

# Weekly Wrap

*Week in Review: S&P 500 and Nasdaq boosted by mega-cap earnings and a dovish reminder from the Fed*

The S&P 500 rose 1.7%, and Nasdaq Composite rose 3.7% in a busy week that concluded with stellar mega-cap earnings results (and reactions). The Dow Jones Industrial Average declined 0.2%, and the Russell 2000 declined 0.9%.

**Apple (AAPL), Amazon (AMZN), Alphabet (GOOG), and Facebook (FB)** exceeded quarterly expectations, sending shares, except GOOG, noticeably higher on Friday. Naturally, investors entered the weekend wondering if these stocks can sustain these gains and, consequently, mitigate a possible market pullback. Earlier in the week, shareholders were unfazed by the House Judiciary Committee's antitrust hearing.

The S&P 500 consumer discretionary (+9.0%), information technology (+5.0%), and real estate (+4.1%) sectors advanced the most this week, while the energy (-4.3%), materials (-4.2%), financials (-0.9%), and industrials (-0.2%) sectors underperformed.

These cyclical sectors were pressured by economic data that showed Q2 GDP decline at an annualized rate of 32.9% (Briefing.com consensus -35.0%), initial and continuing jobless claims increase on a weekly basis, and consumer confidence and consumer sentiment decline in July versus June. In addition, lawmakers extended their coronavirus relief bill talks into the weekend.

The Fed was in the spotlight, too. The FOMC left rates unchanged, Fed Chair Powell made it abundantly clear that the central bank is not going to raise rates anytime soon, and the Fed extended its lending facilities through the end of the year.

Other notable developments included the U.S. Dollar Index (93.46) falling to a 2-year low and gold futures (\$1986.20) breaking out to new highs. The 2-yr yield declined four basis points to 0.10%, and the 10-yr yield declined four basis points to 0.54%. WTI crude fell 2.3%, or \$0.95, to \$40.13/bbl.

Index	Started Week	Ended Week	Change	% Change	YTD %
<b>DJIA</b>	26469.89	26428.32	-41.57	-0.2	-7.4
<b>Nasdaq</b>	10363.18	10745.27	382.09	3.7	19.8
<b>S&amp;P 500</b>	3215.63	3271.12	55.49	1.7	1.2
<b>Russell 2000</b>	1467.55	1480.43	12.88	0.9	-11.2

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Rank : positive