Top 10 Market Flash Report Highlights of 2020

January 2021

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1. Fastest Bear Market in the Last 70 years

The pace of the sell-off was historic, resulting in the fastest bear market in the last 70 years (defined as a peak to trough decline of 20%). After peaking on February 19th, it took only 16 trading days before the S&P 500 was 20% lower. The previous fastest was 38 trading days, which culminated in the Black Monday sell-off in October 1987.

Read More: [Market Report March 2020]

2. $2 Trillion Stimulus Package Approved as Unemployment Soars and Fed Cut Rates to Near Zero and Unleash more QE

Governments and central banks worldwide have worked to implement stimulus measures to help ease the pain. Here in the U.S., the government approved a $2 trillion stimulus package aimed at helping businesses and workers, while the Fed cut their policy interest rates to near-zero percent and announced almost unlimited amounts of Quantitative Easing in order to inject liquidity into financial markets.

Read More: [Market Report March 2020]

3. Historic Contraction in GDP Confirmed and Q2 GDP Declined at an Annualized Rate of 33% in Q2

Economic activity has moderated in recent weeks due to the increased number of infections and ongoing measures to slow the spread. Ugly Q2 GDP reports came with little surprise as widespread shutdowns in April and May severely impacted economic output worldwide.

Read More: [Market Report July 2020]

4. Post-Election, Global Equities Soar Boosted by Vaccine News

Global equities surged in November. The MSCI ACWI increased by an impressive 12.3% — the largest monthly return in the index's history, dating back to 1987.

Read More: [Market Report November 2020]

5. The S&P 500 Followed Up Its Worst Quarter Since 2008 With Its Best Quarter Since 1998

Returning a remarkable 20.5% in the three months ending June 30th. Despite the strong rally, the index is still down 3% on a year-to-date basis.

Read More: [Market Report June 2020]

6. S&P 500 Climbs to New All-Time Highs & Fed Announces a Monetary Policy Shift Targeting an Average inflation rate of 2%

Equity markets climbed higher in August, the fifth positive month in a row for the S&P 500. Led by the usual suspects, the mega-cap growth companies, the index was propelled to new all-time highs.

Coming out of the Jackson Hole Conference, Jerome Powell announced a monetary policy shift targeting an average inflation rate of 2%. In practice, this allows the direction of policy to focus on employment rather than inflation. Interest rates should remain low for longer, allowing inflation to run slightly above 2% before the Fed would hike interest rate

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7. Q3 Was the Best Quarter for GDP Growth in Post-World War II History

A nice turnaround after Q2's worst quarterly contraction on record. Looking beyond these wild swings, the focus should be on the economy working down the path to recovery, even if this rapid pace is expected to slow.

Read More: Market October 2020

8. Another $900 Billion of Stimulus Lend Support to the Economic Recovery

Another $900 billion of the stimulus alleviate some of the near-term economic headwinds in the U.S. while vaccine distributions ramp up. Not to be overshadowed, Britain has officially left the EU, nearly four years after the original Brexit vote.

Read More: Market Report December 2020

9. Market Selloff Begins & Fed Makes First Rate Cut in Response to Unsettled Markets

Growing concerns around the spread of Coronavirus drove market movements in February. The number of confirmed cases and deaths continues to grow, leading equity markets to sell off as uncertainty around the economic outlook increases.

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10. Coronavirus Unsettles Markets

In an eventful start to the year, fears of the Coronavirus spreading throughout China and across the globe dominated the narrative to end the month. Contagion worries tripped up markets causing safe-haven assets to appreciate and risk assets to sell off, after what looked to be another hot start to the year.

Read More: Market Report January 2020

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