

Weekly Market Update



Market Data as of Week Ending: 2/14/2025 unless noted otherwise

U.S. stocks bounced back last week in response to continued 'better-than-expected earnings' as the S&P 500 ended the week 1.52% higher. President Trump's decision to not introduce new global tariffs, instead opting to study reciprocal tariffs on a country-by-country basis, led to the best performance day of the week on Thursday. With earnings season winding down, fourth-quarter results continue to come in above expectations. As of Friday, earnings were expected to rise 16.9% compared to last year, up from the 11.8% growth rate analysts expected at the start of earnings season. Large and mega-cap companies outperformed their smaller-cap peers as the Russell 2000 lagged the S&P 500 by 1.47%. Growth outperformed value in large and mid-cap, led by information technology and communication services, which were the two best-performing sectors. Healthcare shares lagged the broader market, declining by over 1% last week. Foreign developed and emerging markets were positive, outperforming domestic equities for the third week in a row, as tariffs are now expected to be milder than originally thought.

Yields were volatile last week as they rose in response to the week's inflation data and news of possible reciprocal tariffs before ending the week essentially flat. The 10-year Treasury yield ended the week two basis points lower at 4.47%, while the 2-year Treasury moved lower to 4.26%. Duration played little role last week as bonds were mostly positive across the curve. Corporate bonds were the best-performing segment. Investment-grade and high-yield corporate bond yields fell slightly, ending the week at 5.26% and 7.42%, respectively.

Economic data for the week was headlined by inflation data and testimony from Fed Chair Jerome Powell. The week got started with the NFIB optimism index falling 2.3 points to 102.8 in January as small business owners remain optimistic but have growing levels of uncertainty. The Uncertainty Index rose to its third-highest recorded reading as hiring and inflation remain the two biggest challenges. Consumer prices rose by 0.5% in January, marking the largest monthly increase since August 2023 and well ahead of expectations, pushing the 12-month inflation rate to 3%. The increase was largely due to higher used car prices, auto insurance and egg prices. The Producer Price Index rose sharply in January as well, increasing by 0.4% and bringing the yearly wholesale inflation rate to 3.5% - the highest level in nearly two years. U.S. retail sales fell 0.9% in January, the most in nearly two years, as consumers pulled back on spending after the holidays. During testimony, Federal Reserve Chair Jerome Powell noted that the hotter-than-expected inflation data show that while Fed policymakers have made significant progress on bringing down inflation, they are "not quite there yet," and they "want to keep policy restrictive for now."

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

	Week			MTD			QTD			YTD		
	Value	Core	Growth	Value	Core	Growth	Value	Core	Growth	Value	Core	Growth
Large	0.65%	1.40%	2.03%	0.47%	1.16%	1.75%	5.12%	4.38%	3.76%	5.12%	4.38%	3.76%
Mid	-0.02%	0.20%	0.80%	-0.73%	0.22%	2.91%	2.76%	4.49%	9.47%	2.76%	4.49%	9.47%
Small	0.29%	0.05%	-0.18%	-0.05%	-0.28%	-0.50%	2.00%	2.33%	2.64%	2.00%	2.33%	2.64%

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	0.13%	0.14%	-0.09%	0.09%	0.18%	1.68%	0.59%	0.72%	2.10%	0.59%	0.72%	2.10%
Corp	0.26%	0.32%	0.40%	0.22%	0.39%	1.39%	0.81%	1.01%	1.81%	0.81%	1.01%	1.81%
HY	0.24%	0.26%	0.21%	0.23%	0.26%	0.12%	1.52%	1.63%	1.70%	1.52%	1.63%	1.70%

Index Returns

	Week	MTD	QTD	YTD
Equities (Stocks)				
S&P 500	1.52%	1.29%	4.11%	4.11%
S&P MidCap 400	-0.21%	-1.20%	2.60%	2.60%
Russell 2000	0.05%	-0.28%	2.33%	2.33%
MSCI EAFE	2.65%	2.90%	8.30%	8.30%
MSCI Emerging Markets	1.54%	2.95%	4.79%	4.79%
MSCI EAFE Small Cap	1.71%	2.00%	5.51%	5.51%
Fixed Income (Bonds)				
Bloomberg Int Gov/Credit	0.19%	0.24%	0.81%	0.81%
Bloomberg US Agg	0.19%	0.58%	1.12%	1.12%
Bloomberg US High Yield	0.26%	0.26%	1.63%	1.63%
Other				
Bloomberg Commodity	1.68%	3.68%	7.78%	7.78%
S&P Dev Property	0.58%	1.42%	3.26%	3.26%

S&P 500 Sector Returns

	Week	MTD	QTD	YTD
Consumer Disc	0.30%	-3.29%	0.98%	0.98%
Consumer Staples	1.78%	3.39%	5.50%	5.50%
Energy	1.58%	2.69%	4.82%	4.82%
Financials	-0.03%	0.62%	7.22%	7.22%
Health Care	-1.06%	-1.36%	5.33%	5.33%
Industrials	0.19%	-0.59%	4.41%	4.41%
Info Technology	3.79%	4.66%	1.62%	1.62%
Materials	1.78%	1.20%	6.86%	6.86%
Real Estate	0.24%	1.53%	3.39%	3.39%
Communication Svcs	1.99%	-0.18%	8.92%	8.92%
Utilities	1.22%	1.52%	4.49%	4.49%

Bond Yields

	2/14/25	1/31/25	12/31/24	12/31/24
SOFR 3Mo Swap	4.33%	4.30%	4.30%	4.30%
2Yr Treasury	4.26%	4.22%	4.25%	4.25%
10Yr Treasury	4.47%	4.58%	4.58%	4.58%
2-10 Slope	0.21%	0.36%	0.33%	0.33%

Commodities and Currency

	2/14/25	1/31/25	12/31/24	12/31/24
Oil (\$/barrel)	70.74	72.53	71.72	71.72
Gold (\$/oz.)	2882.53	2798.41	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.