

Weekly Market Update



Market Data as of Week Ending: 5/23/2025 unless noted otherwise

Major U.S. indexes lost ground last week as Moody's downgraded U.S. debt due to the continued rise of the fiscal deficit. Rising long-term rates and recent tariff rhetoric have diminished recent enthusiasm and weighed on investors' minds. The S&P 500 snapped a six-day string of gains, ending the week -2.58% lower and fell back into negative territory for the year. Value stocks held up better than their growth peers as infotech, consumer discretionary and other rate-sensitive sectors lagged for the week. The traditionally defensive consumer staples sector held up best, giving up just -0.36%. Energy was the worst-performing sector as oil prices fell after reports that OPEC+ is raising outputs. Foreign stocks were mixed over the week, but both developed and emerging markets outperformed domestic equities as policy easing in China led to market optimism.

Longer-term U.S. Treasury yields rose over the week due to concerns over the U.S. fiscal deficit and weak demand for 20-year government debt. The 10-year Treasury yield rose to 4.51%, while the 30-year Treasury yield shot up above 5.00% for the first time since 2023. The 2-year Treasury yield remained relatively flat, ending the week at 4.00%. Long-dated government bonds fared the worst, while high-yield debt was weakest across the board given the risk-off environment. Investment-grade corporate bond yields and high-yield bond yields finished the week higher with corporate yields landing at 5.35% while high yield rose to 7.88%.

Economic data for the week was largely overshadowed by political and government-related news. The Conference Board Leading Economic Index (LEI) fell sharply by 1.0% in April after declining by 0.8% in March, marking its largest monthly decline since March 2023. The flash PMI readings showed that U.S. business activity improved in May. The U.S. manufacturing PMI rose to a three-month high of 52.3 while the U.S. services PMI rose to a two-month high of 52.3. U.S. existing home sales fell to a seven-month low in April as buyers have pulled back due to elevated mortgage rates and rising home prices. New home sales were stronger in April, rising by 10.9%, marking the highest level of sales since February 2022.

U.S. Equity Returns (Size & Style - Russell)

	Week			MTD			QTD			YTD		
	Value	Core	Growth	Value	Core	Growth	Value	Core	Growth	Value	Core	Growth
Large	-2.52%	-2.62%	-2.71%	2.15%	4.43%	6.39%	-0.96%	3.81%	8.27%	1.15%	-0.85%	-2.52%
Mid	-3.16%	-3.33%	-3.79%	3.19%	4.22%	7.17%	0.63%	3.15%	10.77%	-1.49%	-0.36%	2.89%
Small	-3.81%	-3.45%	-3.11%	2.78%	3.96%	5.09%	-1.35%	1.56%	4.42%	-8.99%	-8.06%	-7.19%

U.S. Fixed Income Returns (Quality & Duration - Bloomberg)

	Week			MTD			QTD			YTD		
	Short	Interm	Long	Short	Interm	Long	Short	Interm	Long	Short	Interm	Long
Govt	0.10%	0.04%	-1.79%	-0.70%	-1.03%	-4.72%	0.30%	0.03%	-5.75%	2.34%	2.51%	-1.35%
Corp	0.06%	-0.08%	-1.45%	-0.21%	-0.44%	-2.55%	0.46%	0.14%	-3.80%	2.43%	2.42%	-1.51%
HY	-0.40%	-0.47%	-0.99%	0.92%	0.93%	1.16%	0.88%	0.95%	-1.06%	1.74%	1.95%	0.40%

Index Returns				
	Week	MTD	QTD	YTD
Equities (Stocks)				
S&P 500	-2.58%	4.32%	3.61%	-0.82%
S&P MidCap 400	-3.55%	4.54%	2.18%	-4.05%
Russell 2000	-3.45%	3.96%	1.56%	-8.06%
MSCI EAFE	1.30%	3.65%	8.40%	15.84%
MSCI Emerging Markets	-0.08%	5.44%	6.83%	9.96%
MSCI EAFE Small Cap	1.44%	4.31%	10.37%	14.44%
Fixed Income (Bonds)				
Bloomberg Int Gov/Credit	0.00%	-0.85%	0.07%	2.50%
Bloomberg US Agg	-0.45%	-1.58%	-1.19%	1.56%
Bloomberg US High Yield	-0.47%	0.94%	0.91%	1.93%
Other				
Bloomberg Commodity	1.81%	2.04%	-2.87%	5.75%
S&P Dev Property	-1.82%	0.11%	1.25%	3.06%

Commodities and Currency				
	5/23/25	4/30/25	3/31/25	12/31/24
Oil (\$/barrel)	62.18	58.21	71.48	71.72
Gold (\$/oz.)	3357.51	3288.71	3123.57	2624.5

S&P 500 Sector Returns				
	Week	MTD	QTD	YTD
Consumer Disc	-3.09%	7.60%	7.26%	-7.55%
Consumer Staples	-0.36%	0.00%	1.24%	6.53%
Energy	-4.12%	1.43%	-12.42%	-3.47%
Financials	-3.07%	2.57%	0.44%	3.98%
Health Care	-2.13%	-7.29%	-10.73%	-4.89%
Industrials	-2.00%	7.24%	7.45%	7.24%
Info Technology	-3.45%	8.33%	10.09%	-3.84%
Materials	-1.18%	2.11%	-0.11%	2.70%
Real Estate	-3.26%	-1.71%	-2.89%	0.59%
Communication Svcs	-0.63%	7.35%	8.16%	1.44%
Utilities	-1.48%	2.65%	2.75%	7.82%

Bond Yields				
	5/23/25	4/30/25	3/31/25	12/31/24
SOFR 3Mo Swap	4.33%	4.27%	4.29%	4.30%
2Yr Treasury	4.00%	3.60%	3.89%	4.25%
10Yr Treasury	4.51%	4.17%	4.23%	4.58%
2-10 Slope	0.51%	0.57%	0.34%	0.33%

Past performance is not a guarantee of future results. We believe the information presented is reliable, but we do not guarantee its accuracy.