Capital Markets Snapshot

Week ending July 11, 2025

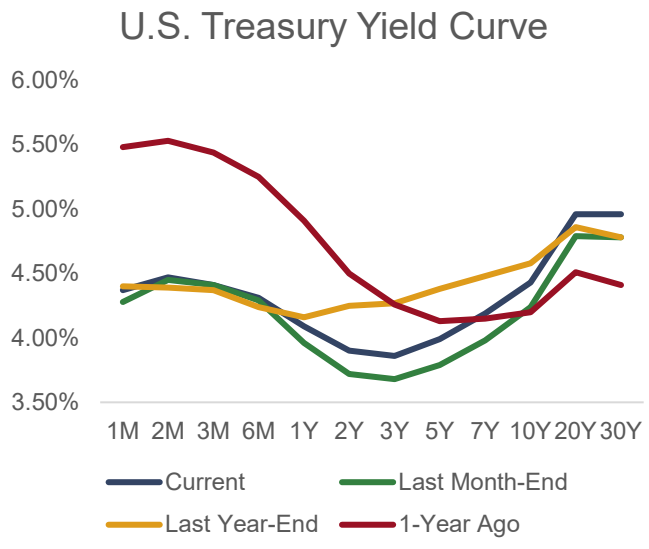
Last week, capital markets showed resilience despite escalating global trade tensions. U.S. equities hovered near record highs, supported by strong performances in the energy and industrial sectors. However, momentum began to wane following the announcement of a wave of new tariffs targeting over 20 countries, including steep increases on imports from Canada, Brazil, Japan, and South Korea. The S&P 500 and Nasdaq posted slight weekly declines after a strong two-week rally, reflecting investor caution amid policy uncertainty. Bond yields were volatile, initially falling on expectations of future rate cuts but rising again by week's end due to inflation concerns tied to tariffs. Meanwhile, copper and silver prices surged, with copper hitting a record high following a 50% tariff announcement. Bitcoin also rallied, surpassing $118,000 for the first time. Looking ahead, markets are bracing for the start of Q2 earnings season and key inflation data, which could further influence investor sentiment.

Fixed Income Markets Overview

- Treasury yields moved higher, particularly on the long end of the curve as the yield curve continues to steepen. The tick higher in yields was due to the markets reacting to stronger-than-expected labor market data, passage of the One, Big, Beautiful Bill, and the latest tariff developments.
- Investment-grade corporate bonds saw modest spread tightening, supported by solid earnings expectations and continued demand for high-quality credit.
- Market participants closely watched Fed commentary, with policymakers signaling a data-dependent approach, keeping fixed income investors cautious but engaged. Expectations around potential rate cuts were little changed this week, supported by the tone out of the FOMC Minutes. Per Bloomberg, expectations for a cut at the July FOMC remain near zero, while the total number of expected cuts in 2025 dropped slightly.

Asset Class	Name	1W	YTD	3Y(Ann.)	5Y(Ann.)
Short	1-3 Year Govt/Credit	0.1%	2.7%	3.7%	1.5%
Core Plus	Intermediate Govt/Credit	-0.1%	3.6%	3.4%	0.5%
	International Aggregate	-0.9%	6.3%	2.7%	-1.5%
	US Aggregate	-0.4%	3.2%	2.2%	-1.0%
	US Treasury	-0.3%	2.9%	1.2%	-1.8%
	US TIPS	0.0%	4.4%	2.1%	1.4%
	US Corporate	-0.6%	3.3%	3.8%	-0.3%
	US Corporate High Yield	-0.2%	4.6%	9.3%	5.7%
Other	Emerging Markets Aggregate	-0.2%	4.9%	7.8%	1.5%
Muni	US Municipals	0.1%	-0.3%	2.1%	0.4%
	US Municipals High Yield	-0.2%	-0.7%	3.8%	2.9%

Source: Bloomberg as of July 11, 2025



Source: Bloomberg and U.S Treasury as of July 11, 2025

Interest Rates (%)

Date	7/11/2025	6/30/2025	12/31/2024	7/11/2024
Federal Funds Rate	4.37%	4.28%	4.40%	5.48%
3 Month Treasury	4.41%	4.41%	4.37%	5.44%
6 Month Treasury	4.31%	4.29%	4.24%	5.25%
2 Year Treasury	3.90%	3.72%	4.25%	4.50%
5 Year Treasury	3.99%	3.79%	4.38%	4.13%
10 Year Treasury	4.43%	4.24%	4.58%	4.20%
30 Year Treasury	4.96%	4.78%	4.78%	4.41%
US Aggregate	4.67%	4.51%	4.91%	4.80%
US Corporate	5.14%	4.99%	5.33%	5.26%
US Corporate High Yield	7.14%	7.06%	7.49%	7.73%
US Municipal	3.93%	3.96%	3.74%	3.63%
US Municipal High Yield	5.89%	5.81%	5.52%	5.39%

Spreads Over 10-Year US Treasuries

Date	7/11/2025	6/30/2025	12/31/2024	7/11/2024
30 Year Treasury	0.53%	0.54%	0.20%	0.21%
US Aggregate	0.24%	0.27%	0.33%	0.60%
US Corporate	0.71%	0.75%	0.75%	1.06%
US Corporate High Yield	2.71%	2.82%	2.91%	3.53%
US Municipal	-0.50%	-0.28%	-0.84%	-0.57%
US Municipal High Yield	1.46%	1.57%	0.94%	1.19%

Source: Bloomberg and U.S. Treasury as of July 11, 2025

Equity Markets Overview

- US and International equities ended the week slightly down, despite the S&P 500 and Nasdaq hitting a new intraday all-time high on Thursday. Markets experienced a mild selloff after bumping around all week as investors reacted to the passage of the One, Big, Beautiful Bill and new tariff announcements from the U.S. targeting multiple countries.
- Energy and industrial sectors outperformed, driven by rising commodity prices and optimism around infrastructure spending. Technology stocks saw some profit-taking, especially after recent strong gains, contributing to the Nasdaq's underperformance.
- Market participants looked ahead to Q2's earnings season, with expectations for solid corporate results helping to cushion downside pressure. Economic data remained generally supportive, with jobless claims and consumer sentiment pointing to continued resilience in the U.S. economy.

Asset Class	Name	1W	YTD	3Y(Ann.)	5Y(Ann.)
All-Cap	S&P 1500	-0.3%	6.7%	18.7%	16.0%
Large-Cap	S&P 500	-0.3%	7.2%	19.3%	16.2%
	S&P 500 Growth	-0.3%	9.4%	22.3%	16.4%
	S&P 500 Value	-0.3%	4.7%	15.2%	15.3%
Mid-Cap	S&P Midcap 400	-0.6%	2.5%	13.3%	14.1%
	S&P Midcap 400 Growth	-0.9%	1.8%	13.8%	11.5%
	S&P Midcap 400 Value	-0.3%	3.2%	12.7%	16.6%
Small-Cap	S&P Smallcap 600	-0.2%	-1.4%	8.8%	12.8%
	S&P Smallcap 600 Growth	-0.4%	0.9%	9.9%	11.3%
	S&P Smallcap 600 Value	-0.1%	-3.7%	7.5%	14.1%
Int'l.	MSCI ACWI ex-USA	-0.3%	18.0%	14.4%	9.4%
	MSCI EM	-0.2%	16.1%	10.6%	5.4%

Source: Bloomberg as of July 11, 2025

Alternative Markets Overview

- Gold prices rose just under 2% last week as investors sought safe-haven assets following the latest round of tariff news, while silver reached its highest level in over 13 years.
- Oil prices rose over 2% last week, closing at $68.45/barrel. The tick up in prices followed an announcement by the International Energy Agency that the oil market was tighter than it appears, plus U.S. tariffs and possible further sanctions on Russia were also in focus.
- After slipping below the $100,000 price level a few weeks ago, Bitcoin's price climbed above $118,000 for the first time on Friday, posting a weekly gain of nearly 10%.

Name	1W	YTD	3Y (Ann.)	5Y (Ann.)
S&P GSCI	0.9%	4.6%	0.8%	17.5%
Gold	2.0%	29.1%	25.1%	13.4%
FTSE All Equity NAREIT	-0.5%	2.3%	3.3%	6.8%
Bitcoin	9.9%	26.5%	79.4%	66.6%
Ethereum	16.1%	-10.0%	38.1%	65.8%

Source: Bloomberg as of July 11, 2025



Upcoming Week

- Second quarter earnings season is underway. Notable reports this week include JPMorgan Chase, Citigroup, and Wells Fargo on Tuesday and Netflix on Thursday.
- It is a busy week for economic releases. Noteworthy releases include both CPI and PPI inflation updates, retail sales, weekly labor market updates, and consumer sentiment data.

Glossary and Disclosures

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S&P 1500 Index combines three leading indices, the S&P 500, the S&P Midcap 400, and the S&P Smallcap 600, to cover approximately 90% of U.S. equity market capitalization.

S&P 500 Index includes approximately 500 leading companies that covers approximately 80% of available U.S. equity market capitalization.

S&P 500 Growth Index is a stock index that represents the fastest-growing companies in the S&P 500 based on three factors: sales growth, ratio of earnings change to price, and momentum.

S&P 500 Value Index is a stock index that represents the companies in the S&P 500 with the most attractive valuations based on three factors: book value, earnings, and sales to price.

S&P Midcap 400 Index is distinct from the large-cap S&P 500 and designed to measure the performance of 400 U.S. mid-sized companies, which have differing liquidity and growth potential than large and small cap companies.

S&P Midcap 400 Growth Index is a stock index that represents the fastest-growing companies in the S&P Midcap 400 based on three factors: sales growth, ratio of earnings change to price, and momentum.

S&P Midcap 400 Value Index is a stock index that represents the companies in the S&P Midcap 400 with the most attractive valuations based on three factors: book value, earnings, and sales to price.

S&P Smallcap 600 Index measures the performance of 600 small-sized U.S. companies to reflect the small-cap segment of the U.S. equity market, which is typically known for less liquidity than large cap stocks.

S&P Smallcap 600 Growth Index is a stock index that represents the fastest-growing companies in the S&P Smallcap 600 based on three factors: sales growth, ratio of earnings change to price, and momentum.

S&P Smallcap 600 Value Index is a stock index that represents the companies in the S&P Smallcap 600 with the most attractive valuations based on three factors: book value, earnings, and sales to price.

MSCI ACWI ex-US Index captures large and mid-cap representation across 22 of 23 Developed Markets (DM) countries (excluding the US) and 24 Emerging Markets (EM) countries.

MSCI Emerging Markets Index captures large and mid-cap representation across 24 Emerging Markets (EM) countries.

S&P GSCI is broad-based and production weighted to represent the global commodity market beta. The index is designed to be investable by including the most liquid commodity futures.

S&P GSCI Gold a sub-index of the S&P GSCI, provides investors with a reliable and publicly available benchmark tracking the COMEX gold future.

FTSE All Equity NAREIT Index contains all tax-qualified REITs with more than 50 percent of total assets in qualifying real estate assets other than mortgages secured by real property that also meet minimum size and liquidity criteria.

Bitcoin USD Spot Exchange Rate measures the last price of 1 Bitcoin in USD.

Bloomberg Galaxy Bitcoin Index is designed to measure the performance of a single bitcoin traded in USD.

Ethereum USD Spot Exchange Rate measure the last price of 1 Ethereum in USD.

Bloomberg Galaxy Ethereum Index is designed to measure the performance of a single Ethereum traded in USD.

Bloomberg Barclays 1-3 Year Govt/Credit Index is the 1-3 Yr. component of the U.S. Government/Credit index, which includes securities in the Government, which includes treasuries and agencies debt securities, and Credit Indices, which includes publicly issued U.S. corporate and foreign debt that meet specified maturity, liquidity, and quality requirements.

Bloomberg Intermediate US Government/Credit Bond Index is a broad-based flagship benchmark that measures the non-securitized component of the US Aggregate Index with less than 10 years to maturity; this includes investment grade, US dollar-denominated, fixed-rate treasuries, government-related and corporate securities

Bloomberg Barclays Global Aggregate Bond Index provides a broad-based measure of the global investment-grade fixed income markets, with three major components of this index are the U.S. Aggregate, the Pan-European Aggregate, and the Asian-Pacific Aggregate Indices.

Bloomberg Barclays U.S. Aggregate Bond Index represents securities that are SEC-registered, taxable, and dollar denominated. The index covers the U.S. investment grade fixed rate bond market, with index components for government and corporate securities, mortgage pass-through securities, and asset-backed securities.

Bloomberg Barclays U.S. Treasury Aggregate Bond Index is the U.S. Treasury component of the U.S. Government index and represents public obligations of the U.S. Treasury with a remaining maturity of one year or more.

Bloomberg US TIPS Index consists of Inflation-Protection securities issued by the U.S. Treasury.

Bloomberg Barclays US Corporate Bond Index is the Corporate component of the U.S. Credit index and represents publicly issued U.S. corporate and specified foreign debentures and secured notes that meet the specified maturity, liquidity, and quality requirements.

Bloomberg Barclays U.S. Corporate High Yield Index covers the universe of fixed rate, non-investment grade debt.

Bloomberg Barclays Emerging Markets Bond Index is broad-based with country eligibility and classification as an Emerging Market being rules-based and reviewed on an annual basis using World Bank income group and International Monetary Fund (IMF) country classifications.

Bloomberg Barclays U.S. Municipal Index is a rules-based, market-value-weighted index engineered for the long-term tax-exempt bond market.

Bloomberg Barclays US High Yield Municipal Index is an unmanaged index of noninvestment-grade municipal debt securities, which provides a representation of the performance of US high-yield tax-exempt bonds.

Federal Funds Rate is the interest rate at which depository institutions trade federal funds (balances held at Federal Reserve Banks) with each other overnight.

U.S. Treasury Securities are issued by the federal government and are considered to be among the safest investments you can make, because all Treasury securities are backed by the "full faith and credit" of the U.S. government.

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