

# September 2020 Market Update

Stocks dropped in September, their first monthly loss since March. U.S. stocks lost 3.8% and international stocks dropped 2.3%. U.S. stocks are still up 4.1% on the year while international stocks are down 5.2%. Value stocks outperformed growth stocks, the first month that has happened in 2020.

Bonds were nearly unchanged in September. Treasury yields dropped slightly but credit spreads widened. Real estate was down 3.2%, catching up slightly to overall U.S. equities.

Concerns weighing down the market include (1) a second wave of COVID-19 cases that has forced additional global shutdowns, (2) stalled talks in Congress regarding additional stimulus, (3) uncertainty surrounding the November elections including the possibility of a contested Presidential election, and (4) disclosures that SoftBank purchased billions of dollars in calls on select tech companies.

**Table 1: Benchmark Index Performance as of September 30, 2020**

Benchmark Index	1 Mo	3 Mo	YTD	5 Yr Ann
U.S. Stocks	-3.8%	8.6%	<b>4.1%</b>	13.6%
International Stocks	-2.3%	6.8%	<b>-5.2%</b>	6.3%
U.S. Bonds	-0.1%	0.6%	<b>6.8%</b>	4.2%
U.S. Real Estate	-3.2%	1.6%	<b>-17.1%</b>	3.8%

**Table 2: Vanguard Global Asset Allocation Benchmarks as of Sep 30, 2020**

Vanguard Fund or ETF: % Stock/% Bond	1 Mo	3 Mo	YTD	1 Year
Total World Stock ETF: 100/0	-2.9%	8.4%	<b>1.0%</b>	10.4%
LifeStrategy Growth Fund: 80/20	-2.3%	6.6%	<b>2.7%</b>	9.5%
LifeStrategy Moderate Growth Fund: 60/40	-1.6%	5.2%	<b>3.7%</b>	8.3%
LifeStrategy Conservative Growth Fund: 40/60	-0.9%	3.7%	<b>4.7%</b>	7.0%
LifeStrategy Income Fund: 20/80	-0.4%	2.2%	<b>5.3%</b>	5.6%
Total International Bond ETF: 0/100	0.9%	1.0%	<b>3.5%</b>	4.4%

**Chart 1: 2020 Year-to-Date Market Index Performance**

