

## Weekly Wrap

*Week in Review: Market bounces back to early March levels*

The stock market resumed its bullish demeanor this week, helped by a positive vaccine update and a prevailing reopening enthusiasm that lifted most sectors. The S&P 500 (+3.2%), Dow Jones Industrial Average (+3.3%), and Nasdaq Composite (+3.4%) rose slightly more than 3%, while the small-cap Russell 2000 climbed 7.8%.

A bulk of this week's gains came at Monday's open after **Moderna (MRNA)** said a Phase 1 study for its COVID-19 vaccine candidate yielded positive interim clinical results. A *Stat News* article later cautioned about the lack of critical data provided, but Moderna defended its results and NIAID Director Fauci said he was cautiously optimistic about the data.

Other contributing factors included having all 50 U.S. states now partially reopened and Fed Chair Powell reiterating that the central bank is still not out of ammunition. At its high this week, the S&P 500 was within 20 points of its 200-day moving average (3000) and traded at its best level since March 6.

Nine of the 11 S&P 500 sectors gained at least 3.0% this week, including the industrials (+7.2%), energy (+6.1%), and real estate (+5.6%) sectors. Transport stocks provided an extra lift for the industrials space, while energy stocks followed oil prices (\$33.25, +3.87, +13.2%) higher. The health care (-0.8%) sector declined this week.

The market was also thrown more weak economic data and news that increased U.S.-China tensions, but none of it was enough to upset the market. U.S.-China news included:

- China indicating plans to implement national security laws on Hong Kong, while a bipartisan group of U.S. Senators planned to introduce legislation to sanction China in response.
- The Senate passing the Holding Foreign Companies Accountable Act, which requires certain foreign companies listed in the U.S. to certify that they are not owned or controlled by a foreign government.

- The White House issuing a report criticizing China's economic and military policies, and President Trump accusing China of a "disinformation and propaganda attack" on the U.S. and Europe.

Separately, weekly initial claims decreased by 249,000 to 2.438 million (Briefing.com consensus 2.400 million), bringing the nine-week total to 38.636 million. Continuing claims increased to an all-time high of 25.073 million. Reopening efforts should hopefully bring these numbers down in the weeks to come.

It was a relatively quiet week for U.S. Treasuries. The 2-yr yield increased two basis points to 0.17%, while the 10-yr yield decreased two basis points to 0.66%. The U.S. Dollar Index declined 0.6% to 99.77.

Index	Started Week	Ended Week	Change	% Change	YTD %
<b>DJIA</b>	23685.42	24465.16	779.74	3.3	-14.3
<b>Nasdaq</b>	9014.56	9324.59	310.03	3.4	3.9
<b>S&amp;P 500</b>	2863.70	2955.45	91.75	3.2	-8.5
<b>Russell 2000</b>	1256.99	1355.53	98.54	7.8	-18.7

Copyright (C) 2020 Briefing.com  
 Sentiment  
 Positive (1.00)  
 Related Tickers