

# Weekly Market Update



Market Data as of Week Ending: 3/14/2025 unless noted otherwise

Equities continued to trade lower despite a Friday rally, as investor caution persisted amid renewed recession concerns and heightened negative sentiment around tariff policy. Small-caps outperformed large-caps, with the S&P 500 briefly entering correction territory on Thursday. First-quarter earnings growth expectations for the S&P 500 have been reduced to 7.1%, down from 11.6% at the start of the year. Value stocks maintained their lead over growth stocks, except in small-caps. Consumer staples were the worst-performing sector, while energy and utilities were the only sectors to finish the week higher. Foreign equities ended the week lower but continued to outperform U.S. stocks. Developed foreign markets remained pressured by tariff uncertainty and growth concerns. Emerging markets benefited from ongoing optimism around China's stimulus efforts, despite mixed inflation reports in key regions.

Fixed income was marginally lower last week, with government bonds outperforming corporate and high-yield bonds. Yields remained mostly unchanged, leading to mixed duration performance. The 2-year Treasury yield edged up to 4.02%, while the 10-year Treasury yield declined by 1 basis point to 4.31%, narrowing the 2-10 year yield spread to 0.29%. High-yield spreads widened but remain low by historical standards. Investment-grade corporate bond yields and high-yield bond yields rose to 5.24% and 7.73%, respectively.

Economic data for the week centered on inflation, which showed signs of easing. Headline inflation rose 0.2% in February after a 0.5% increase in January, while core CPI also increased 0.2%, down from 0.4% the previous month. Despite a 10.4% surge in egg prices, overall food-at-home costs remained unchanged. The Producer Price Index (PPI) was flat, with final demand goods prices rising 0.3%, driven by a 53.6% spike in egg prices, while final demand services declined 0.2% due to weaker trade service margins. The January Job Openings and Labor Turnover Survey (JOLTS) showed job openings holding steady at 7.7 million, with little change in hiring and job separations. Weekly unemployment claims were mostly stable at 220,000. Meanwhile, consumer sentiment continued to weaken, with the University of Michigan's Index of Consumer Sentiment falling to 57.9, which is its lowest level since November 2022, driven by growing concerns over economic policy uncertainty.

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

|       | Week   |        |        | MTD    |        |        | QTD    |        |        | YTD    |        |        |
|-------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
|       | Value  | Core   | Growth | Value  | Core   | Growth | Value  | Core   | Growth | Value  | Core   | Growth |
| Large | -1.87% | -2.22% | -2.53% | -4.23% | -5.36% | -6.38% | 0.61%  | -4.06% | -7.95% | 0.61%  | -4.06% | -7.95% |
| Mid   | -2.13% | -2.19% | -2.37% | -4.62% | -5.13% | -6.62% | -3.07% | -3.91% | -6.33% | -3.07% | -3.91% | -6.33% |
| Small | -1.75% | -1.45% | -1.15% | -5.17% | -5.39% | -5.61% | -6.93% | -8.11% | -9.22% | -6.93% | -8.11% | -9.22% |

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

|      | Week   |        |        | MTD    |        |        | QTD   |        |       | YTD   |        |       |
|------|--------|--------|--------|--------|--------|--------|-------|--------|-------|-------|--------|-------|
|      | Short  | Interm | Long   | Short  | Interm | Long   | Short | Interm | Long  | Short | Interm | Long  |
| Govt | 0.06%  | 0.06%  | 0.10%  | 0.01%  | -0.13% | -1.88% | 1.51% | 1.82%  | 3.62% | 1.51% | 1.82%  | 3.62% |
| Corp | -0.10% | -0.18% | -0.46% | -0.17% | -0.43% | -1.91% | 1.37% | 1.56%  | 1.86% | 1.37% | 1.56%  | 1.86% |
| HY   | -0.66% | -0.67% | -0.64% | -0.94% | -0.96% | -0.13% | 0.98% | 1.07%  | 2.02% | 0.98% | 1.07%  | 2.02% |

## Index Returns

|                          | Week   | MTD    | QTD    | YTD    |
|--------------------------|--------|--------|--------|--------|
| Equities (Stocks)        |        |        |        |        |
| S&P 500                  | -2.23% | -5.22% | -3.85% | -3.85% |
| S&P MidCap 400           | -1.93% | -5.31% | -5.94% | -5.94% |
| Russell 2000             | -1.45% | -5.39% | -8.11% | -8.11% |
| MSCI EAFE                | -1.11% | 1.97%  | 9.41%  | 9.41%  |
| MSCI Emerging Markets    | -0.74% | 2.13%  | 4.46%  | 4.46%  |
| MSCI EAFE Small Cap      | -0.23% | 3.00%  | 6.24%  | 6.24%  |
| Fixed Income (Bonds)     |        |        |        |        |
| Bloomberg Int Gov/Credit | -0.01% | -0.22% | 1.75%  | 1.75%  |
| Bloomberg US Agg         | -0.06% | -0.64% | 2.08%  | 2.08%  |
| Bloomberg US High Yield  | -0.67% | -0.95% | 1.08%  | 1.08%  |
| Other                    |        |        |        |        |
| Bloomberg Commodity      | 0.19%  | 2.27%  | 7.14%  | 7.14%  |
| S&P Dev Property         | -1.76% | -2.93% | 0.96%  | 0.96%  |

## S&P 500 Sector Returns

|                    | Week   | MTD    | QTD     | YTD     |
|--------------------|--------|--------|---------|---------|
| Consumer Disc      | -3.60% | -8.76% | -13.67% | -13.67% |
| Consumer Staples   | -4.19% | -5.50% | 1.92%   | 1.92%   |
| Energy             | 2.64%  | -1.20% | 4.85%   | 4.85%   |
| Financials         | -1.22% | -7.02% | 0.48%   | 0.48%   |
| Health Care        | -2.89% | -2.71% | 5.44%   | 5.44%   |
| Industrials        | -2.31% | -3.82% | -0.43%  | -0.43%  |
| Info Technology    | -2.05% | -5.36% | -9.33%  | -9.33%  |
| Materials          | -2.07% | -3.12% | 2.28%   | 2.28%   |
| Real Estate        | -2.36% | -3.93% | 1.97%   | 1.97%   |
| Communication Svcs | -3.46% | -5.35% | -3.21%  | -3.21%  |
| Utilities          | 2.01%  | -0.44% | 4.21%   | 4.21%   |

## Bond Yields

|               | 3/14/25 | 2/28/25 | 12/31/24 | 12/31/24 |
|---------------|---------|---------|----------|----------|
| SOFR 3Mo Swap | 4.30%   | 4.31%   | 4.30%    | 4.30%    |
| 2Yr Treasury  | 4.02%   | 3.99%   | 4.25%    | 4.25%    |
| 10Yr Treasury | 4.31%   | 4.24%   | 4.58%    | 4.58%    |
| 2-10 Slope    | 0.29%   | 0.25%   | 0.33%    | 0.33%    |

## Commodities and Currency

|                 | 3/14/25 | 2/28/25 | 12/31/24 | 12/31/24 |
|-----------------|---------|---------|----------|----------|
| Oil (\$/barrel) | 67.18   | 69.76   | 71.72    | 71.72    |
| Gold (\$/oz.)   | 2984.16 | 2857.83 | 2624.5   | 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.