

As of Date: 6/15/2020

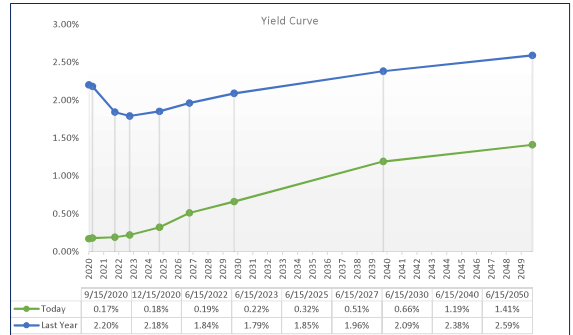
Prices as of: 6/12/20

- Point 1: **Markets:** Stocks ended their 3-week streak of gains as the risk-on trade reversed sharply with the recent winners (banks, transportation, small companies) leading to the downside.
- Point 2: **GDP:** OECD global GDP forecasts, assuming no more lockdowns this year: 2020, -6%; 2021, +5.2%; if there is another round of lockdowns: 2020, -7.6%; 2021, +5.2%.
- Point 3: **GDP:** U.S. Federal Reserve U.S. GDP forecasts: 2020, -4% to -10%; 2021, -1% to +7%; World Bank global forecast: 2020, -5.2% with 93% of the world's economies contracting.
- Point 4: **Data This Week:** Monday 6/15: Empire State Manufacturing Index (estimated -27.5 vs. May -48.5); Tuesday 6/16: May Retail Sales (estimated +6.3% vs. April -16.4%).
- Point 5: **Data This Week:** Wednesday 6/17-Thursday 6/18: OPEC+ meetings; Thursday 6/18: May Leading Economic Indicators (estimated +1.3% vs. April -4.4%).
- Point 6: **Indices:** The Baltic Dry Shipping Index (measures the rates charged for chartering giant ships that carry major raw materials) rose 35.9% to 923.00 (+83.1% over the last 2 weeks).
- Point 7: **FX:** The USD was stronger last week against most of the major currencies showing a small reversal of what we have been seeing the last few weeks.
- Point 8: **Commodities:** After a persistently strong rally off the lows, WTI Oil sold off -8.3%; OPEC+ meets this Wednesday-Thursday; gold rallied 3.2% recovering losses from the week before.
- Point 9: **Volatility:** Volatility jumped last week as the market rally took a pause; VIX last 5 weeks: **36.09 / 24.52 / 27.51 / 28.16 / 31.89**
- Point 10: **AAII Poll:** As of 6/10/20, **34% Bullish (-1%), 39% Bearish (-3%), 26% Neutral (0%)**

Broad Equity Indices			
Index	Level	1-Week %	YTD %
Dow Jones Industrial Average	25605.54	-5.55%	-10.28%
Dow Jones Transportation Avg	9081.90	-8.01%	-16.69%
Dow Jones Utility Average	793.00	-4.06%	-9.80%
S&P 500	3041.31	-4.78%	-5.86%
NASDAQ Composite	9588.81	-2.30%	6.87%
Russell 2000	1387.68	-7.93%	-16.83%
MSCI Europe	1510.33	-6.07%	-15.35%
MSCI Japan	3198.75	-0.20%	-6.94%
MSCI Emerging Markets	987.01	-1.56%	-11.45%

US Treasury Yields					
US Treasuries	Date	Today	6 Mo Ago	Last Year	2 Years Ago
3 Month	9/15/2020	0.17%	1.57%	2.20%	1.94%
6 Month	12/15/2020	0.18%	1.56%	2.18%	2.07%
2 Year	6/15/2022	0.19%	1.61%	1.84%	2.55%
3 Year	6/15/2023	0.22%	1.62%	1.79%	2.68%
5 Year	6/15/2025	0.32%	1.66%	1.85%	2.81%
7 Year	6/15/2027	0.51%	1.76%	1.96%	2.89%
10 Year	6/15/2030	0.66%	1.82%	2.09%	2.93%
20 Year	6/15/2040	1.19%	2.11%	2.38%	2.98%
30 Year	6/15/2050	1.41%	2.26%	2.59%	3.05%

US Sector & Industry Indices			
Index	Level	1-Week %	YTD %
S&P 500 Health Care	1134.51	-5.53%	-4.52%
S&P 500 Communication Services	180.02	-2.80%	-0.89%
S&P 500 Consumer Discretionary	1016.50	-3.18%	3.06%
S&P 500 Consumer Staples	592.04	-4.08%	-8.49%
S&P 500 Information Technology	1745.11	-2.03%	8.31%
S&P 500 Industrials	579.51	-8.03%	-15.72%
S&P 500 Materials	345.02	-8.00%	-10.58%
S&P 500 Energy	299.28	-11.07%	-34.43%
S&P 500 Real Estate	219.81	-4.18%	-8.53%
S&P 500 Utilities	296.00	-4.26%	-9.86%
S&P 500 Financials	394.14	-9.32%	-22.93%
S&P 500 Banks	364.39	-11.17%	-32.90%
Alerian MLP Index	143.49	-12.28%	-34.25%



Fixed Income Indices			
Index	Level	1-Week %	YTD %
Bbrg Barclays Global Aggregate	526.21	0.73%	2.84%
Bbrg Barclays US Aggregate	2352.03	0.72%	5.71%
Bbrg Barclays 1-3 Month Treasury	203.19	0.00%	0.48%
ICE US Treasury 7-10 Year	114.48	1.62%	10.51%
ICE US Treasury 20+ Year	135.99	5.01%	21.69%
Bbrg Barclays US Corporate IG	3369.67	0.45%	3.99%
Bbrg Barclays US Corporate HY	2114.10	-1.39%	-3.15%

### Chart of the Week

#### A Slop of Reality



The chart above shows the percentage of stocks trading at overbought and oversold levels on a daily basis over the last year. On Monday, the net percentage of overbought stocks (overbought minus oversold) reached as high as 88.8%. As of Wednesday's close, the percentage declined but was still at an extraordinarily high level of 77.2%. After Thursday's rout, though, the net percentage of overbought stocks shrank to just 6.2%. That's a one day drop of over 70 percentage points! Source: Bespoke Premium Research

Commodity & FX Indices			
Index	Level	1-Week %	YTD %
Dow Jones Commodity Index	546.31	-1.85%	-14.95%
Dow Jones FXCM USD	12314.22	0.10%	1.01%
Baltic Dry Shipping Index	923.00	35.90%	-15.30%
Gold (Spot price)	1729.30	3.20%	13.80%
Gold Miners (GDX)	32.64	0.60%	11.50%
Silver (Spot Price)	17.48	0.30%	-3.00%
WTI Crude Oil (Spot price)	36.26	-8.30%	-40.60%
Natural Gas (Spot price)	1.73	-2.90%	-20.90%

Economic and Market Review											
6/15/20											
Overall	Indicator Name	Symbol	Markets: Stocks ended their 3-	Frequency	Value	1 Mo. Ago	% Change	3 Mo. Ago	% Change	1 Yr. Ago	% Change
▼	US Durable Goods New Orders	I:USDGNO	4/30/2020	monthly	169,966	205,345	▼ -17.23%	246,541	▼ -31.06%	246,694	▼ -31.10%
▼	US Consumer Price Index	I:USCPI	5/31/2020	monthly	255.8	255.9	▼ -0.05%	259.1	▼ -1.27%	255.2	▲ 0.24%
▲	US Producer Price Index	I:USPPI	5/31/2020	monthly	117.5	117.0	▲ 0.43%	118.7	▼ -1.01%	118.4	▼ -0.76%
▲	US Unemployment Rate	I:USUR	5/31/2020	monthly	13.30%	14.7%	▼ -9.52%	3.5%	▲ 280.00%	3.6%	▲ 269.4%
▲	US ISM Manufacturing PMI	I:USPMI	5/31/2020	monthly	43.1	41.5	▲ 3.86%	50.1	▼ -13.97%	52.1	▼ -17.27%
▲	30 Year Mortgage Rate	I:US30YMR	6/4/2020	weekly	3.18%	3.2%	▼ 0.95%	3.50%	▼ -9.14%	3.73%	▼ -14.75%
▼	US Retail Sales	I:USRS	4/30/2020	monthly	371,585	437,561	▼ -15.08%	464,062	▼ -19.93%	452,220	▼ -17.83%
▼	US GDP	I:USGDP	3/31/2020	quarterly	21,534,907	21,729,124	▼ -0.89%	21,729,124	▼ -0.89%	21,098,827	▲ 2.07%
▼	US Real GDP	I:USRGDP	3/31/2020	quarterly	18,974,702	19,221,970	▼ -1.29%	19,221,970	▼ -1.29%	18,927,281	▲ 0.25%

**Past performance is no guarantee of future results.** Investing involves certain risks, including possible loss of principal. You should understand and carefully consider a strategy's objectives, risks, fees, expenses and other information before investing. All indices are unmanaged and are not available for direct investment. Indices do not incur costs including the payment of transaction costs, fees and other expenses. This information should not be considered a solicitation or an offer to provide any service in any jurisdiction where it would be unlawful to do so under the laws of that jurisdiction. Certain information herein has been obtained from third party sources and, although believed to be reliable, has not been independently verified and its accuracy or completeness cannot be guaranteed. No representation is made with respect to the accuracy, completeness or timeliness of this document. Sources: Ycharts, Thompson/Reuters, Bespoke Premium.