



December 5, 2025

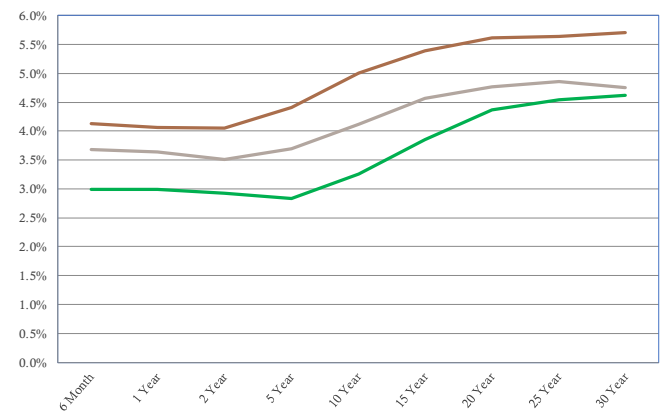
Global equities posted modest gains this week, with the S&P 500, Nasdaq, and Dow Jones Industrial Average rising. Small caps outperformed large caps, and international markets were mixed but still positive. Sector performance was uneven: Energy led, while Healthcare and Utilities declined. Commodities generally strengthened, led by natural gas and silver, while Bitcoin dipped, continuing its recent weakness.

Economic conditions remain influenced by liquidity flows and policy uncertainty. Treasury settlement day saw \$25 billion accessed through the Fed's Standing Repo Facility, the second highest on record, highlighting ongoing funding pressures despite recent rate cuts. The market predicts the Fed will implement another 25-basis-point cut at its December meeting, with futures pricing in an 87% likelihood of that occurring. Similarly, two additional cuts are expected in 2026. Public comments indicate a closely balanced decision in December, with some officials advocating caution on inflation and others signaling room to cut; the minutes and speeches revealed a wide range of long-term rate opinions. Early signaling of a favored successor could create a "shadow chair" dynamic that complicates communication; markets intermittently price more aggressive 2026 easing paths than were projected in previous Summary of Economic Projections (SEPs).

Housing affordability remains a key challenge. Even though mortgage rates have fallen, supply constraints persist, and the gap between the cost of new and existing homes has narrowed to its lowest level in years. This difference between prices and supply highlights why monetary policy alone probably won't solve affordability issues. The near-term focus is the Dec 9-10 FOMC rate decision and the catch-up releases of Labor statistics. Have a great weekend!

As of 12/05/25		Total Returns				
Equity Markets	Closing	1 Week	1 Mo	3 Mo	6 Mo	1 Year
Dow Jones	47954.99	0.6%	1.6%	5.3%	13.8%	8.1%
S&P500	6870.40	0.4%	1.2%	5.8%	15.5%	14.1%
NASDAQ	23578.13	0.9%	0.4%	8.4%	21.2%	19.9%
Styles	Closing	1 Week	1 Mo	3 Mo	6 Mo	1 Year
Large Cap (Russell)		0.4%	1.3%	5.4%	15.2%	13.2%
Small Cap (Russell)		0.9%	2.4%	6.7%	21.4%	5.7%
Value (Russell)		0.3%	3.2%	4.6%	12.6%	8.4%
Growth (Russell)		0.5%	-0.1%	6.1%	17.7%	16.4%
International (MSCI)		1.3%	2.9%	6.0%	9.4%	25.3%
Emerging Markets (MSCI)		0.8%	-0.3%	9.6%	19.1%	28.7%
Currency/Commodities	Closing	1 Week	1 Mo	3 Mo	6 Mo	1 Year
US Dollar Index	98.99	-0.5%	-1.2%	1.2%	0.2%	-6.4%
Gold	4243.00	-0.6%	5.0%	14.8%	22.3%	52.8%
Bitcoin	89,479	-1.9%	-13.7%	-19.9%	-11.0%	-9.6%
Natural Gas	5.289	0	18.6%	26.6%	5.4%	20.9%
Oil	60.08	2.7%	1.2%	-1.4%	-0.5%	-8.6%

— Treasuries — Muni (General Obligation, A Rated) — Corporate (Investment Grade)



		Historical Readings				
Economic Data	Last	Trend	1 Mo	3 Mo	6 Mo	1 Year
Unemployment %	4.4%	-	4.3%	4.1%	4.2%	4.1%
Jobless Claims	191	-	220	236	239	225
GDP Q/Q Annualized	3.8%	+	N/A	-0.6%	1.9%	3.6%
Headline CPI Y/Y	3.0%	+	2.9%	2.7%	2.4%	2.4%
Core CPI Y/Y	3.0%	-	3.1%	2.9%	2.8%	3.3%
FHFA Price Index Y/Y	1.7%	-	2.4%	2.8%	4.1%	4.6%
Existing Home Sales Y/Y	1.7%	-	3.9%	0.8%	-2.0%	3.1%
NAHB Homebuilder Index	38	+	37	32	34	46
Retail Sales Y/Y	4.3%	-	5.0%	4.4%	5.1%	2.0%
Consumer Confidence	88.7	-	95.5	97.8	98.4	112.8
ISM Manufacturing Index	48.2	-	48.7	48.7	48.5	48.4

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*Figures quoted represent monthly changes (m/m) and are seasonally adjusted