

Weekly Investment Update

May 16, 2022

Despite a big bounce on Friday, risk assets had another difficult week last week. The latest Consumer Price Index year-over-year increase was released on Wednesday. While falling slightly from last month's reading, the increase remained higher than anticipated at 8.3 percent, and investors worried that the US Federal Reserve (Fed) may need to take more drastic action than anticipated. Fortunately, US Fed Chairman Jerome Powell reassured investors late in the week that bigger hikes are not part of the plan currently.¹ The S&P 500, a proxy for US large-cap stocks, ended the week down 2.4 percent while the MSCI ACWI, a proxy for global large-cap stocks, fell 2.2 percent.²

It seems a lifetime ago, but cryptocurrencies, meme stocks, and Cathie Wood's ARK funds were all the rage at the midway point of last year. The inflationary and risk-off environment this year has been difficult for nearly all risk assets, but it has been especially brutal for the media darlings of 2021. As you can see below, Bitcoin and Ethereum (crypto), meme stocks GameStop and AMC, and the Ark Innovation ETF have all fallen more than 50 percent in the last year.



¹ Source: [Stock Market Today: Dow, S&P Live Updates for May. 13, 2022 - Bloomberg](#)

² Source: YCharts

Prices & Interest Rates

Representative Index	Current	Year-End 2021
Crude Oil (US WTI)	\$110.16	\$75.37
Gold	\$1,813	\$1,828
US Dollar	104.47	95.67
2 Year Treasury	2.61%	0.73%
10 Year Treasury	2.93%	1.52%
30 Year Treasury	3.10%	1.93%

Source: Morningstar, YCharts, and US Treasury as of May 14, 2022

Asset Class Returns

Category	Representative Index	YTD 2022	Full Year 2021
Global Equity	MSCI All-Country World	-16.1%	18.5%
Global Equity	MSCI All-Country World ESG Leaders	-17.1%	20.8%
US Large Cap Equity	S&P 500	-15.1%	28.7%
US Large Cap Equity	Dow Jones Industrial Average	-10.8%	21.0%
US Small Cap Equity	Russell 2000	-19.8%	14.8%
Foreign Developed Equity	MSCI EAFE	-15.7%	11.3%
Emerging Market Equity	MSCI Emerging Markets	-18.0%	-2.5%
US Fixed Income	Bloomberg Barclays Municipal Bond	-10.2%	1.5%
US Fixed Income	Bloomberg Barclays US Agg Bond	-9.7%	-1.5%
Global Fixed Income	Bloomberg Barclays Global Agg. Bond	-12.2%	-4.7%

Source: YCharts as of May 14, 2022

Past performance may not be representative of future results. All investments are subject to loss. Forecasts regarding the market or economy are subject to a wide range of possible outcomes. The views presented in this market update may prove to be inaccurate for a variety of factors. These views are as of the date listed above and are subject to change based on changes in fundamental economic or market-related data. Please contact your Advisor in order to complete an updated risk assessment to ensure that your investment allocation is appropriate.