

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

**MARKET COMMENTARY**

- The S&P 500 index edged down 0.8% last week as investors worried about the potential effects of increased restrictions as governments seek to contain the COVID-19 pandemic, but encouraging vaccine data also brought hope.
- The market benchmark ended the week at 3,557.54, down from last week's closing level of 3,585.15, which had been a record close at the time. The S&P 500 closed higher earlier this week, recording a fresh closing high of 3,626.91 Monday, but wasn't able to top that in the days since then.
- This week's slight decline stands in stark contrast to the strong gains posted in the first half of the month. The earlier November gains were so strong, the S&P 500 is still up 8.8% for the month to date.
- The market shifted to a more cautious tone this week as escalating COVID-19 counts have prompted many governors to resume restrictions in an effort to contain the spread of the virus. Investors are fretting over how well the US economic recovery can withstand the effects of the restrictions.
- Adding to concerns, the Centers for Disease Control & Prevention issued a sharp warning against Thanksgiving travel. As travelers called off holiday trips, airlines reported an uptick in cancellations.
- Still, the weekly drop was limited as encouraging vaccine data provided a source of hope. Moderna (MRNA) reported a 94.5% efficacy rate for its COVID-19 vaccine candidate earlier this week and said it intends to submit for an Emergency Use Authorization with the Food & Drug Administration "in the coming weeks." Pfizer (PFE) and BioNTech (BNTX) followed that with a report that the latest efficacy analysis of their COVID-19 vaccine candidate found it was 95% effective; they said they would file an Emergency Use Authorization application Friday.
- The utilities sector led to the downside with a decline of 3.9%, followed by a 3.0% drop in health care. All but four sectors were in the red. The four gainers were led by energy, which jumped 5.7%, followed by a 1.1% increase in materials, a 1.1% rise in industrials and a 0.6% edge up in financials.
- Decliners among utilities stocks included American Electric Power (AEP), which fell 8.2% as Wolfe Research downgraded its investment rating on the stock to peer perform from outperform.
- In health care, shares of Centene (CNC) slipped 8.8% as the company said it signed an agreement to acquire Apixio, a health-care technology company, for an unspecified amount. The deal is expected to close by the end of the year.
- On the upside, the energy sector's climb came as crude oil futures rose. Among the gainers, shares of Diamondback Energy (FANG) jumped 19% on the week as Goldman Sachs raised its price target on the stock to \$37.50 from \$34.50 while keeping its investment rating at neutral.
- TechnipFMC (FTI) was also strong this week, rising 13%, as the company said it received a notice to proceed for a contract from Sempra LNG and Infraestructura Energetica Nova at their Energia Costa Azul liquefied natural gas facility in Baja California, Mexico.
- Among other hot stocks, shares of Boeing (BA) climbed 6.7%, boosting the industrial sector, as the aerospace company's 737 Max won Federal Aviation Administration approval to fly passengers again. The plane has been grounded since March 2019 following crashes that killed 346 people in Ethiopia and Malaysia.
- Next week's schedule of economic data is consolidated into the first three days of the week as the market will be closed Thursday for the Thanksgiving Day holiday and trading hours will be abbreviated Friday.
- Monday's reports will include purchasing managers' indexes from Markit for November while Tuesday's data include the S&P CoreLogic Case-Shiller national home price index for September and consumer confidence for November. Wednesday will bring a slew of reports including weekly jobless claims; October durable goods orders, new home sales, consumer spending and core inflation; and November consumer sentiment.

ASSET CLASS / BENCHMARK	1 WEEK	1 MONTH	YTD	1 YEAR
<b>Investment Grade Fixed Income</b>				
iShares Short-Term National AMT-Free Muni Bond ETF	0.0	0.3	2.2	2.5
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iShares Core US Aggregate Bond ETF	0.6	0.7	7.3	7.1
<b>Global Equity</b>				
iShares MSCI ACWI	0.4	5.3	9.9	14.4
<b>U.S. Equity</b>				
iShares Core S&P 500 ETF	(0.8)	3.5	12.0	16.6
iShares Russell Mid Cap ETF	1.2	6.7	9.7	13.1
iShares Russell 2000 ETF	2.3	10.4	8.3	13.6
iShares Core U.S. Value ETF	(0.3)	6.4	(3.7)	0.2
iShares Core U.S. Growth ETF	(0.9)	2.3	25.0	30.1
<b>Foreign Equity</b>				
iShares MSCI EAFE ETF	1.4	8.5	2.7	6.3
iShares MSCI EAFE Small Cap ETF	1.9	7.1	4.3	9.5
iShares MSCI EAFE Value ETF	2.4	11.9	(7.1)	(3.9)
iShares MSCI EAFE Growth ETF	0.7	5.2	11.9	15.9
<b>Emerging Markets Equity</b>				
iShares MSCI Emerging Markets ETF	1.5	6.8	10.0	17.3
iShares MSCI Emerging Markets Small Cap ETF	2.7	8.1	8.4	15.6
<b>"Other" Asset Classes</b>				
iShares U.S. Real Estate ETF	(1.2)	4.9	(6.7)	(6.0)
iShares International Developed Real Estate ETF	1.5	9.4	(10.6)	(7.7)
SPDR Barclays High Yield Bond ETF	0.6	2.2	2.4	5.2
iShares S&P GSCI Commodity Indexed Trust	2.5	1.8	(30.4)	(26.7)

## 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.

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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.