

WEEKLY UPDATE

OCTOBER 19, 2020

CARY STREET
PARTNERS

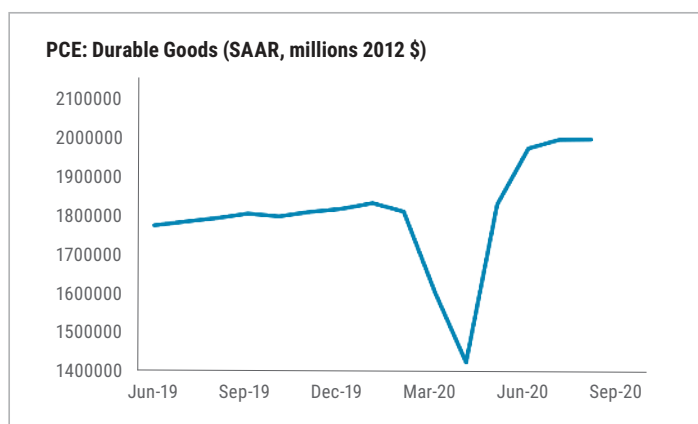
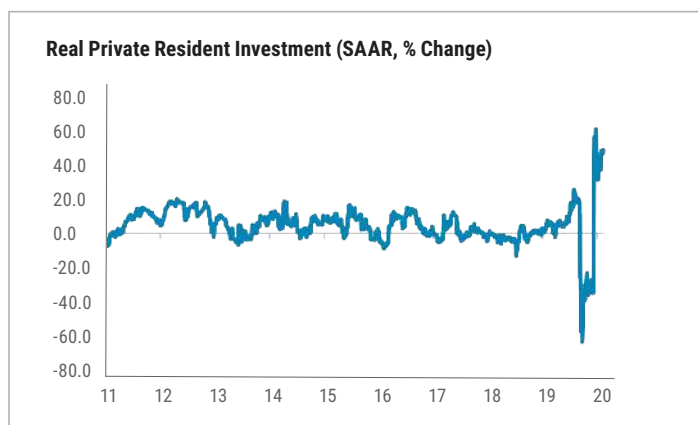
EQUITY MARKETS

Equity markets turned in another positive performance last week, with the S&P 500 Index moving higher by .19%.¹ Markets have responded positively to oversold extremes during the September pullback. That correction is within the context of a strong uptrend that began in late March. COVID will remain a primary news driver until vaccine delivery early next year, and indeed we are in the midst of a fall surge in both Europe and the U.S. Fortunately, treatment has improved markedly since the spring onslaught allowing for significantly improved outcomes. Vaccine development will be a positive trigger for both economy and markets but remains a few months away. In the meantime investors will have to contend with potential election volatility. 2021 looks to be a year of dramatic improvement for profits, which coupled with massive liquidity on the sidelines, should be supportive for equity markets.

ECONOMIC DATA

Take a step back and look at the economics. Momentum may pick up or wane a little, but the direction is conclusive.

What letter do you see?



Source: Renaissance Macro Research, Haver Analytics

WEEKLY BENCHMARKS

GROUP/INVESTMENT	YTD Return (Cumulative) 10.16.2020
US EQUITY RETURNS	
SPDR® S&P 500 ETF TRUST	9.48
ISHARES DOW JONES US ETF	10.00
ISHARES RUSSELL 1000 ETF	10.58
ISHARES RUSSELL 1000 VALUE ETF	-7.96
ISHARES RUSSELL 1000 GROWTH ETF	28.98
ISHARES RUSSELL 2000 ETF	-1.06
GLOBAL EQUITY RETURNS	
ISHARES MSCI ACWI EX US ETF	-3.37
ISHARES MSCI ACWI ETF	4.75
US FIXED INCOME RETURNS	
ISHARES SHORT TREASURY BOND ETF	0.83
ISHARES CORE US AGGREGATE BOND ETF	6.73
ISHARES TIPS BOND ETF	9.30
ISHARES IBOX \$ INVMT GRADE CORP BD ETF	8.20
ISHARES IBOX \$ HIGH YIELD CORP BD ETF	0.02
ISHARES MBS ETF	3.74
GLOBAL FIXED INCOME BENCHMARKS	
ISHARES CORE GLOBAL AGGT BD ETF USD DIST	6.20
US FIXED INCOME MUNI RETURNS	
ISHARES NATIONAL MUNI BOND ETF	2.78
REAL ASSETS	
ISHARES GOLD TRUST	24.84
SPDR® DOW JONES GLOBAL REAL ESTATE ETF	-20.56

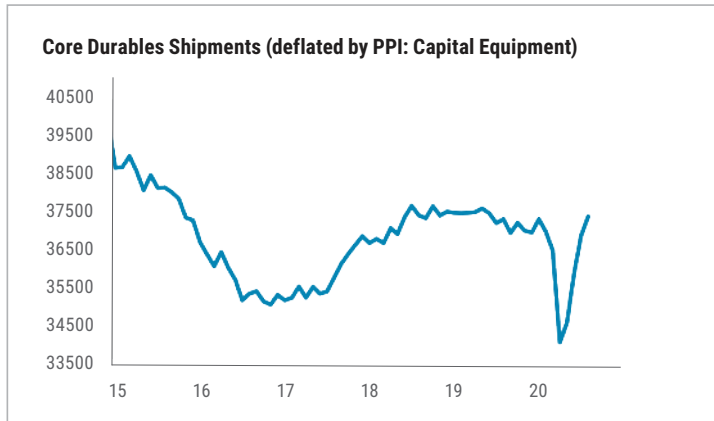
Source: Morningstar

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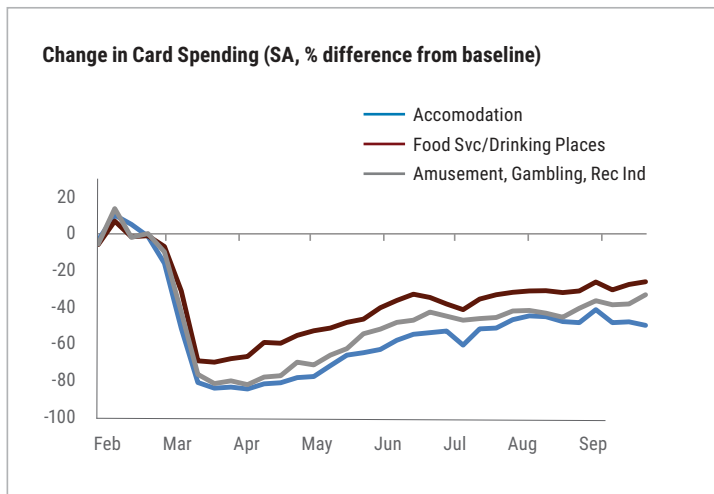
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The V's continue across the durables sector.



Source: Renaissance Macro Research, Haver Analytics

Notice the slow improvement in the service sector.



Source: Renaissance Macro Research, Haver Analytics

¹ MarketWatch

² All Economic Release data sourced from Bloomberg

Past performance is no guarantee of future results.

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ECONOMIC RELEASES²

- **CONSUMER PRICE INDEX (CPI)** for September increased 0.2%, core CPI excluding food and energy for September also rose 0.2%, both in line with expectations. CPI for the year is up 1.4%.
- **PRODUCER PRICES (PPI)** rose in September 0.4%, more than forecast 0.2%. PPI excluding food and energy costs also rose 0.4%.
- **INITIAL JOBLESS CLAIMS** totaled 898,000 in the week ended October 10, up 53,000 from the prior week. Continuing claims fell 1.17 million to 10 million in the week ended October 3.
- **RETAIL SALES** increased 1.9% for September, higher than expectations of 0.8%.