



WEEKLY MARKET WRAP

REVIEW & PREVIEW

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Stocks rallied on a new Russia-Ukraine ceasefire and final 4th quarter earnings reports that showed generally better than expected earnings across most sectors. The President's Day shortened trading week keeps market focus overseas as Greek debt negotiations continue in Europe with a Friday deadline extension.

- Economic Update:** Both retail sales and import prices were down to falling energy prices. The Job Openings and Labor Turnover Survey (JOLTS) surpassed 5.0 million job openings. Consumer sentiment fell to 93.6 on the week.
- Russia-Ukraine Ceasefire:** Russian and Ukraine agreed to a ceasefire last week in negotiations led by both France and Germany. The ceasefire was to begin this weekend though fighting appears to be ongoing in key rail and shipping towns according to reports. Economies in both countries are facing collapsing currencies, inflation, and severe recessions.
- Greek Debt Negotiations:** Greek debt negotiations broke down on Monday, with lack of common ground as Greece approaches a Friday deadline for extending their debt agreement with the European Union. Greece could run out of cash as early as March without new financing arrangements. Meanwhile German Investor Optimism reached a 12-month high as 4th quarter GDP grew by 0.7%, better than expected.
- 4th Quarter Earnings Update:** 80% of S&P 500 earnings have been reported with improving earnings over the last two weeks. The blended EPS growth rate is now 3.1%, better than the 1.7% going into the season. The Tech sector has led upside surprises.
- Low Interest Rate Investing:** The Bank of Indonesia cut interest rates, joining Australia, Sweden, and Russian in central bank rate cuts this year. There have been 540 interest rate cuts since Lehman collapse in 2008.

<i>Index/Portfolio Returns</i>	<i>% Change Week</i>	<i>% Change QTD</i>	<i>% Change YTD</i>
Barclays Aggregate Bond	-0.23	0.83	0.83
Barclays High Yield	0.24	1.89	1.89
Barclays Glb Agg Bond	-0.02	-0.78	-0.78
JPM Emerging Mkts Bond	0.18	1.11	1.11
S&P 500 Index	2.10	2.12	2.12
Russell 3000	2.05	2.33	2.33
Russell 2000	1.50	1.63	1.63
NASDAQ Composite	3.18	3.48	3.48
S&P Global BMI	1.74	2.70	2.70
MSCI EAFE Index	1.55	3.74	3.74
MSCI EAFE Small Cap	1.68	3.52	3.52
MSCI Emerging Markets	0.88	3.30	3.30

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