

## TPFG Manager Commentary:

It was a choppy week, but equities were generally positive as the S&P 500 rose 1.54%. Mid and small caps strongly outperformed, up 4.76% and 5.05%, respectively. Real Estate was the top performing sector, while Energy stocks lagged yet again. Value outperformed Growth, and the Technology sector lagged a bit. Political news added to volatility during the week, with the first presidential debate concluding on Tuesday, and fiscal stimulus talks in Congress ongoing. President Trump tested positive for coronavirus on Thursday evening. Economic data was mixed. Inflation rose slightly, with the Core PCE Index, the Federal Reserve's preferred measure, rising to 1.6% in August, though still well below the 2.0% target. U.S. manufacturing continued to expand in September, though slower than in August. US unemployment fell to 7.9%, mostly due to 700,000 people leaving the workforce.



### Economic Review\*

- Unemployment rate at 7.9%
- Initial jobless claims at 837,000
- Pending home sales jumped 8.8% m/m
- Consumer confidence rose to 101.8
- Markit manufacturing PMI at 53.2
- ISM manufacturing PMI at 55.4
- Core PCE rose 1.6% y/y
- PCE rose 1.4% y/y

### Strategic Partner: BlackRock®

BlackRock® is a publicly traded asset manager and technology company with an objective to create better financial futures for their clients and the people they serve. Over the past 30 years, BlackRock has evolved from an eight-person start up to a global company managing well over \$7.0 trillion in assets. With a platform of dedicated sustainable investment solutions, BlackRock advocates for sound corporate governance and sustainable business practices that result in long-term value creation for investors. They pride themselves on their solutions that result from the constant collaboration between their diverse teams.



### Spotlight: PFG BR Equity ESG Strategy

This core Strategy seeks growth of capital by investing tactically in BlackRock®'s global ETFs with a commitment to sustainability. With BlackRock®'s passive underlying ESG funds, this Strategy is agile and adds value with the ability to make large tactical shifts. Aggressive in nature, this PFG Strategy reflects the size, and leadership of BlackRock®. Find this Strategy within four of our Strategy PLUS model categories.

The Strategy utilizes tactical, low-cost, index exposure to a diversified model with extensive focus on companies that exhibit positive environmental, social, and governance characteristics. Most positions have been additive since inception in May. ESG Emerging Markets and ESG USA equities have done well, while ESG EAFE equities have lagged slightly. An ESG small cap position added in June has kept up with the benchmark.

### BlackRock® is available in these Strategy PLUS™ models:

- Focus: Aggressive
- Multi PLUS: Aggressive, Moderate Growth, Moderate

### Trailing Returns

	1 Week	1 Month	3 Month	1 Year
S&P 500 TR USD	1.54	-6.37	7.41	18.20
S&P MidCap 400 TR	—	—	—	—
S&P SmallCap 600 TR USD	5.05	-4.60	6.76	-3.08
MSCI ACWI NR USD	1.68	-4.89	6.44	13.10
MSCI EM NR USD	2.21	-3.13	6.37	11.86
BBgBarc US Agg Bond TR USD	-0.09	-0.50	0.45	6.59

### YTD S&P Sector Returns

- S&P 500 TR
- Communication Services
- Consumer Discretionary
- Consumer Staples
- Energy
- Financials
- Health Care
- Industrials
- Real Estate
- Materials
- Technology
- Utilities





# Weekly Manager's Pulse

October 5, 2020

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## Disclosure

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Indices represent the broader market as relevant to the sector or market covered by the index. Indices are unmanaged and cannot be invested in directly. Indices do not consider the costs, fees, trading, or performance that an investor would otherwise experience when investing. Returns are not annualized for periods less than 1 year.

Returns data sourced from Morningstar Direct.

\* Sourced from JPMorgan Chase, publicly available at <https://am.jpmorgan.com/us/en/asset-management/gim/adv/insights/weekly-market-recap>

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