

MARKET WEEKLY

February 06, 2025

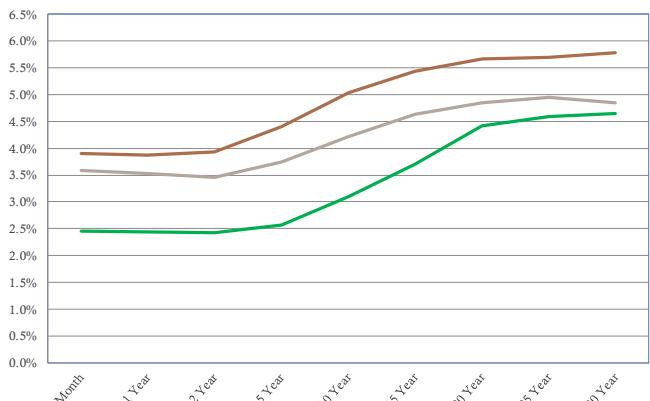
Markets closed on a cautious note. Investors favored dividends, value stocks, and small caps, while growth and high-beta stocks underperformed. Leading sectors included staples, energy, and industrials. Technology and consumer discretionary sectors lagged, as weaknesses in software impacted the benchmarks. Outside the U.S., performance was mixed, with developed markets more stable than emerging markets. Core bonds gained slightly, and credit remained steady. Commodities stayed volatile, with notable swings in precious metals and energy; finally, Bitcoin and listed private equity strategies underperformed.

Monetary policy stays firmly on hold. A partial federal shutdown has increased uncertainty about fiscal policy and delayed key data releases, reinforcing investor sensitivity to policy credibility and institutional stability. Despite this, underlying employment conditions seem stable, even as announced layoffs remain high in technology-related industries that expanded aggressively earlier in the cycle. Housing data shows improving affordability at the margin, with slower price growth and increased inventory helping buyers gain negotiating power, even as the mortgage rate lock-in effect continues to limit supply. Abroad, focus remains on Japan as currency fluctuations and policy normalization meet with global bond dynamics.

Corporate commentary indicates that earnings durability is increasingly reliant on pricing power and cost control rather than top-line growth. Additionally, earnings reports in software have renewed concerns about the sustainability of business models in an increasingly automated environment, pressuring growth sectors and accelerating a current rotation instead of changing the overall cycle. With limited data, markets continue to shift cautiously rather than moving decisively into risk-off. Have a great weekend!

As of 02/06/26		Total Returns				
Equity Markets	Closing	1 Week	1 Mo	3 Mo	6 Mo	1 Year
Dow Jones	50115.67	2.5%	1.4%	3.8%	11.8%	10.9%
S&P500	6932.30	-0.1%	-0.1%	0.3%	8.6%	13.6%
NASDAQ	23031.21	-1.8%	-2.2%	-3.9%	8.1%	15.2%
Styles	Closing	1 Week	1 Mo	3 Mo	6 Mo	1 Year
Large Cap (Russell)		0.0%	-0.2%	0.3%	8.2%	12.6%
Small Cap (Russell)		2.2%	3.5%	4.9%	16.6%	12.8%
Value (Russell)		2.2%	3.8%	8.8%	14.9%	15.8%
Growth (Russell)		-1.9%	-3.7%	-6.6%	2.6%	9.1%
International (MSCI)		-0.4%	2.4%	9.6%	16.3%	31.3%
Emerging Markets (MSCI)		-1.3%	2.8%	9.5%	22.1%	41.4%
Currency/Commodities	Closing	1 Week	1 Mo	3 Mo	6 Mo	1 Year
US Dollar Index	97.82	0.7%	-1.0%	-2.1%	-0.6%	-9.3%
Gold	4979.80	4.8%	9.8%	22.7%	42.8%	64.6%
Bitcoin	70,115	-8.3%	-24.8%	-30.6%	-39.1%	-27.6%
Natural Gas	3.422	-21.5%	20.8%	-11.0%	-9.4%	-12.2%
Oil	63.55	-2.7%	11.5%	7.4%	2.6%	-4.5%

—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%	+	4.5%	4.4%	4.1%	4.1%	
Jobless Claims	231	+	200	229	219	222	
GDP Q/Q Annualized	4.4%	+	N/A	3.8%	-0.6%	3.3%	
Headline CPI Y/Y	2.7%	~	2.7%	3.0%	2.7%	2.9%	
Core CPI Y/Y	2.6%	~	2.6%	3.0%	2.9%	3.2%	
FHFA Price Index Y/Y	1.9%	+	1.7%	2.5%	3.2%	4.8%	
Existing Home Sales Y/Y	1.4%	+	-0.7%	3.9%	0.0%	9.7%	
NAHB Homebuilder Index	37	-	39	37	33	47	
Retail Sales Y/Y	3.3%	~	3.3%	5.0%	3.4%	3.9%	
Consumer Confidence	84.5	-	94.2	95.5	98.7	105.3	
ISM Manufacturing Index	52.6	+	47.9	48.8	48.4	50.5	

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*The source of data for all charts/graphs included in this presentation is Bloomberg LP.

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