

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 2.5% this week, marking a strong start to August amid earnings-driven gains and better-than-expected July jobs data. The market benchmark ended the week at 3,351.28, up from last week's closing level of 3,271.12. It is now up 3.7% for the year to date.
- The strong weekly advance came amid continued enthusiasm for technology and communication-services stocks thanks to better-than-expected earnings for many companies. Investors also were encouraged by the lowest number of weekly jobless claims since March while monthly nonfarm payrolls came in better than expected.
- The monthly jobs data reported Friday by the Labor Department showed employers added 1.8 million jobs in July while the unemployment rate declined to 10.2% from 11.1% in June. These figures were better than Econoday's consensus estimates for an increase of 1.7 million jobs and an unemployment rate of 10.5%.
- This week's gain in the S&P 500 also came on optimism for another pandemic relief package. However, as of Friday afternoon, talks between White House officials and Democratic leaders for additional pandemic relief appeared at a standstill.
- Every sector of the S&P 500 was in the black for the week. Industrials had the strongest percentage increase, up 4.7%, followed by a 3.4% rise in financials and a 3.2% increase in energy. Other strong sectors included communication services, up 3.1%, and technology, up 3.0%.
- The industrial sector was boosted by strong gains in the shares of US airlines as a group of Republican senators supported a new six-month extension of the \$25 billion payroll assistance program that would help keep airline jobs through March 2021 as surging COVID-19 cases negatively impact travel demand. Among the gainers, shares of American Airlines (AAL) jumped 17.2% this week.
- Among financial stocks, shares of Assurant (AIZ) rose 13.7% this week as the company posted Q2 net operating income that was up from the year-earlier period and analysts' mean estimate.
- The energy sector's gains came as crude oil futures rose on the week. Shares of Devon Energy (DVN) rose 15.4% on the week as the oil-and-gas producer reported a narrower-than-expected Q2 core loss and cut its guidance for 2020 capital spending while raising its full-year forecast for oil production. The company's board also declared a \$100 million special dividend.
- In communication services, shares of Walt Disney (DIS) jumped 11.1% amid its report of a surprise adjusted profit when an adjusted loss had been expected. While the company's Parks, Experiences and Products segment took a \$3.5 billion hit to operating income from closures related to the pandemic, Disney benefited from a surge in subscriptions to its streaming service.
- Apple (AAPL) shares gave a strong boost to the technology sector as investors and analysts continued to cheer the consumer technology company's fiscal Q3 earnings beat reported last week. The consumer technology company is benefiting from increased demand for its products at a time when many have been working or schooling at home. The stock jumped 4.6% this week.
- Next week's economic calendar features the release of the July producer price index on Tuesday and the July consumer price index on Wednesday. Friday, the market will get July readings on retail sales, industrial production and capacity utilization. August consumer sentiment is also set to be posted Friday.

ASSET CLASS / BENCHMARK	1 WEEK	1 MONTH	YTD	1 YEAR
Investment Grade Fixed Income				
iShares Short-Term National AMT-Free Muni Bond ETF	0.1	0.6	2.3	2.6
iShares National AMT-Free Muni Bond ETF	0.4	1.7	4.2	4.6
iShares Core US Aggregate Bond ETF	0.1	1.1	7.8	8.6
Global Equity				
iShares MSCI ACWI	2.2	5.1	1.0	13.4
U.S. Equity				
iShares Core S&P 500 ETF	2.5	6.7	5.0	18.5
iShares Russell Mid Cap ETF	2.1	7.9	(1.9)	7.8
iShares Russell 2000 ETF	6.0	10.8	(5.1)	6.1
iShares Core U.S. Value ETF	2.6	6.6	(10.5)	3.2
iShares Core U.S. Growth ETF	2.5	6.9	17.2	29.4
Foreign Equity				
iShares MSCI EAFE ETF	2.5	2.9	(7.1)	3.9
iShares MSCI EAFE Small Cap ETF	3.6	5.0	(7.5)	6.4
iShares MSCI EAFE Value ETF	3.1	1.7	(16.6)	(6.0)
iShares MSCI EAFE Growth ETF	1.9	3.9	2.4	13.6
Emerging Markets Equity				
iShares MSCI Emerging Markets ETF	1.3	3.4	(1.7)	13.2
iShares MSCI Emerging Markets Small Cap ETF	3.1	6.1	(2.7)	8.8
"Other" Asset Classes				
iShares U.S. Real Estate ETF	0.9	5.1	(9.6)	(4.9)
iShares International Developed Real Estate ETF	1.9	2.2	(18.7)	(10.6)
SPDR Barclays High Yield Bond ETF	0.2	4.4	(0.1)	4.2
iShares S&P GSCI Commodity Indexed Trust	1.5	2.9	(32.7)	(25.1)

IMPORTANT NOTES

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

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

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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.