



# Weekly Market Recap

### The week in review

- The FOMC held the federal funds rate at 4.25 – 4.50%
- ISM Services came in at 51.6

### The week ahead

- CPI
- PPI
- Retail Sales

### Thought of the week

Tariffs may be the market’s new favorite buzzword, but the Mag 7 are putting up another quarter of magnificent earnings growth. With 6 out of the 7 reporting, earnings have come in 11.3% above consensus estimates, the largest surprise since 3Q23. As this week’s chart shows, since the first Mag 7 name reported on April 22, analysts have revised full-year estimates up by 1.8% vs. down -0.8% for the S&P 493. While other companies are discussing cost cutting and hiring freezes, Mag 7 CEOs doubled down on capital expenditures and adding headcount to support their AI businesses. Early monetization results include double digit cloud growth, mid-single digit increases in ad conversions from LLM enhancements and billions of AI users.

Still, the risks are significant. The Mag 7 earn 48% of their revenues and source approximately 45% of their supply chain from outside of the U.S. Semiconductors imports have thus far been excluded from tariffs, insulating companies from direct impacts. However, several end-markets, like hardware and autos, are materially exposed. As price increases mute demand, semi companies too will suffer. The rest of the Mag 7 depend on consumers to buy their products or drive their advertising and e-commerce businesses and are therefore vulnerable to any macro slow-down. There are other regulatory risks as well, including monopoly investigations into search and app store markets. All in all, we do think the Mag 7 may be able to power through tariffs better than other industries, but investors should ensure their exposure is right sized.

Please see important disclosures on next page.

### Weekly Data Center

|                     |       | Index Returns (%) |       |       |        |            |
|---------------------|-------|-------------------|-------|-------|--------|------------|
| Equities            | Level | 1 week            | QTD   | YTD   | 1 year | 3-yr. Cum. |
| S&P 500             | 5660  | -0.45             | 0.97  | -3.34 | 10.02  | 48.51      |
| Dow Jones 30        | 41249 | -0.14             | -1.67 | -2.52 | 6.60   | 35.83      |
| Russell 2000        | 5028  | 0.14              | 0.65  | -8.89 | -1.10  | 20.02      |
| Russell 1000 Growth | 2496  | -0.61             | 3.91  | -6.45 | 12.26  | 67.17      |
| Russell 1000 Value  | 1124  | 0.01              | -1.62 | 0.48  | 6.99   | 29.18      |
| MSCI EAFE           | 2530  | -0.03             | 6.18  | 13.62 | 11.91  | 45.52      |
| MSCI EM             | 1138  | 0.50              | 3.75  | 6.87  | 10.24  | 23.24      |
| NASDAQ              | 17929 | -0.26             | 3.68  | -6.96 | 10.46  | 57.95      |

| Fixed Income      | Yield | 1 week | QTD   | YTD   | 1 year | 3-yr. Cum. |
|-------------------|-------|--------|-------|-------|--------|------------|
| U.S. Aggregate    | 4.71  | -0.17  | -0.56 | 2.20  | 5.32   | 5.68       |
| U.S. Corporates   | 5.31  | -0.10  | -0.82 | 1.47  | 5.06   | 9.69       |
| Municipals (10yr) | 3.77  | 0.22   | -0.28 | -0.03 | 0.67   | 8.79       |
| High Yield        | 7.91  | 0.15   | 0.52  | 1.53  | 8.22   | 23.11      |

|                       |        | Levels (%) |         |          |        |        |
|-----------------------|--------|------------|---------|----------|--------|--------|
| Key Rates             | 5/9/25 | 5/2/25     | 3/31/25 | 12/31/24 | 5/9/24 | 5/9/22 |
| 2-yr U.S. Treasuries  | 3.88   | 3.83       | 3.89    | 4.25     | 4.80   | 2.61   |
| 10-yr U.S. Treasuries | 4.37   | 4.33       | 4.23    | 4.58     | 4.45   | 3.05   |
| 30-yr U.S. Treasuries | 4.83   | 4.79       | 4.59    | 4.78     | 4.60   | 3.19   |
| 10-yr German Bund     | 2.55   | 2.52       | 2.70    | 2.35     | 2.50   | 1.12   |
| SOFR                  | 4.29   | 4.36       | 4.41    | 4.49     | 5.31   | 0.78   |
| 3-mo. EURIBOR         | 2.12   | 2.14       | 2.34    | 2.71     | 3.81   | -0.40  |
| 6-mo. CD rate         | 1.91   | 1.89       | 1.89    | 2.29     | 2.34   | 0.34   |
| 30-yr fixed mortgage  | 6.84   | 6.80       | 6.77    | 7.28     | 7.37   | 5.57   |
| Prime Rate            | 7.50   | 7.50       | 7.50    | 7.50     | 8.50   | 4.00   |

| Index Characteristics |       |           |               |
|-----------------------|-------|-----------|---------------|
| NTM P/E               | P/B   | Div. Yld. | Mkt. Cap (bn) |
| 20.44                 | 4.82  | 1.30      | 47975         |
| 18.86                 | 5.29  | 1.86      | 17203         |
| 22.88                 | 1.84  | 1.42      | 2376          |
| 26.00                 | 11.69 | 0.60      | 27557         |
| 16.33                 | 2.69  | 2.07      | 24423         |
| 14.42                 | 1.88  | 2.62      | 17875         |
| 12.20                 | 1.74  | 2.18      | 8118          |
| 25.15                 | 6.33  | 0.70      | 29384         |

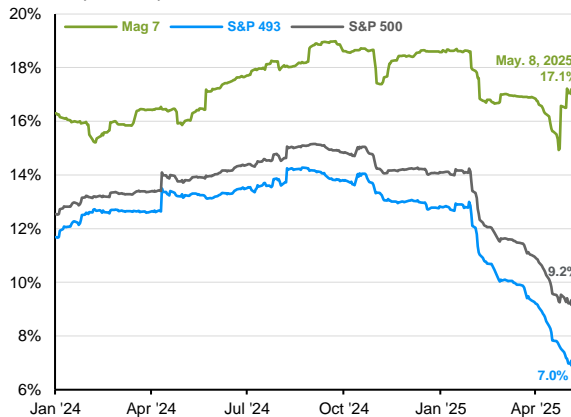
| Levels     |        |          |        |
|------------|--------|----------|--------|
| Currencies | 5/9/25 | 12/31/24 | 5/9/24 |
| \$ per €   | 1.13   | 1.04     | 1.08   |
| \$ per £   | 1.33   | 1.25     | 1.25   |
| ¥ per \$   | 145.02 | 157.16   | 155.58 |

| Levels      |        |          |        |
|-------------|--------|----------|--------|
| Commod.     | 5/9/25 | 12/31/24 | 5/9/24 |
| Oil (WTI)   | 59.89  | 72.44    | 80.86  |
| Gasoline    | 3.15   | 3.01     | 3.64   |
| Natural Gas | 3.59   | 3.40     | 2.03   |
| Gold        | 3325   | 2609     | 2326   |
| Silver      | 32.52  | 28.91    | 27.63  |
| Copper      | 9500   | 8706     | 9728   |
| Corn        | 4.45   | 4.53     | 4.43   |
| BBG Idx     | 252.08 | 238.62   | 239.80 |

### Chart of the Week

#### 2025 consensus EPS growth estimate

Pro forma, year-over-year



### Style Returns

|   | V    | B    | G    |
|---|------|------|------|
| L | 0.0  | -0.4 | -0.6 |
| M | 0.8  | 0.8  | 1.0  |
| S | 0.4  | 0.1  | -0.1 |
|   | V    | B    | G    |
| L | 0.5  | -3.3 | -6.4 |
| M | -2.1 | -1.5 | 0.0  |
| S | -8.8 | -8.9 | -9.0 |

### S&P 500 Sector Returns

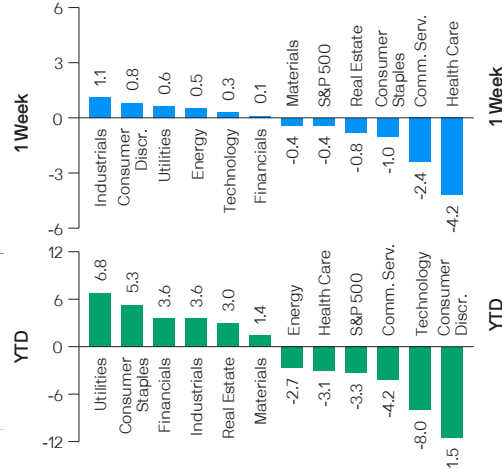




Chart of the Week: Factset, S&P Global, J.P. Morgan Asset Management. Data are as of April 8, 2025.

Thought of the week: Factset, S&P Global, J.P. Morgan Asset Management. Data are as of April 8, 2025.

Abbreviations: Cons. Sent.: University of Michigan Consumer Sentiment Index; CPI: Consumer Price Index; EIA: Energy Information Agency; FHFA HPI: - Federal Housing Finance Authority House Price Index; FOMC: Federal Open Market Committee; GDP: gross domestic product; HPI: Home Price Index; HMI: Housing Market Index; ISM Mfg. Index: Institute for Supply Management Manufacturing Index; PCE: Personal consumption expenditures; Philly Fed Survey: Philadelphia Fed Business Outlook Survey; PMI: Purchasing Managers' Manufacturing Index; PPI: Producer Price Index; SAAR: Seasonally Adjusted Annual Rate

Equity Price Levels and Returns: All returns represent total return for stated period. Index: S&P 500; provided by: Standard & Poor's. Index: Dow Jones Industrial 30 (The Dow Jones is a price-weighted index composing of 30 widely-traded blue chip stocks.); provided by: S&P Dow Jones Indices LLC. Index: Russell 2000; provided by: Russell Investments. Index: Russell 1000 Growth; provided by: Russell Investments. Index: Russell 1000 Value; provided by: Russell Investments. Index: MSCI – EAFE; provided by: MSCI – gross official pricing. Index: MSCI – EM; provided by: MSCI – gross official pricing. Index: Nasdaq Composite; provided by: NASDAQ OMX Group.

MSCI EAFE is a Morgan Stanley Capital International Index that is designed to measure the performance of the developed stock markets of Europe, Australasia, and the Far East.

Bond Returns: All returns represent total return. Index: Bloomberg US Aggregate; provided by: Bloomberg Capital. Index: Bloomberg Investment Grade Credit; provided by: Bloomberg Capital. Index: Bloomberg Municipal Bond 10 Yr; provided by: Bloomberg Capital. Index: Bloomberg Capital High Yield Index; provided by: Bloomberg Capital.

Key Interest Rates: 2 Year Treasury, FactSet; 10 Year Treasury, FactSet; 30 Year Treasury, FactSet; 10 Year German Bund, FactSet. 3 Month LIBOR, British Bankers' Association; 3 Month EURIBOR, European Banking Federation; 6 Month CD, Federal Reserve; 30 Year Mortgage, Mortgage Bankers Association (MBA); Prime Rate: Federal Reserve.

Commodities: Gold, FactSet; Crude Oil (WTI), FactSet; Gasoline, FactSet; Natural Gas, FactSet; Silver, FactSet; Copper, FactSet; Corn, FactSet. Bloomberg Commodity Index (BBG Idx), Bloomberg Finance L.P.

Currency: Dollar per Pound, FactSet; Dollar per Euro, FactSet; Yen per Dollar, FactSet.

S&P Index Characteristics: Dividend yield provided by FactSet Pricing database. Fwd. P/E is a bottom-up weighted harmonic average using First Call Mean estimates for the "Next 12 Months" (NTM) period. Market cap is a bottom-up weighted average based on share information from Compustat and price information from FactSet's Pricing database as provided by Standard & Poor's.

MSCI Index Characteristics: Dividend yield provided by FactSet Pricing database. Fwd. P/E is a bottom-up weighted harmonic average for the "Next 12 Months" (NTM) period. Market cap is a bottom-up weighted average based on share information from MSCI and Price information from FactSet's Pricing database as provided by MSCI.

Russell 1000 Value Index, Russell 1000 Growth Index, and Russell 2000 Index Characteristics: Trailing P/E is provided directly by Russell. Fwd. P/E is a bottom-up weighted harmonic average using First Call Mean estimates for the "Next 12 Months" (NTM) period.

Market cap is a bottom-up weighted average based on share information from Compustat and price information from FactSet's Pricing database as provided by Russell.

Sector Returns: Sectors are based on the GICS methodology. Return data are calculated by FactSet using constituents and weights as provided by Standard & Poor's. Returns are cumulative total return for stated period, including reinvestment of dividends.

Style Returns: Style box returns based on Russell Indexes with the exception of the Large-Cap Blend box, which reflects the S&P 500 Index. All values are cumulative total return for stated period including the reinvestment of dividends. The Index used from L to R, top to bottom are: Russell 1000 Value Index (Measures the performance of those Russell 1000 companies with lower price-to-book ratios and lower forecasted growth values), S&P 500 Index (Index represents the 500 Large Cap portion of the stock market, and is comprised of 500 stocks as selected by the S&P Index Committee), Russell 1000 Growth Index (Measures the performance of those Russell 1000 companies with higher price-to-book ratios and higher forecasted growth values), Russell Mid Cap Value Index (Measures the performance of those Russell Mid Cap companies with lower price-to-book ratios and lower forecasted growth values), Russell Mid Cap Index (The Russell Midcap Index includes the smallest 800 securities in the Russell 1000), Russell Mid Cap Growth Index (Measures the performance of those Russell Mid Cap companies with higher price-to-book ratios and higher forecasted growth values), Russell 2000 Value Index (Measures the performance of those Russell 2000 companies with lower price-to-book ratios and lower forecasted growth values), Russell 2000 Index (The Russell 2000 includes the smallest 2000 securities in the Russell 3000), Russell 2000 Growth Index (Measures the performance of those Russell 2000 companies with higher price-to-book ratios and higher forecasted growth values).

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**Diversification does not guarantee investment returns and does not eliminate the risk of loss.**

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