

Weekly Update

1/10/22

		<u>Last Week</u>	<u>YTD Returns</u>
Domestic Equities	S&P 500	-1.83%	-1.83%
International Developed	MSCI EAFE	-0.29%	-0.29%
Emerging Markets	MSCI EM	-0.47%	-0.47%
Fixed Income	BBgBarc US Agg Bond	-1.53%	-1.53%

It has been a tough start to the year for markets, as a variety of factors have weighed on investors. Domestic markets have seen larger losses, as bond yields have jumped in anticipation of tightening monetary policy. In turn, these expectations have led to selling in many of the higher growth parts of equity markets, which major indices are more heavily weighted towards. International equities are down more modestly as pockets of opportunity exist, but have been overshadowed by the spread of the Omicron variant. Despite the early troubles, not much has changed in our market views. We expect to see higher levels of volatility across markets, but ultimately believe that equities will fare well this year. The outlook for bonds isn't as dire as the early price movements have indicated, though we don't expect much in the way of returns. We see some hope for markets to rebound in the coming weeks as earnings season gets underway and focus shifts to corporate fundamentals.

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