

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 3.8% last week, erasing the last two weeks' declines and reaching a new closing record as investors grew more hopeful that the omicron variant of COVID-19 may have smaller effects on the US economy than initially feared.
- The market benchmark ended the week at 4,712.02, up from last week's closing level of 4,538.43. This marked a new closing high, although the index hasn't yet topped its intraday high of 4,743.83 reached Nov. 22. It is now up 3.2% for the month to date and is up 25% for the year to date.
- This marks the S&P 500's first weekly gain since the week ended Nov. 19. It had fallen for two consecutive weeks on fears of the omicron variant of COVID-19, especially as experts worried its high level of mutations could make the variant more likely to evade existing vaccines.
- However, data released Wednesday from Pfizer (PFE) and BioNTech (BNTX) showed while a two-dose vaccine regimen wasn't as effective against omicron as it was against earlier variants of COVID-19, a third dose of their COVID-19 vaccine did neutralize it.
- Also lifting sentiment were early reports that illness from the variant is milder than previously feared.
- Meanwhile, November inflation data released Friday showed US consumer price growth had the largest advance last month on an annual basis in nearly four decades. The seasonally adjusted monthly gauge rose 0.8% in November, down slightly from a 0.9% increase in the prior month, but above the Econoday consensus for a gain of 0.7%. Annually, the measure climbed 6.8%, the largest increase since June 1982, although the growth rate was in line with analysts' consensus.
- All of the S&P 500's 11 sectors were in the black for the week, led by a 6% climb in technology and a 3.7% increase in energy. Other sectors that were up by more than 3% each included materials, consumer staples, health care and industrials. The consumer discretionary sector had the smallest increase of the week, up 2.6%.
- The technology sector's gainers included shares of consumer technology heavyweight Apple (AAPL), which jumped 11% last week. The stock received a boost to its price target on Tuesday from Morgan Stanley's Katy Huberty, who said she expects the consumer technology company's stock to benefit from "a flight to quality" in 2022, "especially as upside from new product categories gets priced in." Morgan Stanley's new price target on Apple's stock is \$200 per share, up from \$164.
- The climb in energy shares came as crude oil futures also rose. Data last week showed crude oil inventories fell by 1.9 million barrels in the week ended Dec. 3, but commercial oil inventories declined by only 200,000 barrels, missing expectations for a larger decrease. Gainers in the sector included Halliburton (HAL), up 8.8%, and Schlumberger (SLB), up 6%.
- Next week, investors will be looking at more readings on the pricing environment, including the November producer price index due Tuesday, leading up to a two-day meeting of the Federal Reserve's Federal Open Market Committee. November retail sales and import prices will also be released Wednesday, among other reports.

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	0.0	(0.0)	0.2
iShares National AMT-Free Muni Bond ETF	(0.0)	0.3	1.0	1.2
iShares Core US Aggregate Bond ETF	(0.7)	(0.1)	(1.7)	(1.4)
Global Equity				
iShares MSCI ACWI	3.2	(0.3)	17.3	19.9
U.S. Equity				
iShares Core S&P 500 ETF	3.9	1.5	27.2	30.3
iShares Russell Mid Cap ETF	2.8	(2.8)	20.1	22.6
iShares Russell 2000 ETF	2.4	(7.3)	12.9	16.1
iShares Core U.S. Value ETF	3.1	(0.6)	22.1	23.4
iShares Core U.S. Growth ETF	4.2	2.8	30.9	35.4
Foreign Equity				
iShares MSCI EAFE ETF	2.6	(2.0)	9.9	11.8
iShares MSCI EAFE Small Cap ETF	2.0	(3.5)	8.1	12.7
iShares MSCI EAFE Value ETF	2.3	(2.5)	9.0	9.6
iShares MSCI EAFE Growth ETF	2.9	(1.4)	9.8	13.3
Emerging Markets Equity				
iShares MSCI Emerging Markets ETF	2.4	(1.8)	(2.7)	(0.5)
iShares MSCI Emerging Markets Small Cap ETF	1.9	(1.3)	17.0	19.8
"Other" Asset Classes				
iShares U.S. Real Estate ETF	2.7	1.3	31.5	35.0
iShares International Developed Real Estate ETF	1.1	(2.4)	7.0	9.3
SPDR Barclays High Yield Bond ETF	0.7	(0.2)	3.1	4.3
iShares S&P GSCI Commodity Indexed Trust	4.1	(5.7)	34.8	39.9

IMPORTANT NOTES

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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.