

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 0.2% last week as congressional efforts to pass another stimulus package remained in limbo and market participants checked out for the long holiday weekend.
- The market benchmark ended Thursday's session at 3,703.06, down from last week's close of 3,709.41. This week's move came in just three-and-a-half sessions, as the market closed several hours early Thursday for Christmas Eve and will be closed all day Friday for Christmas Day.
- The S&P 500 is still up 2.2% for the month of December and up 15% for the year to date, with just four sessions remaining to both the month and year.
- The week's slight decline came as the latest pandemic stimulus package remained in question, with congressional Republicans blocking an effort by Democrats to raise the plan's stimulus checks to \$2,000 from \$600 despite President Donald Trump's insistence that the amount sent to most Americans be increased.
- Even as vaccines are being distributed to health care workers, concerns about the pandemic ramped up amid questions about how the holidays will affect cases that are already near record levels. A new COVID-19 strain in the UK only added to the worries.
- The energy sector had the largest percentage decline of the week, falling 1.9%, followed by a 1% drop in consumer staples and a 1.1% slip in communication services. Only two sectors were in the black: Financials rose 2.2% and technology climbed 0.9%.
- The energy sector's decliners included Occidental Petroleum (OXY), which fell 4.6%, and Apache (APA), down 5.9%.
- In consumer staples, shares of Costco (COST) shed 0.7% as RBC Capital reduced its price target on the warehouse retailer's stock to \$435 per share from \$439. RBC maintained its investment rating on the stock at outperform.
- On the upside, the advance in financial stocks came as Morgan Stanley said banking stocks have a 2% to 5% upside following the Federal Reserve's surprise announcement last week allowing share buybacks starting next month. Shares of Morgan Stanley (MS) rose 6.1% while Goldman Sachs (GS) added 5.8% and Bank of America climbed 4.5%.
- The technology sector's gainers included Paycom Software (PAYC), whose shares rose 5.1% on the week amid a boost to its price target from Stifel Nicolaus. The price target was raised to \$465 From \$405.
- Next week's schedule of economic data is light, with no major data points on tap for Monday and only the October S&P Case-Shiller home price index due Tuesday. Wednesday, the market will get more housing data with November pending home sales due, along with Chicago manufacturing data, while Thursday - the final trading session of the year - will feature jobless claims.

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	0.2	2.4	2.6
iShares National AMT-Free Muni Bond ETF	0.2	0.7	5.1	5.1
iShares Core US Aggregate Bond ETF	0.1	0.2	7.3	7.3
Global Equity				
iShares MSCI ACWI	(0.7)	2.6	14.9	15.1
U.S. Equity				
iShares Core S&P 500 ETF	(0.4)	2.0	16.8	17.0
iShares Russell Mid Cap ETF	0.3	4.2	17.0	17.0
iShares Russell 2000 ETF	1.4	8.4	21.8	21.1
iShares Core U.S. Value ETF	(0.6)	0.5	0.2	0.4
iShares Core U.S. Growth ETF	(0.1)	3.6	31.2	31.6
Foreign Equity				
iShares MSCI EAFE ETF	(0.9)	2.5	6.7	7.0
iShares MSCI EAFE Small Cap ETF	0.1	4.7	10.7	11.8
iShares MSCI EAFE Value ETF	(1.2)	1.1	(3.3)	(3.0)
iShares MSCI EAFE Growth ETF	(0.6)	4.0	16.2	16.5
Emerging Markets Equity				
iShares MSCI Emerging Markets ETF	(1.8)	1.6	13.5	14.3
iShares MSCI Emerging Markets Small Cap ETF	(2.0)	5.3	16.1	18.7
"Other" Asset Classes				
iShares U.S. Real Estate ETF	(1.6)	(0.2)	(6.8)	(5.4)
iShares International Developed Real Estate ETF	(1.9)	1.5	(8.9)	(7.2)
SPDR Barclays High Yield Bond ETF	0.5	1.8	4.6	4.7
iShares S&P GSCI Commodity Indexed Trust	(0.1)	4.9	(24.9)	(25.0)

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.

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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.