W. James Steen, CFP®
jim@petrafin.com

Jason A. Pearson, CFP®
jason@petrafin.com

(O) 937.294.9000
www.petrafinancialsolutions.com

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- U.S. equities were mixed in February. The Dow Jones Industrial Average rose 0.75% and the NASDAQ Composite Index fell 1.03%.
- West Texas Intermediate (WTI) crude oil rallied from a $28.83 low on February 11, finishing the month at $33.75/barrel.
- Gold futures surged 10.8% in February—its largest monthly gain in four years—becoming the best performing asset class so far this year, up 16.7%.

The S&P 500 fell 0.8% on the last session of the month. This Leap Year trading day erased a monthly gain for the S&P 500 and the index finished February fractionally lower, posting its third consecutive monthly decline. Traders attributed the February 29 pullback to month-end profit-taking, following a 6.5% rebound rally during the two weeks since falling to a 22-month low on February 11. After investors wrestled in January with weak oil and slowing growth trends in China, which threatened to spill over to other world markets, February essentially benefited from signs of stabilization. Thanks in part to a pending oil production freeze deal led by Saudi Arabia and Russia, crude oil futures finished February with a 0.4% gain—its first monthly gain since October. Oil and other commodities advanced after China's central bank relaxed its banking reserve requirement to help spur additional lending. In the U.S., recent economic data showed continued weak manufacturing readings, while inflation ticked slightly higher and retail sales remained resilient. Commerce officials also upwardly revised their annualized estimate of fourth quarter gross domestic product (GDP) growth from 0.7% to 1%. The Atlanta Fed's GDPNow forecast points to first quarter GDP growth of 1.9%, with consumer spending expected to increase by 3.1%. GDPNow digests incoming economic data from the 13 subcomponents that comprise GDP and forecasts upcoming GDP growth.

Six of the ten major sector groups advanced in February, with Materials (+7.60%), Industrials (+3.99%) and Telecom (+2.69%) having the strongest gains. Financials (-2.94%) was the worst performer in February. On a year-to-date (YTD) basis, Telecom (+9.64%) is up the most, while Financials (-11.53%) is down the most.

Mid-cap domestic stocks, as measured by the Russell Mid-Cap Index, rose 1.13% in February, widely outperforming its large and small-cap counterparts. Small-cap stocks, as measured by the Russell 2000 Index, were unchanged. Value stocks slightly outperformed growth in February, with the Russell 1000 Value Index slipping 0.03% and the Russell 1000 Growth Index falling 0.04%.

Internationally, the MSCI EAFE Index, a broad measure of global developed markets outside of the U.S. and Canada, fell 1.83% last month. The STOXX Europe 600 ended the month with its first three-day rally of the year, paring its February loss to 2.12%. Japan's Nikkei 225 Index sank over 8% for a second month. The MSCI Emerging Markets Index fared better, falling just 0.16% in February. China's Shanghai Composite Index extended January's near 23% plunge, falling 1.80% last month.

Treasuries, as measured by the Barclays U.S. Government Bond Index, gained 0.86% in February, extending its YTD gain to 2.95%. Benchmark 10-year U.S. Treasuries rallied in February, sending its yield down nearly twenty basis points during the month to end at 1.736%. The Barclays U.S. Municipal Bond Index rose 0.16% in February. U.S. investment grade corporate, government and agency-backed bonds, as measured by the Barclays U.S. Aggregate Bond Index, gained 0.71% last month. At the other end of the credit spectrum, the Barclays U.S. Corporate High Yield Index, a proxy for below-investment grade corporate bonds, rose 0.57% in February, trimming its YTD loss to 1.04%.

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