

Weekly Market Update

Market Data as of Week Ending: 10/24/2025 unless noted otherwise

Stock prices advanced and the S&P 500 reached a new high despite higher oil prices after the U.S. announced sanctions against Russia’s two largest oil companies. Earnings season is in full swing with nearly 30% of companies in the S&P 500 reported, of which 87% are beating estimates, driving earnings growth to 9.2%. Companies are also outperforming on revenues, with 83% beating expectations, the highest pace since Q2 2021, which is supporting healthy profit margins. Smaller companies outperformed their larger-sized peers, but the style factor was mixed. All but two major economic sectors in the S&P 500 advanced. Information technology and industrials were two of the largest contributors to both performance and the increase in the overall earnings growth rate during the past week. Defensive stocks lagged as utilities and consumer staples were the only sectors that did not deliver a gain for the week. Foreign equities delivered solid gains, with notable strength returning to emerging markets, shaking off volatile headlines related to U.S. and China trade relations.

Bonds appreciated despite mixed treasury yield changes across the curve. The two-year Treasury yield increased to 3.48% and the ten-year yield was unchanged at 4.02%, decreasing the 2-10yr slope to 0.54%. Longer-duration bonds outperformed and lower-quality credit outperformed, as long-duration high-yield corporate bonds led gains across fixed-income sectors. As credit concerns eased, demand remained strong, pushing yields lower as investment-grade corporate bonds fell to 4.69% and high-yield bonds to 7.11%.

Despite limited economic data due to the ongoing government shutdown, investors had a few notable economic reports to absorb, as the Fed entered the quiet period for its October meeting. The highlight of the week was the September CPI report that showed lower-than-expected 0.3% gain in headline and 0.2% gain in Core CPI. The housing component decelerated to 0.1%, its slowest pace since 2020. Core goods inflation increased 0.2%, largely reflecting increases in apparel, recreation goods, household furnishings, personal care and new car prices. Despite a better-than-expected monthly reading, the year-over-year growth rate remains elevated for both headline and Core CPI at 3.0%. Existing home sales rose 1.5% in September to a 4.06 million annual rate, narrowly beating expectations. Single-family sales increased 1.7% and the median sales price increased 0.8% (+2.1% year-over-year). The S&P Global U.S. services and manufacturing PMIs both strengthened in October, with services beating expectations at 55.2 and manufacturing matching them at 52.2. Underlying trends showed solid demand and output, though manufacturing employment softened. While input price pressures were steady and output prices eased in services, business confidence weakened amid concerns about policy and tariffs despite continued economic growth.

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%	1.93%	2.10%	1.30%	1.57%	1.81%	1.30%	1.57%	1.81%	13.10%	16.40%	19.36%
Mid	1.96%	1.99%	2.08%	0.52%	0.68%	1.16%	0.52%	0.68%	1.16%	10.07%	11.17%	14.15%
Small	2.77%	2.51%	2.27%	2.75%	3.20%	3.61%	2.75%	3.20%	3.61%	12.04%	13.92%	15.68%

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	0.02%	0.04%	0.29%	0.60%	0.76%	2.42%	0.60%	0.76%	2.42%	5.25%	6.08%	8.20%
Corp	0.11%	0.18%	0.58%	0.62%	0.84%	2.11%	0.62%	0.84%	2.11%	6.13%	7.47%	9.83%
HY	0.33%	0.38%	1.01%	0.20%	0.23%	0.81%	0.20%	0.23%	0.81%	6.76%	7.34%	14.70%

Index Returns					S&P 500 Sector Returns				
	Week	MTD	QTD	YTD		Week	MTD	QTD	YTD
Equities (Stocks)					Consumer Disc	1.95%	-0.39%	-0.39%	4.89%
S&P 500	1.93%	1.61%	1.61%	16.68%	Consumer Staples	-0.50%	1.36%	1.36%	5.31%
S&P MidCap 400	2.33%	1.13%	1.13%	6.95%	Energy	2.38%	-1.14%	-1.14%	5.82%
Russell 2000	2.51%	3.20%	3.20%	13.92%	Financials	1.79%	-1.40%	-1.40%	11.18%
MSCI EAFE	1.25%	1.64%	1.64%	27.19%	Health Care	1.93%	4.87%	4.87%	7.61%
MSCI Emerging Markets	2.05%	3.26%	3.26%	31.69%	Industrials	2.10%	0.38%	0.38%	18.83%
MSCI EAFE Small Cap	1.89%	0.48%	0.48%	29.01%	Info Technology	2.75%	3.15%	3.15%	26.17%
Fixed Income (Bonds)					Materials	0.58%	-1.38%	-1.38%	7.81%
Bloomberg Int Gov/Credit	0.08%	0.78%	0.78%	6.53%	Real Estate	1.44%	1.31%	1.31%	7.58%
Bloomberg US Agg	0.17%	1.20%	1.20%	7.41%	Communication Svcs	1.01%	1.28%	1.28%	26.10%
Bloomberg US High Yield	0.40%	0.24%	0.24%	7.48%	Utilities	-0.19%	4.76%	4.76%	23.29%
Other									
Bloomberg Commodity	1.74%	2.89%	2.89%	12.54%	Bond Yields				
S&P Dev Property	1.22%	1.21%	1.21%	13.19%		10/24/25	9/30/25	9/30/25	12/31/24
Commodities and Currency					SOFR 3Mo Swap	3.85%	3.97%	3.97%	4.30%
	10/24/25	9/30/25	9/30/25	12/31/24	2Yr Treasury	3.48%	3.60%	3.60%	4.25%
Oil (\$/barrel)	62.31	62.37	62.37	71.72	10Yr Treasury	4.02%	4.16%	4.16%	4.58%
Gold (\$/oz.)	4113.05	3858.96	3858.96	2624.5	2-10 Slope	0.54%	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.