

Weekly Recap

November 23-27, 2020 Recap

Stocks Rally Third Week in Four

Equities Rebound, Extending Vaccine Optimism

U.S. stocks advanced last week with the benchmark S&P 500 finishing at a new all-time high on Friday's low-volume holiday-shortened trading session. Through Friday, global equities are on track for record-setting November performances, driven by optimism over major progress toward several viable COVID-19 vaccines. At least three drug makers may win FDA emergency-use approvals in December for their vaccine candidates with prevention rates of 90% or more. Even so, logistical and acceptance challenges remain on the vaccine rollout.

Weekly Performance

For the week, the S&P 500 climbed 2.30% and the Dow Industrials (which briefly surpassed 30,000 for the first time) gained 2.21%. The tech-heavy Nasdaq Composite advanced nearly 3%.

Durable Goods Orders Expand

Durable goods orders increased 1.3% in October, topping forecasts for a 0.8% pickup and follows a revised 2.1% jump in September (1.9% originally reported). Likewise, core capital goods orders which serves as a key proxy for business investment, rose 0.7% (0.5% expected) and follows a near-double upward revision in September to 1.9% from 1% originally reported.

Energy Leads a Third Week

All but one of the 11 major sector groups posted gains last week, led by Energy (+8.51%), Financials (+4.63%), and Consumer Discretionary (+2.97%). Healthcare (+0.58%) and Utilities

(+0.33%) rose the least, while Real Estate (-0.37%) lagged a second week.

Treasury Yields Tick Higher

Treasury prices were little changed during the shortened Thanksgiving Day holiday week. The yield on benchmark 10-year U.S. Treasury notes nudged up one basis point to 0.84%. The U.S. Dollar weakened by 0.65% last week, reaching a fresh two-year low. U.S. WTI crude oil rose \$3.11 (+7.3%) to \$45.53/barrel as demand prospects perked up a third week.

Market Watch

Stocks	1-Week	MTD	3-Month	YTD	1-Year	3-Year
Dow Jones Industrial Avg.	2.21	12.86	4.98	4.81	6.19	8.25
S&P 500	2.30	11.44	4.85	14.52	17.49	14.02
NASDAQ Composite	2.97	11.97	5.20	37.16	41.40	22.30
Russell 3000	2.66	12.79	6.94	16.33	19.14	14.08
Russell 2000	3.94	20.72	18.96	12.54	15.09	8.52
MSCI EAFE	2.23	16.98	9.87	4.34	7.19	3.78
MSCI Emerging Markets	1.79	11.57	10.47	12.55	19.43	4.93
Bonds	1-Week	MTD	3-Month	YTD	1-Year	3-Year
Barclays Agg Bond	-0.03	0.91	0.71	7.28	7.20	5.30
Barclays Municipal	0.08	1.43	1.12	4.50	4.83	4.70
Barclays US Corp High Yield	0.63	3.88	3.48	5.06	7.17	5.68
Commodities	1-Week	MTD	3-Month	YTD	1-Year	3-Year
Bloomberg Commodity	0.92	4.14	3.06	-7.15	-3.98	-3.40
S&P GSCI Crude Oil	7.33	27.21	5.79	-25.43	-21.61	-7.81
S&P GSCI Gold	-4.80	-4.88	-7.48	17.40	22.35	11.24

Source: Morningstar