

Weekly Market Update



Market Data as of Week Ending: 9/12/2025 unless noted otherwise

Equity markets continued to climb last week as weaker economic data fueled optimism for accelerated Federal Reserve rate cuts. Year-to-date size and style trends resumed, with large-cap stocks outpacing mid- and small-caps while growth outperformed value. Ten of eleven S&P 500 sectors finished the week higher, with cyclicals outperforming defensives. Information technology was the best-performing sector, driven by ongoing AI enthusiasm as shares of Oracle surged on news of a \$300B deal with OpenAI. Developed foreign indices also advanced, supported by Japanese stocks on hopes of delayed monetary tightening. Emerging markets rose as Chinese stocks rallied on improving sentiment.

Bonds continued to move higher as longer-term yields fell in response to weaker-than-expected labor market data. The yield curve flattened, with the 2-year Treasury yield rising to 3.56% and the 10-year Treasury yield falling to 4.06%. Long-duration bonds finished the week higher, while short- and intermediate-duration bonds were flat. Long-duration high-yield bonds had a strong week as already tight high-yield spreads continued to compress. Investment-grade corporate and high-yield bond yields declined to 4.75% and 7.03%, respectively.

Economic data reinforced concerns about labor market softness and persistent inflation, raising expectations for faster rate cuts. The Bureau of Labor Statistics’ annual revision showed nonfarm employment for the year ending March 2025 was 911,000 lower than initially reported, cutting the average monthly job gain from 147,000 to 70,000. Nearly all sectors were revised lower, marking the largest downward adjustment since 2000. Initial jobless claims rose to 263,000, above expectations. Headline CPI increased 0.4% in August, driven by higher energy and food prices. Core CPI was in line with forecasts, up 0.3% from the previous month, while the year-over-year figure held steady at 3.1%. Preliminary results for the University of Michigan consumer sentiment index fell to 55.4 from 58.2, driven by a decline in consumer expectations as long-term inflation expectations rose and tariff uncertainty persists.

U.S. Equity Returns (Size & Style - Russell)												
	Week			MTD			QTD			YTD		
	Value	Core	Growth	Value	Core	Growth	Value	Core	Growth	Value	Core	Growth
Large	0.51%	1.53%	2.48%	0.52%	1.97%	3.33%	4.32%	6.43%	8.42%	10.58%	12.94%	15.03%
Mid	0.17%	0.39%	1.07%	0.64%	0.72%	0.95%	5.52%	5.15%	4.03%	8.81%	10.23%	14.21%
Small	-0.24%	0.27%	0.76%	0.93%	1.34%	1.74%	11.41%	10.47%	9.59%	7.88%	8.50%	9.07%

U.S. Fixed Income Returns (Quality & Duration - Bloomberg)												
	<u>Week</u>			<u>MTD</u>			<u>QTD</u>			<u>YTD</u>		
	Short	Interm	Long	Short	Interm	Long	Short	Interm	Long	Short	Interm	Long
Govt	-0.02%	0.01%	1.25%	0.27%	0.44%	3.61%	1.18%	1.41%	3.02%	4.66%	5.44%	6.20%
Corp	0.06%	0.20%	1.41%	0.42%	0.82%	3.79%	1.60%	2.14%	4.41%	5.46%	6.68%	8.21%
HY	0.11%	0.19%	4.30%	0.40%	0.50%	5.23%	2.11%	2.19%	8.34%	6.28%	6.86%	13.44%

Index Returns					S&P 500 Sector Returns				
	Week	MTD	QTD	YTD		Week	MTD	QTD	YTD
Equities (Stocks)					Consumer Disc	1.29%	2.99%	9.30%	5.07%
S&P 500	1.60%	1.98%	6.38%	12.98%	Consumer Staples	-0.15%	0.28%	-0.53%	5.84%
S&P MidCap 400	-0.41%	0.92%	6.04%	6.25%	Energy	1.58%	-1.96%	4.58%	5.39%
Russell 2000	0.27%	1.34%	10.47%	8.50%	Financials	1.34%	-0.36%	2.71%	12.19%
MSCI EAFE	1.15%	1.41%	4.25%	24.52%	Health Care	0.16%	0.52%	2.47%	1.34%
MSCI Emerging Markets	3.96%	5.44%	8.87%	25.49%	Industrials	0.45%	-0.27%	2.74%	15.81%
MSCI EAFE Small Cap	1.29%	1.36%	5.96%	28.10%	Info Technology	3.10%	3.30%	9.03%	17.81%
Fixed Income (Bonds)					Materials	0.03%	-0.19%	5.10%	11.43%
Bloomberg Int Gov/Credit	0.07%	0.56%	1.64%	5.84%	Real Estate	0.39%	0.09%	2.17%	5.76%
Bloomberg US Agg	0.41%	1.34%	2.28%	6.40%	Communication Svcs	0.87%	5.99%	12.45%	24.97%
Bloomberg US High Yield	0.27%	0.59%	2.31%	6.98%	Utilities	2.44%	1.40%	4.72%	14.58%
Other									
Bloomberg Commodity	1.41%	1.13%	2.61%	8.29%					
S&P Dev Property	1.18%	1.35%	4.77%	12.09%					
Commodities and Currency					Bond Yields				
	9/12/25	9/5/25	8/31/25	6/30/25		9/12/25	9/5/25	8/31/25	6/30/25
Oil (\$/barrel)	62.69	64.01	65.11	71.72	SOFR 3Mo Swap	4.04%	4.16%	4.30%	4.30%
Gold (\$/oz.)	3643.14	3447.95	3303.14	2624.5	2Yr Treasury	3.56%	3.59%	3.72%	4.25%
					10Yr Treasury	4.06%	4.23%	4.24%	4.58%
					2-10 Slope	0.50%	0.64%	0.52%	0.33%