

CPWM's Weekly Market Monitor is designed to provide a summary of recent market commentary and statistics.

MARKET COMMENTARY

- The S&P 500 index rose 1.7% last week, ending the month of July on a positive note as better-than-expected earnings in technology, real estate, consumer discretionary and communication services helped outweigh data showing Q2 had the largest-recorded contraction in gross domestic product.
- The S&P 500 ended the week at 3,271.12, up from last week's closing level of 3,215.63. This put the index's gain for the month of July at 5.5%. It is now up 1.25% for the year to date.
- The recent gains have come as many companies have been reporting Q2 earnings results above analysts' expectations despite a persistent increase in COVID-19 cases. While economic data released Thursday showed the US economy contracted at a record 32.9% rate last quarter and weekly jobless claims are on the rise thanks to the pandemic, earnings reports from companies including heavyweights Apple (AAPL), Facebook (FB) and Amazon.com (AMZN) have shown some companies are benefiting from increased demand for their products and services in the pandemic.
- By sector, technology recorded the largest percentage gain this week, up 5.0%, followed by a 4.2% increase in real estate, a 2.3% rise in communication services and a 1.1% boost in consumer discretionary. Four sectors were in the red for the week, led by energy, down 4.0%, and materials, down 1.8%.
- On the downside, the drop in energy came as crude-oil futures fell this week amid continued worries about the pandemic's negative impact on demand. The sector's decliners included National Oilwell Varco (NOV), whose shares fell 9.7% on the week amid the company's report of a wider-than-expected Q2 loss and lower-than-expected revenue.
- Next week, all eyes will be on the Labor Department's Friday release of July employment data. Leading up to that report, investors will get July readings on manufacturing in addition to data on June construction spending Monday. Other economic reports to come next week include June factory orders due Tuesday and July readings on the services sector due Wednesday between the US and China while investors continued to worry about the effects of the COVID-19 pandemic.
- The market benchmark ended the week at 3,215.63, up from last week's closing level of 3,224.73. As of Thursday's close, the index had been on track to extend its run of weekly gains to a fourth week, but a 0.6% Friday drop in the S&P 500 put the index into the red for the week. The S&P 500 is still up 3.7% for the month of July but down 0.5% for the year to date.
- Friday's drop came as the US shut down the Chinese consulate in Houston and China ordered the US consulate in Chengdu to be closed. The closures are the latest step in the countries' ongoing clash over issues including trade and the coronavirus pandemic.

ASSET CLASS / BENCHMARK	1 WEEK	1 MONTH	YTD	1 YEAR
Investment Grade Fixed Income				
iShares Short-Term National AMT-Free Muni Bond ETF	0.3	0.6	2.2	2.8
iShares National AMT-Free Muni Bond ETF	0.2	1.4	3.8	5.2
iShares Core US Aggregate Bond ETF	0.2	1.3	7.7	10.1
Global Equity				
iShares MSCI ACWI	0.7	5.4	(1.2)	7.5
U.S. Equity				
iShares Core S&P 500 ETF	1.8	5.9	2.5	11.9
iShares Russell Mid Cap ETF	1.6	5.9	(3.9)	1.9
iShares Russell 2000 ETF	0.9	2.9	(10.4)	(4.5)
iShares Core U.S. Value ETF	(0.2)	3.7	(12.8)	(3.4)
iShares Core U.S. Growth ETF	3.0	7.0	14.4	23.1
Foreign Equity				
iShares MSCI EAFE ETF	(1.9)	1.9	(9.4)	(1.3)
iShares MSCI EAFE Small Cap ETF	(1.3)	2.7	(10.7)	0.4
iShares MSCI EAFE Value ETF	(3.0)	(0.2)	(19.1)	(12.0)
iShares MSCI EAFE Growth ETF	(0.7)	4.0	0.6	9.5
Emerging Markets Equity				
iShares MSCI Emerging Markets ETF	0.3	8.3	(3.0)	6.5
iShares MSCI Emerging Markets Small Cap ETF	0.6	8.6	(5.6)	0.8
"Other" Asset Classes				
iShares U.S. Real Estate ETF	4.5	4.1	(10.4)	(5.2)
iShares International Developed Real Estate ETF	0.9	2.2	(20.2)	(12.9)
SPDR Barclays High Yield Bond ETF	1.0	5.4	(0.3)	3.3
iShares S&P GSCI Commodity Indexed Trust	(0.6)	3.7	(33.7)	(31.0)

IMPORTANT NOTES

ALL COMMENTARY SOURCED FROM YCHARTS WEEKLY MARKET PULSE AND ARE TO BE USED FOR INFORMATIONAL PURPOSES ONLY.

PRIOR PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS. INDIVIDUAL INVESTOR PERFORMANCE MAY VARY. ALL INVESTING INVOLVES THE RISK OF LOSS INCLUDING THE POSSIBLE LOSS OF ALL AMOUNTS INVESTED. DIFFERENT TYPES OF INVESTMENTS INVOLVE VARYING DEGREES OF RISK, AND THERE CAN BE NO ASSURANCE THAT ANY SPECIFIC INVESTMENT WILL BE PROFITABLE.

MARKET-RELATED DATA INCLUDED IN CHARTS AND GRAPHS IS SOURCED FROM YCHARTS.

ALL RETURNS REFERENCED ARE EXCHANGE TRADED FUNDS (ETFs) DESIGNED TO TRACK A PARTICULAR INDEX OR BENCHMARK. THERE CAN BE NO GUARANTEE THE ETFs ACHIEVE THEIR OBJECTIVE. BENCHMARK DESCRIPTIONS PROVIDED BELOW.

WHILE THE INFORMATION CONTAINED HEREIN WAS OBTAINED FROM SOURCES BELIEVED TO BE RELIABLE, CPWM CANNOT GUARANTEE ITS ACCURACY OR COMPLETENESS. TOTALS MAY NOT SUM DUE TO ROUNDING.

THESE MATERIALS MAY NOT BE REPRODUCED, DISTRIBUTED, OR USED FOR ANY OTHER PURPOSE OR SHARED WITH ANYONE IN ANY FORM OR FORMAT. REPRODUCTION OR DISTRIBUTION OF THESE MATERIALS MAY CONSTITUTE A VIOLATION OF FEDERAL OR STATE SECURITIES LAWS AND CERTAIN CONFIDENTIALITY AGREEMENTS TO WHICH THE INTENDED RECIPIENT IS A PARTY.

THIS IS NOT AN OFFER TO INVEST OR AN OFFER FOR ADVISORY SERVICES.

EXCHANGE TRADED FUND DESCRIPTIONS:

- THE ISHARES SHORT-TERM NATIONAL AMT-FREE MUNI BOND ETF SEEKS TO TRACK THE INVESTMENT RESULTS OF AN INDEX COMPOSED OF INVESTMENT-GRADE U.S. MUNICIPAL BONDS WITH REMAINING MATURITIES BETWEEN ONE MONTH AND FIVE YEARS.
- THE ISHARES NATIONAL AMT-FREE MUNI BOND ETF SEEKS TO TRACK THE INVESTMENT RESULTS OF AN INDEX COMPOSED OF INVESTMENT-GRADE U.S. MUNICIPAL BONDS.
- THE ISHARES CORE U.S. AGGREGATE BOND ETF SEEKS TO TRACK THE INVESTMENT RESULTS OF AN INDEX COMPOSED OF THE TOTAL U.S. INVESTMENT-GRADE BOND MARKET.
- THE ISHARES MSCI ACWI ETF SEEKS TO TRACK THE INVESTMENT RESULTS OF AN INDEX COMPOSED OF LARGE AND MID-CAPITALIZATION DEVELOPED AND EMERGING MARKET EQUITIES.
- THE ISHARES CORE S&P 500 ETF SEEKS TO TRACK THE INVESTMENT RESULTS OF AN INDEX COMPOSED OF LARGE-CAPITALIZATION U.S. EQUITIES.
- THE ISHARES RUSSELL MID-CAP ETF SEEKS TO TRACK THE INVESTMENT RESULTS OF AN INDEX COMPOSED OF MID-CAPITALIZATION U.S. EQUITIES.
- THE ISHARES RUSSELL 2000 ETF SEEKS TO TRACK THE INVESTMENT RESULTS OF AN INDEX COMPOSED OF SMALL-CAPITALIZATION U.S. EQUITIES.
- THE ISHARES CORE U.S. VALUE ETF SEEKS TO TRACK THE INVESTMENT RESULTS OF A BROAD-BASED INDEX COMPOSED OF U.S. EQUITIES THAT EXHIBIT VALUE CHARACTERISTICS.
- THE ISHARES CORE U.S. GROWTH ETF SEEKS TO TRACK THE INVESTMENT RESULTS OF A BROAD-BASED INDEX COMPOSED OF U.S. EQUITIES THAT EXHIBIT GROWTH CHARACTERISTICS.
- THE ISHARES MSCI EAFE ETF SEEKS TO TRACK THE INVESTMENT RESULTS OF AN INDEX COMPOSED OF LARGE-, MID- AND SMALL-CAPITALIZATION DEVELOPED MARKET EQUITIES, EXCLUDING THE U.S. AND CANADA.
- THE ISHARES MSCI EAFE SMALL CAP ETF SEEKS TO TRACK THE INVESTMENT RESULTS OF AN INDEX COMPOSED OF SMALL-CAPITALIZATION DEVELOPED MARKET EQUITIES, EXCLUDING THE U.S. AND CANADA.
- THE ISHARES MSCI EAFE VALUE ETF SEEKS TO TRACK THE INVESTMENT RESULTS OF AN INDEX COMPOSED OF DEVELOPED MARKET EQUITIES, EXCLUDING THE U.S. AND CANADA, THAT EXHIBIT VALUE CHARACTERISTICS.
- THE ISHARES MSCI EAFE GROWTH ETF SEEKS TO TRACK THE INVESTMENT RESULTS OF AN INDEX COMPOSED OF DEVELOPED MARKET EQUITIES, EXCLUDING THE U.S. AND CANADA, THAT EXHIBIT GROWTH CHARACTERISTICS.
- THE ISHARES MSCI EMERGING MARKETS ETF SEEKS TO TRACK THE INVESTMENT RESULTS OF AN INDEX COMPOSED OF LARGE- AND MID-CAPITALIZATION EMERGING MARKET EQUITIES.
- THE ISHARES MSCI EMERGING MARKETS SMALL CAP ETF SEEKS TO TRACK THE INVESTMENT RESULTS OF AN INDEX COMPOSED OF SMALL-CAPITALIZATION EMERGING MARKET EQUITIES.
- THE ISHARES U.S. REAL ESTATE ETF SEEKS TO TRACK THE INVESTMENT RESULTS OF AN INDEX COMPOSED OF U.S. EQUITIES IN THE REAL ESTATE SECTOR.
- THE ISHARES INTERNATIONAL DEVELOPED REAL ESTATE ETF SEEKS TO TRACK THE INVESTMENT RESULTS OF AN INDEX COMPOSED OF REAL ESTATE EQUITIES IN DEVELOPED NON-U.S. MARKETS.
- THE SPDR® BARCLAYS HIGH YIELD BOND ETF SEEKS TO PROVIDE INVESTMENT RESULTS THAT, BEFORE FEES AND EXPENSES, CORRESPOND GENERALLY TO THE PRICE AND YIELD PERFORMANCE OF THE BARCLAYS HIGH YIELD VERY LIQUID INDEX.
- THE ISHARES S&P GSCI COMMODITY INDEXED TRUST SEEKS TO TRACK THE RESULTS OF A FULLY COLLATERALIZED INVESTMENT IN FUTURES CONTRACTS ON AN INDEX COMPOSED OF A DIVERSIFIED GROUP OF COMMODITIES FUTURES.