

Weekly Market Update

June 23, 2025

Economic & Market News

This Week:

- U.S. economic reports scheduled to be released this week include: Markit Purchasing Managers' Index (PMI) Manufacturing & Services, Existing & New Home Sales, Consumer Confidence, Gross Domestic Product (GDP), and Personal Consumption Expenditure (PCE).
- Non-U.S. economic reports scheduled to be released this week include: Markit PMI Manufacturing & Services in the Eurozone as well as the Unemployment Rate, Trade Balance and Retail Sales in Japan.

Week in Review:

- Retail sales declined 0.9% in May (-1.2% including revisions to prior months), and sales are up 3.3% versus a year ago. The largest decline in May were for autos, while the largest increase was at non-store retailers (internet and mail-order).
- Industrial production declined 0.2% in May (-0.3% including revisions to prior months). Utilities output fell 2.9% in May, while mining rose 0.1%. Auto production jumped 4.9%, while non-auto manufacturing dropped 0.3%.
- The Federal Reserve System (Fed) held rates steady between 4.25% to 4.50% and the updated dot plot showed upward revisions to both inflation and unemployment projections, as well as to policy rate expectations.

Commodities	Latest	1M Ago	3M Ago	6M Ago
Oil (\$/barrel)	73.84	62.03	68.07	69.46
Gold (\$/oz)	3368.10	3280.30	3040.00	2628.70
Gasoline (\$/gallon)	2.33	2.15	2.19	1.94

Currencies	Latest	1M Ago	3M Ago	6M Ago
Euro (€/\$)	1.15	1.13	1.08	1.04
Pound (\$/£)	1.35	1.34	1.30	1.25
Yen (¥/\$)	145.91	144.57	148.87	156.51

S&P 1500 by Capitalization & Style¹

1-Week Value	1-Week Blend	1-Week Growth		YTD Value	YTD Blend	YTD Growth
0.08%	-0.12%	-0.30%	Large	0.65%	2.12%	3.45%
0.71%	0.65%	0.60%	Mid	-2.24%	-2.37%	-2.48%
0.25%	0.23%	0.22%	Small	-10.10%	-7.19%	-4.30%

Upcoming U.S. Economic Events: Jun 23-27, 2025

Day	Indicator	Period	Consensus	Last ²
MON	Markit PMI Manufacturing SA (Prelim)	Jun	51.5	52.0
MON	Existing Home Sales SAAR	May	3,950K	4,000K
TUE	S&P/Case-Shiller comp.20 HPI M/M	Apr	0.08%	-0.12%
TUE	Consumer Confidence	Jun	99.0	98.0
WED	Building Permits SAAR (Final)	May	1,393K	1,393K
WED	New Home Sales SAAR	May	689.5K	743.0K
THU	Continuing Jobless Claims SA	06.14	-	1,945K
THU	Durable Orders SA M/M (Prelim)	May	9.4%	-6.3%
THU	GDP SAAR Q/Q (Final)	Q1	-0.20%	-0.20%
THU	Initial Claims SA	06.21	245.0K	245.0K
FRI	Personal Consumption Expenditure SA M/M	May	0.30%	0.20%
FRI	Michigan Sentiment NSA (Final)	Jun	59.8	60.5

Equity Index Characteristics ³	P/E (TTM)	P/B (TTM)	P/CF (TTM)	Wtd Avg Mkt Cap (\$B)
MSCI ACWI IMI	20.62	2.78	13.27	113.94
S&P 500	25.48	4.66	18.02	349.70
S&P MidCap 400	19.24	2.35	9.61	8.63
S&P SmallCap 600	17.45	1.67	8.86	2.88
MSCI World ex U.S.	17.31	1.92	10.20	58.50
MSCI EM IMI	14.03	1.70	8.80	31.81

S&P 500 Sector Returns (%)

1-Week

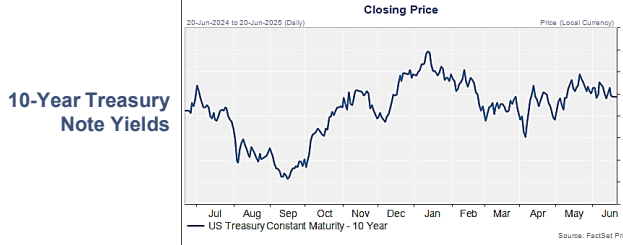


YTD



Index Returns	1 Week	MTD	3M	YTD
MSCI ACWI IMI	-0.38	0.86	5.62	5.97
S&P 500	-0.12	1.05	5.74	2.12
S&P MidCap 400	0.65	0.93	2.58	-2.37
S&P SmallCap 600	0.23	1.07	0.56	-7.19
MSCI World ex USA	-1.39	-0.67	5.09	15.49
MSCI EM IMI	-0.19	2.77	5.66	11.16
Bloomberg U.S. Agg Bond	0.26	0.49	0.24	2.95
Bloomberg Commodity	1.45	7.02	2.02	10.28
DJ Equity All REIT	0.08	0.13	-0.30	2.09

Bond Rates	Latest	1M Ago	3M Ago	6M Ago
Fed Funds Target Rate	4.33	4.33	4.33	4.33
2Y U.S. Treasury	3.91	3.97	3.94	4.31
10Y U.S. Treasury	4.38	4.48	4.23	4.53
ICE 3M LIBOR	4.85	4.85	4.85	4.85
Bloomberg 10Y Muni	3.72	3.80	3.49	3.55
Bloomberg U.S. IG Corp.	5.16	5.29	5.13	5.32
Bloomberg U.S. HY Corp.	7.30	7.50	7.50	7.50



Please see important definitions and disclosures on p.2-4. All returns represent total return including dividends. Data is as of 06.20.2025 unless otherwise noted. Economic charts are provided for illustrative purposes only.

Important Information

Source Information & Technical Terms

¹Style boxes are derived from the components of the S&P 1500® Index. ²May include flash/preliminary estimates. ³Characteristics are as of 05.31.2025.

Past performance is not indicative of future results. Any type of investing involves risk and there are no guarantees that these methods will be successful. Economic charts are provided for illustrative purposes only. The information provided herein is subject to market conditions and is therefore expected to fluctuate.

Economic & market news provided by Sterling Capital Advisory Solutions.

Commodity rates (oil, gold, gasoline), **currency rates** (dollar per pound sterling, dollar per euro, yen per dollar), **upcoming U.S. economic events, bond rates** (fed funds target rate, 2Y Treasury, 10Y Treasury, 3M LIBOR, 10Y municipal, U.S. IG corporate, U.S HY corporate), **10Y Treasury yields** and **S&P 500 Index levels** are all sourced from FactSet.

Capitalization/style returns are based on S&P Indexes. All values are cumulative total return for stated period including the reinvestment of dividends. Top row indices (L-R): S&P 500 Value; S&P 500; S&P 500 Growth. Middle row indices (L-R): S&P Mid Cap 400 Value; S&P Mid Cap 400; S&P Mid Cap 400 Growth. Bottom row indices (L-R): S&P Small Cap 600 Value; S&P Small Cap 600; S&P Small Cap 600 Growth. The S&P 500, S&P Mid Cap 400, and S&P Small Cap 600 are defined on the next page. S&P Style indices measure growth and value along two separate dimensions, with three factors each used to measure growth and value. Growth factors: 3-year change in earnings per share over price per share; 3-year sales per share growth rate; momentum. Value factors: book value to price ratio; earnings to price ratio; sales to price ratio. Source: Morningstar Direct.

Equity index characteristics: P/E, P/B, and P/CF ratios for all indices are based on TTM period. Source: Morningstar Direct. Index definitions are on the next page.

S&P 500 sector returns are based on the GICS Classification model. Returns are calculated by Morningstar Direct using constituents and weights provided by Standard and Poor's. Returns are cumulative total return for the stated period, including reinvestment of dividends. Source: Morningstar Direct.

Index returns: Prices reflect closing price level for each stated date. Source: Morningstar Direct.

The Federal Open Market Committee (FOMC) is the branch of the Federal Reserve System (FRS) that determines the direction of monetary policy in the U.S. by directing open market operations (OMOs). The committee is made up of 12 members, including seven members of the Board of Governors, the president of the Federal Reserve Bank of New York, and four of the remaining 11 Reserve Bank presidents, who serve on a rotating basis.

Nonfarm payroll refers to the number of jobs in the private sector and government agencies. It excludes farm workers, private household employees, proprietors, non-profit employees, and actively serving military.

A **seasonal adjustment (SA)** is a statistical technique designed to even out periodic swings in statistics or movements in supply and demand related to changing seasons. It can, therefore, eliminate misleading seasonal components of an economic time series. Seasonal adjustment is a method of data-smoothing that is used to predict economic performance or company sales for a given period.

A **non-seasonal adjustment (NSA)** analyses of the data cannot yield accurate results. If each period in a time series—for example, each month in the fiscal year—has a different tendency toward low or high seasonal values, it can be difficult to detect the true direction of the underlying trends of the time series. Difficulties may include increases or decreases in economic activity, turning points, and other economic indicators.

The **seasonally adjusted annual rate (SAAR)** is an adjustment made to financial and economic data to take into account seasonal variations that occur through a period and is expressed as an annual total.

The **fed funds rate** refers to the interest rate that depository institutions (such as banks and credit unions) charge other depository institutions for overnight lending of capital from their reserve balances on an uncollateralized basis.

Price-to-book (P/B) compares the book value of fund's stocks with their market value. The P/B ratio indicates how much an investor is paying for a company's assets based on historical valuations. It does not reflect current market value.

Price-to-cash flow (P/CF) is a stock valuation indicator or multiple that measures the value of a stock's price relative to its operating cash flow per share.

Price-to-earnings (P/E) compares the price of a fund's stocks with their per-share earnings. A higher ratio indicates the market's belief that a company is able to increase its earnings.

Trailing twelve months (TTM) is a term used to describe the past 12 consecutive months of a company's performance data, typically used for reporting financial figures.

Real gross domestic product (GDP) is an inflation-adjusted measure of the value of all goods and services produced by an economy in a given year, using base-year prices.

Weighted average market capitalization refers to a type of stock market index construction that is based on the market capitalization of the index's constituent stocks.

Eurozone is the economic region formed by those member countries of the European Union that have adopted the euro.

Consumer Confidence is a statistical measure of consumers' feelings about current and future economic conditions, used as an indicator of the overall state of the economy.

Personal Consumption Expenditures (PCE) is a measure of consumer spending on goods and services in the U.S. economy, primarily used by the Federal Reserve to assess economic health and inflation trends.

Important Information

Index Definitions

A Note on Indices: The volatility of an index varies greatly. All indices are unmanaged, and investments cannot be made directly in an index.

The **Bloomberg U.S. Aggregate Bond Index** is an unmanaged, market-value-weighted index of taxable investment-grade fixed-rate debt issues, including government, corporate, asset-backed, and mortgage-backed securities, with maturities of one year or more.

The **Bloomberg Commodity Index (BCOM)** is calculated on an excess return basis and reflects commodity futures price movements. The index rebalances annually weighted 2/3 by trading volume and 1/3 by world production and weight-caps are applied at the commodity, sector and group level for diversification. Roll period typically occurs from 6th-10th business day based on the roll schedule.

The **Bloomberg U.S. Corporate High Yield Index** is an unmanaged, U.S. dollar-denominated, nonconvertible, non-investment-grade debt index. The index consists of domestic and corporate bonds rated Ba and below with a minimum outstanding amount of \$150 million.

The **Bloomberg U.S. Corporate Investment Grade Index** is an unmanaged index composited of the qualifying universe of investment grade rated taxable corporate bonds. The index includes U.S.-denominated securities publicly issued by U.S. and non-U.S. industrial, utility, and financial issuers.

The **Bloomberg U.S. 1-10 Year Municipal Index** is a market value-weighted index which covers the short and intermediate components of the Bloomberg Municipal Bond Index.

The **DJ Equity ALL REIT Index** represents all publicly traded real estate investment trusts in the Dow Jones U.S. stock universe classified as Equity REITs according to the Dow Jones REIT Industry Classification Hierarchy. These companies are REITs that primarily own and operate income-producing real estate.

The **ICE 3M USD LIBOR** is the primary benchmark for short-term interest rates globally, used for mortgages, loans, for interest rate contracts on futures and options exchanges, and as a general gauge of the health of financial monetary markets.

The **ISM Manufacturing Index** is a monthly indicator of U.S. economic activity based on a survey of purchasing managers at more than 300 manufacturing firms.

The **Job Openings and Labor Turnover Survey (JOLTS)** program produces data on job openings, hires, and separations.

The **S&P CoreLogic Case-Shiller U.S. National Home Price NSA Index** is a composite of single-family home price indices for the nine U.S. Census divisions and is calculated monthly. It is included in the S&P CoreLogic Case-Shiller Home Price Index Series which seeks to measure changes in the total value of all existing single-family housing stock.

The **Leading Indicators Index** is a composite index based on 12 economic indicators, that is designed to predict the future direction of the economy.

The **MSCI ACWI Index** is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed and emerging markets. The MSCI ACWI consists of 46 country indexes comprising 23 developed and 23 emerging market country indexes.

The **MSCI World ex USA Index** captures large and mid cap representation across 22 of 23 Developed Markets (DM) countries excluding the United States. The index covers approximately 85% of the free float-adjusted market capitalization in each country.

The **MSCI ACWI Investable Market Index (IMI)** captures large, mid and small cap representation across 23 Developed Markets (DM) and 24 Emerging Markets (EM) countries*.

The **MSCI Emerging Markets Investable Market Index (IMI)** captures large, mid and small cap representation across 23 Emerging Markets (EM) countries. The index covers approximately 99% of the free float-adjusted market capitalization in each country.

The **Producer Price Index (PPI)** measures the average change over time in the prices domestic producers receive for their output.

The **S&P 500® Index** is a readily available, carefully constructed, market-value-weighted benchmark of common stock performance. Currently, the S&P® Composite includes 500 of the largest stocks (in terms of stock market value) in the United States; prior to March 1957 it consisted of 90 of the largest stocks.

The **S&P Composite 1500** combines three leading indices, the S&P 500®, the S&P MidCap 400, and the S&P SmallCap 600 to cover approximately 90% of the U.S. market capitalization. It is designed for investors seeking to replicate the performance of the U.S. equity market or benchmark against a representative universe of tradable stocks.

The **S&P SmallCap 600® Index** is designed to measure the performance of the small capitalization sector of the U.S. equities market. This index consists of 600 domestic stocks chosen for market size, liquidity, (bid-asked spread, ownership, share turnover and number of no trade days) and industry group representation.

The **S&P MidCap 400® Index** is designed to measure the performance of the mid capitalization sector of the U.S. equities market. This index consists of 400 domestic stocks chosen for market size, liquidity, (bid-asked spread, ownership, share turnover and number of no trade days) and industry group representation.

The **S&P/Case-Shiller 20-City Composite Home Price Index (HPI)** is a measure of the average change in the selling price of single-family homes in 20 major metropolitan areas in the United States.

The **Purchasing Managers' Index (PMI)** is a monthly survey-based economic indicator that reflects the health of the manufacturing and service sectors. It's derived from surveys sent to purchasing managers in various companies, asking about changes in key areas like new orders, production, employment, and prices.

The **Michigan Consumer Sentiment Index (MCSI)** is a monthly survey conducted by the University of Michigan that measures the level of optimism or pessimism that U.S. consumers feel about the overall economy and their personal finances.

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Disclosures

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