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## HISTORIC VOLATILITY

Jeffrey Buchbinder, CFA, *Equity Strategist, LPL Financial*

George Smith, CFA, CAIA, CIPM *Senior Analyst, LPL Financial*

### EQUITIES

Data as of: 03/20/2020

Index	Price	WTD%	QTD%	YTD%
DJIA	19173.98	-17.30	-32.81	-32.81
S&P 500	2304.92	-14.98	-28.66	-28.66
Nasdaq	6879.52	-12.64	-23.33	-23.33
Russell 2000	1014.05	-16.20	-39.22	-39.22
Russell 1000 Growth	1346.94	-14.34	-23.92	-23.92
Russell 1000 Value	874.66	-16.43	-35.10	-35.10
Comm. Services	138.30	-12.25	-23.86	-23.86
Cons. Disc.	711.34	-12.53	-27.88	-27.88
Cons. Staples	516.28	-11.32	-20.20	-20.20
Energy	193.93	-19.63	-57.51	-57.51
Financial Svcs.	312.65	-17.98	-38.86	-38.86
Health Care	916.59	-13.03	-22.86	-22.86
Industrials	431.44	-18.38	-37.25	-37.25
Info. Tech.	1251.66	-15.25	-22.31	-22.31
Materials	254.16	-12.60	-34.13	-34.13
Real Estate	167.95	-22.99	-30.12	-30.12
Utilities	240.57	-17.18	-26.74	-26.74
MSCI EAFE*	1382.01	-6.58	-31.85	-31.85
MSCI EM*	766.41	-13.94	-31.07	-31.07

\* MSCI, EM values as of: 03/19/2020

- Extreme volatility continued as the war against the COVID-19 (coronavirus) global pandemic continues and extreme containment measures caused significant disruption to the US and global economies. The **S&P 500 Index** has declined more than 32% from its February 19 closing high after its biggest weekly loss since 2008 this week. An unprecedented streak of 8 straight days of 4% daily moves in the index ended Thursday.
- Investors and traders continue to focus on potential stabilization of new COVID-19 cases and the policy response out of Washington, DC, in assessing the market's prospects to find a bottom. The Federal Reserve (Fed) is "all in," and a potential \$1 trillion-plus stimulus response is moving through Congress.
- Among the major domestic indexes we track, the **Nasdaq** held up best this week. The consumer staples, consumer discretionary, and consumer services sectors held up best while energy and real estate suffered the steepest weekly declines.
- **US economic data** began to reflect reduced US economic activity amid the ongoing crisis. Jobless claims, which rose 70,000 to 281,000 for the week ending March 14, may soon head to record highs and provide some of the earliest evidence that the US economy has entered recession. Retail sales fell 0.5% pre-outbreak in February, while the week's housing data has been a rare bright spot.
- **Developed international** markets held up relatively well last week, in large part due to resilience in Japan. Through Thursday, the developed international MSCI EAFE Index lost 6.6% for the week, even as the US dollar surged, while the MSCI Emerging Markets Index fell nearly 14%.

## FIXED INCOME, CURRENCIES, &amp; COMMODITIES

Data as of: 03/20/20

Yield	Latest	EOW	EOQ	EOY
90 Day UST	0.03	0.28	1.55	1.55
2 Yr UST	0.34	0.49	1.58	1.58
10 Yr UST	0.86	0.94	1.92	1.92
30 Yr UST	1.44	1.56	2.39	2.39

Fixed Income*	Yield	% Return		
		WTD	QTD	YTD
US Agg	2.32	-2.91	-0.62	-0.62
US Agg Govt.	0.95	-0.85	5.13	5.13
US TIPS	1.36	-3.37	-3.91	-3.91
Munis	3.01	-4.24	-5.23	-5.23
HY Munis	5.81	-8.99	-13.25	-13.25
Inv. Grade	4.41	-8.30	-10.03	-10.03
High Yield	10.76	-9.62	-17.61	-17.61
MBS	2.69	-1.07	-0.05	-0.05
Global Agg	1.62	-4.35	-3.90	-3.90
Intl. Treasuries	0.25	-1.88	-0.30	-0.30
JPM EMBI	7.39	-11.32	-16.41	-16.41

## Currencies &amp; Commodities

US Dollar	102.62	3.92	6.46	6.46
EUR/USD	1.07	-3.67	-4.64	-4.64
USD/JPY	111.06	2.88	2.25	2.25
WTI Oil	23.39	-26.28	-61.69	-61.69
Gold	1492	-1.63	-2.04	-2.04
Copper	2.13	-13.58	-23.86	-23.86

\*Data as of: 03/19/2020

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.

- All **fixed income** indexes we track were down on a week that started with the Fed dramatically slashing interest rates to zero and announcing more bond purchases, known as quantitative easing. As a result, the yield curve steepened significantly with yields on shorter maturities falling while 10-year and 30-year **US Treasury** yields remained largely unchanged. US Treasuries performed best among the indexes we track, with **mortgage-backed securities (MBS)** a close second, aided by the Fed's plans to buy \$200 billion of MBS. **Emerging market bonds** suffered the biggest weekly decline on concerns that the strengthening US dollar could increase stress on repayment of dollar denominated bonds.
- Oil** prices suffered another huge weekly decline, more than 26%, as global recession fears weighed on prices already impacted by the price war between OPEC and Russia. The **US dollar** strengthened considerably as a flight-to-quality contributed to increased demand for the greenback. **Gold** ticked lower for the third week in a row, and **copper** is now trading near its 2015–16 lows.
- Next week's **US economic calendar** is highlighted by jobless claims on Thursday, one of investors' first looks at recession-level economic disruption. Other data next week will be for February, reporting pre-US-outbreak conditions, and therefore having less meaning. That data includes new home sales (Tuesday), durable goods orders (Wednesday), and personal income, spending, and personal consumption expenditures inflation (Friday).
- Internationally**, investors will get preliminary manufacturing and services survey data from Markit for Eurozone and Japan on Monday and Tuesday, and industrial profits data out of China on Thursday.

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For a list of descriptions of the indexes referenced in this publication, please visit our website at [lplresearch.com/definitions](http://lplresearch.com/definitions).

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