

Market Flash Report

April 2022

Key Takeaways

- Given a month to process the first Fed rate hike, the war in Ukraine, and now a surprise contraction of Real GDP in Q1, U.S. equities plummeted. The S&P 500 fell nearly 9% while the Nasdaq 100 had its worst month since 2008.
- The Biden Administration approved the release of emergency oil from the Strategic Petroleum Reserve, temporarily stabilizing oil prices in the U.S.
- Personal Consumption Expenditures (“PCE”), the Federal Reserve’s preferred inflation measure, rose by 6.4% YoY, the fastest pace of inflation since 1982. If food and fuel prices are stripped out, Core PCE climbed by 5.2% in the year.
- Value equities held up better than Growth equities through this month and year.
- Fixed income returns continued to tumble in April as the market adjusted to expected rate hikes and balance sheet reduction and as the Fed battles persistent inflation.

Index Performance (as of 4/29/2022)

| | April | Year-to-Date | One-Year |
|-------------------------------|---------|--------------|--------------|
| ALASKA | | | |
| ARIZONA | | | |
| CALIFORNIA | | | |
| COLORADO | | | |
| FLORIDA | | | |
| GEORGIA | | | |
| MASSACHUSETTS | | | |
| NEW JERSEY | | | |
| NEW YORK | | | |
| TEXAS | | | |
| BELLEVUE, WA | | | |
| SEATTLE, WA | | | |
| WASHINGTON D.C. | | | |
| 888-750-PATH (7284) | | | |
| www.pathstone.com | | | |
| | Current | Prior Month | One-Year Ago |
| Equity | | | |
| U.S. Large Cap | -8.72% | -12.92% | 0.21% |
| U.S. Small Cap | -9.91% | -16.69% | -16.87% |
| Developed Non-U.S. | -6.83% | -11.80% | -7.70% |
| Emerging Market | -5.55% | -12.09% | -18.06% |
| Real Assets | | | |
| Real Estate | -5.06% | -8.28% | 1.39% |
| Commodities | 4.14% | 30.75% | 45.53% |
| Natural Resource Equities | -3.17% | 25.28% | 41.82% |
| Fixed Income | | | |
| <u>Core Plus</u> | | | |
| U.S. High Yield Debt | -3.56% | -8.22% | -5.22% |
| Emerging Market Debt | -6.03% | -12.10% | -15.95% |
| <u>Core Bonds</u> | | | |
| U.S. Aggregate Bonds | -3.79% | -9.50% | -8.51% |
| U.S. Treasuries | -3.10% | -8.50% | -7.35% |
| U.S. Municipal Bonds | -1.72% | -6.39% | -6.10% |
| Month-End Values/Yield | | | |
| CBOE Volatility Index | 33.40 | 20.56 | 18.61 |
| 10-Year Treasury Yield | 2.89% | 2.59% | 1.65% |

Disclosures

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U.S. Large Cap Equity is represented by the S&P 500 Index, with dividends reinvested. U.S. Small Cap Equity is represented by the Russell 2000 Index. Developed Non-U.S. Equity is represented by the MSCI EAFE Index. Emerging Market Equity is represented by the MSCI EM Index. Real Estate is represented by the S&P Global Property Index. Commodities are represented by the Bloomberg Commodity Index. Natural Resource Equities are represented by the S&P North American Natural Resources Index. U.S. High Yield Debt is represented by the Bloomberg Barclays U.S. Corporate High Yield Index. Emerging Market Debt is represented by the JPM GMI-EM Global Diversified Index. U.S. Aggregate Bonds is represented by the Bloomberg Barclays U.S. Aggregate Bond Index. U.S. Treasuries is represented by the Bloomberg Barclays U.S. Treasury Index. U.S. Municipal Bonds is represented by the Bloomberg Barclays Municipal 1-10yr Index.