



THE WEEK IN REVIEW

Major U.S. equity indexes finished the week slightly lower despite optimism surrounding U.S. fiscal stimulus negotiations, improving economic data, and some positive reports to kick off earnings season. The S&P 500, Dow Jones, and Nasdaq recorded weekly declines of 0.5%, 1.0% and 1.1%, respectively. Coca-Cola (KO) and AT&T (T) climbed 1.0% and 1.8%, respectively, after posting better-than-expected net income and revenue numbers. Meanwhile, shares of recent market darling Tesla (TSLA) declined 4.3% despite reporting its highest ever quarterly profit. In Washington on Thursday, House Speaker Nancy Pelosi signaled that progress has been made in discussions with Treasury Secretary Steve Mnuchin to deliver a new stimulus package focused on financial relief to combat the economic effects of the pandemic. Both sides have been working to meet in the middle, hoping to reach a deal near \$2 trillion before the election. This week, yields on the 10-year U.S. Treasury note moved to their highest levels since June amid increased expectations for negotiations to result in another stimulus package.

The Department of Justice filed an antitrust lawsuit against technology giant Alphabet's (GOOGL) Google segment this week, accusing the company of blocking out competitors by paying large companies to use its platform. The government stated that Google illegally maintains a monopoly and will step in to protect free market access for customers. Google is the first major U.S. technology firm to see a major antitrust lawsuit since Microsoft in 1998.

Homebuilder sentiment data released this week by the National Association of Home Builders (NAHB) set another record high of 85, above consensus estimates of 83. September and August now mark the first two months the index has ever read over 80, with any reading above 50 indicating a positive market for new home sales and construction. U.S. homebuilders started construction on homes at a seasonally adjusted annual rate of 1.415 million units in September, a 1.9% month-over-month increase. The bulk of the September increase stemmed from an 8.5% uptick in single-family home starts. New home permits also increased 5% from August to 1.55 million. Existing home sales grew 9.4% in September to a seasonally adjusted rate of 6.54 million, marking a 15-year high. The September sales figure represented a 20.9% year-over-year increase, suggesting a healthy level of demand in the housing market.

| ECONOMIC INDICATOR | LATEST | 3MO PRIOR | CHANGE |
|---|--------|-----------|--------|
| Housing Starts (Millions Annualized) | 1.42 | 1.27 | ▲ |
| Building Permits (Millions Annualized) | 1.55 | 1.26 | ▲ |
| Existing Home Sales (Millions Annualized) | 6.54 | 4.70 | ▲ |
| Leading Economic Indicators (Y/Y) | -3.9% | -7.8% | ▲ |

| INDEX | LEVEL | WEEK | YTD | 12 MO |
|---------------------------|----------|--------|--------|--------|
| DJ Industrial Average | 28335.57 | -0.95% | -0.71% | 5.60% |
| NASDAQ | 11548.28 | -1.06% | 28.71% | 42.22% |
| S&P 500 | 3465.39 | -0.53% | 7.26% | 15.30% |
| MSCI EAFE | 1874.07 | -0.44% | -8.00% | -3.02% |
| Bbg Barclays Aggregate US | 2365.23 | -0.47% | 6.30% | 6.67% |

| KEY BOND RATES | WEEK | 1MO AGO | 1YR AGO |
|------------------|-------|---------|---------|
| 3-Month T-Bill | 0.09% | 0.09% | 1.65% |
| 10-Year Treasury | 0.84% | 0.67% | 1.76% |

| REPORTS DUE NEXT WEEK | LATEST |
|---------------------------------------|--------|
| New Home Sales (Thousands Annualized) | 1,011 |
| Conf. Board Consumer Confidence | 101.8 |
| U. of Mich. Consumer Sentiment | 81.2 |
| GDP (Q/Q Annualized) | -31.4% |
| Core PCE Price Index (Y/Y) | 1.6% |

Price returns as of the last available closing data. Source data: Bloomberg and Morningstar are believed to be correct but not verified.

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