices declined as news of a new coronavirus variant triggered a shift away from risk assets. The value factor was a positive contributor as those stocks outperformed their growth counterparts and large companies significantly outperformed their small and mid-sized peers. Despite the sharp drop in oil prices at the end of the week, energy stocks were the only sector with a gain for the week. Financials and traditionally defensive sectors such as consumer staples, utilities, real estate, and health care outperformed. Stocks in the information technology, communication services, and consumer discretionary sectors were the worst performing sectors. Developed foreign stocks in Europe and Asia underperformed U.S. stocks and Emerging Market stocks lagged both U.S. and developed foreign stocks.

U.S. Treasury yields were choppy, but eventually declined sharply on Friday and the 10-year ended the week at 1.48%. Earlier in the week yields rose as President Biden announced plans to nominate Fed Chair Jerome Powell for a second term and minutes from the most recent FOMC meeting also supported higher yields. However, that sentiment shifted quickly late in the week as news of the Omicron coronavirus variant created an appetite for high quality assets such as U.S. Treasury bonds. Investment grade and high yield corporate bonds declined as spreads widened and they ended the week with yields at 2.3% and 5.2%, respectively.

Economic data released during the week was generally favorable and headlined by the lowest weekly jobless claims number in more than 50 years. The economy continues to be supported by strong demand for employment. Not only did the weekly jobless claims figure reach a new 50 year low, but it also dropped below 200,000, which is significantly lower than the pre-pandemic average of 218,000 for calendar year 2019. The strong employment situation has bolstered demand for goods which rose 2.2% in the month of October. Supplies have been challenged and new orders for durable goods were softer than expected, down 0.5% despite being up more than 22% compared to the same period one year ago. In Europe, business activity accelerated and inflation signals have been rising but business confidence dropped for the fifth consecutive month in Germany as they look toward a new chancellor Olaf Scholz set to replace Angela Merkel.

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

	Week			MTD			QTD			YTD		
	Value	Core	Growth	Value	Core	Growth	Value	Core	Growth	Value	Core	Growth
Large	-1.20%	-2.31%	-3.26%	-1.57%	-0.55%	0.36%	3.43%	6.35%	9.05%	20.12%	22.51%	24.64%
Mid	-1.95%	-2.53%	-3.51%	-0.81%	-1.53%	-2.74%	4.47%	4.33%	4.07%	23.53%	20.15%	14.07%
Small	-3.30%	-4.13%	-4.93%	-0.89%	-2.14%	-3.34%	2.89%	2.02%	1.18%	26.47%	14.68%	4.04%

U.S. Fixed Income Returns (Quality & Duration - Bloomberg Bloomberg)

	Week			MTD			QTD			YTD		
	Short	Interm	Long	Short	Interm	Long	Short	Interm	Long	Short	Interm	Long
Govt	0.10%	0.18%	1.29%	0.01%	0.17%	1.92%	-0.49%	-0.40%	3.80%	-0.94%	-1.52%	-3.88%
Corp	-0.06%	-0.11%	0.00%	-0.23%	-0.27%	-0.08%	-0.75%	-0.81%	1.41%	-0.54%	-1.26%	-1.18%
HY	-0.79%	-1.11%	-1.96%	-0.86%	-1.16%	-1.63%	-0.75%	-1.38%	-1.16%	4.58%	2.89%	6.13%

Index Returns

	Week	MTD	QTD	YTD
Equities (Stocks)				
S&P 500	-2.18%	-0.11%	6.89%	23.91%
S&P MidCap 400	-3.17%	-0.43%	5.43%	21.80%
Russell 2000	-4.13%	-2.14%	2.02%	14.68%
MSCI EAFE	-3.72%	-3.24%	-0.86%	7.41%
MSCI Emerging Markets	-3.62%	-3.23%	-2.28%	-3.50%
MSCI EAFE Small Cap	-3.94%	-4.35%	-2.85%	6.88%
Fixed Income (Bonds)				
Bloomberg Int Gov/Credit	0.08%	0.03%	-0.53%	-1.40%
Bloomberg US Agg	0.13%	0.10%	0.08%	-1.48%
Bloomberg US High Yield	-1.17%	-1.19%	-1.36%	3.11%
Other				
Bloomberg Commodity	-2.16%	-3.15%	-0.64%	28.30%
S&P Dev Property	-1.73%	-0.60%	4.83%	20.83%

S&P 500 Sector Returns

	Week	MTD	QTD	YTD
Consumer Disc	-3.61%	1.76%	12.89%	24.49%
Consumer Staples	-0.21%	1.06%	4.98%	9.91%
Energy	1.66%	-3.31%	6.72%	52.84%
Financials	-0.58%	-3.68%	3.35%	33.47%
Health Care	-0.81%	-1.46%	3.62%	17.57%
Industrials	-2.40%	-1.24%	5.55%	17.67%
Info Technology	-3.23%	2.65%	11.03%	28.00%
Materials	-2.21%	1.45%	9.19%	20.64%
Real Estate	-0.84%	0.14%	7.73%	33.05%
Communication Svcs	-3.25%	-3.32%	-0.59%	20.87%
Utilities	-0.88%	-0.25%	4.47%	8.85%

Bond Yields

	11/26/21	10/31/21	9/30/21	12/31/20
3Mo Libor	0.18%	0.13%	0.13%	0.24%
SOFR 3Mo Swap	0.05%	0.05%	0.06%	0.06%
2Yr Treasury	0.50%	0.50%	0.28%	0.12%
10Yr Treasury	1.48%	1.56%	1.49%	0.92%
2-10 Slope	0.98%	1.06%	1.21%	0.79%

Commodities and Currency

	11/26/21	10/31/21	9/30/21	12/31/20
Oil (\$/barrel)	78.39	83.57	75.03	48.52
Gold (\$/oz.)	1802.59	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.