

What's Up/Down Year-To-Date?

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So far this year, returns for the major asset classes are in sharp contrast to 2021. As the Asset Class Summary below shows, all major asset classes have negative returns on a year-to-date (YTD) basis. The 3-year and 5-year returns shown below are annualized returns.

Asset Class Summary							6/2/22
Asset Class	1 Week	1 Month	3 Month	YTD	1 Year	3 Year	5 Year
U.S. Stock	5.17%	0.46%	-5.26%	-12.81%	-2.64%	16.09%	12.74%
Global Stock Ex U.S.	2.15%	1.27%	-4.41%	-11.13%	-13.58%	6.34%	4.07%
U.S. Bond	-0.61%	1.01%	-5.49%	-9.13%	-8.37%	-0.07%	1.09%
Global Bond	-0.89%	0.31%	-8.22%	-11.50%	-13.55%	-1.61%	-0.05%
U.S. Real Estate	2.12%	-1.59%	-2.94%	-13.65%	-0.72%	7.79%	7.98%

Region Summary							6/2/22
Region	1 Week	1 Month	3 Month	YTD	1 Year	3 Year	5 Year
U.S. Stock	5.17%	0.46%	-5.26%	-12.81%	-2.64%	16.09%	12.74%
Global Stock Ex U.S.	2.15%	1.27%	-4.41%	-11.13%	-13.58%	6.34%	4.07%
Emerging Markets	3.87%	-0.71%	-8.43%	-13.06%	-21.72%	4.48%	3.29%
Europe Stock	0.93%	1.95%	-2.66%	-12.36%	-10.89%	7.00%	3.82%
Asia Pacific Stock	3.03%	0.29%	-6.35%	-12.18%	-18.34%	5.63%	3.94%
Latin America Stock	0.55%	9.63%	6.19%	19.72%	-0.03%	1.64%	3.21%

Equity Style Summary							6/2/22
Region	1 Week	1 Month	3 Month	YTD	1 Year	3 Year	5 Year
Large Growth	8.26%	-1.67%	-10.00%	-22.16%	-7.21%	18.51%	15.07%
Large Blend	5.20%	0.30%	-5.25%	-13.13%	-1.44%	16.57%	13.22%
Large Value	2.21%	2.43%	0.22%	-1.44%	5.09%	14.37%	11.25%
Mid Growth	7.19%	-1.64%	-10.67%	-22.89%	-11.84%	12.41%	11.22%
Mid Blend	5.01%	0.44%	-4.94%	-13.06%	-4.77%	13.80%	10.58%
Mid Value	3.25%	2.25%	0.45%	-2.64%	2.12%	14.51%	9.54%
Small Growth	6.41%	-2.01%	-10.73%	-22.06%	-20.33%	8.60%	9.07%
Small Blend	5.23%	0.76%	-5.85%	-12.13%	-10.67%	11.99%	9.39%
Small Value	4.50%	2.61%	-2.47%	-4.66%	-3.34%	13.55%	8.85%

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Returns within the fixed income (bond) category varied depending on duration and credit quality. Shorter duration and high credit quality bonds performed much better

than long duration and low credit quality. The average duration of the fixed income in client portfolios has been reduced further during the last month.

Latin America has been the only geographic region with positive YTD equity returns.

As for equity style, growth stocks have declined 22% or more YTD, regardless of market capitalization. Growth stocks had higher returns during the last five years, but many of the growth stocks had valuations which were hard to justify. In contrast, value stocks have negative returns in the low single digits on a YTD basis.

S&P 500 Sector Weights*		4/28/20
Sector		Weight
Technology		24.48%
Health Care		14.58%
Financials		13.37%
Consumer Cyclical		10.60%
Comm. Services		8.72%
Industrials		8.21%
Consumer Defensive		6.92%
Energy		4.84%
Utilities		3.00%
Real Estate		2.79%
Materials		2.49%

Sector Summary							6/2/22	
Sector	1 Week	1 Month	3 Month	YTD	1 Year	3 Year	5 Year	
Cyclical								
Consumer Cyclical	11.22%	-4.63%	-11.52%	-22.79%	-7.65%	13.51%	12.54%	
Financials	3.48%	2.49%	-6.68%	-9.04%	-5.98%	13.16%	10.76%	
Materials	4.41%	3.24%	5.52%	-3.05%	1.52%	20.80%	12.42%	
Real Estate	1.74%	-2.18%	-2.46%	-13.81%	2.18%	10.26%	10.19%	
Sensitive								
Comm. Services	5.87%	0.41%	-10.38%	-21.35%	-21.83%	9.90%	-	
Energy	2.73%	15.70%	22.26%	60.63%	67.21%	21.60%	11.61%	
Industrials	4.61%	0.61%	-4.24%	-9.05%	-7.61%	11.93%	9.03%	
Technology	7.33%	-0.10%	-6.86%	-17.36%	4.19%	27.23%	21.66%	
Defensive								
Consumer Defensive	1.65%	-2.68%	-0.45%	-2.86%	7.84%	13.22%	8.31%	
Health Care	0.07%	1.45%	0.44%	-6.47%	9.83%	16.69%	13.07%	
Utilities	0.96%	5.93%	10.34%	5.06%	18.21%	12.19%	10.12%	

The industry sectors with the largest weighting in the S&P 500 are technology, health care, and financials. The only two sectors with positive returns YTD are energy and

utilities with returns of 60.6% and 5.0%, respectively. However, their sector weights in the S&P 500 Index are small at 4.8% and 3.0%, respectively.

Fortunately, our portfolio equity positions have been overweighted with value style stocks and the energy sector.

Precious metals performed well until mid-April. Given higher levels of inflation, geopolitical risk, and physical demand for precious metals, one would expect them to perform better. The Sprott gold and silver bullion trusts have YTD returns of 1.4% and -6.4%, respectively.



If you have any questions or comments, please contact me.

Sincerely,
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