

Weekly Update

09/20/21

		<u>Last Week</u>	<u>YTD Returns</u>
Domestic Equities	S&P 500	-0.54%	19.26%
International Developed	MSCI EAFE	-1.38%	11.34%
Emerging Markets	MSCI EM	-2.20%	0.67%
Fixed Income	BBgBarc US Agg Bond	-0.03%	-0.77%

Stock markets were once again lower last week as ongoing COVID worries and China concerns impacted markets. The current virus wave continues to linger and concerns about Q3 growth and earnings remain. Despite concerns, economic data last week was generally better than expected, including a notable tick higher in August's retail sales and cooling inflation data. The new issue for markets will be the financial troubles of Evergrande, one of the largest property developers in China. Through excessive debt and bad investments, the company now faces a solvency issue that could impact global markets. Chinese authorities are likely going to have to step in to cushion the blow, and in the short-term, the news threatens to hit already weak sentiment towards Chinese stocks and emerging markets. Stock markets have pulled back a little bit here in September and may see more selling over the next few weeks. However, little has changed in our favorable view towards equities over the coming months.

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