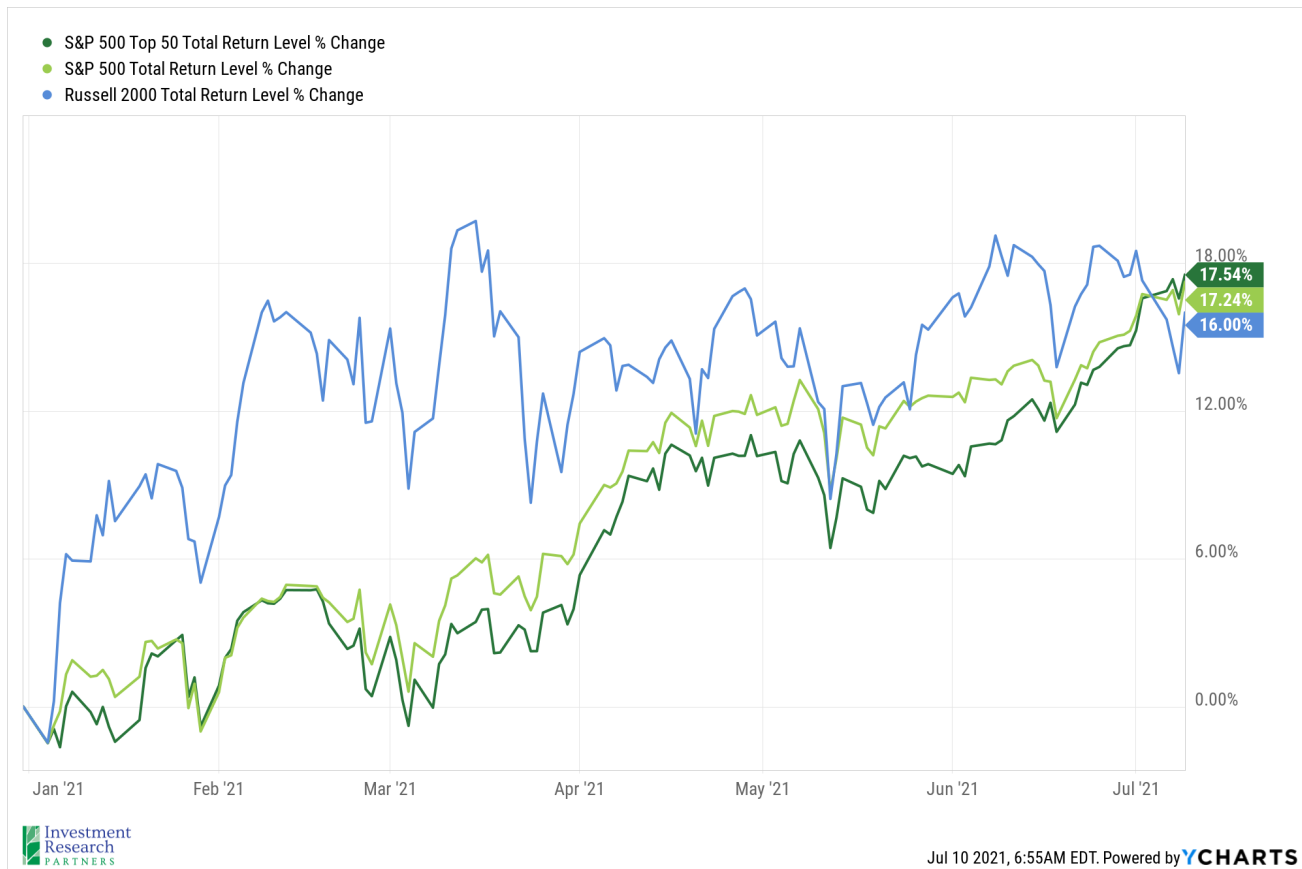


## Weekly Investment Update

July 12, 2021

Despite a brief pullback on Thursday, equity markets ended the week on a positive note with many indexes near all-time highs. The S&P 500 index (a proxy for large-cap US stocks) has now gone more than eight months without a pullback of 5%<sup>1</sup>.

A major storyline earlier this year was that parts of the market that were battered most severely by Covid-19 last year, including many smaller companies, were bouncing back and outpacing many of their larger-cap peers as the vaccination rollout accelerated. That phenomenon is illustrated in the chart below, as the Russell 2000 (a proxy for small-cap US equities) easily outpaced both the S&P 500 and the S&P 500 Top 50 (large and largest-cap US equities, respectively) early in the year. However, that phenomenon has reversed course in the past two months as some of the largest companies have reemerged as market leaders.



It will be interesting to see if the executive order issued by President Biden on Friday has any impact on this dynamic. While it may take months for regulations related to the order to come to fruition, the President is focused on bolstering competition in the marketplace<sup>2</sup>. Many of the initiatives appear to be aimed at some of the largest companies in the US, which have benefitted from consolidation over the past two decades.

<sup>1</sup> [‘A Narrative of Fear’: Plunging Stocks Finally Heed Bond Signal - Bloomberg](#)

<sup>2</sup> [Biden’s Push for More Competition: What’s in the Executive Order - Bloomberg](#)

### Prices & Interest Rates

Representative Index	Current	Year-End 2020
Crude Oil (US WTI)	\$74.63	\$48.52
Gold	\$1,809	\$1,893
US Dollar	92.10	89.94
2 Year Treasury	0.23%	0.13%
10 Year Treasury	1.37%	0.93%
30 Year Treasury	1.99%	1.65%

Source: Morningstar, YCharts, and US Treasury as of July 10, 2021

### Asset Class Returns

Category	Representative Index	YTD 2021	Full Year 2020
Global Equity	MSCI All-Country World	12.9%	16.3%
US Large Cap Equity	S&P 500	17.2%	18.4%
US Large Cap Equity	Dow Jones Industrial Average	15.1%	9.7%
US Small Cap Equity	Russell 2000	16.0%	20.0%
Foreign Developed Equity	MSCI EAFE	9.3%	7.8%
Emerging Market Equity	MSCI Emerging Markets	3.2%	18.3%
US Fixed Income	Bloomberg Barclays Municipal Bond	1.7%	5.2%
US Fixed Income	Bloomberg Barclays US Agg Bond	-1.2%	7.5%
Global Fixed Income	Bloomberg Barclays Global Agg. Bond	-2.8%	9.2%

Source: YCharts as of July 10, 2021

*Past performance may not be representative of future results. All investments are subject to loss. Forecasts regarding the market or economy are subject to a wide range of possible outcomes. The views presented in this market update may prove to be inaccurate for a variety of factors. These views are as of the date listed above and are subject to change based on changes in fundamental economic or market-related data. Please contact your Financial Advisor in order to complete an updated risk assessment to ensure that your investment allocation is appropriate.*