

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

**MARKET COMMENTARY**

- The S&P 500 index slipped by 0.2% last week as sharp daily gains and losses almost canceled each other out in a week that included the largest federal funds rate increase since 2000.
- The market benchmark ended Friday's session at 4,123.34, down from last Friday's closing level of 4,131.93.
- Last week's move came as the market began May searching for direction following a tough April in which the S&P 500 fell by 8.8%. April's loss marked the S&P 500's third monthly decline out of the first four months of 2022; only March has had a gain so far last year. The S&P 500 is now down 13% for the year to date.
- Over the first three days of the week, the S&P 500 climbed 4.1%. Much of that climb came Wednesday as the index jumped 3% amid signals from Federal Reserve Chairman Jerome Powell that while the central bank's policy-setting committee was raising its benchmark federal-funds rate by half a percentage point -- the largest such increase since 2000 -- it isn't "actively considering" a larger increase for an upcoming meeting.
- Still, the positive Wednesday reaction was wiped out Thursday as the S&P 500 slid 3.6% amid questions and concerns over the potential impacts of the higher rate environment. While upcoming rate increases may be smaller than previously feared, investors are still uneasy about rates rising as much as they are.
- The S&P 500 continued to decline Friday, even as the Labor Department reported nonfarm payrolls rose by 428,000, more than the 380,000 jobs increase expected in a survey compiled by Bloomberg. The unemployment rate held steady at 3.6%, compared with a 3.5% rate expected, while the labor force participation rate fell to 62.2% from 62.4% in the previous month as the size of the labor force contracted.
- By sector, real estate had the largest percentage drop of the week, down 3.8%, followed by a 3.4% drop in consumer discretionary and a 1.3% slip in consumer staples. Other decliners included technology, materials and health care, down by less than 1% each.
- The energy sector had the largest percentage increase of the week as it jumped 10%, but the other sectors in the black were up by a much smaller amount: Utilities climbed 1.2%, communication services rose 1.1%, financials gained 0.6% and industrials edged up 0.3%.
- The real estate sector's decliners included Public Storage (PSA), which reported Q1 core funds from operations above analysts' mean estimate but missed analysts' expectations for the quarter's revenue. Shares of the real estate investment trust that focuses on self-storage facilities fell 9.3% on the week.
- In consumer discretionary, shares of Expedia (EXPE) fell 24%. The online travel company reported a slightly narrower Q1 adjusted loss than analysts expected but revenue slightly missed the Street view while analysts noted the company is grappling with rising inflation and geopolitical concerns.
- The energy sector's advance came as futures in crude oil and natural gas climbed amid a proposal by the European Union to phase out imports of Russian crude over the next six months.
- Among the energy gainers, shares of Devon Energy (DVN) climbed 20% last week as the oil and gas producer reported Q1 core earnings and revenue above year-earlier results and analysts' mean estimates. The company also boosted its fixed-plus-variable quarterly dividend by 27% and expanded its stock buyback plan by 25%.
- Next week's earnings calendar features companies such as Tyson Foods (TSN), Simon Property Group (SPG), Hyatt Hotels (H), Wendy's (WEN) and Walt Disney (DIS).
- On the economic calendar, inflation data will be in focus, with the April consumer price index due Wednesday and the April producer price index due Thursday. Other data expected next week include March wholesale inventories on Monday and University of Michigan consumer sentiment for May on Friday.

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)	(0.5)	(3.3)	(3.3)
iShares National AMT-Free Muni Bond ETF	(0.7)	(2.8)	(8.5)	(7.7)
iShares Core US Aggregate Bond ETF	(1.1)	(3.5)	(10.4)	(9.8)
<b>Global Equity</b>				
iShares MSCI ACWI	(1.2)	(8.3)	(14.3)	(7.5)
<b>U.S. Equity</b>				
iShares Core S&P 500 ETF	(0.1)	(7.9)	(13.1)	(0.5)
iShares Russell Mid Cap ETF	(1.0)	(7.3)	(13.9)	(6.8)
iShares Russell 2000 ETF	(1.3)	(8.8)	(17.8)	(17.2)
iShares Core U.S. Value ETF	0.5	(4.2)	(4.7)	1.2
iShares Core U.S. Growth ETF	(1.0)	(11.3)	(20.5)	(3.7)
<b>Foreign Equity</b>				
iShares MSCI EAFE ETF	(2.0)	(7.5)	(14.5)	(12.6)
iShares MSCI EAFE Small Cap ETF	(3.2)	(8.8)	(18.3)	(18.1)
iShares MSCI EAFE Value ETF	(0.6)	(4.7)	(6.1)	(7.6)
iShares MSCI EAFE Growth ETF	(3.6)	(10.4)	(22.8)	(18.1)
<b>Emerging Markets Equity</b>				
iShares MSCI Emerging Markets ETF	(3.4)	(9.5)	(16.2)	(22.9)
iShares MSCI Emerging Markets Small Cap ETF	(3.2)	(8.6)	(12.4)	(8.7)
<b>"Other" Asset Classes</b>				
iShares U.S. Real Estate ETF	(3.8)	(9.7)	(13.7)	5.0
iShares International Developed Real Estate ETF	(3.8)	(10.0)	(14.0)	(13.2)
SPDR Barclays High Yield Bond ETF	(0.8)	(4.0)	(9.8)	(7.5)
iShares S&P GSCI Commodity Indexed Trust	2.9	8.7	42.4	57.2

## 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.