



## Market Update: Q1 2022

---

April 15<sup>th</sup>, 2022 | [www.putmanfinancialgroup.com](http://www.putmanfinancialgroup.com) |





## Quarterly Market Summary

Index returns: Q1 2022

	US Stock Market	Intl. Developed Stocks	Emerging Markets Stocks	Global Real Estate	US Bond Market	Global Bond Market ex US
<b>Q1 2022</b>	<b>STOCKS</b>				<b>BONDS</b>	
	-5.28%	-4.81%	-6.97%	-3.81%	-5.93%	-4.05%
<b>Since Jan. 2001</b>						
<b>Average Quarterly Return</b>	2.4%	1.6%	2.8%	2.6%	1.0%	1.0%
<b>Best Quarter</b>	2020 Q2	2009 Q2	2009 Q2	2009 Q3	2001 Q3	2008 Q4
	22.0%	25.9%	34.7%	32.3%	4.6%	4.6%
<b>Worst Quarter</b>	2008 Q4	2020 Q1	2008 Q4	2008 Q4	2022 Q1	2022 Q1
	-22.8%	-23.3%	-27.6%	-36.1%	-5.9%	-4.1%



## Long Term Market Summary

Index returns as of March 31, 2022

	US Stock Market	Intl. Stocks	Emerging Markets Stocks	Global Real Estate	US Bond Market	Global Bond Market ex US
<b>1 Year</b>	<b>STOCKS</b>				<b>BONDS</b>	
	11.92%	3.04%	-11.37%	18.97%	-4.15%	-3.56%
<b>5 Years</b>						
	15.40%	7.14%	5.98%	7.10%	2.14%	2.25%
<b>10 Years</b>						
	14.28%	6.25%	3.36%	7.48%	2.24%	3.20%

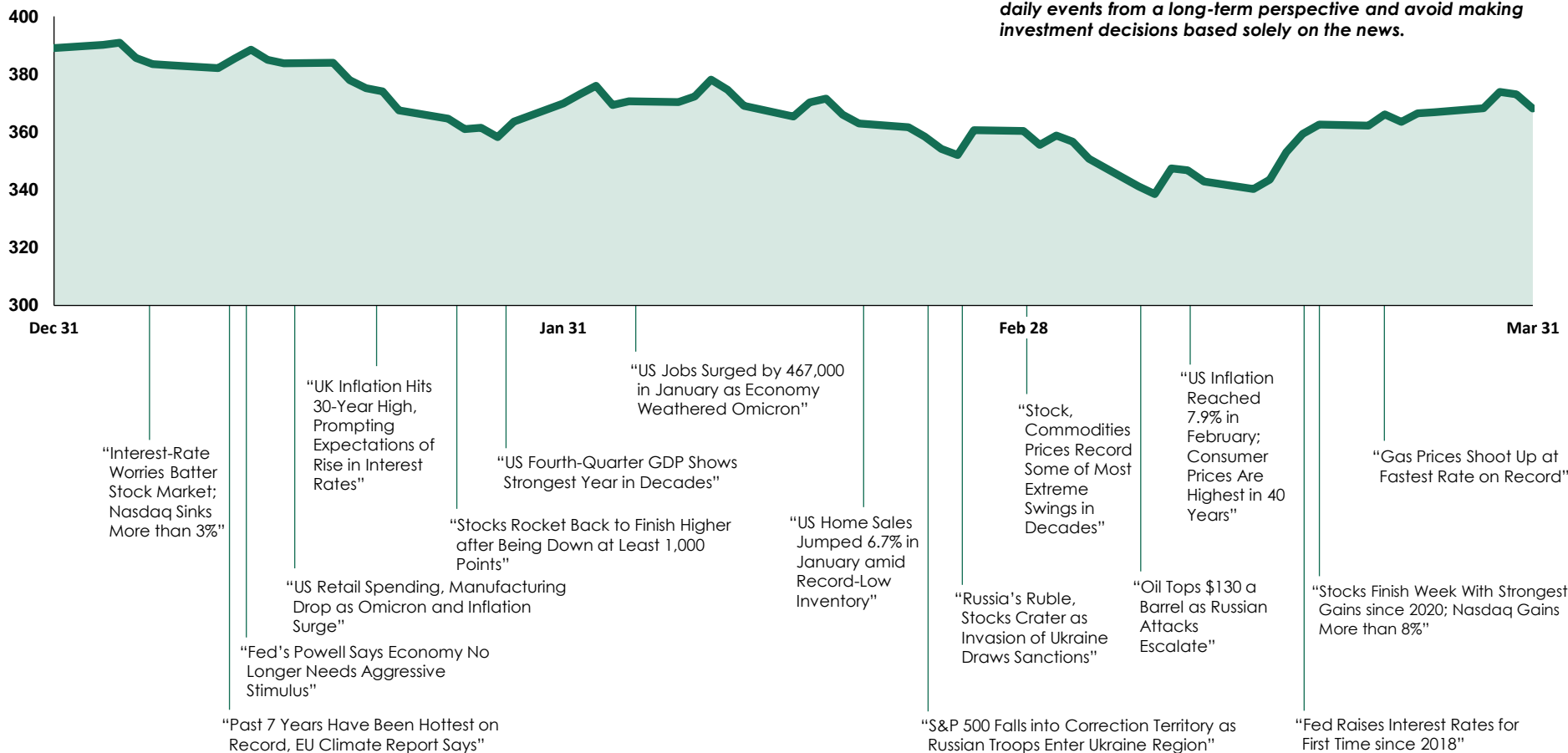
Past performance is not a guarantee of future results. Indices are not available for direct investment. Index performance does not reflect the expenses associated with the management of an actual portfolio. Market segment (index representation) as follows: US Stock Market (Russell 3000 Index), International Developed Stocks (MSCI World ex USA Index [net dividends]), Emerging Markets (MSCI Emerging Markets Index [net dividends]), Global Real Estate (S&P Global REIT Index [net dividends]), US Bond Market (Bloomberg US Aggregate Bond Index), and Global Bond Market ex US (Bloomberg Global Aggregate ex-USD Bond Index [hedged to USD]). S&P data © 2022 S&P Dow Jones Indices LLC, a division of S&P Global. All rights reserved. Frank Russell Company is the source and owner of the trademarks, service marks, and copyrights related to the Russell Indexes. MSCI data © MSCI 2022, all rights reserved. Bloomberg data provided by Bloomberg.



## World Stock Market Performance

MSCI All Country World Index with selected headlines from Q1 2022

Q1 2022





## US Stocks

Index Returns: Q1 2022

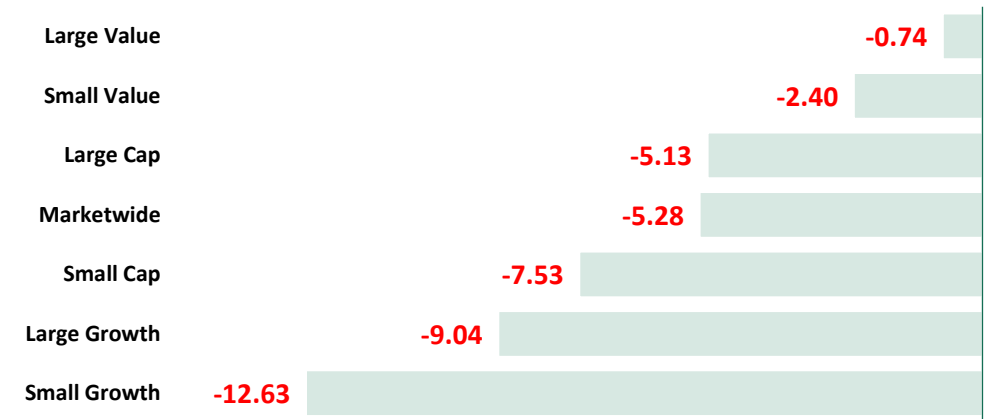
The US equity market posted negative returns for the quarter and underperformed non-US developed markets, but outperformed emerging markets.

Value outperformed growth.

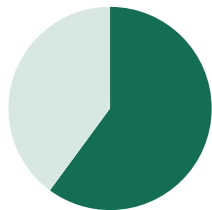
Small caps underperformed large caps.

REIT indices outperformed equity market indices.

### Ranked Returns (%)



### World Market Capitalization—US



60%

US Market  
\$44.9 trillion

### Period Returns (%)

\* Annualized

Asset Class	QTR	1 Year	3 Years*	5 Years*	10 Years*
Large Value	-0.74	11.67	13.02	10.29	11.70
Small Value	-2.40	3.32	12.73	8.57	10.54
Large Cap	-5.13	13.27	18.71	15.82	14.53
Marketwide	-5.28	11.92	18.24	15.40	14.28
Small Cap	-7.53	-5.79	11.74	9.74	11.04
Large Growth	-9.04	14.98	23.60	20.88	17.04
Small Growth	-12.63	-14.33	9.88	10.33	11.21



## Intl. Developed Stocks

Index Returns: Q1 2022

Developed markets outside of the US posted negative returns for the quarter and outperformed both US equities and emerging markets.

Value outperformed growth.

Small caps underperformed large caps.

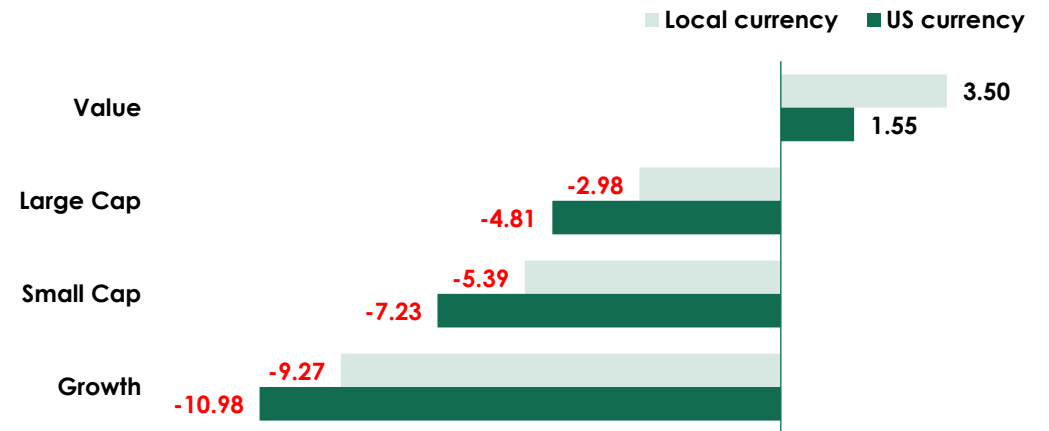
## World Market Capitalization—Intl. Developed

29%

International  
Developed Market  
\$21.5 trillion



## Ranked Returns (%)



## Period Returns (%)

\* Annualized

Asset Class	QTR	1 Year	3 Years*	5 Years*	10 Years*
Value	1.55	6.18	6.29	4.86	5.02
Large Cap	-4.81	3.04	8.55	7.14	6.25
Small Cap	-7.23	-1.69	9.55	7.79	7.78
Growth	-10.98	-0.32	10.20	9.07	7.26



## Emerging Markets Stocks

Index Returns: Q1 2022

Emerging markets posted negative returns for the quarter, underperforming the US and non-US developed equity markets.

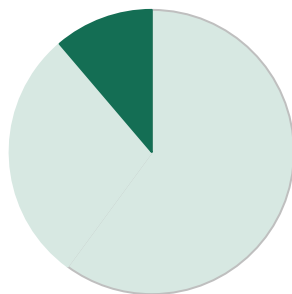
Value outperformed growth.

Small caps outperformed large caps.

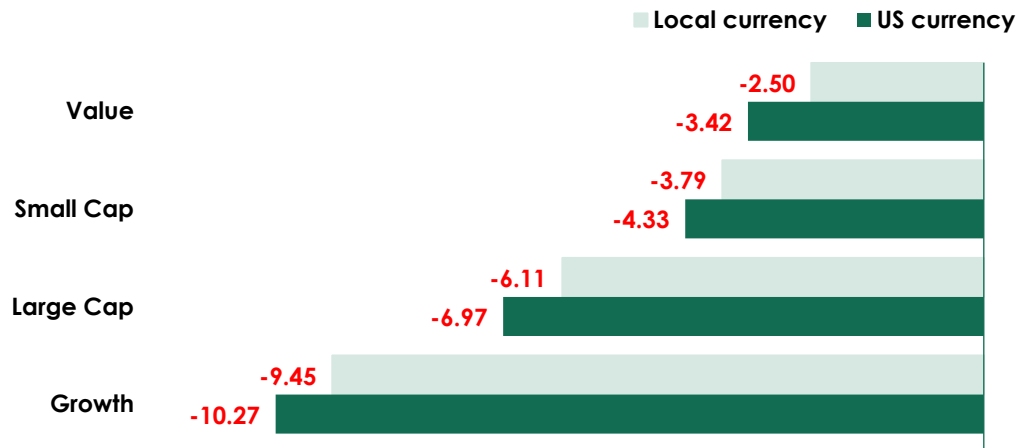
### World Market Capitalization—Emerging Markets

11%

Emerging Markets  
\$8.4 trillion



### Ranked Returns (%)



### Period Returns (%)

\* Annualized

Asset Class	QTR	1 Year	3 Years*	5 Years*	10 Years*
Value	-3.42	-3.53	3.22	4.24	1.58
Small Cap	-4.33	5.52	11.93	7.81	5.31
Large Cap	-6.97	-11.37	4.94	5.98	3.36
Growth	-10.27	-18.29	6.42	7.51	5.00

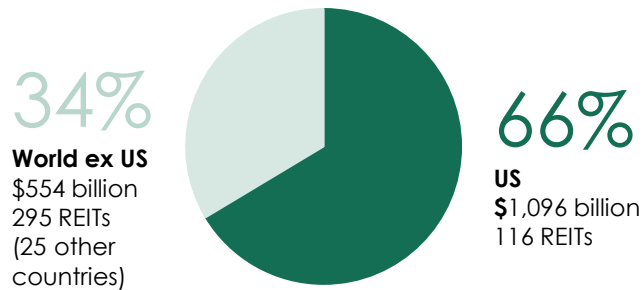


## Real Estate Investment Trusts (REITs)

Index Returns: Q1 2022

US real estate investment trusts underperformed non-US REITs during the quarter.

### Total Value of REIT Stocks



### Ranked Returns (%)

Global ex US REITS

-2.95

US REITS

-3.71

### Period Returns (%)

\* Annualized

Asset Class	QTR	YTD	1 Year	3 Years*	5 Years*	10 Years*
Global ex US REITS	-2.95	27.60	7.00	2.85	4.66	5.72
US REITS	-3.71	26.45	27.72	9.90	8.89	9.17



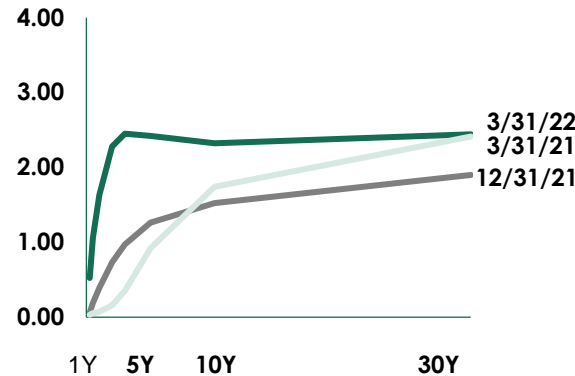


## Fixed Income

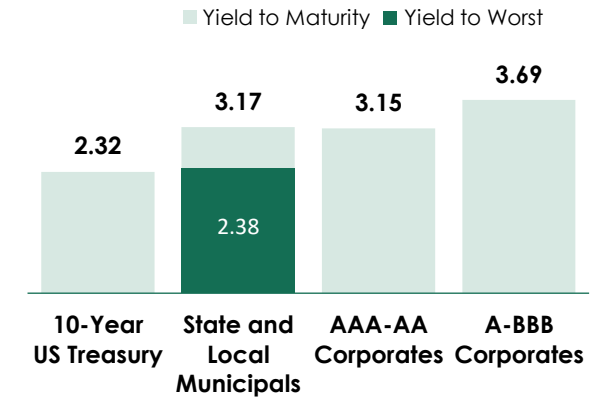
Index Returns: Q1 2022

- Interest rates increased across all maturities in the US Treasury market for the quarter.
- The yield on the 5-Year US Treasury Note increased 116 basis points (bps) to 2.42%. The yield on the 10-Year US Treasury Note increased 80 bps to 2.32%. The yield on the 30-Year US Treasury Bond increased 54 bps to 2.44%.
- On the short end of the yield curve, the 1-Month US Treasury Bill yield increased 11 bps to 0.17%, while the 1-Year US Treasury Bill yield increased 124 bps to 1.63%. The yield on the 2-Year US Treasury Note increased 155 bps to 2.28%.
- In terms of total returns, short-term corporate bonds returned -3.73% and intermediate-term corporate bonds returned -5.25%.<sup>1</sup>
- The total return for short-term municipal bonds was -3.33% and -5.77% for intermediate-term municipal bonds. Within the municipal fixed income market, general obligation bonds outperformed revenue bonds, returning -6.07% versus -6.54%, respectively.<sup>2</sup>

### US Treasury Yield Curve (%)



### Bond Yield Across Issuers (%)



### Period Returns (%)

\*Annualized

Asset Class	QTR	YTD	1 Year	3 Years**	5 Years**	10 Years**
ICE BofA US 3-Month Treasury Bill Index	0.04	-4.57	0.06	0.81	1.13	0.63
ICE BofA 1-Year US Treasury Note Index	-0.80	5.96	-0.94	1.01	1.22	0.78
FTSE World Government Bond Index 1-5 Years (hedged to USD)	-2.38	1.52	-2.81	0.86	1.34	1.36
Bloomberg U.S. TIPS Index	-3.02	5.28	4.29	6.22	4.43	2.69
FTSE World Government Bond Index 1-5 Years	-3.56	-1.54	-5.58	0.05	0.74	-0.64
Bloomberg U.S. High Yield Corporate Bond Index	-4.84	0.05	-0.66	4.58	4.69	5.75
Bloomberg U.S. Aggregate Bond Index	-5.93	-0.07	-4.15	1.69	2.14	2.24
Bloomberg Municipal Bond Index	-6.23	-0.80	-4.47	1.53	2.52	2.88
Bloomberg U.S. Government Bond Index Long	-10.57	-4.43	-1.46	3.23	3.88	3.96

1. Bloomberg US Corporate Bond Index.  
2. Bloomberg Municipal Bond Index.

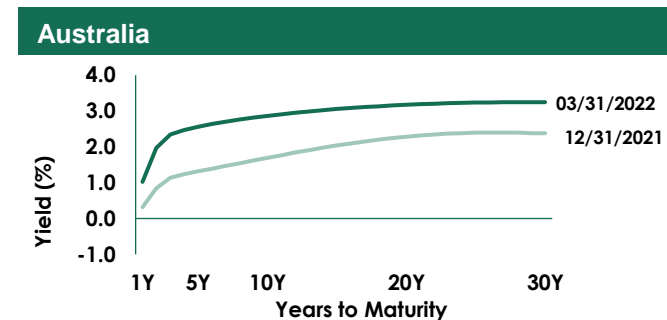
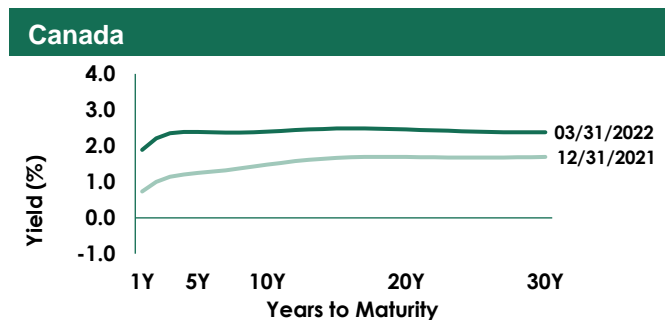
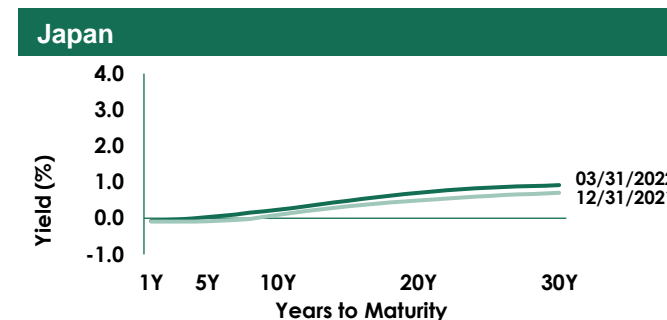
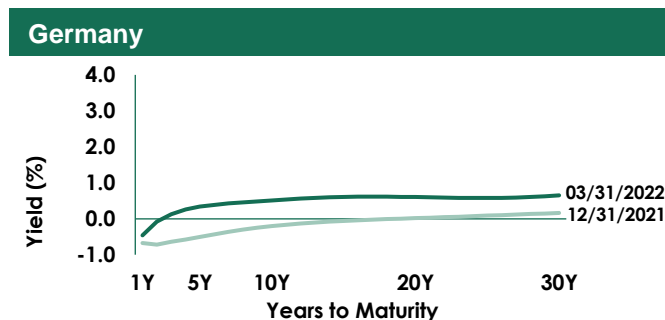
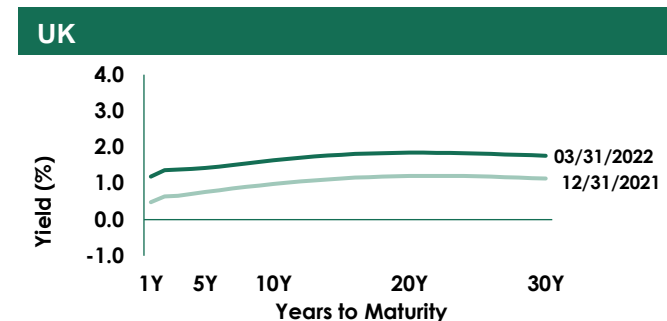
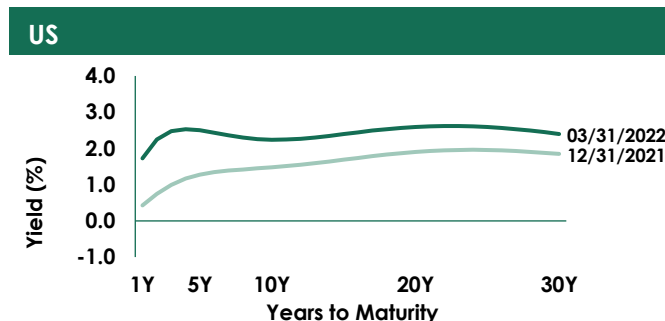
One basis point (bps) equals 0.01%. Past performance is not a guarantee of future results. Indices are not available for direct investment. Index performance does not reflect the expenses associated with the management of an actual portfolio. Yield curve data from Federal Reserve, State and local bonds, and the Yield to Worst are from the S&P National AMT-Free Municipal Bond Index. AAA-AA Corporates represent the ICE BofA US Corporates, AA-AAA rated. A-BBB Corporates represent the ICE BofA Corporates, BBB-A rated. Bloomberg data provided by Bloomberg, US long-term bonds, bills, inflation, and fixed income factor data © Stocks, Bonds, Bills, and Inflation (S&BI) Yearbook™, Ibbotson Associates, Chicago (annually updated work by Roger G. Ibbotson and Rex A. Sinquefeld). FTSE fixed income indices © 2022 FTSE Fixed Income LLC, all rights reserved. ICE BofA index data © 2022 ICE Data Indices, LLC. S&P data © 2022 S&P Dow Jones Indices LLC, a division of S&P Global. All rights reserved.



## Global Fixed Income

Yield Curves: Q1 2022

- Interest rates increased across all maturities within the global developed markets for the quarter.
- Realized term premiums were negative in the global developed markets.
- In Japan and Germany, intermediate-term nominal interest rates became positive during the quarter. However, short-term nominal interest rates remained negative in these markets.



### Changes in Yields (bps) since 12/31/2021

	1Y	5Y	10Y	20Y	30Y
<b>US</b>	130.0	123.0	76.4	69.5	55.5
<b>UK</b>	70.7	66.5	65.5	64.2	63.2
<b>Germany</b>	21.3	84.4	71.4	58.3	48.4
<b>Japan</b>	1.6	11.5	14.1	21.3	21.2
<b>Canada</b>	115.0	114.3	91.8	76.7	68.0
<b>Australia</b>	70.3	124.1	116.9	89.0	86.7