

MONDAY MORNING RECAP - April 19, 2021

Last Week

Dow Jones Industrial Average (DJIA)	34200.67	+400.07	+1.18%
S&P 500 Index	4185.47	+56.67	+1.37%
NASDAQ Composite Index	14052.34	+152.16	+1.09%
U.S. 10 yr. Treasury Note Yield	1.59%	-8 Basis Points	
Gold (\$ per troy oz.)	\$1779.00	+\$35.70	+2.05%
WTI Oil (\$ per barrel)	\$63.13	+\$3.81	+6.42%

Market Summary

GLOBAL EQUITIES: US stock markets rallied as Q1 earnings season saw a strong start amidst upbeat economic data, including a pandemic low read for initial jobless claims of 576k for the week ending April 10, which showed an accelerating recovery. The S&P 500 index ended 1.37% higher as growth stocks continued to outperform value stocks this past week. Similarly, other global equity markets traded near record highs, and the FTSE 100 touched its 14-month high, driven by investor optimism over reopening.

COMMODITIES: Oil prices surged last week on the back of a stronger demand outlook and a third consecutive week of decline in US crude inventories. The International Energy Agency and OPEC both increased their global oil demand forecast for 2021, by 230k barrels (bbls) per day and by 100k bbls per day, respectively. WTI and Brent crude prices rose to \$63.13 and \$66.77 per bbl, respectively.

FIXED INCOME: The US Treasury market saw mixed trading last week, with 10-Year yields falling to its lowest level in a month, in spite of a series of strong economic prints. 10-Year Treasury yields fell by 8 basis points (bps) last week to 1.59%. Last week's Treasury auction was met with solid demand. In the UK, upward revisions to GDP prints attracted investors and the 10-Year Gilt yield edged lower to 0.76%. Euro area yields shrugged off near-term inoculation concerns and the 10-Year German bund yield rose to -0.26%.

FX: The US dollar continued to slide as markets digested the Federal Reserve's accommodative commentary. With the understanding that faster growth and stronger inflation may not lead to higher policy rates in the near- to medium-term, the US dollar index weakened against a broad based basket by -0.68%.

Economic Summary

INFLATION: March's US Consumer Price Index (CPI) rose +2.6% Year-over-Year (YoY), its largest increase in over two years, driven by base effects and temporary supply constraints, including a spike in gasoline prices. US core CPI rose to 1.6% YoY. Meanwhile, the euro area's March core CPI, rose 0.9% YoY, in line with consensus expectations, but down from February's 1.1%.

SENTIMENT: The University of Michigan Consumer Sentiment Index edged up to 86.5, its highest in a year, but still slightly below consensus expectations amid household concerns over the prospect of near-term inflation.

GROWTH: Chinese GDP rose 18.3% YoY in Q1 2021, the fastest pace on record, but only +0.6% relative to Q4 2020, suggesting the economic momentum from the COVID-19 pandemic rebound may be normalizing.

PRODUCTION: March's US Industrial Production (IP) rose 1.4% as the manufacturing sector recovered from February's winter storm. Motor vehicle and parts production rose by 2.8% amid shortages of semiconductors. The Philly Fed Manufacturing Index increased 5.7pt to +50.2 in April, with performance from underlying components mixed: new orders (-2.2pt), shipments (+3.3pt), and employment (+3.4pt).

Key Economic Releases

Monday, April 12:

No economic data released.

Tuesday, April 13:

No economic data released.

Wednesday, April 14:

UK CPI YoY (Cons: 0.8%, Prior: 0.4%)

Thursday, April 15:

US Jobless Claims (Cons: 650k , Prior: 576k)

Japan Core CPI (Cons: - 0.2%, Prior: - 0.4%)

Japan Core-Core CPI (Cons: 0.2%, Prior: 0.2%)

Friday, April 16:

No economic data released.

Source: Goldman Sachs Asset Management: "Market Monitor", 4/16/21

1. "Cons." and "Prior" refer to current consensus expectations and the previous data release, respectively.
2. "WTI" stands for West Texas Intermediate crude oil, a common US benchmark for oil prices.
3. "Brent" is a global benchmark for oil prices worldwide.
4. "OPEC" refers to the Organization of the Petroleum Exporting Countries.
5. "GDP" stands for Gross Domestic Product.
6. "GDP" stands for Gross Domestic Product.

Disclosure Statement

Benefit Financial Services Group is a Registered Investment Advisor.

This publication is only intended for clients and interested investors residing in jurisdictions in which the Adviser is qualified to provide investment advisory services. This material is provided for informational purposes only and does not in any sense constitute a solicitation or offer for the purchase or sale of securities. Furthermore, the opinions expressed do not constitute investment advice and views expressed solely reflect those of the Adviser. The Adviser does not attempt to furnish personalized investment advice or services through this publication. Any subsequent, direct communication with a prospective client will be conducted by the Adviser's investment advisory representatives. Some of the information given in this publication has been produced by unaffiliated third parties and, while it is deemed reliable, the Adviser does not guarantee its timeliness, sequence, accuracy, adequacy, or completeness and makes no warranties with respect to results to be obtained from its use. Permission to reprint or distribute any content from this publication requires the written approval of the Adviser.

Information discussed in this report contains forward or backward-looking statements relating to anticipated financial performance, business prospects, returns, market forces, new services, technological developments, and other matters. The Private Securities Litigation Reform Act of 1995 provides a safe harbor for forward-looking statements. In order to comply with the terms of the safe harbor, Adviser notes that a variety of factors could cause actual results and experience to differ materially from the anticipated results or other expectations expressed in these forward or backward-looking statements. Please remember that past performance may not be indicative of future results. Indices are not available for direct investment.