

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 4.7% last week as investors digested the latest round of Q3 earnings reports, many of which came in better than expected.
- The market benchmark ended Friday's session at 3,752.75, up from last week's closing level of 3,583.07. The weekly gain pushed the S&P 500 back into the black for the month to date; it is now up 4.7% for October so far with just six sessions remaining. However, the index is still solidly in the red for the year to date with a drop of 21% for 2022 thus far.
- Last week's advance came as more quarterly earnings rolled in above analysts' mean estimates. While companies are noting challenges such as inflation and supply chain issues, many are showing that they have still managed to surpass Street consensus estimates.
- That helped prompt a relief rally after stocks had been sliding in the weeks heading into earnings on worries about the impact of macroeconomic issues including inflation.
- All of the S&P 500's 11 sectors rose last week, led by a 8.1% jump in energy, a 6.5% climb in technology and a 6.1% rise in materials. Other strong gainers included consumer discretionary, up 5.6%, and communication services, up 5%. The smallest advance was logged by utilities, which edged up 1.9%.
- The energy sector's gainers included shares of Baker Hughes (BKR), which rose 16% as the oilfield services company reported stronger-than-expected third-quarter earnings per share and named Nancy Buese, who most recently served as Newmont's (NEM) chief financial officer, as its new finance chief.
- In the technology sector, shares of Lam Research (LRCX) climbed 17% as the supplier of wafer fabrication equipment and services to the semiconductor industry reported results above analysts' mean estimates for its quarter that ended Sept. 25.
- The materials sector's gainers were led by Freeport-McMoRan (FCX), whose shares jumped 16% as the mining company reported Q3 adjusted earnings per share and revenue above analysts' mean estimates.
- Cruise operators led the climb in the consumer discretionary sector as Tigress Financial Partners said Norwegian Cruise Line (NCLH) and fellow cruise line operator Royal Caribbean Cruises (RCL) are poised to benefit from a "significant" post-pandemic travel recovery. Shares of Norwegian Cruise Line rose 15% on the week while Royal Caribbean Cruises shares added 10%. Shares of peer Carnival (CCL) climbed 15%.
- In communication services, shares of Netflix (NFLX) soared 26%. The streaming company reported Q3 earnings and revenue above analysts' mean estimates as it added new subscribers for the first time this year and handily topped its subscriber addition estimate for the quarter. The company also said it expects to sustain the growth during the holiday season when new sources of revenue will gradually kick in.
- The communication services sector also got a big boost from shares of AT&T (T), which rose 14% as the company reported Q3 adjusted earnings per share and operating revenue above analysts' expectations and raised its guidance for the full year.
- Next week's earnings calendar features companies such as 3M (MMM), United Parcel Service (UPS), General Motors (GM), Microsoft (MSFT), Alphabet (GOOGL), Visa (V), Meta Platforms (META), Boeing (BA), Ford Motor (F), Apple (AAPL), Amazon.com (AMZN), Merck (MRK), McDonald's (MCD), Exxon Mobil (XOM) and Chevron (CVX).
- Economic data will include readings earlier in the week on the manufacturing and services sectors for October as well as the October consumer confidence index. However, more attention will likely be placed on the first estimate of Q3 gross domestic product on Thursday and September inflation data due 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	(0.2)	(0.5)	(3.8)	(3.7)
iShares National AMT-Free Muni Bond ETF	(1.1)	(1.8)	(10.9)	(9.8)
iShares Core US Aggregate Bond ETF	(0.9)	(4.6)	(16.5)	(16.0)
<b>Global Equity</b>				
iShares MSCI ACWI	4.2	(1.6)	(22.9)	(21.4)
<b>U.S. Equity</b>				
iShares Core S&P 500 ETF	4.7	(0.8)	(20.3)	(16.2)
iShares Russell Mid Cap ETF	3.5	(2.3)	(21.8)	(21.7)
iShares Russell 2000 ETF	3.5	(1.0)	(21.6)	(23.3)
iShares Core U.S. Value ETF	3.9	0.3	(11.7)	(8.9)
iShares Core U.S. Growth ETF	5.2	(2.2)	(27.7)	(23.1)
<b>Foreign Equity</b>				
iShares MSCI EAFE ETF	3.5	(1.4)	(24.6)	(24.4)
iShares MSCI EAFE Small Cap ETF	3.5	(3.5)	(30.5)	(31.8)
iShares MSCI EAFE Value ETF	3.7	(1.4)	(17.5)	(18.2)
iShares MSCI EAFE Growth ETF	3.3	(1.4)	(31.6)	(30.7)
<b>Emerging Markets Equity</b>				
iShares MSCI Emerging Markets ETF	3.1	(4.9)	(27.2)	(30.8)
iShares MSCI Emerging Markets Small Cap ETF	2.5	(4.4)	(23.9)	(23.6)
<b>"Other" Asset Classes</b>				
iShares U.S. Real Estate ETF	2.5	(9.2)	(30.8)	(25.8)
iShares International Developed Real Estate ETF	1.2	(9.5)	(33.4)	(34.7)
SPDR Barclays High Yield Bond ETF	1.2	(1.5)	(14.9)	(14.1)
iShares S&P GSCI Commodity Indexed Trust	(0.7)	0.9	26.1	21.0

## 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.

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.