

Weekly Market Update



Market Data as of Week Ending: 2/18/2022 unless noted otherwise

U.S. stock markets experienced their second consecutive week of declines as worries of a Russian invasion of Ukraine and high inflation weighed on sentiment. The S&P 500 ended the week -1.52% lower as investors sought safe haven assets amid growing concerns. With 84% of S&P 500 companies having reported fourth quarter earnings as of Friday, the blended earnings growth rate for the S&P 500 is 30.9%, which will mark the fourth straight quarter of earnings growth above 30%, according to FactSet. Value stocks outpaced their growthy peers while small-cap companies outperformed large caps for the second week in a row. Ten of the eleven sectors posted negative returns, while the typically defensive consumer staples sector was the sole positive. Both developed foreign and emerging market stocks increased for the week and outperformed U.S. stocks.

U.S. Treasury yields had a bumpy week on the back of heightened geopolitical tensions and economic data. The 10-year climbed as high as 2.06% mid-week before finishing the week at 1.93%. Most segments of the bond market declined; however, government fared better while 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 3.1% and 5.9%, respectively.

Economic data releases were mostly mixed and may have lowered expectations for an aggressive rate hike in March. The U.S. producer price index rose to 1.0% in January and was the largest gain in a year. U.S. retail sales grew by 3.8% in January, marking the largest increase since March as Americans bought more cars, furniture, and electronics. Industrial production surged 1.4% in January, after a slight decline last month, as the gain was well above estimates. The Philadelphia Fed's manufacturing index fell 7.2 points to 16 in January, as new orders and shipments weighed on the reading. Inflation reached a 30-year high in the UK in January while the labor market tightened further, leading to increased expectations for the Bank of England to announce a third consecutive interest rate hike in March.

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

	Week			MTD			QTD			YTD		
	Value	Core	Growth	Value	Core	Growth	Value	Core	Growth	Value	Core	Growth
Large	-1.51%	-1.66%	-1.82%	-1.51%	-3.54%	-5.46%	-3.80%	-8.97%	-13.57%	-3.80%	-8.97%	-13.57%
Mid	-1.20%	-1.76%	-2.90%	-0.91%	-1.80%	-3.55%	-5.14%	-9.03%	-16.00%	-5.14%	-9.03%	-16.00%
Small	-0.24%	-1.00%	-1.83%	0.22%	-0.87%	-2.05%	-5.62%	-10.42%	-15.18%	-5.62%	-10.42%	-15.18%

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	0.07%	0.08%	-0.05%	-0.68%	-0.78%	-2.55%	-1.61%	-2.05%	-6.57%	-1.61%	-2.05%	-6.57%
Corp	-0.16%	-0.36%	-1.72%	-0.85%	-1.28%	-4.25%	-2.05%	-3.15%	-9.62%	-2.05%	-3.15%	-9.62%
HY	-0.07%	-0.20%	-0.97%	-0.76%	-1.45%	-3.45%	-2.09%	-3.90%	-9.27%	-2.09%	-3.90%	-9.27%

Index Returns

	Week	MTD	QTD	YTD
Equities (Stocks)				
S&P 500	-1.52%	-3.58%	-8.57%	-8.57%
S&P MidCap 400	-0.53%	-0.03%	-7.23%	-7.23%
Russell 2000	-1.00%	-0.87%	-10.42%	-10.42%
MSCI EAFE	-1.86%	0.67%	-4.20%	-4.20%
MSCI Emerging Markets	-0.67%	2.00%	0.07%	0.07%
MSCI EAFE Small Cap	-1.90%	0.28%	-7.06%	-7.06%
Fixed Income (Bonds)				
Barclays Int Gov/Credit	-0.06%	-0.94%	-2.39%	-2.39%
Barclays US Agg	-0.24%	-1.56%	-3.68%	-3.68%
Barclays US High Yield	-0.25%	-1.58%	-4.27%	-4.27%
Other				
Bloomberg Commodity	1.58%	3.51%	12.60%	12.60%
S&P Dev Property	-0.47%	-1.96%	-7.61%	-7.61%

S&P 500 Sector Returns

	Week	MTD	QTD	YTD
Consumer Disc	-0.39%	-2.49%	-11.92%	-11.92%
Consumer Staples	1.14%	0.19%	-1.18%	-1.18%
Energy	-3.45%	3.03%	22.71%	22.71%
Financials	-2.26%	0.35%	0.40%	0.40%
Health Care	-2.14%	-2.91%	-9.47%	-9.47%
Industrials	-1.08%	-2.46%	-7.07%	-7.07%
Info Technology	-1.66%	-5.97%	-12.45%	-12.45%
Materials	-0.21%	-0.69%	-7.48%	-7.48%
Real Estate	-1.68%	-5.92%	-13.98%	-13.98%
Communication Svcs	-2.47%	-8.66%	-14.33%	-14.33%
Utilities	-1.22%	-4.34%	-7.47%	-7.47%

Bond Yields

	2/18/22	1/31/22	12/31/21	12/31/21
3Mo Libor	0.48%	0.31%	0.21%	0.21%
SOFR 3Mo Swap	0.34%	0.21%	0.09%	0.09%
2Yr Treasury	1.47%	1.18%	0.73%	0.73%
10Yr Treasury	1.93%	1.78%	1.51%	1.51%
2-10 Slope	0.46%	0.60%	0.78%	0.78%

Commodities and Currency

	2/18/22	1/31/22	12/31/21	12/31/21
Oil (\$/barrel)	91.07	88.15	76.99	76.99
Gold (\$/oz.)	1898.43	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.