

# Weekly Market Update

July 5, 2022

## Economic & Market News

### This Week:

- U.S. reports scheduled to be released this week include Federal Open Market Committee (FOMC) minutes, ISM services Purchasing Managers' Index (PMI), international trade in goods and services and employment statistics.
- Non-U.S. reports scheduled to be released this week include balance of trade in Germany, retail sales in the E.U. and the rate of inflation in China.

### Week in Review:

- Personal spending in the U.S. increased 0.2% month-over-month in May after increasing 0.6% month-over-month in April. Market expectations were for a 0.4% month-over-month increase.
- ISM manufacturing PMI in the U.S. decreased from 56.1 in May to 53.0 in June. Market expectations were for a reading of 54.9.
- The rate of inflation in the E.U. increased from 8.1% year-over-year in May to 8.6% year-over-year in June. Market expectations were for an 8.4% year-over-year increase in June.
- The Caixin China Manufacturing PMI increased from 48.1 in May to 51.7 in June. Market expectations were for a reading of 50.1 in June.

## S&P 1500 by Capitalization & Style<sup>1</sup>

1-Week			YTD			
Value	Blend	Growth	Value	Blend	Growth	
-0.71%	-2.18%	-3.73%	Large	-10.28%	-19.11%	-27.02%
-1.09%	-1.60%	-2.16%	Mid	-12.96%	-18.58%	-24.05%
-0.73%	-1.13%	-1.58%	Small	-13.16%	-18.18%	-23.13%

## 10-Year Treasury Note Yields



## S&P 500 Index Levels



## Index Returns

	1 Week	MTD	3 Mo	YTD
MSCI ACWI IMI	-2.18	0.37	-15.68	-20.14
S&P 500	-2.18	1.06	-15.50	-19.11
S&P MidCap 400	-1.60	1.20	-14.92	-18.58
S&P SmallCap 600	-1.13	0.94	-14.14	-18.18
MSCI World ex USA	-2.05	-0.69	-14.89	-19.32
MSCI EM IMI	-1.68	-0.84	-13.16	-18.63
Bloomberg U.S. Aggregate Bond	1.27	0.61	-3.86	-9.81
Bloomberg Commodity	-3.42	0.07	-5.19	18.52
DJ Equity All REIT	-0.42	1.80	-14.92	-17.85

## Bond Rates

	Latest	1 Month Ago	3 Months Ago	6 Months Ago
Fed Funds Target	1.58	0.83	0.33	0.07
2-Year Treasury	2.84	2.66	2.44	0.73
10-Year Treasury	2.89	2.93	2.43	1.44
3-Month LIBOR	2.32	1.63	0.97	0.22
Municipal Bond 10-Year	2.98	2.74	2.47	1.02
U.S. Inv. Grd. Corporate	4.62	4.28	3.66	2.33
U.S. High Yield	8.85	7.13	6.07	4.21

## Commodities

	Latest	1 Month Ago	3 Months Ago	6 Months Ago
Oil (\$/barrel)	108.43	115.26	99.27	75.21
Gold (\$/oz)	1801.50	1843.30	1919.10	1828.60
Gasoline (\$/gallon)	3.69	4.07	3.15	2.22

## Currencies

	Latest	1 Month Ago	3 Months Ago	6 Months Ago
Euro (\$/€)	1.04	1.07	1.10	1.13
Pound (\$/£)	1.21	1.25	1.31	1.36
Yen (¥/\$)	135.74	130.73	122.72	116.12

## Equity Index Characteristics<sup>2</sup>

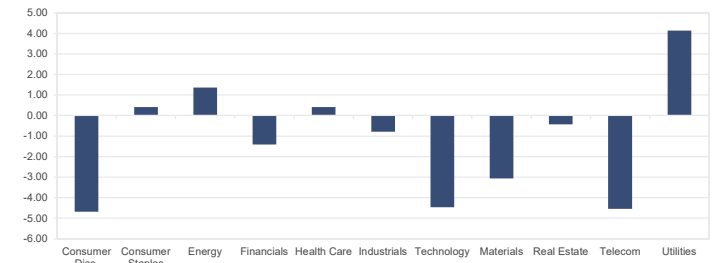
	P/E Ratio (TTM)	P/B Ratio (TTM)	P/CF Ratio (TTM)	Wtd Avg Mkt Cap (\$B)
MSCI ACWI IMI	14.74	2.22	11.14	58.96
S&P 500	18.44	3.53	14.39	172.47
S&P MidCap 400	12.38	2.05	10.64	5.65
S&P SmallCap 600	11.52	1.64	9.19	1.91
MSCI World ex US	12.66	1.58	8.82	40.62
MSCI EM IMI	10.80	1.57	7.80	23.95

## Upcoming U.S. Economic Events

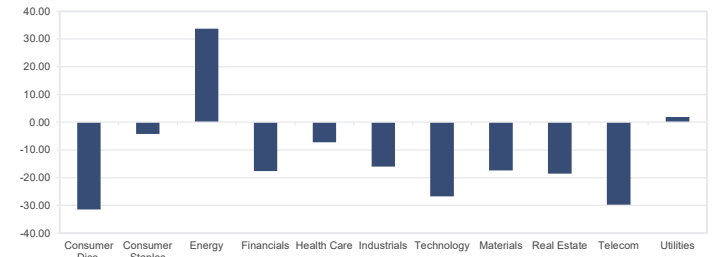
Date	Indicator	Period	Consensus	Last <sup>3</sup>
07.06.22	FOMC Minutes	-	-	-
07.07.22	ADP Employment Survey SA	June	200.0K	128.0K
	Continuing Jobless Claims SA	06.25	1,337K	1,328K
	Initial Claims SA	07.02	231.0K	231.0K
07.08.22	Nonfarm Payrolls SA	June	275.0K	390.0K
	Unemployment Rate	June	3.6%	3.6%

## S&P 500 Sector Returns (%)

### 1 Week



### YTD



Please see important disclosures on next page. All returns represent total return including dividends. All data is as of 07.01.2022 unless otherwise noted.

# Important Information

<sup>1</sup>Style boxes are derived from the components of the S&P 1500 Index.

<sup>2</sup>Characteristics as of 06.30.2022.

<sup>3</sup>May include flash/preliminary estimates.

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The volatility of an index varies greatly. All indices are unmanaged and investments cannot be made directly in an index.

Past performance is not indicative of future results. Any type of investing involves risk and there are no guarantees that these methods will be successful.

**S&P 1500:** An investable U.S. equity benchmark, the S&P Composite 1500 combines three leading indices, the S&P 500<sup>®</sup>, the S&P MidCap 400, and the S&P SmallCap 600 to cover approximately 90% of the U.S. market capitalization. It is designed for investors seeking to replicate the performance of the U.S. equity market or benchmark against a representative universe of tradable stocks.

**Capitalization/Style Returns:** Capitalization/Style returns are based on the S&P Indexes. All values are cumulative total return for stated period including the reinvestment of dividends. The indexes used from left to right, top to bottom are as follows: S&P 500 Value Index, S&P 500 Index, S&P 500 Growth Index, S&P Mid Cap 400 Value Index, S&P Mid Cap 400 Index, S&P Mid Cap 400 Growth Index, S&P Small Cap 600 Value Index, S&P Small Cap 600 Index, S&P Small Cap 600 Growth Index. The S&P 500<sup>®</sup> Index is a readily available, carefully constructed, market-value-weighted benchmark of common stock performance. Currently, the S&P<sup>®</sup> Composite includes 500 of the largest stocks (in terms of stock market value) in the United States; prior to March 1957 it consisted of 90 of the largest stocks. The S&P Midcap 400 is designed to measure the performance of the middle capitalization sector of the U.S. equities market. This market capitalization weighted index was created in June of 1991 and consists of 400 domestic stocks from the NYSE, NASDAQ, and AMEX chosen for market size, liquidity and industry group representation. The S&P SmallCap 600 is designed to measure the performance of the small capitalization sector of the U.S. equities market. This index consists of 600 domestic stocks chosen for market size, liquidity, (bid-asked spread, ownership, share turnover and number of no trade days) and industry group representation. The S&P Style indices measure growth and value along two separate dimensions, with three factors each used to measure growth and value. The Growth factors are 3 Year Change in Earnings per Share over Price per Share, 3 Year Sales per Share Growth Rate, and Momentum. The Value factors are Book Value to price Ratio, Earnings to Price Ratio, and Sales to Price Ratio.

**Index Returns:** Prices reflect closing price level for each stated date.

**S&P 500:** The S&P 500<sup>®</sup> Index is a readily available, carefully constructed, market-value-weighted benchmark of common stock performance. Currently, the S&P<sup>®</sup> Composite includes 500 of the largest stocks (in terms of stock market value) in the United States; prior to March 1957 it consisted of 90 of the largest stocks.

**S&P Small Cap 600:** The S&P SmallCap 600 is designed to measure the performance of the small capitalization sector of the U.S. equities market. This index consists of 600 domestic stocks chosen for market size, liquidity, (bid-asked spread, ownership, share turnover and number of no trade days) and industry group representation.

**S&P Mid Cap 400:** The S&P MidCap 400 is designed to measure the performance of the mid capitalization sector of the U.S. equities market. This index consists of 400 domestic stocks chosen for market size, liquidity, (bid-asked spread, ownership, share turnover and number of no trade days) and industry group representation.

**Bloomberg US Aggregate Bond Index:** The Bloomberg U.S. Aggregate Bond Index is an unmanaged, market-value-weighted index of taxable investment-grade fixed-rate debt issues, including government, corporate, asset-backed, and mortgage backed securities, with maturities of one year or more.

**Bloomberg Commodity Index:** The Bloomberg Commodity Index (BCOM) is calculated on an excess return basis and reflects commodity futures price movements. The index rebalances annually weighted 2/3 by trading volume and 1/3 by world production and weight-caps are applied at the commodity, sector and group level for diversification. Roll period typically occurs from 6th-10th business day based on the roll schedule.

The **MSCI ACWI Index** is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed and emerging markets. The MSCI ACWI consists of 46 country indexes comprising 23 developed and 23 emerging market country indexes.

The **MSCI World ex USA Index** captures large and mid cap representation across 22 of 23 Developed Markets (DM) countries excluding the United States. The index covers approximately 85% of the free float-adjusted market capitalization in each country.

The **MSCI Emerging Markets Investable Market Index** (IMI) captures large, mid and small cap representation across 23 Emerging Markets (EM) countries. The index covers approximately 99% of the free float-adjusted market capitalization in each country.

The **DJ Equity ALL REIT Index** represents all publicly traded real estate investment trusts in the Dow Jones U.S. stock universe classified as Equity REITs according to the Dow Jones REIT Industry Classification Hierarchy. These companies are REITs that primarily own and operate income-producing real estate.

# Important Information

The **Purchasing Managers' Index (PMI)** is an index of the prevailing direction of economic trends in the manufacturing and service sectors. It consists of a diffusion index that summarizes whether market conditions, as viewed by purchasing managers, are expanding, staying the same, or contracting.

The **Caixin China General Manufacturing Purchasing Managers' Index (PMI)** is closely watched by investors as one of the first available indicators every month of the strength of the Chinese economy.

**Bond Rates:** Fed Funds Target, FactSet; 2-Year Treasury, FactSet; 10-Year Treasury, FactSet; 10-Year Municipal, FactSet; High Yield, FactSet

**Commodities:** Oil, FactSet; Gold, FactSet; Gasoline, FactSet

**Sector Returns:** Sectors are based on the GICS Classification model. Return data are calculated by Morningstar Direct using constituents and weights as provided by Standard and Poor's. Returns are cumulative total return for the stated period, including reinvestment of dividends.

**Equity Index Characteristics:** Price-to-earnings ratio, price-to-book ratio, and price-to-cash flow ratio for S&P 500, S&P MidCap 400, and S&P Small Cap 600 taken from Morningstar Direct and based on a trailing 12-month period. Price-to-earnings ratio, price-to-book ratio, and price-to-cash flow ratio for MSCI ACWI, MSCI World ex USA, and MSCI Emerging Markets Investable Market taken from Morningstar Direct and based on a trailing 12-month period.

**Currencies:** Dollar per Pound, FactSet; Dollar per Euro, FactSet; Yen per Dollar, FactSet

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