



JPMORGAN ASSET MANAGEMENT

Weekly Market Recap April 6, 2020

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MARKET INSIGHTS

Weekly Market Recap

U.S. | April 6, 2020

The week in review

- Markit/ISM mfg. PMI 48.5/49.1
- Markit/ISM non-mfg. PMI 39.8/52.5
- Jobless claims at 6,648k
- Unemployment at 4.4%
- Consumer confidence at 120.0

The week ahead

- JOLTS
- CPI/PPI
- Consumer sentiment
- FOMC March Meeting Minutes

Thought of the week

Markets turned sharply negative in the first quarter of the year as the COVID-19 pandemic and social distancing brought certain areas in the global economy to a halt. U.S. equities dropped by the most in a quarter since 2008, with small cap being the worst performer at -30.6% and large cap stocks returning -19.6%. The global spread of the virus led to a sell-off in international equities, which delivered double-digit negative returns as well. Fixed income played its defensive role and delivered a positive return of 3.1%, as the Federal Reserve cut interest rates to zero and announced unlimited quantitative easing. And while global high yield outperformed equities, it still finished the quarter at -15%, given concerns around the effect of shutdowns. Additionally, commodities dropped by -23.3% with the double shock of decline in demand and a plunge in oil prices after a rise of tensions between Saudi Arabia and Russia. While the outlook for the rest of the year is highly uncertain, investors should remember that the disruption will eventually end and the economy will bounce back once the virus is contained. In times like these, a balanced approach to asset allocation is essential for long-term investors, with a focus on high-quality companies that can weather this downturn and thrive in the economy that will emerge.

WEEKLY DATA CENTER

Equities	Level	Index Returns (%)				
		1 week	QTD	YTD	1 year	3-yr. Cum.
S&P 500	2489	-2.02	-3.68	-22.56	-11.62	12.01
Dow Jones 30	21053	-2.65	-3.89	-25.74	-17.67	9.48
Russell 2000	2615	-6.99	-8.75	-36.69	-31.59	-19.94
Russell 1000 Growth	961.37	-2.03	-4.09	-17.61	-4.93	32.53
Russell 1000 Value	581.29	-3.07	-3.96	-29.63	-21.26	-9.89
MSCI EAFE	1487	-3.69	-4.65	-26.31	-19.70	-8.04
MSCI EM	831.72	-1.18	-1.95	-25.06	-20.62	-6.26
NASDAQ	7373	-1.69	-4.23	-17.59	-5.60	29.20

Fixed Income	Yield	Index Returns (%)				
		1 week	QTD	YTD	1 year	3-yr. Cum.
U.S. Aggregate	1.59	0.73	0.26	3.42	9.72	15.18
U.S. Corporates	3.49	1.27	-0.28	-3.90	5.16	12.45
Municipals (10yr)	2.10	-1.80	-1.55	-1.94	2.69	11.28
High Yield	9.99	-0.59	-2.05	-14.48	-9.15	0.15

Key Rates	Levels (%)					
	4/3/20	3/27/20	3/31/20	12/31/19	4/3/19	4/3/17
2-yr U.S. Treasuries	0.23	0.25	0.23	1.58	2.33	1.24
10-yr U.S. Treasuries	0.62	0.72	0.70	1.92	2.52	2.35
30-yr U.S. Treasuries	1.24	1.29	1.35	2.39	2.93	2.98
10-yr German Bund	-0.45	-0.47	-0.49	-0.19	-0.01	0.30
3-mo. LIBOR	1.39	1.45	1.45	1.91	2.60	1.15
3-mo. EURIBOR	-0.34	-0.35	-0.36	-0.38	-0.31	-0.33
6-mo. CD rate	0.48	0.49	0.49	0.79	0.78	0.38
30-yr fixed mortgage	3.47	3.47	3.47	3.95	4.36	4.34
Prime Rate	3.25	3.25	3.25	4.75	5.50	4.00

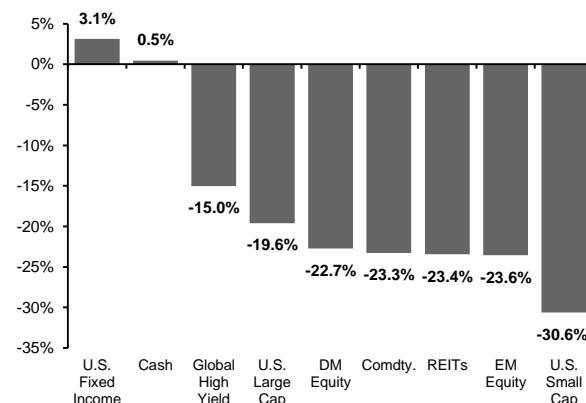
Index Characteristics			
NTM P/E	P/B	Div. Yld.	Mkt. Cap (bn)
15.21	3.10	2.32	44.24
14.70	3.65	3.03	219.58
18.62	1.70	2.12	0.80
19.56	7.41	1.34	32.88
12.06	1.77	3.48	18.01
12.52	1.41	4.11	15.88
11.11	1.48	3.20	12.51
21.35	4.43	1.18	4.58

Currencies	Levels		
	4/3/20	12/31/19	4/3/19
\$ per €	1.08	1.12	1.12
\$ per £	1.23	1.32	1.32
¥ per \$	108.51	108.68	111.49

Commodities	Levels		
	4/3/20	12/31/19	4/3/19
Oil (WTI)	29.00	61.14	62.46
Gasoline	2.01	2.57	2.69
Natural Gas	1.66	2.09	2.74
Gold	1613	1515	1290
Silver	14.39	18.05	15.17
Copper	4864	6156	6483
Corn	3.12	3.77	3.37
BBG Idx	132.66	172.00	172.17

CHART OF THE WEEK

Markets sold-off in 1Q amid concerns over the spread of COVID-19
QTD, total return, U.S. dollar

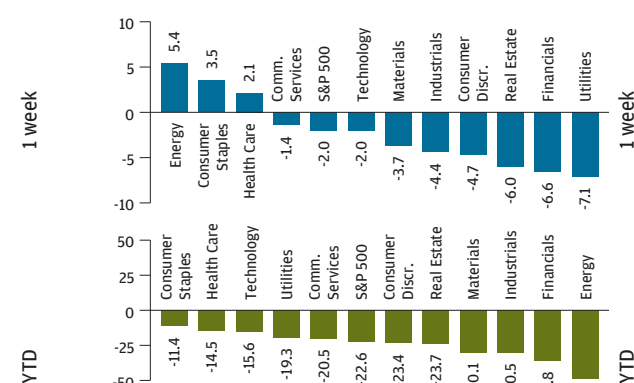


STYLE RETURNS

	V	B	G
L	-3.1	-2.0	-2.0
M	-6.7	-5.7	-4.4
S	-8.1	-7.0	-6.0

	V	B	G
L	-29.6	-22.6	-17.6
M	-36.2	-31.4	-24.2
S	-41.8	-36.7	-31.8

S&P 500 SECTOR RETURNS



Please see important disclosure on next page.

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Chart of the Week: Source: Barclays, Bloomberg, FactSet, FTSE Russell, MSCI, NAREIT, Standard & Poor's, J.P. Morgan Asset Management.

Thought of the week: Source: Barclays, Bloomberg, FactSet, FTSE Russell, MSCI, NAREIT, Standard & Poor's, J.P. Morgan Asset Management.

Abbreviations: Cons. Sent.: University of Michigan Consumer Sentiment Index; CPI: Consumer Price Index; EIA: Energy Information Agency; FHFA HPI: - Federal Housing Finance Authority House Price Index; FOMC: Federal Open Market Committee; GDP: gross domestic product; HPI: Home Price Index; HMI: Housing Market Index; ISM Mfg. Index: Institute for Supply Management Manufacturing Index; PCE: Personal consumption expenditures; Philly Fed Survey: Philadelphia Fed Business Outlook Survey; PMI: Purchasing Managers' Manufacturing Index; PPI: Producer Price Index; SAAR: Seasonally Adjusted Annual Rate

Equity Price Levels and Returns: All returns represent total return for stated period. Index: S&P 500; provided by: Standard & Poor's. Index: Dow Jones Industrial 30 (The Dow Jones is a price-weighted index composing of 30 widely-traded blue chip stocks.); provided by: S&P Dow Jones Indices LLC. Index: Russell 2000; provided by: Russell Investments. Index: Russell 1000 Growth; provided by: Russell Investments. Index: Russell 1000 Value; provided by: Russell Investments. Index: MSCI - EAFE; provided by: MSCI - gross official pricing. Index: MSCI - EM; provided by: MSCI - gross official pricing. Index: Nasdaq Composite; provided by: NASDAQ OMX Group.

MSCI EAFE is a Morgan Stanley Capital International Index that is designed to measure the performance of the developed stock markets of Europe, Australasia, and the Far East.

Bond Returns: All returns represent total return. Index: Barclays US Aggregate; provided by: Barclays Capital. Index: Barclays Investment Grade Credit; provided by: Barclays Capital. Index: Barclays Municipal Bond 10 Yr; provided by: Barclays Capital. Index: Barclays Capital High Yield Index; provided by: Barclays Capital.

Key Interest Rates: 2 Year Treasury, FactSet; 10 Year Treasury, FactSet; 30 Year Treasury, FactSet; 10 Year German Bund, FactSet. 3 Month LIBOR, British Bankers' Association; 3 Month EURIBOR, European Banking Federation; 6 Month CD, Federal Reserve; 30 Year Mortgage, Mortgage Bankers Association (MBA); Prime Rate: Federal Reserve.

Commodities: Gold, FactSet; Crude Oil (WTI), FactSet; Gasoline, FactSet; Natural Gas, FactSet; Silver, FactSet; Copper, FactSet; Corn, FactSet. Bloomberg Commodity Index (BBG Idx), Bloomberg Finance L.P.

Currency: Dollar per Pound, FactSet; Dollar per Euro, FactSet; Yen per Dollar, FactSet.

S&P Index Characteristics: Dividend yield provided by FactSet Pricing database. Fwd. P/E is a bottom-up weighted harmonic average using First Call Mean estimates for the "Next 12 Months" (NTM) period. Market cap is a bottom-up weighted average based on share information from Compustat and price information from FactSet's Pricing database as provided by Standard & Poor's.

MSCI Index Characteristics: Dividend yield provided by FactSet Pricing database. Fwd. P/E is a bottom-up weighted harmonic average for the "Next 12 Months" (NTM) period. Market cap is a bottom-up weighted average based on share information from MSCI and Price information from FactSet's Pricing database as provided by MSCI.

Russell 1000 Value Index, Russell 1000 Growth Index, and Russell 2000 Index Characteristics: Trailing P/E is provided directly by Russell. Fwd. P/E is a bottom-up weighted harmonic average using First Call Mean estimates for the "Next 12 Months" (NTM) period. Market cap is a bottom-up weighted average based on share information from Compustat and price information from FactSet's Pricing database as provided by Russell.

Sector Returns: Sectors are based on the GICS methodology. Return data are calculated by FactSet using constituents and weights as provided by Standard & Poor's. Returns are cumulative total return for stated period, including reinvestment of dividends.

Style Returns: Style box returns based on Russell Indexes with the exception of the Large-Cap Blend box, which reflects the S&P 500 Index. All values are cumulative total return for stated period including the reinvestment of dividends. The Index used from L to R, top to bottom are: Russell 1000 Value Index (Measures the performance of those Russell 1000 companies with lower price-to-book ratios and lower forecasted growth values), S&P 500 Index (Index represents the 500 Large Cap portion of the stock market, and is comprised of 500 stocks as selected by the S&P Index Committee), Russell 1000 Growth Index (Measures the performance of those Russell 1000 companies with higher price-to-book ratios and higher forecasted growth values), Russell Mid Cap Value Index (Measures the performance of those Russell Mid Cap companies with lower price-to-book ratios and lower forecasted growth values), Russell Mid Cap Index (The Russell Midcap Index includes the smallest 800 securities in the Russell 1000), Russell Mid Cap Growth Index (Measures the performance of those Russell Mid Cap companies with higher price-to-book ratios and higher forecasted growth values), Russell 2000 Value Index (Measures the performance of those Russell 2000 companies with lower price-to-book ratios and lower forecasted growth values), Russell 2000 Index (The Russell 2000 includes the smallest 2000 securities in the

Russell 3000), Russell 2000 Growth Index (Measures the performance of those Russell 2000 companies with higher price-to-book ratios and higher forecasted growth values).

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Unless otherwise stated, all data is as of April 6, 2020 or as of most recently available.

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