



Weekly Market Update

Market Data as of Week Ending: 7/16/2021 unless noted otherwise

U.S. stock prices ended the week lower as inflation and growth data appear to have reduced investor sentiment. Analyst expectations for S&P 500 earnings growth increased to 69% as companies begin to report financial results for the second quarter. Large cap companies outperformed their small and mid-cap peers and growth stocks outpaced their value counterparts for the third consecutive week. Defensive sectors such as utilities, consumer staples, and real estate were the best performing sectors and the only sectors to produce gains for the week. Energy was down more than 7%, but remains the top performing sector for the year, followed by declines in the consumer discretionary and materials sectors. Developed foreign stocks in Europe and Asia outperformed U.S. stocks while Emerging Market stocks outperformed both developed foreign and U.S. markets.

U.S. Treasury yields declined again as the 10-Year note ended the week at 1.29%, its lowest amount since February. Long-term government bonds were once again the best performing segment while all term structures across high yield corporate bonds lagged. Despite the risk-off environment, investment grade corporate bonds ended the week with yields near the same level at approximately 2.0% and high yield corporate bonds are slightly higher than 4.0%.

Economic data continues to point toward stronger growth but with more inflation than expected. Both the headline and core (excluding food and energy) Consumer Price Indexes (CPI) advanced 0.9% in June. The headline figure was the largest monthly change since June 2008 and is up 5.4% since the same period last year. Core inflation recorded its largest yearly increase (4.5%) since November 1991. Retail sales increased 0.6% in June which was well above consensus expectations and were supported by strong demand in autos, despite the supply-chain disruptions. Diverging approaches to dealing with a new variant of the virus are emerging in Europe as the UK plans to lift all lockdown measures, while France and Netherlands reimpose restrictions. In Asia, China reported second quarter annualized GDP growth that was near consensus estimates at 7.9%.

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

	Week			MTD			QTD			YTD		
	Value	Core	Growth	Value	Core	Growth	Value	Core	Growth	Value	Core	Growth
Large	-1.42%	-1.26%	-1.10%	-0.77%	0.27%	1.27%	-0.77%	0.27%	1.27%	16.15%	15.27%	14.42%
Mid	-2.47%	-2.81%	-3.40%	-1.75%	-2.11%	-2.74%	-1.75%	-2.11%	-2.74%	17.36%	13.79%	7.42%
Small	-4.28%	-5.11%	-5.90%	-5.72%	-6.35%	-6.96%	-5.72%	-6.35%	-6.96%	19.45%	10.07%	1.40%

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	-0.01%	0.08%	1.06%	0.17%	0.43%	2.70%	0.17%	0.43%	2.70%	-0.31%	-0.69%	-5.33%
Corp	-0.04%	0.08%	0.67%	0.11%	0.37%	1.39%	0.11%	0.37%	1.39%	0.21%	-0.15%	-1.08%
HY	-0.12%	-0.14%	-0.22%	0.08%	0.16%	1.42%	0.08%	0.16%	1.42%	4.68%	3.70%	6.38%

Index Returns

	Week	MTD	QTD	YTD
Equities (Stocks)				
S&P 500	-0.96%	0.75%	0.75%	16.12%
S&P MidCap 400	-3.29%	-2.90%	-2.90%	14.19%
Russell 2000	-5.11%	-6.35%	-6.35%	10.07%
MSCI EAFE	-0.46%	-0.07%	-0.07%	8.76%
MSCI Emerging Markets	1.72%	-2.29%	-2.29%	4.99%
MSCI EAFE Small Cap	-0.46%	0.09%	0.09%	9.14%
Fixed Income (Bonds)				
Barclays Int Gov/Credit	0.08%	0.41%	0.41%	-0.49%
Barclays US Agg	0.24%	0.68%	0.68%	-0.94%
Barclays US High Yield	-0.15%	0.25%	0.25%	3.88%
Other				
Bloomberg Commodity	1.00%	-0.11%	-0.11%	21.01%
S&P Dev Property	0.33%	3.12%	3.12%	19.24%

S&P 500 Sector Returns

	Week	MTD	QTD	YTD
Consumer Disc	-2.63%	0.28%	0.28%	10.57%
Consumer Staples	1.25%	1.74%	1.74%	6.85%
Energy	-7.69%	-9.49%	-9.49%	31.81%
Financials	-1.56%	-1.55%	-1.55%	23.75%
Health Care	-0.10%	2.14%	2.14%	14.24%
Industrials	-1.52%	-0.50%	-0.50%	15.82%
Info Technology	-0.60%	1.80%	1.80%	15.80%
Materials	-2.34%	-1.54%	-1.54%	12.74%
Real Estate	0.79%	4.48%	4.48%	28.43%
Communication Svcs	-0.25%	1.30%	1.30%	21.22%
Utilities	2.56%	4.85%	4.85%	7.34%

Bond Yields

	7/16/21	6/30/21	6/30/21	12/31/20
3Mo Libor	0.13%	0.15%	0.15%	0.24%
SOFR 3Mo Swap	0.05%	0.05%	0.05%	0.06%
2Yr Treasury	0.22%	0.25%	0.25%	0.12%
10Yr Treasury	1.29%	1.47%	1.47%	0.92%
2-10 Slope	1.07%	1.22%	1.22%	0.79%

Commodities and Currency

	7/16/21	6/30/21	6/30/21	12/31/20
Oil (\$/barrel)	71.81	73.47	73.47	48.52
Gold (\$/oz.)	1812.05	1770.11	1770.11	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.