

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 1.5% last week in a rally that sent the market benchmark above the 4,500 level for the first time as investors were relieved by comments from Federal Reserve Chairman Jerome Powell that they interpreted as a sign the central bank isn't rushing to begin tapering its bond buying stimulus program.
- The S&P 500 ended Friday's session at 4,509.37, up from last Friday's closing level of 4,441.67 and marking a fresh closing high. The index also reached a new intraday high Friday at 4,513.33. It is now up 2.6% for the month of August, with just two sessions remaining in the month. It is up 20% for the year to date.
- The weekly climb was boosted by a 0.9% Friday increase as Federal Reserve Chair Jerome Powell said while the central bank could begin scaling back its asset purchases by the end of the year if the economy performs as expected, he anticipates rising inflation will prove transitory and sees the delta variant of the coronavirus as posing near-term risk. The central bank thus "will be carefully assessing incoming data and the evolving risks," Powell said.
- Investors saw the comments by Powell as an indication that the central bank isn't in a rush to begin tapering its stimulus efforts even as it still anticipates beginning tapering the bond buying by year-end. This helped ease the worries of investors who were concerned about how soon the Fed's Federal Open Market Committee might begin the tapering.
- The energy sector had the largest percentage increase last week, up 7.3%, followed by financials, up 3.5%. Other strong gainers included communication services, consumer discretionary, materials and industrials, up by more than 2% each. Technology climbed 1.4%.
- Just four of the S&P 500's 11 sectors were in the red for the week, led by a 2.1% drop in utilities. The other declining sectors included consumer staples, down 1.4%; health care, down 1.2%; and real estate, off 0.3%.
- The energy sector was boosted by a jump in crude oil futures amid shrinking US inventories of oil and gas. Among the gainers, shares of Devon Energy (DVN) climbed 18% while receiving slight increases to its price targets from analysts at Morgan Stanley and Wells Fargo.
- In the financial sector, shares of Zions Bancorp (ZION) rose 8.7% on the week as the financial services company said its board authorized an additional \$200 million of share repurchases for Q3, boosting its total buyback authorization for the quarter to \$325 million, or 3.5% of the company's market capitalization.
- On the downside, the utilities sector's decliners included shares of Pinnacle West (PNW), whose principal subsidiary is Arizona Public Service, a provider of retail electricity service in Arizona. The company's shares, which received an investment rating downgrade last week to sell from neutral from Goldman Sachs, fell 3.6% last week.
- Next week, as the month of August wraps up, all eyes will be on the August employment data, including private sector data from ADP on Wednesday, the Labor Department's weekly jobless claims on Thursday and the monthly nonfarm payrolls and unemployment rate to be reported Friday by the Labor Department.
- Other economic data being released next week will include July pending home sales on Monday, August consumer confidence on Tuesday, August manufacturing data from Markit as well as the Institute for Supply Management on Wednesday, and August readings on the services sector from Markit as well as the Institute for Supply Management on Friday.

ASSET CLASS / BENCHMARK	1 WEEK	1 MONTH	YTD	1 YEAR
Investment Grade Fixed Income				
iShares Short-Term National AMT-Free Muni Bond ETF	(0.0)	(0.1)	0.3	0.6
iShares National AMT-Free Muni Bond ETF	0.1	(0.4)	1.1	3.3
iShares Core US Aggregate Bond ETF	(0.1)	(0.1)	(0.7)	0.3
Global Equity				
iShares MSCI ACWI	1.9	2.3	15.4	28.4
U.S. Equity				
iShares Core S&P 500 ETF	1.5	2.6	21.2	31.3
iShares Russell Mid Cap ETF	3.1	3.5	20.3	41.6
iShares Russell 2000 ETF	5.1	4.0	15.9	46.8
iShares Core U.S. Value ETF	1.7	2.3	20.1	35.0
iShares Core U.S. Growth ETF	1.6	2.8	22.0	30.3
Foreign Equity				
iShares MSCI EAFE ETF	1.6	2.1	12.1	27.0
iShares MSCI EAFE Small Cap ETF	3.0	3.1	14.2	33.8
iShares MSCI EAFE Value ETF	1.7	1.2	12.4	28.1
iShares MSCI EAFE Growth ETF	1.7	2.9	11.2	24.8
Emerging Markets Equity				
iShares MSCI Emerging Markets ETF	4.2	2.2	0.3	16.4
iShares MSCI Emerging Markets Small Cap ETF	4.5	(0.1)	17.1	42.7
"Other" Asset Classes				
iShares U.S. Real Estate ETF	0.2	0.2	26.4	32.9
iShares International Developed Real Estate ETF	0.9	1.7	13.3	26.9
SPDR Barclays High Yield Bond ETF	0.8	0.5	3.4	8.8
iShares S&P GSCI Commodity Indexed Trust	7.5	(0.4)	29.8	42.8

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.