

Weekly Market Update



Market Data as of Week Ending: 7/4/2025 unless noted otherwise

Stocks continued their advance as investor sentiment remained optimistic about trade and economic policy. The Trump administration’s reconciliation bill was passed in the Senate on Tuesday, and President Trump was advocating for the bill to be passed in the House before Independence Day. The S&P 500 Index and Nasdaq Composite both reached record highs for the second consecutive week. Small and mid-cap stocks also posted strong gains and outperformed their larger-sized peers, and the value style rotated back into favor and outperformed growth. 10 of the 11 sectors of the S&P 500 finished the week higher, led primarily by cyclical-oriented sectors such as materials, energy and financials. Communication services was the only sector in negative territory and partially offset some of the gains from information technology stocks. Foreign equities delivered much more modest gains as both developed and emerging markets lagged their domestic counterparts.

Fixed-income results were mixed despite higher yields across the curve. The two-year Treasury yield increased 15 basis points to 3.88%, and the ten-year yield rose by six basis points to 4.35%, narrowing the two-ten spread to 0.47%. Longer-duration bonds outperformed short-duration bonds, while the high-yield sector was the best-performing as credit spreads narrowed more than offsetting the negative price impact of higher yields. Bond yields among investment-grade corporate bonds were unchanged at 5.06% and high-yield bonds declined to 7.29%.

Economic data was light in the holiday-shortened week, with investors focused on labor market reports. On Tuesday, the Job Openings report for May outperformed expectations and increased by 374,000 to nearly 7.8 million, the highest level since November 2024. The ADP Employment report on Wednesday was much less sanguine, reporting that private businesses cut 33,000 jobs in June, the first decline since March 2023. The conflicting reports and elevated levels of the weekly Continuing Jobless Claims put even more emphasis on the Employment Situation report. On Thursday, the BLS reported that total nonfarm payroll employment increased by 147,000 in June, defying market expectations, and the unemployment rate decreased to 4.1%. In other economic news, Fed Chair Powell described the U.S. economy as “healthy” and indicated that the Fed would have already cut rates by now if it weren’t for the uncertainty around trade policy, given the size of the tariffs. PMI data generally came in better than expected, with ISM reporting higher than expected manufacturing and services figures, at 49.0 and 50.8, respectively. The S&P Global Composite PMI also came in slightly higher than expected at 52.9 but narrowly fell sequentially compared to 53.0 in May.

| U.S. Equity Returns (Size & Style - Russell) | | | | | | | | | | | | |
|--|-------|--------------|--------|-------|-------------|--------|-------|-------------|--------|-------|-------------|--------|
| | Value | Week Core | Growth | Value | MTD Core | Growth | Value | QTD Core | Growth | Value | YTD Core | Growth |
| Large | 2.03% | 1.80% | 1.58% | 1.64% | 1.26% | 0.89% | 1.64% | 1.26% | 0.89% | 7.74% | 7.45% | 7.04% |
| Mid | 2.63% | 2.40% | 1.71% | 2.17% | 1.89% | 1.05% | 2.17% | 1.89% | 1.05% | 5.36% | 6.82% | 10.93% |
| Small | 4.67% | 3.58% | 2.57% | 4.71% | 3.41% | 2.21% | 4.71% | 3.41% | 2.21% | 1.40% | 1.57% | 1.72% |

| U.S. Fixed Income Returns (Quality & Duration - Bloomberg) | | | | | | | | | | | | |
|--|--------|----------------|--------|--------|---------------|--------|--------|---------------|--------|-------|---------------|-------|
| | Short | Week Interm | Long | Short | MTD Interm | Long | Short | QTD Interm | Long | Short | YTD Interm | Long |
| Govt | -0.24% | -0.29% | -0.11% | -0.36% | -0.47% | -1.03% | -0.36% | -0.47% | -1.03% | 3.08% | 3.48% | 2.03% |
| Corp | -0.03% | 0.06% | 0.72% | -0.20% | -0.22% | -0.18% | -0.20% | -0.22% | -0.18% | 3.59% | 4.22% | 3.45% |
| HY | 0.44% | 0.44% | 1.68% | 0.20% | 0.20% | 0.85% | 0.20% | 0.20% | 0.85% | 4.29% | 4.77% | 5.59% |

| Index Returns | | | | | S&P 500 Sector Returns | | | | |
|--------------------------|---------|---------|---------|----------|------------------------|--------|---------|---------|----------|
| | Week | MTD | QTD | YTD | | Week | MTD | QTD | YTD |
| Equities (Stocks) | | | | | Consumer Disc | 0.83% | 1.70% | 1.70% | -2.23% |
| S&P 500 | 1.75% | 1.22% | 1.22% | 7.50% | Consumer Staples | 1.44% | 0.96% | 0.96% | 7.42% |
| S&P MidCap 400 | 2.92% | 2.86% | 2.86% | 3.07% | Energy | 2.09% | 2.77% | 2.77% | 3.56% |
| Russell 2000 | 3.58% | 3.41% | 3.41% | 1.57% | Financials | 2.48% | 1.59% | 1.59% | 10.97% |
| MSCI EAFE | 0.05% | 0.01% | 0.01% | 19.46% | Health Care | 1.19% | 0.55% | 0.55% | -0.56% |
| MSCI Emerging Markets | 0.41% | 0.85% | 0.85% | 16.25% | Industrials | 1.76% | 1.23% | 1.23% | 14.11% |
| MSCI EAFE Small Cap | 0.79% | 0.37% | 0.37% | 21.34% | Info Technology | 2.45% | 1.46% | 1.46% | 9.63% |
| Fixed Income (Bonds) | | | | | Materials | 3.80% | 3.68% | 3.68% | 9.92% |
| Bloomberg Int Gov/Credit | -0.18% | -0.39% | -0.39% | 3.73% | Real Estate | 1.66% | 0.90% | 0.90% | 4.44% |
| Bloomberg US Agg | -0.09% | -0.44% | -0.44% | 3.56% | Communication Svcs | -0.15% | -0.49% | -0.49% | 10.59% |
| Bloomberg US High Yield | 0.46% | 0.21% | 0.21% | 4.78% | Utilities | 0.61% | 0.21% | 0.21% | 9.64% |
| Other | | | | | | | | | |
| Bloomberg Commodity | 0.56% | 1.38% | 1.38% | 6.98% | Bond Yields | | | | |
| S&P Dev Property | 1.35% | 0.94% | 0.94% | 8.00% | | 7/4/25 | 6/30/25 | 6/30/25 | 12/31/24 |
| Commodities and Currency | | | | | SOFR 3Mo Swap | 4.33% | 4.30% | 4.30% | 4.30% |
| | 7/4/25 | 6/30/25 | 6/30/25 | 12/31/24 | 2Yr Treasury | 3.88% | 3.72% | 3.72% | 4.25% |
| Oil (\$/barrel) | 67 | 65.11 | 65.11 | 71.72 | 10Yr Treasury | 4.35% | 4.24% | 4.24% | 4.58% |
| Gold (\$/oz.) | 3337.15 | 3303.14 | 3303.14 | 2624.5 | 2-10 Slope | 0.47% | 0.52% | 0.52% | 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.