

# Weekly Market Summary



Market Data as of Week Ending: 2/5/2021 unless noted otherwise

U.S. stock prices rebounded from last week's sell-off, helped by improved economic data, ongoing fiscal stimulus talks and optimistic vaccine developments. It was an active earnings week as 112 companies reported fourth quarter results. Early earnings results suggest that 69% of S&P 500 companies have beat estimates by one standard deviation, well above the 46% historical average. However, strong earnings haven't been rewarded this quarter as companies who beat estimates have underperformed the S&P 500 the day after by an average of 100bps. Small and medium sized company stocks outperformed their large company peers while growth stocks outperformed value. All eleven sectors enjoyed a positive week, with energy stocks outperforming as domestic oil prices hit their highest level in over a year. Healthcare shares lagged the overall market, posting a 0.50% gain. Developed foreign stocks in Europe and Asia lagged U.S. stocks after a mixed week which reported a smaller-than-expected growth contraction, but disappointing earnings. Emerging Market stocks outperformed developed foreign markets.

U.S. Treasury yields were mixed this past week as investment grade corporate bond spreads tightened. The 10-year U.S. Treasury yield rose 8bps, closing the week at 1.17%. Investment grade corporate bonds ended the week yielding approximately 1.9% and high yield corporate bonds are yielding more than 4.8%.

Economic data released during the week were mixed and overshadowed by optimism surrounding further fiscal relief. Weekly initial unemployment claims declined to a nine-week low of 779,000, suggesting that hiring is slowly picking back up. U.S. manufacturers grew at a slightly slower pace in January as the ISM index slipped to 58.7%. The U.S. unemployment rate fell to 6.3%, reaching a new pandemic low. However, the U.S. regained a meager 49,000 jobs in January suggesting the decline in unemployment may be tied to people dropping out of the labor force. The Bank of Japan is likely to begin allowing its long-term government bond yields to rise through a reduction of long-term bond purchases.

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

	Week			MTD			QTD			YTD		
	Value	Core	Growth	Value	Core	Growth	Value	Core	Growth	Value	Core	Growth
<b>Large</b>	4.75%	4.92%	5.08%	4.75%	4.92%	5.08%	3.79%	4.05%	4.30%	3.79%	4.05%	4.30%
<b>Mid</b>	5.27%	5.58%	6.13%	5.27%	5.58%	6.13%	5.03%	5.30%	5.78%	5.03%	5.30%	5.78%
<b>Small</b>	6.59%	7.72%	8.76%	6.59%	7.72%	8.76%	12.20%	13.14%	14.01%	12.20%	13.14%	14.01%

## 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
<b>Govt</b>	-0.03%	-0.15%	-2.43%	-0.03%	-0.15%	-2.43%	-0.06%	-0.39%	-5.91%	-0.06%	-0.39%	-5.91%
<b>Corp</b>	0.07%	-0.02%	-1.22%	0.07%	-0.02%	-1.22%	0.02%	-0.40%	-3.88%	0.02%	-0.40%	-3.88%
<b>HY</b>	0.54%	0.65%	1.33%	0.54%	0.65%	1.33%	1.24%	1.00%	1.49%	1.24%	1.00%	1.49%

## Index Returns

	Week	MTD	QTD	YTD
<b>Equities (Stocks)</b>				
S&P 500	4.67%	4.67%	3.61%	3.61%
S&P MidCap 400	5.87%	5.87%	7.46%	7.46%
Russell 2000	7.72%	7.72%	13.14%	13.14%
MSCI EAFE	2.75%	2.75%	1.66%	1.66%
MSCI Emerging Markets	4.96%	4.96%	8.18%	8.18%
MSCI EAFE Small Cap	3.37%	3.37%	2.99%	2.99%
<b>Fixed Income (Bonds)</b>				
Barclays Int Gov/Credit	-0.10%	-0.10%	-0.38%	-0.38%
Barclays US Agg	-0.39%	-0.39%	-1.11%	-1.11%
Barclays US High Yield	0.70%	0.70%	1.04%	1.04%
<b>Other</b>				
Bloomberg Commodity	2.96%	2.96%	5.67%	5.67%
S&P Dev Property	2.18%	2.18%	1.51%	1.51%

## S&P 500 Sector Returns

	Week	MTD	QTD	YTD
Consumer Discretionary	5.99%	5.99%	6.42%	6.42%
Consumer Staples	2.54%	2.54%	-2.75%	-2.75%
Energy	8.29%	8.29%	12.39%	12.39%
Financials	6.62%	6.62%	4.84%	4.84%
Health Care	0.50%	0.50%	1.93%	1.93%
Industrials	4.90%	4.90%	0.39%	0.39%
Info Technology	4.93%	4.93%	3.97%	3.97%
Materials	3.87%	3.87%	1.40%	1.40%
Real Estate	2.96%	2.96%	3.60%	3.60%
Communication Svcs	7.26%	7.26%	5.87%	5.87%
Utilities	2.31%	2.31%	1.37%	1.37%

## Bond Yields

	2/5/2021	1/31/2021	12/31/2020	12/31/2020
3Mo Libor	0.19%	0.20%	0.24%	0.24%
SOFR 3Mo Swap	0.04%	0.04%	0.06%	0.06%
2Yr Treasury	0.10%	0.11%	0.12%	0.12%
10Yr Treasury	1.17%	1.07%	0.92%	0.92%
2-10 Slope	1.06%	0.96%	0.79%	0.79%

## Commodities and Currency

	2/5/2021	1/31/2021	12/31/2020	12/31/2020
Oil (\$/barrel)	56.85	52.2	48.52	48.52
Gold (\$/oz.)	1814.11	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.