



- Domestic Equities wrapped up the last trading week of May on a positive note – the S&P 500 returned 1.19% for the week, while the tech-oriented NASDAQ Composite returned 2.07%. May was the fourth consecutive positive month for the S&P 500.
- According to Factset data, first quarter earnings for S&P 500 companies are on pace to rise 50% year-over-year – exceeding lofty analyst expectations by 23%. Increased operating margins and the rebound of cyclical sectors (such as Energy and Financials) have been key drivers of the outperformance.
- President Biden proposed a \$6 trillion budget for the upcoming fiscal year – an increase of roughly \$1.2T over fiscal year 2021.

Figure 1. Index Performance

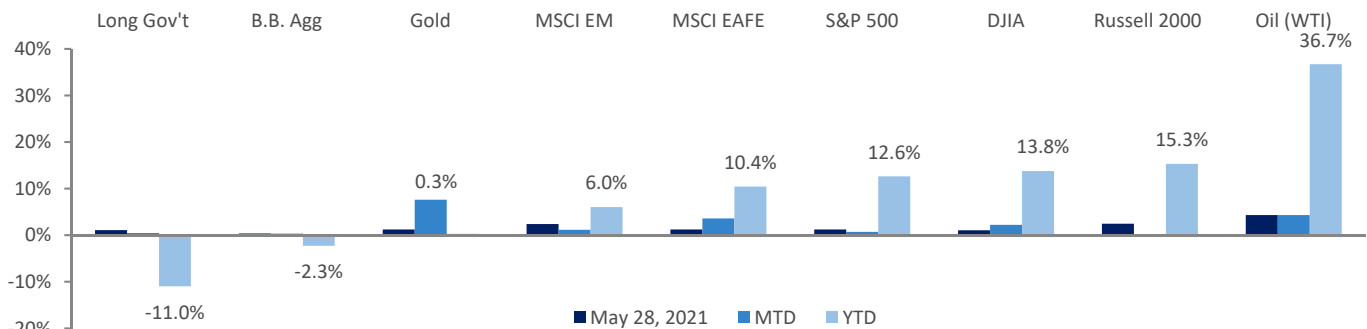


Figure 2. S&P 500 Sector Performance

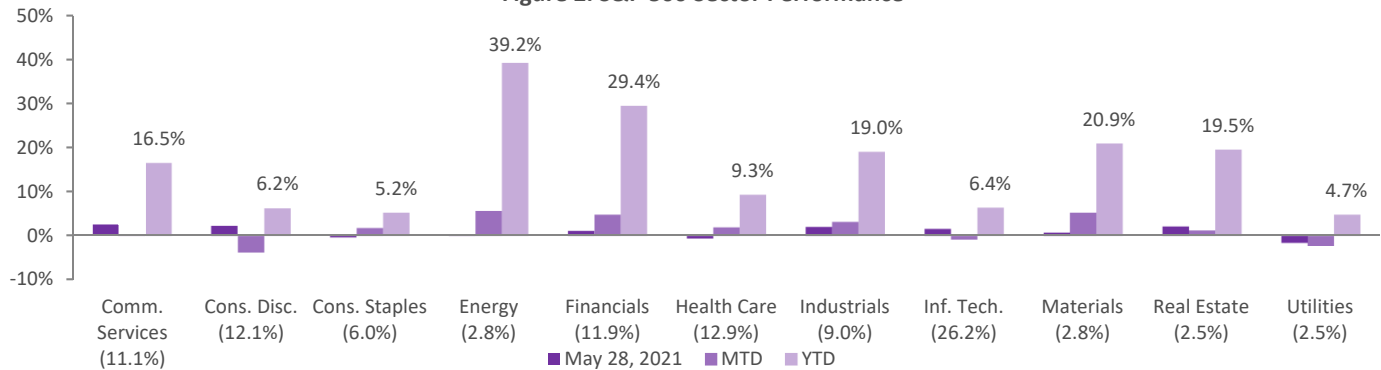
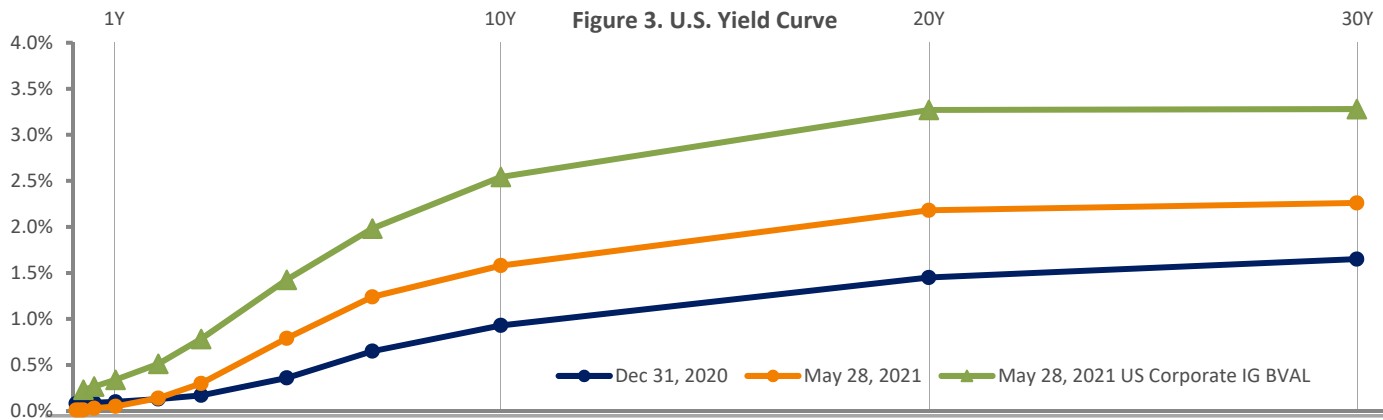


Figure 3. U.S. Yield Curve



Data Source: Bloomberg

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