

Weekly Market Update



Market Data as of Week Ending: 2/4/2022 unless noted otherwise

U.S. stock prices remained volatile but ended the week with overall gains for the second consecutive week. Quarterly earnings results continued to improve as earnings season reached its midpoint. Profits are expected to increase by more than 29%, based on reported and forecasted earnings according to FactSet, up from a 24% rise that had been projected prior to the beginning of the week. Growth stocks outperformed value while smaller sized companies outpaced their larger counterparts. Energy continued its strong performance as U.S. oil prices rose above \$90 a barrel and major exporters agreed to only slightly increase production amid high demand. Real estate, communication services, and materials posted negative returns and were among the worst performing sectors. Both developed foreign and emerging market stocks increased for the week and outperformed U.S. stocks, regaining last week's losses.

U.S. Treasury yields ended the week higher due to Friday's strong jobs report, but continued to be choppy after last week's yield curve flattening. The 10-year finished the week at 1.91%, its highest level since December of 2019. All segments of the bond market declined; however, high yield bonds were the best performing asset class and short duration outperformed longer duration bonds. As investors continue to show risk aversion, yields rose for both investment grade corporate bonds and high yield corporate bonds and finished the week above 2.9% and 5.6%, respectively.

Economic data releases were mixed, headlined by the January jobs report which showed payrolls increase by 467,000. This was well above estimates and signaled that hiring was much stronger at the end of 2021 than originally reported. The unemployment rate ticked up to 4.0% from 3.9%, but this seemed to reflect the increase in labor force participation, which rose solidly to 62.2% from December's 61.9%. The ISM manufacturing index fell to a 14-month low of 57.6% in January as omicron and labor shortages weighed on factories. In Europe, the BoE raised its key interest rate for the second month in a row to try and curb inflation. The Monetary Policy Committee also voted to stop reinvesting the proceeds from their maturing government bonds.

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

	Week			MTD			QTD			YTD		
	Value	Core	Growth	Value	Core	Growth	Value	Core	Growth	Value	Core	Growth
Large	1.61%	1.74%	1.86%	0.45%	-0.35%	-1.12%	-1.89%	-5.97%	-9.60%	-1.89%	-5.97%	-9.60%
Mid	1.79%	2.35%	3.45%	0.04%	-0.21%	-0.72%	-4.23%	-7.57%	-13.53%	-4.23%	-7.57%	-13.53%
Small	1.03%	1.74%	2.51%	-0.87%	-1.27%	-1.70%	-6.65%	-10.78%	-14.88%	-6.65%	-10.78%	-14.88%

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

	Week			MTD			QTD			YTD		
	Short	Interm	Long									
Govt	-0.41%	-0.57%	-2.46%	-0.42%	-0.58%	-2.07%	-1.36%	-1.85%	-6.11%	-1.36%	-1.85%	-6.11%
Corp	-0.37%	-0.62%	-2.13%	-0.39%	-0.66%	-1.99%	-1.60%	-2.54%	-7.50%	-1.60%	-2.54%	-7.50%
HY	-0.13%	-0.27%	-0.70%	-0.21%	-0.35%	-0.73%	-1.55%	-2.82%	-6.72%	-1.55%	-2.82%	-6.72%

Index Returns

	Week	MTD	QTD	YTD
Equities (Stocks)				
S&P 500	1.57%	-0.31%	-5.47%	-5.47%
S&P MidCap 400	1.77%	-0.44%	-7.61%	-7.61%
Russell 2000	1.74%	-1.27%	-10.78%	-10.78%
MSCI EAFE	2.10%	1.14%	-3.75%	-3.75%
MSCI Emerging Markets	2.53%	1.08%	-0.84%	-0.84%
MSCI EAFE Small Cap	2.57%	1.11%	-6.29%	-6.29%
Mixed Income (Bonds)				
Barclays Int Gov/Credit	-0.58%	-0.60%	-2.06%	-2.06%
Barclays US Agg	-0.95%	-0.92%	-3.05%	-3.05%
Barclays US High Yield	-0.30%	-0.37%	-3.10%	-3.10%
Other				
Bloomberg Commodity	2.27%	1.59%	10.51%	10.51%
S&P Dev Property	0.24%	-0.82%	-6.53%	-6.53%

S&P 500 Sector Returns

	Week	MTD	QTD	YTD
Consumer Disc	3.95%	0.13%	-9.56%	-9.56%
Consumer Staples	0.42%	-0.07%	-1.44%	-1.44%
Energy	4.98%	4.52%	24.49%	24.49%
Financials	3.57%	2.64%	2.70%	2.70%
Health Care	1.34%	0.67%	-6.13%	-6.13%
Industrials	0.43%	-0.66%	-5.36%	-5.36%
Info Technology	1.11%	-1.53%	-8.31%	-8.31%
Materials	-0.20%	-1.62%	-8.34%	-8.34%
Real Estate	-0.32%	-1.51%	-9.94%	-9.94%
Communication Svcs	-0.25%	-2.59%	-8.63%	-8.63%
Utilities	0.81%	-1.05%	-4.29%	-4.29%

Bond Yields

	2/4/22	1/31/22	12/31/21	12/31/21
3Mo Libor	0.34%	0.31%	0.21%	0.21%
SOFR 3Mo Swap	0.27%	0.21%	0.09%	0.09%
2Yr Treasury	1.31%	1.18%	0.73%	0.73%
10Yr Treasury	1.91%	1.78%	1.51%	1.51%
2-10 Slope	0.60%	0.60%	0.78%	0.78%

Commodities and Currency

	2/4/22	1/31/22	12/31/21	12/31/21
Oil (\$/barrel)	92.31	88.15	76.99	76.99
Gold (\$/oz.)	1808.28	1797.17	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.