

Weekly Market Update



Market Data as of Week Ending: 7/18/2025 unless noted otherwise

The S&P 500 and Nasdaq Composite hit new record highs during the week, driven by strong corporate earnings and broadly positive economic data. Early earnings results (12% of companies in the S&P 500) show stronger-than-expected earnings, as 83% beat EPS estimates — above 5-year (78%) and 10-year (75%) averages. The blended earnings growth rate is 5.6%, up from 4.4% last week and 4.9% at quarter end. Financials have been the biggest positive contributor to earnings growth, while health care has had a slight negative impact. Large-sized companies outperformed their small and mid-sized peers and growth outperformed value. Most major economic sectors in the S&P 500 finished the week higher, with notable strength in information technology, utilities, industrials, and financials. Energy was the worst-performing sector as the price of oil declined on a mix of weaker demand and outlooks, subdued geopolitical support, and modest supply. Foreign equities were mixed, as developed markets declined and emerging markets surged higher and outperformed their domestic counterparts.

Fixed-income results were mixed across the curve. The two-year Treasury yield narrowly decreased two basis points to 3.88%, while the ten-year yield rose by one basis point to 4.44%, widening the two-ten spread to 0.56%. Short-duration bonds outperformed long-duration bonds, while corporate bonds generally outperformed as credit spreads narrowed. Bond yields decreased for both investment-grade and high-yield corporate bonds, ending the week at 5.12% and 7.38%, respectively.

Economic data generally came in better than expected, despite the headline CPI increasing 0.3%, the biggest gain in five months. Core CPI rose 0.2% in June 2025, slightly below expectations and following a 0.1% gain in May. This marked the fifth straight month of core inflation coming in below forecasts. Compared to the same period last year, prices rose 2.7% and Core CPI climbed 2.9%, well above the Fed's target of 2%. Prices for household items, recreational products, and footwear have picked up since April, though some of that pressure was eased by declining vehicle prices. Both headline and core measures of PPI came in flat for the month of June, which was lower than expected. Inflation reports did little to change investor expectations as a Fed rate cut remains unlikely next week. Retail sales surged 0.6% in June (3.9% y/y), following declines in the two months prior and beating expectations of a 0.1% gain. The largest gains were in sales at miscellaneous store retailers (1.8%), motor vehicles and parts (1.2%), building material and garden equipment (0.9%), and clothing (0.9%). The control group (excluding food services, auto dealers, building materials stores, and gasoline stations in the US, which is used to calculate GDP) was also up 0.5%. Housing starts and building permits rose to 1.321 million and 1.397 million, respectively, but both remain subdued and close to their lowest levels in five years.

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

	Value	Week Core	Growth	Value	MTD Core	Growth	Value	QTD Core	Growth	Value	YTD Core	Growth
Large	-0.19%	0.70%	1.55%	0.86%	1.60%	2.30%	0.86%	1.60%	2.30%	6.92%	7.82%	8.53%
Mid	0.31%	0.78%	2.21%	2.37%	2.13%	1.41%	2.37%	2.13%	1.41%	5.56%	7.07%	11.34%
Small	-0.96%	0.24%	1.39%	3.62%	3.03%	2.47%	3.62%	3.03%	2.47%	0.34%	1.19%	1.98%

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

	Short	Week Intern	Long	Short	MTD Intern	Long	Short	QTD Intern	Long	Short	YTD Intern	Long
Govt	0.13%	0.13%	-0.47%	-0.20%	-0.41%	-2.70%	-0.20%	-0.41%	-2.70%	3.24%	3.55%	0.29%
Corp	0.21%	0.24%	-0.02%	-0.04%	-0.20%	-1.66%	-0.04%	-0.20%	-1.66%	3.76%	4.23%	1.92%
HY	0.18%	0.14%	0.05%	0.25%	0.12%	0.32%	0.25%	0.12%	0.32%	4.34%	4.69%	5.04%

Index Returns

	Week	MTD	QTD	YTD
Equities (Stocks)				
S&P 500	0.61%	1.54%	1.54%	7.83%
S&P MidCap 400	-0.02%	2.25%	2.25%	2.46%
Russell 2000	0.24%	3.03%	3.03%	1.19%
MSCI EAFE	-0.29%	-0.52%	-0.52%	18.83%
MSCI Emerging Markets	1.68%	2.39%	2.39%	18.02%
MSCI EAFE Small Cap	0.19%	0.55%	0.55%	21.56%
Fixed Income (Bonds)				
Bloomberg Int Gov/Credit	0.16%	-0.34%	-0.34%	3.78%
Bloomberg US Agg	0.04%	-0.77%	-0.77%	3.22%
Bloomberg US High Yield	0.14%	0.13%	0.13%	4.70%
Other				
Bloomberg Commodity	1.33%	3.25%	3.25%	8.96%
S&P Dev Property	-0.06%	-0.20%	-0.20%	6.78%

S&P 500 Sector Returns

	Week	MTD	QTD	YTD
Consumer Disc	0.54%	2.39%	2.39%	-1.57%
Consumer Staples	0.08%	-0.75%	-0.75%	5.61%
Energy	-3.83%	1.29%	1.29%	2.07%
Financials	0.67%	0.32%	0.32%	9.58%
Health Care	-2.46%	-2.19%	-2.19%	-3.27%
Industrials	0.81%	2.65%	2.65%	15.71%
Info Technology	2.09%	3.76%	3.76%	12.11%
Materials	-1.31%	2.05%	2.05%	8.20%
Real Estate	0.65%	0.98%	0.98%	4.52%
Communication Svcs	0.10%	-1.45%	-1.45%	9.52%
Utilities	1.56%	2.55%	2.55%	12.21%

Bond Yields

	7/18/25	6/30/25	6/30/25	12/31/24
SOFR 3Mo Swap	4.32%	4.30%	4.30%	4.30%
2Yr Treasury	3.88%	3.72%	3.72%	4.25%
10Yr Treasury	4.44%	4.24%	4.24%	4.58%
2-10 Slope	0.56%	0.52%	0.52%	0.33%

Commodities and Currency

	7/18/25	6/30/25	6/30/25	12/31/24
Oil (\$/barrel)	67.34	65.11	65.11	71.72
Gold (\$/oz.)	3349.94	3303.14	3303.14	2624.5

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