

Weekly Market Update



Market Data as of Week Ending: 9/9/2022 unless noted otherwise

U.S. stock prices moved higher, snapping a string of three weekly losses, as moderating inflation fears appeared to have supported sentiment. The markets showed resiliency after Chair Powell reaffirmed the Fed's hawkish stance despite a slowdown in economic growth. Value stocks lagged their growth counterparts across the board while small and mid-sized companies generally outperformed their large peers. All eleven major economic sectors in the S&P 500 registered gains with eight sectors gaining at least 3.2%. Traditionally cyclical sectors such as consumer discretionary, materials, and financials outperformed while more sensitive sectors, such as energy and communication services lagged. Developed foreign and emerging stock prices delivered mixed results but trailed the U.S. for the week.

U.S. Treasury yields advanced again for the week due to stronger-than-expected economic data and central banks reaffirming hawkish stances. Shorter duration bonds experienced a more significant move as the 10-year U.S. Treasury increased by 0.12%, ending the week at nearly 3.31% and the 2-year increased to 3.56%, up from 3.40%. Lower quality high yield bonds outperformed across the duration spectrum while government and corporate bonds lagged. Yields on investment grade and high yield corporate bonds were mixed, finishing the week at 4.9% and 8.2%, respectively.

Economic releases were relatively light for the holiday shortened week. The U.S. ISM services index reached its highest level in four months, moving to 56.9% in August as there were some improvements in supply chain, logistics and costs. Jobless claims fell to a three and a half month low of 222,000, signaling that layoffs are still near a record low despite a softening U.S. economy. Total consumer credit rose by \$23.8 billion in July, down from the \$39.1 billion jump in June as consumers are having to rely more on debt to finance purchases due to higher inflation. The ECB increased its key interest rates by a record 0.75% in an attempt to curb inflation, announcing that more rate increases are likely.

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

	Week			MTD			QTD			YTD		
	Value	Core	Growth	Value	Core	Growth	Value	Core	Growth	Value	Core	Growth
Large	3.69%	3.88%	4.07%	3.11%	2.99%	2.89%	6.67%	8.26%	9.87%	-7.05%	-14.41%	-20.97%
Mid	4.31%	4.80%	5.69%	3.44%	3.68%	4.12%	8.90%	10.34%	13.03%	-8.77%	-13.46%	-22.01%
Small	3.42%	4.07%	4.69%	1.81%	2.14%	2.46%	8.14%	10.50%	12.86%	-10.58%	-15.39%	-20.38%

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

	Week			MTD			QTD			YTD		
	Short	Interm	Long	Short	Interm	Long	Short	Interm	Long	Short	Interm	Long
Govt	-0.35%	-0.45%	-1.53%	-0.22%	-0.38%	-2.77%	-0.80%	-1.08%	-4.58%	-4.95%	-6.79%	-24.81%
Corp	-0.24%	-0.31%	-0.63%	-0.19%	-0.39%	-1.76%	0.05%	-0.13%	-1.66%	-5.55%	-9.09%	-24.03%
HY	1.10%	1.32%	0.94%	0.99%	1.15%	0.75%	4.25%	4.58%	6.01%	-5.80%	-9.62%	-19.66%

Index Returns

	Week	MTD	QTD	YTD
Equities (Stocks)				
S&P 500	3.68%	2.90%	7.80%	-13.72%
S&P MidCap 400	4.42%	2.80%	10.42%	-11.16%
Russell 2000	4.07%	2.14%	10.50%	-15.39%
MSCI EAFE	0.89%	0.06%	0.05%	-19.52%
MSCI Emerging Markets	-0.13%	-2.34%	-2.18%	-19.42%
MSCI EAFE Small Cap	1.11%	-0.74%	1.13%	-23.85%
Fixed Income (Bonds)				
Bloomberg Int Gov/Credit	-0.40%	-0.38%	-0.78%	-7.50%
Bloomberg US Agg	-0.70%	-0.91%	-1.35%	-11.56%
Bloomberg US High Yield	1.31%	1.14%	4.64%	-10.21%
Other				
Bloomberg Commodity	-0.43%	-2.50%	1.75%	20.51%
S&P Dev Property	2.56%	1.32%	2.73%	-18.22%
HFRX Global Hedge Fund	0.35%	0.23%	1.73%	-3.41%

S&P 500 Sector Returns

	Week	MTD	QTD	YTD
Consumer Disc	5.63%	5.67%	19.94%	-19.43%
Consumer Staples	1.94%	1.31%	2.82%	-2.92%
Energy	0.73%	0.32%	13.18%	49.22%
Financials	4.42%	3.99%	9.24%	-11.21%
Health Care	4.41%	4.61%	1.83%	-6.65%
Industrials	3.40%	2.55%	9.14%	-9.18%
Info Technology	3.25%	1.43%	8.12%	-20.97%
Materials	5.03%	3.55%	6.09%	-12.89%
Real Estate	4.18%	2.84%	5.22%	-15.42%
Communication Svcs	2.86%	2.01%	1.35%	-29.22%
Utilities	3.74%	4.13%	10.42%	9.81%

Bond Yields

	9/9/22	8/31/22	6/30/22	12/31/21
3Mo Libor	3.25%	3.10%	2.29%	0.21%
SOFR 3Mo Swap	3.18%	2.97%	2.10%	0.09%
2Yr Treasury	3.56%	3.50%	2.96%	0.73%
10Yr Treasury	3.31%	3.20%	3.02%	1.51%
2-10 Slope	-0.25%	-0.30%	0.06%	0.78%

Commodities and Currency

	9/9/22	8/31/22	6/30/22	12/31/21
Oil (\$/barrel)	86.79	89.55	105.76	76.99
Gold (\$/oz.)	1716.83	1711.04	1807.27	1829.2

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The market indexes discussed are unmanaged and generally considered representative of their respective markets. Index performance is not indicative of past performance of any particular investment. Indexes do not incur management fees, costs, and expenses. Indexes are not available for direct investment.

The S&P 500 Index is a capitalization-weighted index of 500 stocks. The index is designed to measure performance of the broad domestic economy through changes in the aggregate market value of 500 stocks across major industries.

The Russell 2000 Index is a market-cap weighted index measuring the performance of approximately 2,000 smallest-cap weighted American companies in the Russell 3000 index. The Russell 3000 Index is a capitalization-weighted equity index that provides exposure to the entire U.S. stock market. The index tracks the performance of the 3,000 largest U.S.-traded stocks which represent about 98% of all U.S. incorporated equity securities.

The MSCI Indexes were created by Morgan Stanley Capital International and serves as a benchmark of the performance of major international equity markets. The EAFE, with 826 constituents across 21 developed markets around the world excluding the US and Canada covers approximately 85% of the free float-adjusted market capitalization of each country. The Emerging Markets Index, with 1,393 constituents, captures large and mid-cap representation across 24 Emerging Markets (EM) countries and covers approximately 85% of the free float-adjusted market capitalization in each country.

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