

S&P 500 Endures Worst Week Since 2008

The stock market endured its worst week since 2008, as the S&P 500 fell 11.5% while the Dow Jones Industrial Average surrendered 12.4%.



Equities faced heavy selling pressure throughout the week as coronavirus-related fears caught up to the market, which appeared immune to these concerns just a week ago. The accelerating spread of the coronavirus outside of China was the main worry, leading to greater uncertainty about the viability of global supply chains. Intel (INTC) ordered its employees to avoid travel to China and several other countries, but on the bright side, Apple (AAPL) CEO, Tim Cook, said on Thursday that his company is working toward resumption of full production.

U.S. health officials acknowledged that the coronavirus is likely to spread through the U.S., which contributed to the pressure on stocks. The CBOE Volatility Index jumped more than 23 points

to 40%, ending the week at its highest level since February 2018 when an inverse volatility ETN imploded.

The communication services sector (-9.5%) was the only group with a slimmer loss than 10.0% while the remaining sectors retreated between 10.4% (consumer staples) and 15.4% (energy). The growth-sensitive energy sector widened its Q1 loss to 24.7% while crude oil lost \$8.54, or 16.0%, since last Friday, falling to its lowest level since late 2018.

Treasuries charged higher throughout the week, sending the 10-yr yield lower by 34 basis points to a fresh record low of 1.13%.

Past performance is not a guarantee of future results. Indices are unmanaged and one cannot invest directly in an index. Diversification does not guarantee investment returns and does not eliminate the risk of loss.

Data and rates used were indicative of market conditions as of the dates shown and compiled by Briefing.com. Opinions, estimates, forecasts, and statements of financial market trends are based on current market conditions and are subject to change without notice. References to specific securities, asset classes and financial markets are for illustrative purposes only and do not constitute a solicitation, offer, or recommendation to purchase or sell a security. S&P 500 Index is a market index generally considered representative of the stock market as a whole. The index focuses on the large-cap segment of the U.S. equities market. Each company's security affects the index in proportion to its market value. NASDAQ Composite Index is a market value-weighted index that measures all NASDAQ domestic and non-U.S. based common stocks listed on the NASDAQ stock market. Dow Jones Industrial Average is a widely used indicator of the overall condition of the stock market, a price-weighted average of 30 actively traded blue chip stocks, primarily industrials, but also includes financial, leisure and other service-oriented firms. Russell 2000 Index measures the performance of the smallest 2,000 companies in the Russell 3000 Index of the 3,000 largest U.S. companies in terms of market capitalization. MSCI Emerging Markets Index is a free float-adjusted market capitalization index that is designed to measure equity market performance of emerging markets.

Park Avenue Securities LLC (PAS) is a wholly-owned subsidiary of The Guardian Life Insurance Company of America (Guardian). PAS is a registered broker/dealer offering competitive investment products, as well as a registered investment advisor offering financial planning and investment advisory services. PAS is a member of FINRA and SIPC.

Provided by Briefing.com