



# MARKET VIEW WEEKLY

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## ECONOMIC REVIEW<sup>1</sup>

- Although Thanksgiving shortened the work week, several critical government shutdown-delayed reports were released ahead of the holiday.
- September retail sales rose 0.2%, which lagged the consensus estimates of +0.4%, but marked the fourth consecutive monthly increase.
  - Retail sales are up 4.3% over the last year.
- “Core” retail sales, a critical input in estimating GDP that excludes volatile categories like autos, building materials, and gas stations, increased by 0.1% but were revised slightly lower for previous months.
  - Despite that recent weakness, core sales increased at a 6.3% annual rate versus last quarter, which is the fastest quarterly pace since 2023.
  - The restaurant & bar spending category provides a glimpse of spending on services and rose a solid 0.7% in September after a 1.0% jump in August. These sales are up at a 7.7% annualized rate year-to-date.
- The Producer Price Index (PPI) rose 0.3% in September, matching consensus expectations for the month. Producer prices are up 2.7% over the last year.
  - The volatile categories of food and energy drove much of the headline increase, with food prices rising 1.1% and energy prices jumping 3.5%, the largest one-month increase in more than two years.
- Excluding these categories, “core” producer prices rose by a more modest 0.1% in September and are up just 2.6% from a year ago, which marks the smallest twelve-month increase in more than a year.

### How does the most recent economic data impact you?

- Retail sales growth may have slowed in September, but overall, consumer spending was quite strong in Q3.
  - In examining sales at the category level, the largest declines came from sporting goods retailers (-2.5%), clothing stores (-0.7%), and non-store retailers (-0.7%), where sales increased strongly the month before.
  - The minor pull-back likely reflects a return to typical spending levels after back-to-school shopping boosted sales in August.
- The solid core sales figure allows economists to extrapolate GDP for the third quarter, which is estimated to have grown at a strong 3.5% annualized pace for the quarter.
- Many market participants remain concerned that tariffs could lead to higher inflation, but the data has yet to show a truly material impact on prices.
  - Goods prices, which are most exposed to tariffs, are up a noticeable 4.4% in the last six months, but services prices, where consumers do the bulk of their spending, rose just 1.5% over the same period.
- Taken together, producer prices have increased at a 2.3% annual rate over the last two quarters, which may limit inflation concerns at the Federal Reserve (Fed) and entice the central bank to cut rates again in December.



## A LOOK FORWARD<sup>1</sup>

- On Monday, ISM Manufacturing kicks off a crucial week of data releases that later includes ADP Employment, ISM Services, and the delayed September Personal Consumption Expenditure (PCE) Index reports.

### How does this week's slate of economic data impact you?

- The PCE report will be closely scrutinized by investors and the Fed, as it is the central bank's preferred inflation gauge.



## MARKET UPDATE<sup>2</sup>

Market Index Returns as of 11/28/2025	WTD	QTD	YTD	1 YR	3 YR	5 YR
S&P 500	3.74%	2.59%	17.81%	15.00%	21.81%	15.18%
NASDAQ	4.91%	3.21%	21.71%	22.38%	29.57%	14.72%
Dow Jones Industrial Average	3.20%	3.08%	13.88%	8.03%	14.28%	11.93%
Russell Mid-Cap	3.75%	0.44%	10.90%	3.10%	13.36%	9.60%
Russell 2000 (Small Cap)	5.55%	2.79%	13.47%	4.09%	12.44%	7.58%
MSCI EAFE (International)	3.25%	1.80%	27.40%	24.50%	16.06%	8.99%
MSCI Emerging Markets	2.49%	1.69%	29.69%	29.51%	15.49%	4.62%
Bloomberg Barclays US Agg Bond	0.38%	1.25%	7.46%	5.70%	4.77%	-0.29%
Bloomberg Barclays High Yield Corp.	0.80%	0.74%	8.01%	7.55%	9.81%	4.79%
Bloomberg Barclays Global Agg	0.69%	-0.02%	7.89%	5.57%	4.07%	-1.94%



## OBSERVATIONS

- Global markets rebounded strongly in the last week after some meaningful volatility in the week prior – all domestic indices clawed back 3% or more.
- The NASDAQ led large-cap indexes (4.91%) as enthusiasm for the AI trade resumed, but the S&P 500 (3.74%) and the Dow Jones Industrial Average (3.20%) didn't trail far behind.
- The Russell 2000 had a stellar week, returning 5.55% in just the past five days, as small-cap stocks led all major asset classes for the week, while mid-caps improved in line with large caps (3.75%).
- Developed international equities held their own, with the MSCI EAFE returning 3.25%, and emerging market stocks, as measured by the MSCI Emerging Markets, lagged other broad equity categories with a 2.49% return.
- Fixed income indices were positive domestically (0.38%), internationally (0.69%), and across the credit spectrum (0.80%).



## BY THE NUMBERS

- **How Thanksgiving and Black Friday Affect Stocks:** If you're wondering whether to adjust your portfolio as much as your belt for the Thanksgiving holiday, here's what the data shows: Thanksgiving week tends to be a modest winner for stocks, but don't expect fireworks. Since 2000, the Dow Jones Industrial Average has climbed about 56% of the time during Thanksgiving week—barely better than a coin flip—with the biggest gains coming on the lightest trading days: the Wednesday before and the Black Friday half-session after. The data has been much the same for the broader S&P 500 index, too, which has been positive about 60% of the time during the Tuesday-through-Friday period of Thanksgiving week since 1928. The surprise for most is how stocks generally do on Cyber Monday – the day retailers count on for online sales. The Dow has been down about two-thirds of the time (63%) over the past 25 years, though the average change over that period is a drop of just 0.40%.<sup>3</sup>
- **Global Futures Reopen After Exchange Operator CME Hit by Hours-long Outage:** Global futures markets were thrown into chaos for several hours on Friday after CME Group, the world's largest exchange operator, suffered one of its longest outages in years, halting trading across stocks, bonds, commodities and currencies. By 1335 GMT, trading in foreign exchange, stock and bond futures, as well as other products had resumed, after having been knocked out for over 11 hours, according to LSEG data. CME blamed the outage on a cooling failure at data centers run by CyrusOne, which said its Chicago-area facility had affected services for customers including CME. The disruption stopped trading in major currency pairs on CME's EBS platform, as well as benchmark futures for West Texas Intermediate crude, Nasdaq 100, Nikkei, palm oil and gold, according to LSEG data.<sup>4</sup>

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## Economic Definitions

**Federal Reserve (Fed):** The Federal Reserve System is the central banking system of the United States of America.

**Producer Prices - PPI (headline and core):** Producer prices (output) are a measure of the change in the price of goods as they leave their place of production (i.e. prices received by domestic producers for their outputs either on the domestic or foreign market).

**Retail Sales:** Retail sales (also referred to as retail trade) tracks the resale of new and used goods to the general public, for personal or household consumption. This concept is based on the value of goods sold.

**ADP Employment:** The ADP National Employment Report is an independent and high-frequency view of the private-sector labor market based on the aggregated and anonymized payroll data of more than 26 million U.S. employees.

**ISM Manufacturing Index:** PMI Surveys track sentiment among purchasing managers at manufacturing, construction and/or services firms. An overall sentiment index is generally calculated from the results of queries on production, orders, inventories, employment, prices, etc.

**ISM Services Index:** PMI Surveys track sentiment among purchasing managers at manufacturing, construction and/or services firms. An overall sentiment index is generally calculated from the results of queries on production, orders, inventories, employment, prices, etc. Target Audience: supply management professionals Sample Size: 300 individuals Date of Survey: through the month The Services Index is a composite index of four indicators with equal weights: Business Activity, New Orders, Employment and Supplier Deliveries. An index reading above 50% indicates an expansion and below 50% indicates a decline in the non-manufacturing economy. Where as per Supplier Deliveries Index, above 50% indicates slower deliveries and below 50% indicates faster deliveries.

**PCE (headline and core):** PCE deflators (or personal consumption expenditure deflators) track overall price changes for goods and services purchased by consumers. Deflators are calculated by dividing the appropriate nominal series by the corresponding real series and multiplying by 100.

## Index Definitions

**S&P 500:** The S&P 500® is widely regarded as the best single gauge of large-cap U.S. equities and serves as the foundation for a wide range of investment products. The index includes 500 leading companies and captures approximately 80% coverage of available market capitalization.

**NASDAQ:** The NASDAQ Composite Index is a broad-based capitalization-weighted index of stocks in all three NASDAQ tiers: Global Select, Global Market and Capital Market. The index was developed with a base level of 100 as of February 5, 1971.

**Dow Jones Industrial Average:** The Dow Jones Industrial Average is a price-weighted average of 30 blue-chip stocks that are generally the leaders in their industry. It has been a widely followed indicator of the stock market since October 1, 1928.

**Russell Mid-Cap:** Russell Midcap Index measures the performance of the 800 smallest companies in the Russell 1000 Index, which represents approximately 25% of the total market capitalization of the Russell 1000 Index.

**Russell 2000:** The Russell 2000 Index is comprised of the smallest 2000 companies in the Russell 3000 Index, representing approximately 8% of the Russell 3000 total market capitalization. The real-time value is calculated with a base value of 135.00 as of December 31, 1986. The end-of-day value is calculated with a base value of 100.00 as of December 29, 1978.

**MSCI EAFE:** The MSCI EAFE Index is a free-float weighted equity index. The index was developed with a base value of 100 as of December 31, 1969. The MSCI EAFE region covers DM countries in Europe, Australasia, Israel, and the Far East.

**MSCI EM:** The MSCI EM (Emerging Markets) Index is a free-float weighted equity index that captures large and mid-cap representation across Emerging Markets (EM) countries. The index covers approximately 85% of the free float-adjusted market capitalization in each country.

**Bloomberg Barclays US Agg Bond:** The Bloomberg Barclays US Aggregate Bond Index is a broad-based flagship benchmark that measures the investment grade, US dollar-denominated, fixed-rate taxable bond market. The index includes Treasuries, government-related and corporate securities, MBS (agency fixed-rate pass-throughs), ABS and CMBS (agency and non-agency).

**Bloomberg Barclays High Yield Corp:** The Bloomberg Barclays US Corporate High Yield Bond Index measures the USD-denominated, high yield, fixed-rate corporate bond market. Securities are classified as high yield if the middle rating of Moody's, Fitch and S&P is Ba1/BB+/BB+ or below. Bonds from issuers with an emerging markets country of risk, based on Barclays EM country definition, are excluded.

**Bloomberg Barclays Global Agg:** The Bloomberg Barclays Global Aggregate Index is a flagship measure of global investment grade debt from twenty-four local currency markets. This multi-currency benchmark includes treasury, government-related, corporate and securitized fixed-rate bonds from both developed and emerging markets issuers.

**Bloomberg Barclays Municipal Bond Index:** The Bloomberg Barclays U.S. Municipal Index covers the USD-denominated long-term tax-exempt bond market. The index has four main sectors: state and local general obligation bonds, revenue bonds, insured bonds and prerefunded bonds.

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<sup>1</sup> Data obtained from Bloomberg as of 11/28/2025.

<sup>2</sup> Data obtained from Morningstar as of 11/28/2025.

<sup>3</sup> [How Thanksgiving and Black Friday Affect Stocks](#)

<sup>4</sup> [Global futures reopen after exchange operator CME hit by hours-long outage](#)