



JPMORGAN ASSET MANAGEMENT

Weekly Market Recap

April 13, 2020

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MARKET INSIGHTS

Weekly Market Recap

U.S. | April 13, 2020

The week in review

- Consumer sentiment at 71.0
- Initial claims +6.6 million
- Headline/Core CPI 1.5%, 2.1%

The week ahead

- Retail sales
- Industrial production
- Housing starts

Thought of the week

Due to the COVID-19 crisis, the U.S. labor market has deteriorated at an unprecedented speed and magnitude. The March employment report showed a decline of 701,000 payrolls, and the unemployment rate rose to 4.4%. However, underlying classifications within the report reveal the uncertainty of workers during the early weeks of social distancing. As shown in this week's chart, temporary layoffs increased by 1 million, versus a 177,000 increase in permanent layoffs, reflecting the anticipation that many temporarily closed businesses will be able to reopen. Given that the first two weeks of March were early in the social distancing effort, there was a 34% rise in those who were working parttime for economic reasons, including that their hours were reduced. An untold number of workers also simply responded as employed but absent from work for "other reasons." Self-employed workers remained committed to their businesses, with self-employment declining just 1%, while multiple job holders of varying hours, implying gig economy workers, declined 9%. Since then, an additional 16.8 million workers have filed initial claims for unemployment insurance, implying an unemployment rate of nearly 15%. In the months ahead, those on temporary layoff are likely to surge, but the hope is that expanded unemployment benefits and business loans from the \$2.3 trillion fiscal package can keep workers and businesses afloat long enough to see a sharp rebound in employment once social distancing measures ease.

Please see important disclosure on next page.

WEEKLY DATA CENTER

Equities	Level	Index Returns (%)				
		1 week	QTD	YTD	1 year	3-yr. Cum.
S&P 500	2790	10.46	8.02	-13.15	-1.11	25.72
Dow Jones 30	23719	10.82	8.30	-16.32	-7.04	23.27
Russell 2000	3098	14.84	8.16	-24.96	-18.86	-4.76
Russell 1000 Growth	1071	9.60	6.82	-8.24	5.71	47.81
Russell 1000 Value	663.31	12.37	9.67	-19.65	-10.26	2.91
MSCI EAFE	1607	6.72	3.05	-20.36	-13.07	-0.35
MSCI EM	887.58	5.89	4.67	-20.00	-16.32	0.40
NASDAQ	8154	8.90	5.91	-8.87	4.20	43.26

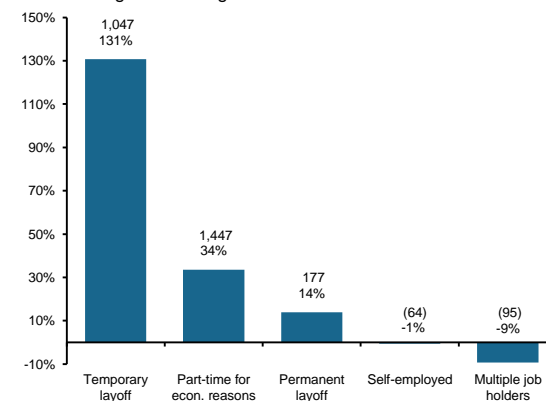
Fixed Income	Yield	Levels (%)				
		1 week	QTD	YTD	1 year	3-yr. Cum.
U.S. Aggregate	1.48	0.67	0.84	4.01	10.12	15.96
U.S. Corporates	3.06	2.98	2.72	-1.01	7.89	15.93
Municipals (10yr)	1.74	2.80	0.42	0.02	4.72	13.09
High Yield	8.71	4.66	3.17	-9.92	-4.59	5.21

Key Rates	Levels (%)					
	4/9/20	4/2/20	3/31/20	12/31/19	4/9/19	4/7/17
2-yr U.S. Treasuries	0.23	0.23	0.23	1.58	2.35	1.29
10-yr U.S. Treasuries	0.73	0.63	0.70	1.92	2.51	2.38
30-yr U.S. Treasuries	1.35	1.26	1.35	2.39	2.92	3.00
10-yr German Bund	-0.34	-0.46	-0.49	-0.19	0.00	0.25
3-mo. LIBOR	1.22	1.37	1.45	1.91	2.58	1.16
3-mo. EURIBOR	-0.22	-0.34	-0.36	-0.38	-0.31	-0.33
6-mo. CD rate	0.48	0.48	0.49	0.79	0.79	0.38
30-yr fixed mortgage	3.49	3.47	3.47	3.95	4.40	4.28
Prime Rate	3.25	3.25	3.25	4.75	5.50	4.00

CHART OF THE WEEK

Changes in employment

m/m % change and change in number of workers in thousands



STYLE RETURNS

	V	B	G
L	12.4	10.5	9.6
M	16.8	14.7	12.0
S	16.1	14.8	13.8

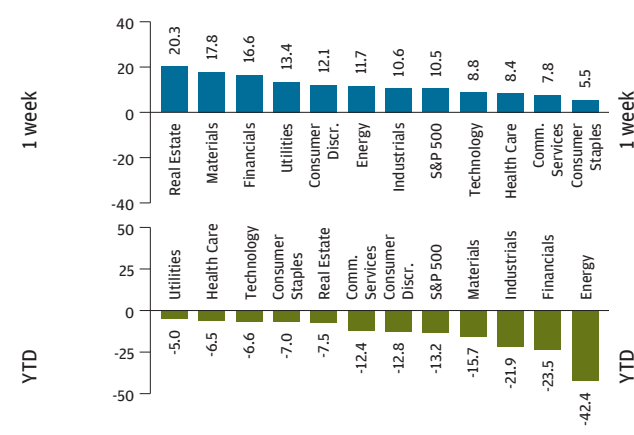
	V	B	G
L	-19.6	-13.2	-8.2
M	-23.8	-19.7	-13.5
S	-29.8	-25.0	-20.3

Index Characteristics	Levels			
	NTM P/E	P/B	Div. Yld.	Mkt. Cap (bn)
	17.83	3.18	2.07	49.69
	17.51	3.79	2.68	241.00
	24.23	1.76	1.79	0.95
	22.24	7.57	1.21	36.69
	14.70	1.83	3.05	20.43
	13.94	1.43	4.11	17.18
	11.83	1.50	3.20	13.08
	24.13	4.53	1.07	5.05

Currencies	Levels		
	4/9/20	12/31/19	4/9/19
\$ per €	1.09	1.12	1.13
\$ per £	1.25	1.32	1.31
¥ per \$	108.50	108.68	110.94

Commodities	Levels		
	4/9/20	12/31/19	4/9/19
Oil (WTI)	23.19	61.14	64.05
Gasoline	1.92	2.57	2.75
Natural Gas	1.75	2.09	2.71
Gold	1753	1515	1303
Silver	15.18	18.05	15.26
Copper	4964	6156	6498
Corn	3.13	3.77	3.34
BBG Idx	135.39	172.00	173.16

S&P 500 SECTOR RETURNS



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Chart of the Week: Source: Bureau of Labor Statistics, Department of Labor, J.P. Morgan Asset Management.

Thought of the week: Source: Bureau of Labor Statistics, Department of Labor, 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 13, 2020 or as of most recently available.

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