

# Memorandum

## April 2021 Market Update

### Equities: Can't Stop Won't Stop

The S&P 500 posted a string of new records and finished April with a 5.3% return for the month; it is now up nearly 12% for the year. The welcome trends of better economic data, strong corporate earnings and loosening of restrictions at the state and local levels remain intact. Growth stocks have rather consistently underperformed value stocks since last August, but large cap growth, in particular, regained some shine and returned 6.8% for the month, while large cap value returned 4.0%. Still, large cap value stocks have returned double that of large cap growth stocks year-to-date (15.7% vs 7.8%). Small cap returns (2.1%) were more modest again this month, as were gains for developed international markets (3.0%) and the emerging markets (2.5%).

Equity	MTD (%)	Equity	YTD (%)
<b>All Cap U.S. Stocks</b>		<b>All Cap U.S. Stocks</b>	
Russell 3000	5.2	Russell 3000	11.8
Growth	6.5	Growth	7.8
Value	3.9	Value	16.2
<b>Large Cap U.S. Stocks</b>		<b>Large Cap U.S. Stocks</b>	
S&P 500	5.3	S&P 500	11.8
Russell 1000	5.4	Russell 1000	11.6
Growth	6.8	Growth	7.8
Value	4.0	Value	15.7
<b>Mid Cap U.S. Stocks</b>		<b>Mid Cap U.S. Stocks</b>	
S&P 400	4.5	S&P 400	18.6
Russell Midcap	5.1	Russell Midcap	13.7
Growth	5.6	Growth	5.0
Value	4.8	Value	18.5
<b>Small Cap U.S. Stocks</b>		<b>Small Cap U.S. Stocks</b>	
S&P 600	2.0	S&P 600	20.6
Russell 2000	2.1	Russell 2000	15.1
Growth	2.2	Growth	7.2
Value	2.0	Value	23.6
<b>International</b>		<b>International</b>	
MSCI EAFE NR (USD)	3.0	MSCI EAFE NR (USD)	6.6
MSCI EAFE NR (LOC)	1.3	MSCI EAFE NR (LOC)	9.0
MSCI EM NR (USD)	2.5	MSCI EM NR (USD)	4.8
MSCI EM NR (LOC)	1.6	MSCI EM NR (LOC)	5.6

Sources: Russell, MSCI & S&P

## Bonds: Stopped

The 10-year Treasury yield closed 9 bps lower for the month at 1.65%, a welcome reprieve for bond investors after a tough start to the year. Strong institutional and foreign demand for U.S. Treasuries and faith in the Fed (at least for some) to keep interest rates near zero in the face of rising inflation and growth expectations seems to have placated bond markets. Time will tell if yields have peaked for now or if this is a blip on a path to higher yields. The Bloomberg Barclays U.S. Aggregate Index returned 0.8%, while investment grade and high yield credit both returned 1.1%. The U.S. Aggregate Index is now down 2.6% through the first four months of the year. The divergence between investment grade (-3.4%) and high yield (1.9%) is material and reflects the overall bullish sentiment pervading risk markets.

Fixed Income	MTD (%)	Fixed Income	YTD (%)
<i>Barclays Capital</i>		<i>Barclays Capital</i>	
U.S. Aggregate	0.8	U.S. Aggregate	-2.6
U.S. Treasury: 1-3 Year	0.0	U.S. Treasury: 1-3 Year	0.0
U.S. Treasury	0.7	U.S. Treasury	-3.5
U.S. Treasury Long	2.3	U.S. Treasury Long	-11.5
U.S. TIPS	1.4	U.S. TIPS	-0.1
U.S. Credit: 1-3 Year	0.2	U.S. Credit: 1-3 Year	0.1
U.S. Intermediate Credit	0.7	U.S. Intermediate Credit	-1.4
U.S. Credit	1.1	U.S. Credit	-3.4
U.S. Intermediate G/C	0.5	U.S. Intermediate G/C	-1.4
U.S. Govt/Credit	0.9	U.S. Govt/Credit	-3.4
U.S. Govt/Credit Long	2.0	U.S. Govt/Credit Long	-8.7
U.S. MBS	0.6	U.S. MBS	-0.6
U.S. Corp High Yield	1.1	U.S. Corp High Yield	1.9
Global Aggregate (USD)	1.3	Global Aggregate (USD)	-3.3
Emerging Markets (USD)	1.3	Emerging Markets (USD)	-2.2

Source: Barclays

Please let us know if you would like any additional information or if you have any questions.

**Segal Marco Advisors**