

Weekly Market Update

Market Data as of Week Ending: 10/17/2025 unless noted otherwise

Stock prices advanced as trade tensions between the U.S. and China cooled and quarterly earnings came in better than expected. Earnings season is still in its early stages, with just 12% of S&P 500 companies having reported so far and 86% have beaten estimates. The blended third-quarter earnings growth rate has increased to 8.5%, which would mark its ninth straight quarter of gains, if it holds. Smaller companies outperformed their larger-sized peers and value stocks outperformed growth for the week. All major economic sectors in the S&P 500 advanced, led by strong gains in communication services, real estate and information technology sectors. JPMorgan Chase, Citigroup and Wells Fargo all reported better-than-expected results for the quarter; however, financials was still the worst-performing sector as recent bankruptcies have raised investor concerns, especially among regional lenders. Foreign equities were mixed, with notable weakness among emerging markets, likely a fallout from trade tensions between the U.S. and China.

Bonds appreciated as treasury yields declined across the curve. The two-year Treasury yield fell to 3.46% and the ten-year yield dropped to 4.02%, increasing the 2-10yr slope to 0.56%. Longer-duration bonds outperformed as investors were willing to take on some maturity risk. Lower-quality credit generally outperformed, though investment-grade corporate bonds led gains at the long end of the curve. Despite some credit concerns among certain issuers, yields on investment-grade corporate and high-yield bonds declined to 4.72% and 7.18%, respectively.

With limited economic data due to the ongoing government shutdown, investors turned their attention to the Federal Reserve's Beige Book, which summarizes economic conditions across its 12 districts, based on data and anecdotes from businesses and local contacts. The Beige Book indicated that U.S. economic activity was largely unchanged and employment mostly stable, though signs of strain are emerging, with consumer spending down in five of twelve Fed districts and layoffs beginning to rise. In a speech last week, the Fed's Chair Jerome Powell noted that hiring has slowed and pointed to labor-market vulnerabilities, indicating that another cut to policy rates later this month is imminent. The Chicago Fed's CARTS index, which tracks eight weekly retail indicators, suggests retail sales, excluding autos, advanced for the fourth consecutive month to 0.5% in September and 6.2% annualized in Q3, the fastest nominal growth in two years. The Redbook Index, a weekly measure of year-over-year same-store sales growth at a sample of large U.S. general merchandise retailers, showed a similar story and increased to 5.9% last week.

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

	Value	<u>Week</u> Core	Growth	Value	<u>MTD</u> Core	Growth	Value	<u>QTD</u> Core	Growth	Value	<u>YTD</u> Core	Growth
Large	1.70%	1.69%	1.70%	-0.40%	-0.35%	-0.29%	-0.40%	-0.35%	-0.29%	11.21%	14.19%	16.91%
Mid	1.55%	1.40%	0.95%	-1.41%	-1.29%	-0.90%	-1.41%	-1.29%	-0.90%	7.95%	9.00%	11.82%
Small	2.56%	2.41%	2.27%	-0.02%	0.67%	1.31%	-0.02%	0.67%	1.31%	9.02%	11.13%	13.12%

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

	Short	<u>Week</u> Interm	Long	Short	<u>MTD</u> Interm	Long	Short	<u>QTD</u> Interm	Long	Short	<u>YTD</u> Interm	Long
Govt	0.24%	0.29%	0.59%	0.57%	0.72%	2.13%	0.57%	0.72%	2.13%	5.22%	6.04%	7.89%
Corp	0.28%	0.38%	0.85%	0.51%	0.65%	1.52%	0.51%	0.65%	1.52%	6.01%	7.27%	9.20%
HY	0.42%	0.47%	0.64%	-0.13%	-0.15%	-0.20%	-0.13%	-0.15%	-0.20%	6.41%	6.93%	13.55%

Index Returns

	Week	MTD	QTD	YTD
Equities (Stocks)				
S&P 500	1.71%	-0.31%	-0.31%	14.47%
S&P MidCap 400	1.97%	-1.18%	-1.18%	4.51%
Russell 2000	2.41%	0.67%	0.67%	11.13%
MSCI EAFE	0.68%	0.38%	0.38%	25.62%
MSCI Emerging Markets	-0.29%	1.19%	1.19%	29.05%
MSCI EAFE Small Cap	-0.04%	-1.38%	-1.38%	26.62%
Fixed Income (Bonds)				
Bloomberg Int Gov/Credit	0.32%	0.70%	0.70%	6.44%
Bloomberg US Agg	0.45%	1.03%	1.03%	7.23%
Bloomberg US High Yield	0.47%	-0.15%	-0.15%	7.06%
Other				
Bloomberg Commodity	1.54%	1.13%	1.13%	10.61%
S&P Dev Property	2.77%	-0.01%	-0.01%	11.82%

Commodities and Currency

	10/17/25	9/30/25	9/30/25	12/31/24
Oil (\$/barrel)	57.54	62.37	62.37	71.72
Gold (\$/oz.)	4251.82	3858.96	3858.96	2624.5

S&P 500 Sector Returns

	Week	MTD	QTD	YTD
Consumer Disc	1.89%	-2.29%	-2.29%	2.89%
Consumer Staples	1.98%	1.87%	1.87%	5.84%
Energy	0.97%	-3.43%	-3.43%	3.36%
Financials	0.03%	-3.13%	-3.13%	9.22%
Health Care	0.81%	2.89%	2.89%	5.58%
Industrials	1.19%	-1.68%	-1.68%	16.39%
Info Technology	2.09%	0.39%	0.39%	22.79%
Materials	1.05%	-1.95%	-1.95%	7.19%
Real Estate	3.46%	-0.13%	-0.13%	6.05%
Communication Svcs	3.64%	0.27%	0.27%	24.84%
Utilities	1.53%	4.96%	4.96%	23.52%

Bond Yields

	10/17/25	9/30/25	9/30/25	12/31/24
SOFR 3Mo Swap	3.86%	3.97%	3.97%	4.30%
2Yr Treasury	3.46%	3.60%	3.60%	4.25%
10Yr Treasury	4.02%	4.16%	4.16%	4.58%
2-10 Slope	0.56%	0.56%	0.56%	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.