

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

MARKET COMMENTARY

- The S&P 500 index gained 3.3% last week, reaching fresh highs and rising for a fifth consecutive week as the communication services, technology and financial sectors led a broad climb.
- The market benchmark ended the week at 3,508.01, marking a new closing high that was up from last week's closing level of 3,397.16. The S&P 500 also reached a fresh intraday record Friday of 3,509.23 and is now up 8.6% for the year to date.
- The advance came as investors have been betting on continued strong demand for communication services and technology at a time when the pandemic has many employees and students working remotely. Also boosting sentiment, economic data this week showed orders for durable goods in the US jumped 11% in July, more than double the increase that was expected, while personal consumption spending rose 1.9% in July, surpassing expectations for a 1.5% rise.
- Federal Reserve Chairman Jerome Powell unveiled a more flexible approach to inflation targeting, saying the central bank will "seek to achieve inflation that averages 2% over time." This indicates the central bank would allow periods in which inflation is above 2% to balance out periods when it has been below that level.
- Communication services had the largest percentage gain of the week, up 4.6%, followed by a 4.4% increase in technology and a 4.3% rise in financials. Just one sector was in the red for the week: utilities, which edged down 0.6%.
- In communication services, gainers included Facebook (FB), Netflix (NFLX) and Alphabet (GOOGL). Facebook's shares jumped 10% while Netflix shares rose 6.4% and Alphabet shares were up 4.1%. The pandemic has increased demand for the companies' products and services.
- In technology, shares of Salesforce.com (CRM) soared 30.6% as the company posted fiscal Q2 results well above analysts' expectations. The results were seen as an encouraging sign for enterprise spending.
- In the financial sector, regional banks were strong, with KeyCorp (KEY) climbing 6.9% this week while Regions Financial (RF) added 6.7%.
- Next week, all eyes will be on the Labor Department's August jobs report, due Friday. Ahead of that, the market will get readings on manufacturing activity and construction spending Tuesday, followed by factory orders and ADP employment data Wednesday.

ASSET CLASS / BENCHMARK	1 WEEK	1 MONTH	YTD	1 YEAR
Investment Grade Fixed Income				
iShares Short-Term National AMT-Free Muni Bond ETF	0.0	0.1	2.1	2.5
iShares National AMT-Free Muni Bond ETF	(0.3)	(0.5)	3.1	2.8
iShares Core US Aggregate Bond ETF	(0.5)	(0.8)	6.6	6.1
Global Equity				
iShares MSCI ACWI	2.8	6.9	5.4	18.8
U.S. Equity				
iShares Core S&P 500 ETF	3.3	9.1	10.0	23.8
iShares Russell Mid Cap ETF	2.4	5.7	0.0	10.7
iShares Russell 2000 ETF	1.6	7.5	(4.5)	8.8
iShares Core U.S. Value ETF	2.5	4.2	(8.9)	5.5
iShares Core U.S. Growth ETF	3.6	12.2	24.8	37.2
Foreign Equity				
iShares MSCI EAFE ETF	1.6	2.8	(4.4)	7.6
iShares MSCI EAFE Small Cap ETF	2.0	5.4	(3.9)	11.4
iShares MSCI EAFE Value ETF	1.9	2.9	(13.9)	(1.8)
iShares MSCI EAFE Growth ETF	1.3	2.8	5.3	16.8
Emerging Markets Equity				
iShares MSCI Emerging Markets ETF	2.9	4.8	2.1	18.6
iShares MSCI Emerging Markets Small Cap ETF	3.2	6.2	(0.3)	12.9
"Other" Asset Classes				
iShares U.S. Real Estate ETF	2.1	2.7	(9.4)	(6.3)
iShares International Developed Real Estate ETF	1.1	5.4	(16.3)	(9.5)
SPDR Barclays High Yield Bond ETF	0.6	1.2	(0.2)	2.8
iShares S&P GSCI Commodity Indexed Trust	2.0	4.7	(30.4)	(24.4)

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.

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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.