

## Weekly Update

### 05/24/21

		<u>Last Week</u>	<u>YTD Returns</u>
Domestic Equities	S&P 500	-0.39%	11.29%
International Developed	MSCI EAFE	1.06%	9.08%
Emerging Markets	MSCI EM	1.74%	3.56%
Fixed Income	BBgBarc US Agg Bond	0.07%	-2.63%

Domestic markets were largely unchanged last week, with modest losses in the S&P 500 and bonds going nowhere. It was encouraging to see international equities bounce higher after a period of relative weakness. There remains a feeling of uneasiness in markets with investors perhaps taking a breather from the run higher in April, and inflation uncertainty still weighing on the minds of many. There has been some chatter at the Fed about tapering bond buying, perhaps the first signs that this might be on the table. We continue to expect that they will at some point, possibly later in the summer. This may ease inflation fears somewhat, as it will be the first step towards policy normalization and eventual rate hikes later down the road. However, it may also spook investors, as whenever the Fed hints at taking away the punch bowl it generally creates some short-term volatility. Despite lingering uncertainties, we continue to see more positives than negatives for the economy and markets and expect that stocks will continue to move higher as we progress through the year.

\*Index returns are from Morningstar and are calculated on a total return basis, with dividends reinvested.