

January 17 2020

## STOCKS RISE ON TRADE, EARNINGS NEWS

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### EQUITIES

Data as of: 1/17/2020

Index	Price	WTD%	QTD%	YTD%
DJIA	29348.10	1.82	2.84	2.84
S&P 500	3329.62	1.97	3.06	3.06
Nasdaq	9388.94	2.29	4.64	4.64
Russell 2000	1699.64	2.53	1.87	1.87
Russell 1000 Growth	1856.19	2.29	4.84	4.84
Russell 1000 Value	1365.33	1.65	1.31	1.31
Comm. Services	191.10	2.39	5.21	5.21
Cons. Disc.	1005.68	1.13	1.97	1.97
Cons. Staples	656.56	1.93	1.48	1.48
Energy	448.77	-1.12	-1.68	-1.68
Financial Svcs	515.28	1.14	0.76	0.76
Health Care	1217.69	1.63	2.48	2.48
Industrials	711.83	1.99	3.52	3.52
Info. Tech.	1705.75	2.95	5.87	5.87
Materials	383.98	2.70	-0.49	-0.49
Real Estate	245.70	2.46	2.24	2.24
Utilities	339.11	3.76	3.27	3.27
MSCI EAFE*	2048.65	0.41	0.60	0.60
MSCI EM*	1140.62	0.62	2.35	2.35

\* MSCI EAFE and MSCI EM values as of 1/16/20

- U.S. stocks** rose again this week to fresh record highs, powering the S&P 500 Index to its 13th weekly gain out of the last 15 weeks. A well-received initial batch of earnings results and the signing of the phase-one trade deal with China helped support the rally that has tallied 15% since October 7, 2019.
- The **Russell 2000** small cap index was the best performing major domestic benchmark, while solid gains for the technology-led **Nasdaq Composite** pointed to equity market risk-taking. Growth stocks' dominance over value continued, despite solid gains for interest-rate sensitive sectors.
- The week's economic calendar** included retail sales, which climbed 0.3% month over month. Control group sales, which are better aligned with gross domestic product (GDP), climbed 0.5% month over month. Inflation remained benign. The core Consumer Price Index, excluding food and energy prices, rose 2.3% year over year in December, while core producer prices rose 1.1%. In December, housing starts jumped 16.9%, building permits fell 3.9%, and industrial production slipped 0.3%. The Federal Reserve's January 15 edition of the Beige Book reflected continued steady economic growth.
- Global stocks** lagged the United States through Thursday's close. Eurozone consumer inflation held steady at 1.3% year over year. Lagging developed international markets included Japan and Germany, while weakness in Taiwan and Brazil weighed on the emerging market benchmark.

## FIXED INCOME, CURRENCIES, AND COMMODITIES

Data as of: 1/17/20

Yield	Latest	EOW	EOQ	EOY
90 Day UST	1.53	1.54	1.55	1.55
2 Yr UST	1.56	1.56	1.58	1.58
10 Yr UST	1.82	1.83	1.92	1.92
30 Yr UST	2.28	2.28	2.39	2.39

Fixed Income*	Yield	% Return		
		WTD	QTD	YTD
US Agg	2.25	0.15	0.60	0.60
US Agg Govt.	1.75	0.16	0.66	0.66
US TIPS	1.92	0.11	0.70	0.70
Munis	1.59	0.33	1.06	1.06
HY Munis	3.78	0.41	1.50	1.50
Inv. Grade	2.81	0.20	0.76	0.76
High Yield	5.87	0.27	0.71	0.71
MBS	2.44	0.07	0.33	0.33
Global Agg	1.42	0.14	-0.01	-0.01
Intl. Sovereign	0.51	0.05	0.37	0.37
JPM EMBI	4.93	0.65	1.16	1.16

Currencies & Commodities	Price	% Change		
		WTD	QTD	YTD
US Dollar	97.64	0.29	1.29	1.29
EUR/USD	1.11	-0.29	-1.13	-1.13
USD/JPY	110.17	0.64	1.43	1.43
WTI Oil	58.80	-0.41	-3.70	-3.70
Gold	1557	-0.19	2.23	2.23
Copper	2.85	1.14	1.73	1.73

\*Data as of 1/16/20

The yield presented refers to the corresponding index except for the U.S. Treasury (UST) data, which is of individual Treasury note securities and not an index. The Currency and Commodity data presented are quotes of the exchange rate. This data is from FactSet.

- The 10-year U.S. Treasury yield** continued to search for direction. The benchmark yield inched higher by one basis point (0.01%) during the week, meandering within a 30 basis point range (0.3%) where it has been stuck since October. Fixed income prices rose broadly, with all 11 sectors we track posting a gain through Thursday. The Bloomberg Barclays U.S. Aggregate Bond Index climbed 0.15% through Thursday. Emerging market debt led sectors with a 0.65% increase, while mortgage-backed securities and international sovereign debt lagged with only marginal gains.
- The **U.S. dollar** rose slightly on the week, though the dollar/yen pair jumped to its highest level in eight months, a positive signal for risk appetite following the signing of the U.S.-China trade deal. Industrial metals also resumed outperformance relative to precious metals, as **copper** continued its impressive rally to eight-month highs. **Gold** declined slightly for the week as demand for safe-haven investments waned and the U.S. dollar rose.
- Next week's holiday-shortened economic calendar** includes December's existing home sales on Wednesday, the Conference Board's Leading Economic Index on Thursday, and Markit's preliminary January Purchasing Managers' Indexes (PMI) for manufacturing and services on Friday. Meanwhile, another batch of earnings is on tap with 58 S&P 500 companies slated to report fourth quarter results.
- Internationally**, the Bank of Japan will announce an interest rate decision on Monday, followed by a German business sentiment report on Tuesday, Japan's trade data on Wednesday, the European Central Bank's (ECB) interest rate decision on Thursday, and Markit's Eurozone manufacturing PMI data on Friday.

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