



# Capital Markets Snapshot

Courtesy of Firm Name Here

Week ending March 7, 2025

U.S. economic growth is showing signs of slowing, with key indicators like retail sales and personal spending surprising to the downside. This slowdown comes amid heightened policy uncertainty, particularly around tariffs and government funding. Markets have reacted defensively, with sectors like health care and consumer staples leading, while technology and consumer discretionary sectors lag. The S&P 500 is negative for the year, as markets continue to consolidate after the last two years of over 20% growth. International equities continue to outperform their US peers, highlighting the importance of diversification in a portfolio context. Additionally, bond markets have seen support as Treasury yields moved lower, reflecting renewed market expectations of multiple potential Fed rate cuts this year. Despite these challenges, the U.S. economy started the year from a position of strength, and there are no immediate concerns of a looming recession.

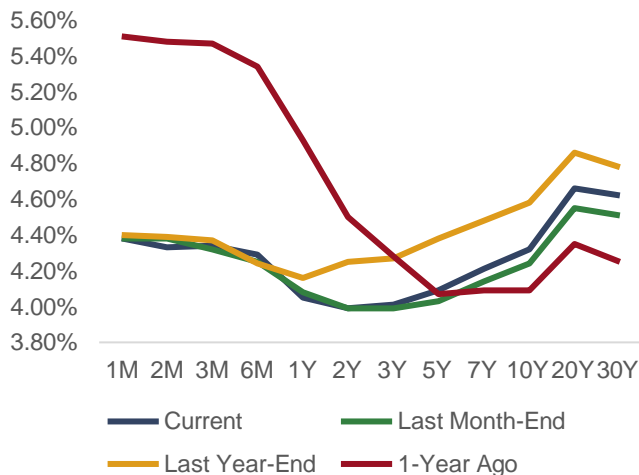
## Fixed Income Markets Overview

- Yields on U.S. Treasuries were volatile last week, driven by some weakening economic data and political uncertainty, as rates with maturities of 3 years or longer ended up rising between 2-11 bps.
- Expectations around potential rate cuts from the Federal Reserve continue to increase following the release of some disappointing consumer and labor market data. As of Friday, markets now anticipate three 25-basis-point cuts in 2025, one in each of June, September, and December.
- Mortgage rates continue to fall, experiencing the largest weekly decline since mid-September. Declining rates should help improve housing market demand; it has already resulted in increased refinancing activity.

Asset Class	Name	1W	YTD	3Y(Ann.)	5Y(Ann.)
Short	1-3 Year Govt/Credit	0.0%	1.2%	2.6%	1.4%
Core Plus	Intermediate Govt/Credit	-0.2%	1.8%	1.2%	0.4%
	International Aggregate	0.5%	2.5%	-2.4%	-2.3%
	US Aggregate	-0.6%	2.1%	-0.5%	-1.0%
	US Treasury	-0.6%	2.1%	-1.4%	-1.8%
	US TIPS	-0.9%	2.6%	-1.5%	1.3%
	US Corporate	-0.7%	1.9%	0.5%	-0.4%
	US Corporate High Yield	-0.3%	1.8%	5.2%	5.0%
Other	Emerging Markets Aggregate	-0.3%	2.4%	3.6%	0.6%
Muni	US Municipals	-0.5%	1.0%	0.9%	0.5%
	US Municipals High Yield	-0.4%	1.6%	2.0%	2.1%

Source: Bloomberg as of March 7, 2025

## U.S. Treasury Yield Curve



Source: Bloomberg and U.S. Treasury as of March 7, 2025

## Interest Rates (%)

Date	3/7/2025	2/28/2025	12/31/2024	3/7/2024
Federal Funds Rate	4.38%	4.38%	4.40%	5.51%
3 Month Treasury	4.34%	4.32%	4.37%	5.47%
6 Month Treasury	4.29%	4.25%	4.24%	5.34%
2 Year Treasury	3.99%	3.99%	4.25%	4.50%
5 Year Treasury	4.09%	4.03%	4.38%	4.07%
10 Year Treasury	4.32%	4.24%	4.58%	4.09%
30 Year Treasury	4.62%	4.51%	4.78%	4.25%
US Aggregate	4.67%	4.58%	4.91%	4.76%
US Corporate	5.18%	5.08%	5.33%	5.26%
US Corporate High Yield	7.30%	7.15%	7.49%	7.75%
US Municipal	3.63%	3.55%	3.74%	3.35%
US Municipal High Yield	5.49%	5.43%	5.52%	5.50%

## Spreads Over 10-Year US Treasuries

Date	3/7/2025	2/28/2025	12/31/2024	3/7/2024
30 Year Treasury	0.30%	0.27%	0.20%	0.16%
US Aggregate	0.35%	0.34%	0.33%	0.67%
US Corporate	0.86%	0.84%	0.75%	1.17%
US Corporate High Yield	2.98%	2.91%	2.91%	3.66%
US Municipal	-0.69%	-0.69%	-0.84%	-0.74%
US Municipal High Yield	1.17%	1.19%	0.94%	1.41%

Source: Bloomberg and U.S. Treasury as of March 7, 2025

## Equity Markets Overview

- It was a poor week for US equities as all three major indices fell by several percentage points as markets reacted to negative labor market data. The tech heavy Nasdaq took it worst, falling 3.4%, followed by the S&P 500 and the Dow Jones with losses of 3.1% and 2.3%, respectively.
- Sectors were mostly negative for the week. Financials and Consumer Discretionary were the hardest hit falling 5.9% and 5.4%, respectively. Healthcare was the only positive sector coming in with a modest 0.2% gain.
- From a size perspective, large caps held up best falling just over 3% where both mid- and small cap stocks fell just over 4%. Large cap stocks have posted a 2.4% gain to start the year, while mid- and small caps have lost 1.5% and 2%, respectively. As for style, value held up better than growth stocks across all three size segments.

Asset Class	Name	1W	YTD	3Y(Ann.)	5Y(Ann.)
All-Cap	S&P 1500	-3.1%	-1.9%	12.3%	15.6%
Large-Cap	S&P 500	-3.1%	-1.7%	12.9%	16.0%
	S&P 500 Growth	-4.5%	-4.8%	13.0%	17.0%
	S&P 500 Value	-1.5%	1.7%	11.7%	13.6%
Mid-Cap	S&P Midcap 400	-3.4%	-4.1%	7.6%	12.4%
	S&P Midcap 400 Growth	-4.1%	-6.1%	6.9%	10.9%
	S&P Midcap 400 Value	-2.8%	-2.0%	8.2%	13.6%
Small-Cap	S&P Smallcap 600	-3.5%	-6.4%	3.0%	10.4%
	S&P Smallcap 600 Growth	-4.1%	-6.2%	3.3%	9.4%
	S&P Smallcap 600 Value	-2.9%	-6.5%	2.5%	11.1%
Int'l.	MSCI ACWI ex-USA	2.6%	8.2%	8.0%	8.0%
	MSCI EM	2.9%	5.2%	3.3%	4.7%

Source: Bloomberg as of March 7, 2025

## Alternative Markets Overview

- Oil prices fell over 3% last week continuing to extend their recent declines in response to risks surrounding potential trade wars and an OPEC+ supply increase weighing on the market.
- Gold prices fell over 3.5% last week as the dollar held close to two-week highs and U.S. inflation data came in line with expectations.
- Bitcoin rose just over 3% last week, partially a reaction to the announcement of the United States' Strategic Bitcoin Reserve and a separate stockpile of other digital assets.

Name	1W	YTD	3Y (Ann.)	5Y (Ann.)
S&P GSCI	-0.3%	1.6%	-2.8%	12.8%
Gold	2.5%	10.6%	13.5%	11.8%
FTSE All Equity NAREIT	-1.3%	3.8%	0.5%	4.5%
Bitcoin	3.4%	-6.9%	32.3%	57.8%
Ethereum	-2.3%	-35.2%	-4.3%	55.2%

Source: Bloomberg as of March 7, 2025



### Upcoming Week

- Fourth quarter earnings season is nearing its end. Key companies reporting this week include Adobe, Dollar General, and Ulta Beauty.
- Important economic releases this week include the inflation (CPI on Wednesday and PPI on Thursday), weekly jobless claims on Thursday, and Consumer Sentiment on Friday.

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## 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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