

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

MARKET COMMENTARY

- The S&P 500 index managed to climb 0.4% last week to a fresh closing high at the conclusion of a short but turbulent week for US stocks.
- The market benchmark ended Friday's session at 4,369.55, up from last Friday's closing level of 4,352.34, which had also been a record closing high at the time. It reached a new intraday high Friday at 4,371.60.
- The week began quietly, with the US stock market closed Monday following the Independence Day holiday, but was marked by sharp moves later in the week. It reached a then-new closing high on Wednesday at 4,358.13 but tumbled Thursday after the Labor Department's report of weekly jobless claims showed a surprise increase that sparked concerns about the strength of the US economic recovery. However, investors came in Friday to "buy the dip" and ultimately sent the index up to more fresh records.
- The activity came at a time of market suspense ahead of Q2 earnings reports, which will begin kicking off next week with reports from heavyweights including JPMorgan Chase (JPM), Goldman Sachs (GS) and Alcoa (AA).
- The real estate sector had the largest percentage gain of the week, up 2.6%, followed by a 1.4% rise in consumer discretionary. Other gainers included utilities, technology, health care and consumer staples.
- On the downside, the energy sector had the sharpest percentage drop of the week, down 3.4%, followed by a 0.6% slip in financials and a 0.4% decline in communication services.
- The real estate sector's gainers included residential real estate investment trusts Mid-America Apartment Communities (MAA), Essex Property Trust (ESS) and AvalonBay Communities (AVB), up 5.7%, 4.7% and 4.5%, respectively, as the stocks were among six residential REITs that received price target boosts from RBC Capital Markets. In raising its price targets on the stocks, RBC cited lower capitalization rates and higher estimates for core funds from operations.
- The energy sector's tumble came as crude oil futures fell on the week amid worries that COVID-19 Delta variant could crimp demand while investors were also concerned that a collapse of OPEC+ negotiations could spur another fight for market share.
- The energy sector's decliners included Diamondback Energy (FANG), whose shares fell 8.8% on the week even as Wells Fargo raised its price target on the stock to \$101 from \$90.
- In the financial sector, shares of Lincoln Financial Group (LNC) shed 3.5% on the week as Piper Sandler and Autonomous Research cut their price targets on the shares of the provider of retirement, insurance and wealth protection services. The company began exchange offers and consent solicitations for outstanding capital securities.
- Next week's Q2 earnings calendar will feature reports from JPMorgan Chase and Goldman Sachs on Tuesday, Bank of America (BAC) and Delta Air Lines (DAL) on Wednesday, and Morgan Stanley (MS) and Alcoa (AA) on Thursday, among others.
- On the economic calendar, the market will be looking at inflation data with the June consumer price index due Tuesday and the June producer price index due Wednesday. Weekly jobless claims on Thursday will also be in focus, especially after last week's negative surprise, while June retail sales and July consumer sentiment will come Friday.

ASSET CLASS / BENCHMARK	1 WEEK	1 MONTH	YTD	1 YEAR
Investment Grade Fixed Income				
iShares Short-Term National AMT-Free Muni Bond ETF	0.2	0.1	0.2	1.0
iShares National AMT-Free Muni Bond ETF	0.5	0.2	1.3	3.8
iShares Core US Aggregate Bond ETF	0.5	0.7	(1.2)	(0.7)
Global Equity				
iShares MSCI ACWI	0.5	1.6	13.3	36.7
U.S. Equity				
iShares Core S&P 500 ETF	1.2	3.7	17.2	40.7
iShares Russell Mid Cap ETF	0.1	1.7	17.0	50.9
iShares Russell 2000 ETF	(2.2)	(2.0)	15.9	64.5
iShares Core U.S. Value ETF	0.0	(0.9)	17.5	44.0
iShares Core U.S. Growth ETF	2.1	7.4	17.1	40.1
Foreign Equity				
iShares MSCI EAFE ETF	0.6	(1.3)	10.5	32.0
iShares MSCI EAFE Small Cap ETF	1.2	(1.3)	10.9	41.3
iShares MSCI EAFE Value ETF	0.3	(2.8)	12.1	34.1
iShares MSCI EAFE Growth ETF	1.0	0.1	8.4	29.0
Emerging Markets Equity				
iShares MSCI Emerging Markets ETF	(2.4)	(2.7)	4.1	24.9
iShares MSCI Emerging Markets Small Cap ETF	(0.2)	(0.1)	18.6	52.4
"Other" Asset Classes				
iShares U.S. Real Estate ETF	3.0	1.2	24.3	37.8
iShares International Developed Real Estate ETF	3.1	(1.1)	12.8	32.3
SPDR Barclays High Yield Bond ETF	0.2	1.0	3.1	13.1
iShares S&P GSCI Commodity Indexed Trust	(1.3)	0.7	29.8	51.2

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.