



# Weekly Market Summary

Market Data as of Week Ending: 2/12/2021 unless noted otherwise

U.S. equities finished higher across the board last week, reaching record highs as optimism was lifted by declining infections and the proposed \$1.9T stimulus package. This was the last major earnings week, as 82 companies reported fourth quarter results. Currently 74% of companies in the S&P 500 have reported results, 80% of those companies have beaten EPS estimates while 78% have beaten revenue estimates, well above their 5-yr averages. Due to the strength of these results, analysts now project double-digit earnings growth for all four quarters of 2021. Small and medium sized company stocks built on their out-performance over their large company peers while value outperformed growth in large and small caps. The energy sector enjoyed another positive week as an uptick in production cuts and a drop in U.S. crude inventory drove oil prices higher. The consumer discretionary sector lagged as both Amazon and Tesla weighed on returns. Developed foreign stocks in Europe and Asia outperformed U.S. stocks after being buoyed by vaccine progress and improved infection rates. Emerging Market stocks outperformed developed foreign markets.

U.S. Treasury yields fell for most of last week as the most recent inflation data was subdued. Positive sentiment late in the week lifted the 10-year U.S. Treasury yield by 3bps, closing the week at 1.20%. Investment grade corporate bonds ended the week yielding approximately 1.9% and high yield corporate bonds are yielding nearly 4.8%.

Economic data released during the week was mixed. The NFIB small-business index fell to 95.0, marking its lowest level since the beginning of the pandemic as small-business owners have become more pessimistic. Consumer inflation rose at its fastest pace in five months, mostly due to the rise in oil prices. Weekly initial unemployment claims jumped to 793,000, signaling that workers are still losing their jobs despite improving Covid-19 conditions. Consumer sentiment fell to a six-month low of 76.2 as hopes for a stronger economy by summer has dimmed. The UK economy expanded 1.0% in Q4, above expectations, due to strong growth in the government consumption and construction components of GDP.

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

|       | Week  |       |        | MTD   |        |        | QTD    |        |        | YTD    |        |        |
|-------|-------|-------|--------|-------|--------|--------|--------|--------|--------|--------|--------|--------|
|       | Value | Core  | Growth | Value | Core   | Growth | Value  | Core   | Growth | Value  | Core   | Growth |
| Large | 1.88% | 1.56% | 1.26%  | 6.72% | 6.55%  | 6.40%  | 5.74%  | 5.68%  | 5.61%  | 5.74%  | 5.68%  | 5.61%  |
| Mid   | 2.69% | 2.87% | 3.18%  | 8.10% | 8.61%  | 9.50%  | 7.85%  | 8.32%  | 9.14%  | 7.85%  | 8.32%  | 9.14%  |
| Small | 2.91% | 2.54% | 2.20%  | 9.70% | 10.45% | 11.15% | 15.47% | 16.01% | 16.51% | 15.47% | 16.01% | 16.51% |

## 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 | -0.02% | -0.04% | -0.58% | -0.06% | -0.19% | -3.00% | -0.08% | -0.42% | -6.45% | -0.08% | -0.42% | -6.45% |
| Corp | 0.03%  | 0.02%  | -0.26% | 0.10%  | 0.00%  | -1.48% | 0.05%  | -0.38% | -4.13% | 0.05%  | -0.38% | -4.13% |
| HY   | 0.27%  | 0.24%  | 0.95%  | 0.81%  | 0.89%  | 2.29%  | 1.51%  | 1.24%  | 2.45%  | 1.51%  | 1.24%  | 2.45%  |

## Index Returns

|                             | Week   | MTD    | QTD    | YTD    |
|-----------------------------|--------|--------|--------|--------|
| <b>Equities (Stocks)</b>    |        |        |        |        |
| S&P 500                     | 1.28%  | 6.01%  | 4.94%  | 4.94%  |
| S&P MidCap 400              | 2.78%  | 8.81%  | 10.45% | 10.45% |
| Russell 2000                | 2.54%  | 10.45% | 16.01% | 16.01% |
| MSCI EAFE                   | 2.09%  | 4.90%  | 3.78%  | 3.78%  |
| MSCI Emerging Markets       | 2.41%  | 7.49%  | 10.78% | 10.78% |
| MSCI EAFE Small Cap         | 1.83%  | 5.26%  | 4.87%  | 4.87%  |
| <b>Fixed Income (Bonds)</b> |        |        |        |        |
| Barclays Int Gov/Credit     | -0.02% | -0.12% | -0.40% | -0.40% |
| Barclays US Agg             | -0.13% | -0.52% | -1.23% | -1.23% |
| Barclays US High Yield      | 0.30%  | 1.01%  | 1.34%  | 1.34%  |
| <b>Other</b>                |        |        |        |        |
| Bloomberg Commodity         | 1.93%  | 4.95%  | 7.71%  | 7.71%  |
| S&P Dev Property            | 1.69%  | 3.91%  | 3.23%  | 3.23%  |

## S&P 500 Sector Returns

|                        | Week   | MTD    | QTD    | YTD    |
|------------------------|--------|--------|--------|--------|
| Consumer Discretionary | -1.25% | 4.67%  | 5.09%  | 5.09%  |
| Consumer Staples       | -0.07% | 2.47%  | -2.82% | -2.82% |
| Energy                 | 4.92%  | 13.62% | 17.92% | 17.92% |
| Financials             | 2.04%  | 8.80%  | 6.98%  | 6.98%  |
| Health Care            | 1.40%  | 1.91%  | 3.36%  | 3.36%  |
| Industrials            | 1.49%  | 6.46%  | 1.88%  | 1.88%  |
| Info Technology        | 2.32%  | 7.37%  | 6.38%  | 6.38%  |
| Materials              | 1.10%  | 5.01%  | 2.51%  | 2.51%  |
| Real Estate            | 1.00%  | 3.99%  | 4.64%  | 4.64%  |
| Communication Svcs     | 1.33%  | 8.68%  | 7.28%  | 7.28%  |
| Utilities              | -1.54% | 0.74%  | -0.19% | -0.19% |

## Bond Yields

|               | 2/12/2021 | 1/31/2021 | 12/31/2020 | 12/31/2020 |
|---------------|-----------|-----------|------------|------------|
| 3Mo Libor     | 0.19%     | 0.20%     | 0.24%      | 0.24%      |
| SOFR 3Mo Swap | 0.03%     | 0.04%     | 0.06%      | 0.06%      |
| 2Yr Treasury  | 0.11%     | 0.11%     | 0.12%      | 0.12%      |
| 10Yr Treasury | 1.21%     | 1.07%     | 0.92%      | 0.92%      |
| 2-10 Slope    | 1.10%     | 0.96%     | 0.79%      | 0.79%      |

## Commodities and Currency

|                 | 2/12/2021 | 1/31/2021 | 12/31/2020 | 12/31/2020 |
|-----------------|-----------|-----------|------------|------------|
| Oil (\$/barrel) | 59.47     | 52.2      | 48.52      | 48.52      |
| Gold (\$/oz.)   | 1824.23   | 1847.65   | 1898.36    | 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.