



# Weekly Market Recap

## The week in review

- Svcs. and mfg. PMI improved to 50.8 and 49, respectively
- JOLTS openings rose to 7,769mm
- Nonfarm payrolls rose by 147k

## The week ahead

- FOMC minutes
- NFIB small business index

## Thought of the week

While it was a very volatile first half of the year from both a fundamental and market perspective, investors can draw two valuable lessons: the importance of diversifying and staying invested for the long term.

Globally diversified investors profited, with international equities dramatically outperforming their U.S. counterparts by over 1,200 bps. Part of this outperformance was due to a falling U.S. dollar, with the greenback ending the first half down 10.7%. The benefits of diversification were also evident in fixed income, which generated solid returns and, as importantly, provided stability when risk assets were down. Commodities achieved steady returns despite geopolitical challenges. Cash returned 2.1%, which, while positive, serves as a further reminder that taking a "wait and see approach" does not achieve the best long-term results.

However, the first half of 2025 also reminded investors of the importance of staying invested and not trying to time the market. As shown in this week's chart of the week, U.S. stocks saw major drawdowns within the first half, with large caps declining 18.9% and small caps falling 24.5%. But, by the end of the first half, large caps had rebounded and small caps were only slightly down. Investors who stayed diversified and stayed invested fared the best in the first half of 2025.

On average, valuations ended 2025 higher, but broad areas of global financial markets still seem reasonably priced. As we move into the second half of the year investors should focus on diversification and portfolio rebalancing, and take advantage of the resilience provided by alternative asset classes.

Please see important disclosures on next page.

## Weekly Data Center

Equities	Level	Index Returns (%)				
		1 week	QTD	YTD	1 year	3-yr. Cum.
S&P 500	6279	1.75	1.22	7.50	14.95	71.83
Dow Jones 30	44829	2.34	1.70	6.33	16.11	53.02
Russell 2000	5589	3.58	3.41	1.57	11.95	36.05
Russell 1000 Growth	2852	1.58	0.89	7.04	15.22	98.66
Russell 1000 Value	1200	2.03	1.64	7.74	15.85	43.90
MSCI EAFE	2655	0.06	0.01	19.94	15.67	58.05
MSCI EM	1232	0.45	0.88	16.59	14.83	35.99
NASDAQ	20601	1.63	1.15	7.06	14.06	89.58

Fixed Income	Yield	Index Returns (%)				
		1 week	QTD	YTD	1 year	3-yr. Cum.
U.S. Aggregate	4.62	-0.09	-0.44	3.56	5.33	6.72
U.S. Corporates	5.06	0.27	-0.21	3.96	6.17	12.74
Municipals (10yr)	3.66	0.23	0.12	1.17	2.56	8.27
High Yield	7.29	0.46	0.21	4.78	10.48	32.87

Key Rates	Levels (%)					
	7/4/25	6/27/25	6/30/25	12/31/24	7/4/24	7/4/22
2-yr U.S. Treasuries	3.88	3.73	3.72	4.25	4.71	2.84
10-yr U.S. Treasuries	4.35	4.29	4.24	4.58	4.36	2.88
30-yr U.S. Treasuries	4.86	4.85	4.78	4.78	4.53	3.11
10-yr German Bund	2.59	2.58	2.60	2.35	2.57	1.31
SOFR	4.40	4.39	4.45	4.49	5.33	1.52
3-mo. EURIBOR	1.98	1.94	1.94	2.71	3.71	-0.17
6-mo. CD rate	1.88	1.91	1.91	2.29	2.30	0.50
30-yr fixed mortgage	6.75	6.85	6.80	7.28	7.33	5.62
Prime Rate	7.50	7.50	7.50	7.50	8.50	4.75

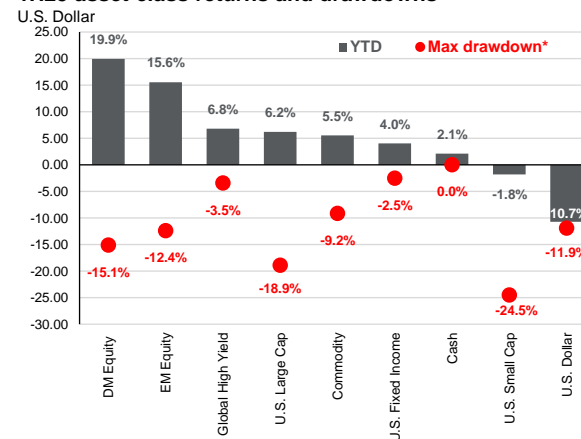
Index Characteristics				
NTM P/E	P/B	Div. Yld.	Mkt. Cap (bn)	
22.32	4.96	1.18	53125	
20.33	5.39	1.72	19559	
24.20	1.85	1.33	2595	
30.63	12.64	0.49	29655	
17.28	2.79	1.87	28198	
14.78	1.90	2.70	18794	
12.87	1.79	2.03	8831	
28.27	6.59	0.62	33842	

Levels			
Currencies	7/4/25	12/31/24	7/4/24
\$ per €	1.18	1.04	1.08
\$ per £	1.36	1.25	1.28
¥ per \$	144.53	157.16	161.09

Levels			
Commod.	7/4/25	12/31/24	7/4/24
Oil (WTI)	66.94	72.44	85.19
Gasoline	3.16	3.01	3.48
Natural Gas	3.41	3.40	2.02
Gold	3332	2609	2359
Silver	36.89	28.91	30.34
Copper	9971	8706	9727
Corn	4.32	4.53	4.02
BBG Idx	255.28	238.62	241.05

## Chart of the Week

### 1H25 asset class returns and drawdowns



## Style Returns

	V		
	B	G	
L	2.0	1.8	1.6
M	2.6	2.4	1.7
S	4.7	3.6	2.6
L	7.7	7.5	7.0
M	5.4	6.8	10.9
S	1.4	1.6	1.7

## S&P 500 Sector Returns

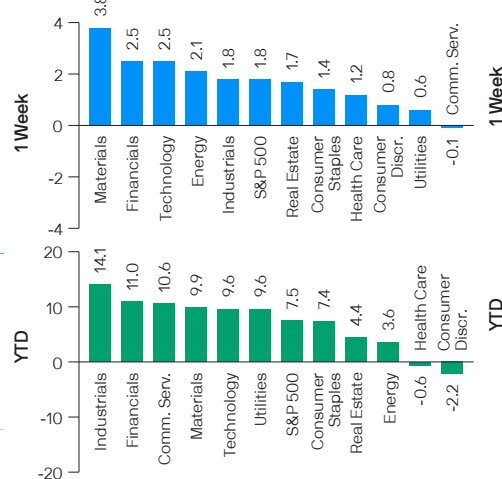


Chart of the Week: Source: Bloomberg, FactSet, MSCI, NAREIT, FTSE Russell, Standard & Poor's, J.P. Morgan Asset Management. Returns shown are total return as of June 30, 2025 unless stated otherwise. \*Maximum drawdown for equities calculated using price return and reflects largest peak to trough drawdown during the year.

Thought of the week: Source: Bloomberg, FactSet, MSCI, NAREIT, FTSE Russell, Standard & Poor's, J.P. Morgan Asset Management.

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).

**Past performance does not guarantee future results.**

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

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