

# Weekly Recap

## Economic Calendar

### Monday, February 10

No Major Releases.

### Tuesday, February 11

Small Business Optimism.

### Wednesday, February 12

Mortgage Activity, Consumer Price Index (CPI), Federal Budget Balance.

### Thursday, February 13

Jobless Claims, Producer Price Index (PPI), Fed Balance Sheet.

### Friday, February 14

Retail Sales, Import & Export Prices, Industrial Production, Business Inventories.

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### [Job Openings Decline](#)

### [Layoff Announcements Rise](#)

### [Longstanding 2.5% US Tariffs on Imports](#)

### [The Week Ahead Video](#)

## Markets Weaken Second Week

### Inflation and Tariff Uncertainties Spur Further Selling

All three major U.S. equity averages ended lower a second consecutive week amidst mixed earnings and job report jitters. A pair of Magnificent Seven tech giants beat on quarterly results while disappointing on weaker-than-expected forward revenue guidance. Meanwhile, the University of Michigan's preliminary consumer sentiment reading for February fell to its lowest since July as future inflation expectations climbed to their highest since November 2023. Also importantly, tariff uncertainties and still resilient jobs growth will likely keep Fed policymakers on the sidelines regarding interest rates.

### For the Week...

The S&P 500 slipped 0.23% to extend its near 1% prior period loss, the Dow Jones Industrial Average fell 0.54%, and the tech-heavy Nasdaq Composite fell 0.53%. The small cap focused Russell 2000 Index also declined a second week, down 0.33%. Internationally, the MSCI EAFE Index rose 0.24% while Emerging Market rallied 1.40%.

### Payrolls Growth Slow

Nonfarm payrolls increased by 143,000 in January, well shy of consensus forecasts for 169,000 and below the 2024 average monthly gain of 166,000. However, revisions for the prior two months were upwardly revised by a net 100,000. Following the BLS' annual adjustments, the unemployment rate unexpectedly slipped to 4.0% from 4.1%. January average hourly earnings rose 0.5% (+\$0.17) to \$35.87. From a year ago, average hourly earnings have climbed by 4.1%

### Weekly Sector Insights

While six S&P 500 sector groups finished the week positive, the S&P 500 still ended fractionally lower for the week. Consumer Staples (+1.58%), Real Estate (+1.29%) and Energy (+1.09%) posted the largest gains while Consumer Discretionary (-3.58%) and Communication Services (-2.12%) posted sharp losses. In year-to-date performance, Financials (+7.25%), Communication Services (+6.80%) and Healthcare (+6.46%) are up the most. Technology (-2.10%) is the only negative performer so far this year.

### Treasury Yields Ease

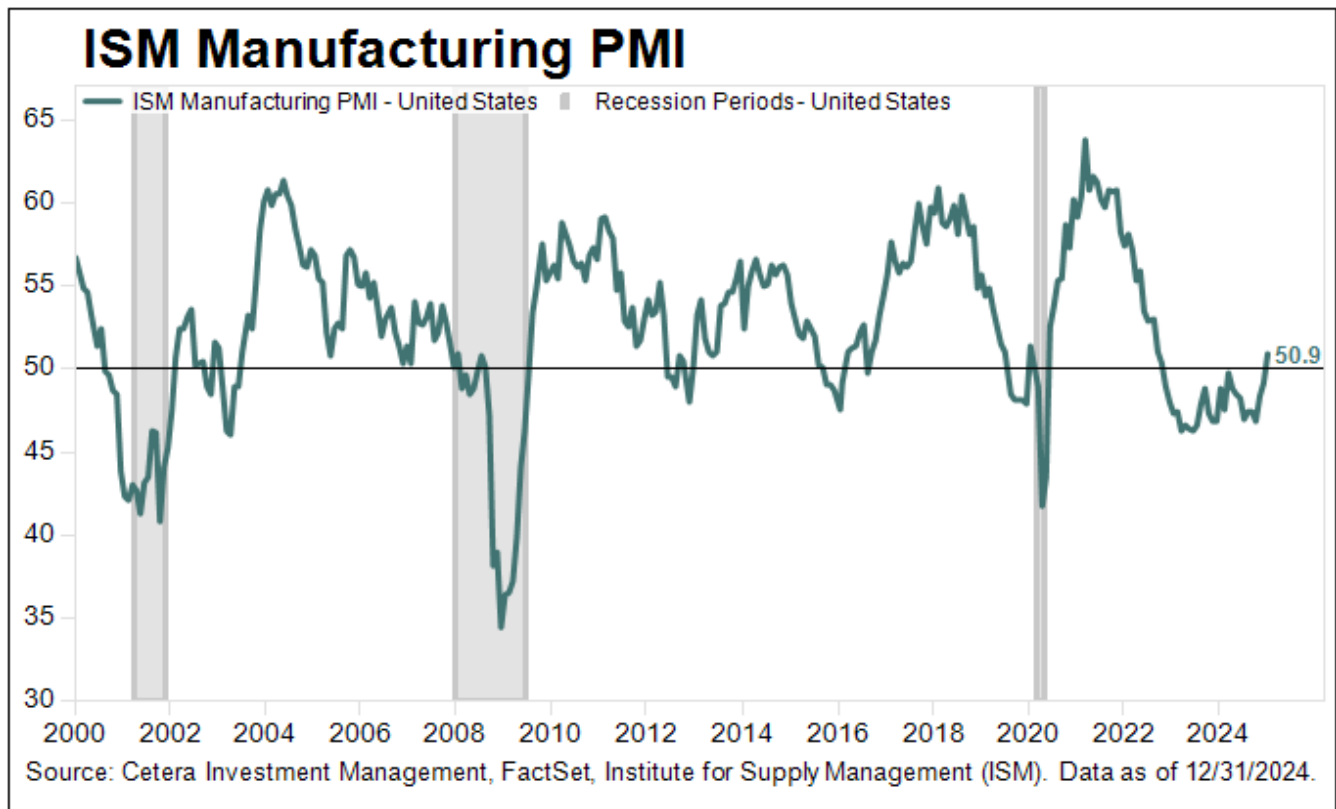
After reaching a mid-week low of 4.40%, the yield on 10-year Treasury notes ended Friday at 4.488%, down just 0.06% for week. The U.S. Dollar Index eased 0.3% and gold futures advanced 1.9% last week, capping its sixth consecutive weekly gain, ending Friday at a record high of \$2,887.60/ounce. U.S. WTI crude oil futures declined 2.1% for the week ending Friday at \$71.00/barrel.

## Market Watch

Stocks	1-Week	MTD	3-Month	YTD	1-Year	3-Year
Dow Jones Industrial Avg.	-0.54%	-0.54%	1.73%	4.22%	16.67%	10.28%
S&P 500	-0.23%	-0.23%	1.22%	2.55%	22.30%	12.06%
NASDAQ Composite	-0.53%	-0.53%	1.49%	1.13%	24.80%	12.56%
Russell 3000	-0.24%	-0.24%	1.29%	2.91%	22.51%	11.51%
Russell 2000	-0.33%	-0.33%	-4.02%	2.28%	18.49%	5.77%
MSCI EAFE	0.24%	0.24%	1.55%	5.50%	10.01%	4.61%
MSCI Emerging Markets	1.40%	1.40%	-2.49%	3.21%	13.25%	-0.56%
Bonds	1-Week	MTD	3-Month	YTD	1-Year	3-Year
Bloomberg US Agg Bonds	0.39%	0.39%	0.17%	0.92%	3.35%	-1.11%
Bloomberg Municipal Bonds	0.43%	0.43%	1.37%	0.94%	2.68%	0.54%
Bloomberg US Corp High Yield	0.00%	0.00%	1.55%	1.36%	9.61%	4.49%
Commodities	1-Week	MTD	3-Month	YTD	1-Year	3-Year
Bloomberg Commodity	1.97%	1.97%	6.10%	6.00%	13.34%	2.67%
S&P GSCI Crude Oil	-2.18%	-2.18%	-1.84%	-1.08%	-3.96%	-7.96%
S&P GSCI Gold	1.86%	1.86%	6.52%	9.34%	40.74%	16.58%

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

## Chart of the Week: Manufacturing a Recovery



The ISM Manufacturing PMI rose to 50.9, marking its first expansionary reading since October 2022. Despite looming tariff risks, the New Orders sub-index increased to a 32-month high of 55.1, while the employment index reached an eight-month high.

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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A diversified portfolio does not assure a profit or protect against loss in a declining market.

## 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.