

# Weekly Recap

## Economic Calendar

**Monday, February 2**  
S&P Global PMI Data, ISM Manufacturing Data.

**Tuesday, February 3**  
Job Opening and Labor Turnover Survey (JOLTs)

**Wednesday February 4**  
Mortgage Applications, ADP Employment Change, ISM Services Data

**Thursday, February 5**  
Challenger Job Cuts, Jobless Claims,

**Friday, February 6**  
Non-Farm Payrolls, Unemployment Rate, Michigan Consumer Sentiment

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[Broad Market Participation – Sector Average Rises](#)

[Consumer Confidence Falls](#)

[Jobless Claims Fall by 1K](#)

[The Week Ahead Video](#)

## Choppy Week for Equities as Volatility Returns

### Broad Market Dips even as Breadth Improves

The week began on a calm note, but volatility picked up as earnings releases and the FOMC meeting took center stage, overshadowing geopolitical developments. While markets were essentially flat on a weekly basis, intraday volatility increased as investors digested earnings results. President Trump proposed Kevin Warsh as Federal Reserve Chair.

### For the Week...

The S&P 500 snapped its two-week losing streak, ending the week up 0.3%. Both the Dow Jones Industrial Average and the tech-heavy Nasdaq Composite remained negative, declining 0.4% and 0.2%, respectively. The small-cap-focused Russell 2000 posted its first negative week of the year, falling 2.1%.

### Producer Price Index Inches Higher, Services Lead

The Producer Price Index (PPI) rose 0.5% in December, outpacing expectations of +0.2%. Final demand services climbed 0.7% (largest increase since July), while goods prices were unchanged. On a year-over-year basis, PPI inflation held steady at 3.0%.

### Weekly Sector Insights

The Communication Services sector rose 4.2% for the week following earnings that exceeded expectations. Energy continued to advance amid rising geopolitical tensions, with the sector gaining 3.9% on the week. On the downside, Health Care (-1.7%), Materials (-1.2%), and Consumer Discretionary (-1.4%) led declines. Overall, 7 of the 11 sectors ended the week higher.

### Treasury Yields Rise while Precious Metals Remain Volatile

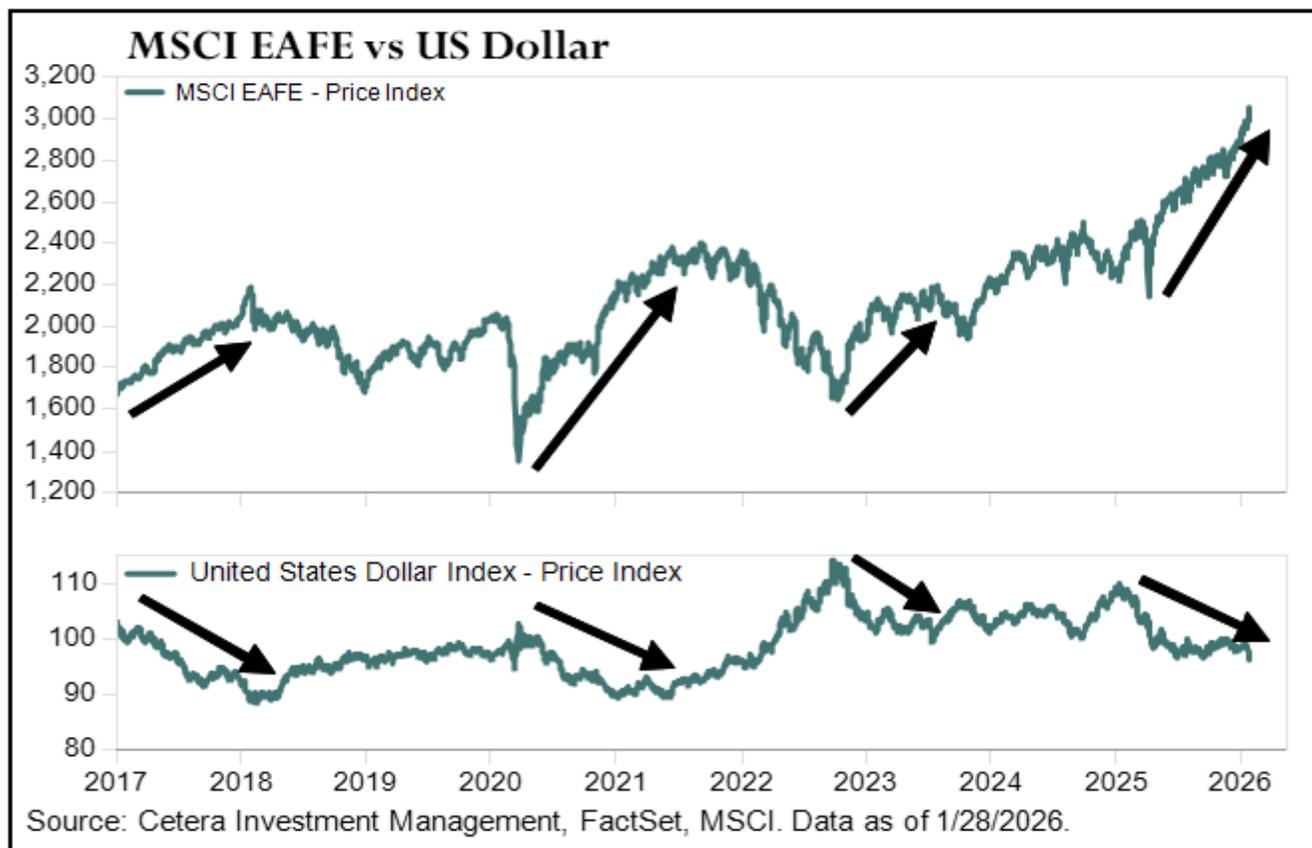
The yield on the 10-year Treasury note ended the week at 4.24%, up 0.2%, as the Federal Reserve signaled limited interest rate cuts in the near term. Yields rise as prices fall. The U.S. Dollar Index declined 0.3% for the week but recovered roughly 2% from its weekly low. Precious metals remained volatile and closed well below their all-time highs. Gold briefly traded above the \$5,000 psychological level but finished the week 5.4% lower, while silver fell 22% over the week. WTI crude oil futures rose 6.8%, ending Friday at \$65.70 per barrel.

## Market Watch

Stocks	1-Week	MTD	3-Month	YTD	1-Year	3-Year
Dow Jones Industrial Avg.	-0.42%	1.80%	3.31%	1.80%	10.81%	15.34%
S&P 500	0.35%	1.45%	2.03%	1.45%	15.77%	21.68%
NASDAQ Composite	-0.16%	0.97%	-0.35%	0.97%	19.99%	28.13%
Russell 3000	0.00%	1.55%	2.18%	1.55%	14.74%	20.79%
Russell 2000	-2.07%	5.35%	6.33%	5.35%	14.82%	13.09%
MSCI EAFE	1.56%	5.22%	8.82%	5.22%	31.00%	16.03%
MSCI Emerging Markets	1.80%	8.85%	8.65%	8.85%	42.53%	16.27%
Bonds	1-Week	MTD	3-Month	YTD	1-Year	3-Year
Bloomberg US Agg Bonds	0.03%	0.11%	0.51%	0.11%	6.68%	3.77%
Bloomberg Municipal Bonds	0.29%	0.94%	1.26%	0.94%	4.70%	3.22%
Bloomberg US Corp High Yield	-0.16%	0.51%	1.60%	0.51%	7.70%	8.93%
Commodities	1-Week	MTD	3-Month	YTD	1-Year	3-Year
Bloomberg Commodity	1.00%	10.36%	14.06%	10.36%	22.40%	7.93%
S&P GSCI Crude Oil	6.78%	13.57%	7.66%	13.57%	-10.34%	-5.75%
S&P GSCI Gold	-5.42%	9.31%	18.16%	9.31%	66.78%	34.71%

Source: Cetera Investment Management, FactSet. Total returns used, which includes dividends and interest.

## Chart of the Week: International Stocks Rally as Dollar Weakens



The rally in international stocks has coincided with a decline in the U.S. dollar. When foreign currencies strengthen, U.S. investors benefit from improved dollar-denominated returns on overseas holdings. U.S. stocks have outperformed international markets in 12 of the past 16 years, but a sustained cyclical shift toward international leadership may depend on continued foreign currency strength.

This report is created by Cetera Investment Management LLC. For more insights and information from the team, follow [@CeteraIM](#) on X.

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### **Glossary**

The **Dow Jones Industrial Average** is a price-weighted average of 30 significant stocks traded on the New York Stock Exchange and the NASDAQ.

The **S&P 500** is an index of 500 stocks chosen for market size, liquidity and industry grouping (among other factors) designed to be a leading indicator of U.S. equities and is meant to reflect the risk/return characteristics of the large cap universe.

The **NASDAQ Composite Index** includes all domestic and international based common type stocks listed on The NASDAQ Stock Market. The NASDAQ Composite Index is a broad based index.

The **Russell 2000 Index** measures the performance of the small-cap segment of the U.S. equity universe and is a subset of the Russell 3000 Index representing approximately 10% of the total market capitalization of that index. It includes approximately 2000 of the smallest securities based on a combination of their market cap and current index membership.

The **Russell 3000 Index** measures the performance of the largest 3,000 U.S. companies representing approximately 98% of the investable U.S. equity market.

The **Russell Midcap Index** measures the performance of the mid-cap segment of the U.S. equity universe and is a subset of the Russell 1000 Index. It includes approximately 800 of the smallest securities based on a combination of their market cap and current index membership.

The **Bloomberg US Aggregate Bond Index**, which was originally called the Lehman 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 debt securities, MBS (agency fixed-rate and hybrid ARM pass-throughs), ABS and CMBS (agency and non-agency) debt securities that are rated at least Baa3 by Moody's and BBB- by S&P. Taxable municipals, including Build America bonds and a small amount of foreign bonds traded in U.S. markets are also included. Eligible bonds must have at least one year until final maturity, but in practice the index holdings have a fluctuating average life of around 8.25 years.

The **Bloomberg US Corporate High Yield Index** measures the USD-denominated, non-investment grade, fixed-rate, taxable 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, excluding emerging market debt. Payment-in-kind and bonds with predetermined step-up coupon provisions are also included. Eligible securities must have at least one year until final maturity, but in practice the index holdings has a fluctuating average life of around 6.3 years.

The **Bloomberg US Municipal Bond 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. Eligible securities must be rated investment grade (Baa3/BBB- or higher) by Moody's and S&P and have at least one year until final maturity.

The **MSCI EAFE** Index is designed to measure the equity market performance of developed markets (Europe, Australasia, Far East) excluding the U.S. and Canada. The Index is market-capitalization weighted.

The **MSCI Emerging Markets Index** is designed to measure equity market performance in global emerging markets. It is a float-adjusted market capitalization index.

The **Bloomberg Commodity Index** is a broadly diversified index that measures 22 exchange-traded futures on physical commodities in five groups (energy, agriculture, industrial metals, precious metals, and livestock), which are weighted to account for economic significance and market liquidity. No single commodity can comprise less than 2% or more than 15% of the index; and no group can represent more than 33% of the index.

The **S&P GSCI Crude Oil Index** is a sub-index of the S&P GSCI, provides investors with a reliable and publicly available benchmark for investment performance in the crude oil market.

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

The **U.S. Dollar Index** is a weighted geometric mean that provides a value measure of the United States dollar relative to a basket of major foreign currencies. The index, often carrying a USDX or DXY moniker, started in March 1973, beginning with a value of the U.S. Dollar Index at 100.000.