

From: [Bennett, Christopher](#)
To: [Bennett, Christopher](#)
Cc: [Issifu, Sherifa](#)
Subject: Daily Dashboard - Thursday April 2
Date: Thursday, April 2, 2020 7:19:28 AM
Attachments: [image003.png](#)
[image004.png](#)
[image009.png](#)
[image008.png](#)
[image010.png](#)

Programming note: Sherifa Issifu (cc'd) will send out the daily dashboard tomorrow.

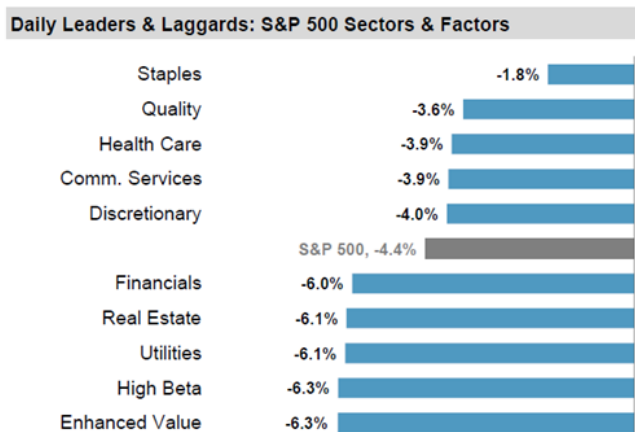
“If you have not done things worthy of being written about, at least write things worthy of being read.”

Giacomo Casanova (2 April 1725 – 4 June 1798)

Lover, villain, womanizer: whatever your view on Giacomo Girolamo Casanova, he is unquestionably the original romantic adventurer. Born in the courtesan-draped, carnal and carnival city of Venice, he began his career as a lawyer, working for a senator. His career growth came to a screeching halt, however, when he seduced the target of his employer’s affections. He would then try his hand as a priest, prisoner, officer, professional gambler, pretend nobleman, prisoner (again), escaped prisoner, salesman, prisoner (a few more times), and throughout, indefensible womanizer. His final days were spent in solitude, writing his tale for later readers to condemn, and marvel. [Here is your daily dashboard.](#)

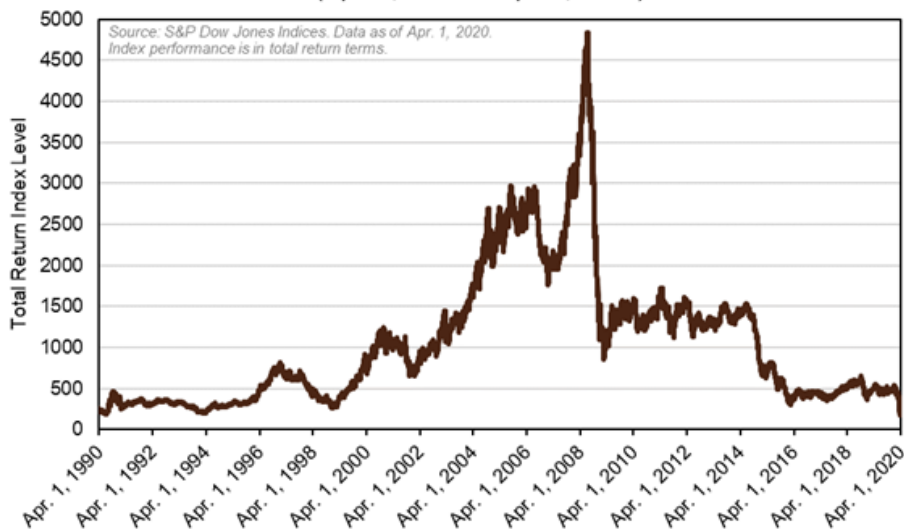
Join me today at 11 am Eastern for our inaugural “[Weekly Index Strategy Update](#)”

- Grim projections for COVID-19 related deaths in the U.S. and an extension of the shutdown in the world’s largest economy sent markets tumbling on Wednesday. The S&P 500 slid 4.4% while the S&P Global BMI dropped 3.7%.
- I mentioned the collapse in dividend expectations in yesterday’s note, the prospect of which sent a shiver through the market. S&P 500 sectors with higher dividend yields, including Utilities, Real Estate and Financials, struggled on the day, with each declining 6%.



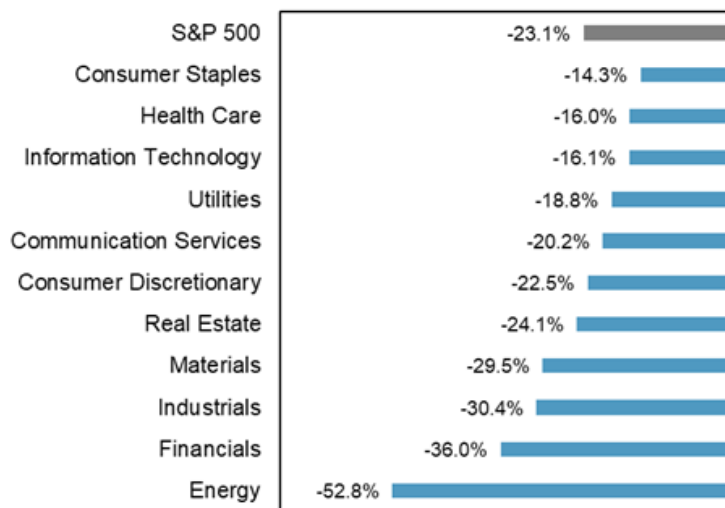
- Despite the expectation of another +3M jobless claims reading in the U.S., oil is the story of the day. China announced that it would take advantage of low oil prices to build up its strategic reserves and Brent Crude is up 10% so far this morning, to +\$27/barrel. One month ago, a barrel of the black stuff went for \$53. The S&P GSCI Crude Oil Index has been on an incredible journey over the 30 years since the GSCI series of commodity indices began (see chart). Related, performance in the commodity markets is examined by Fiona Boal in her new blog examining [commodities' recent march down](#).

S&P GSCI Crude Oil (Apr. 2, 1990 to Apr. 1, 2020)



- Where can one find safety in equity markets: Utilities? Consumer Staples? Or even, perhaps, ...Technology? The traditionally risky sector offered a relative safe haven this year, providing the third-strongest sectoral performance for the S&P 500 in 2020. The largest technology firms are not highly levered, have strong balance sheets which include bundles of cash, and can increasingly rely on subscription-based revenues which do not require customers to leave their homes to enjoy. Recent performances may signal a maturation in the large cap tech segment, towards more of a defensive character.

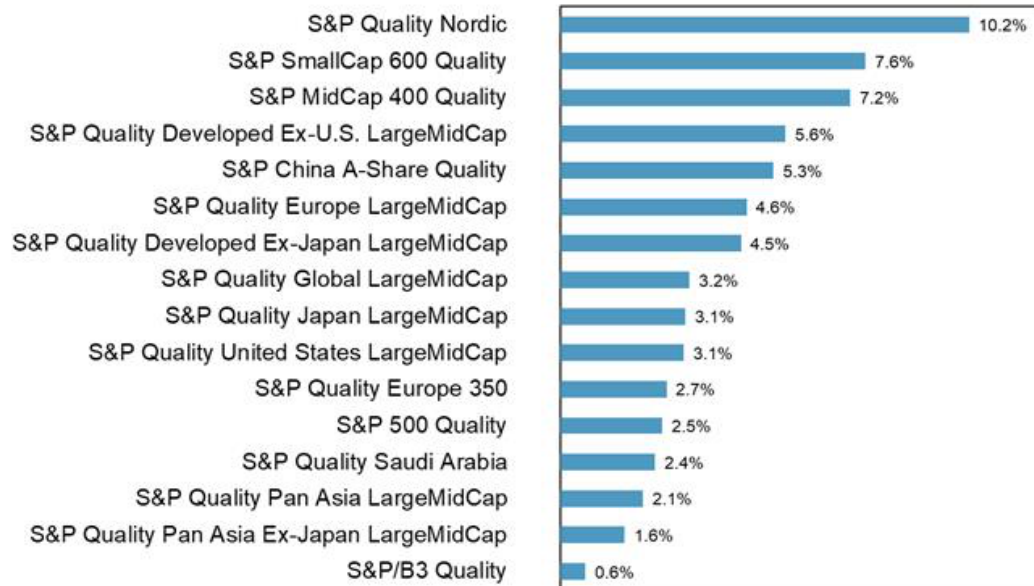
S&P 500 Sectors Year-to-date Performance



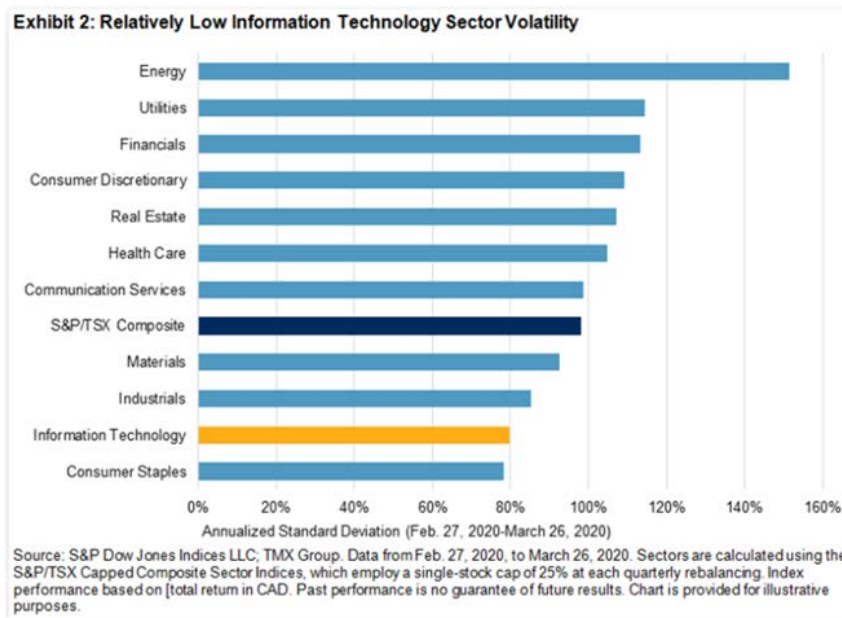
Source: S&P Dow Jones Indices. Data as of Apr. 1, 2020.
Index performance is in total return terms.

- Low leverage, high profitability, and unimaginative accounting are the hallmarks of a Quality company (at least according to our definition). Should it be any surprise, then, that our global Quality indices are generally overweight the Technology sector, and that those Quality indices have outperformed YTD?

Selected Regional Quality Indices: YTD Excess Return



- Canada has been a great example of technology's resilience through the crisis. Through March, the S&P/TSX Capped Composite Information Technology sector was the second least volatile sector in the parent index while being the strongest performer. The chart below comes from our Global Equity supremo Mike Orzano's latest [blog](#), which breaks down [Tech's recent performance in Canada](#).



- That's not all folks! We have a number of fresh, new, high-quality blogs up on Indexology® today to add to your reading list. A few other highlights:
 - Hamish Preston talks through the [volatile start to 2020](#) and what could be to come.
 - Tianyin Cheng looks at the recent performance of inverse indices to see if [they've been the hedge we expected](#).
 - Hong Xie highlights that the [S&P U.S. High Yield Low Volatility Index has outperformed in the recent panic](#).

See you all next week!

Chris

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