

# Weekly Recap

## Economic Calendar

### Monday, March 17

Retail Sales, Empire State Manufacturing, Business Inventories, Homebuilder Confidence.

### Tuesday, March 18

Housing Starts, Import/Export Prices, Industrial Production.

### Wednesday, March 19

Mortgage Activity, FOMC Rate and Policy Decisions.

### Thursday, March 20

Jobless Claims, Philadelphia Fed Manufacturing, Existing Home Sales, Leading Indicators.

### Friday, March 21

No Major Releases.

## [The Latest from @CeteraIM](#)

[Retail Sales Tick Higher](#)

[Fed Gets Flexibility to Cut Rates](#)

[S&P 500 Slumps into Correction](#)

[The Week Ahead Video](#)

## S&P 500 Briefly Enters Correction

### Uncertainty Intensifies Around Tariffs

U.S. equities ended lower for another week with the S&P 500 falling into correction (-10%) territory on Thursday for the first time since October 2023. However, the S&P 500 rebounded strongly on Friday, up 2.13% to cut weekly losses nearly in half after a short-term spending bill was approved to avoid a government shutdown. Uncertainty surrounding trade tariffs remains a major overhang for investors.

### For the Week...

The S&P 500 fell 2.23% and ended Friday 8.22% below its February 19 most recent record high. The Dow Jones Industrial Average lost 2.98% and the tech-heavy Nasdaq Composite fell 2.40%. The small cap focused Russell 2000 Index fell a lesser 1.45%.

### Consumer Sentiment Falters

The University of Michigan's preliminary consumer sentiment index for March fell 10.5% to 57.9, reaching the lowest level since November 2022 and well below forecasts for 63.2. The 3-month decline is the steepest since May 2020, driven by higher inflation expectations and labor market concerns.

### Weekly Sector Insights

Nine of the eleven major S&P 500 sectors ended negative last week, led by Consumer Staples (-4.19%), Consumer Discretionary (-3.60%) and Communication Services (-3.46%). Technology (-2.05%) and Financials (-1.22%) fell the least while Energy (+2.64%) and Utilities (+2.01%) advanced. Surprisingly, just four sectors are down on a year-to-date (YTD) basis, including Consumer Discretionary (-13.67%), Technology (-9.33%), Communication Services (-3.21%), and Industrials (-0.43%). Currently, Healthcare (+5.44%), Energy (+4.85%), and Utilities (+4.21%) are this year's top performers.

### Treasury Yields Flat

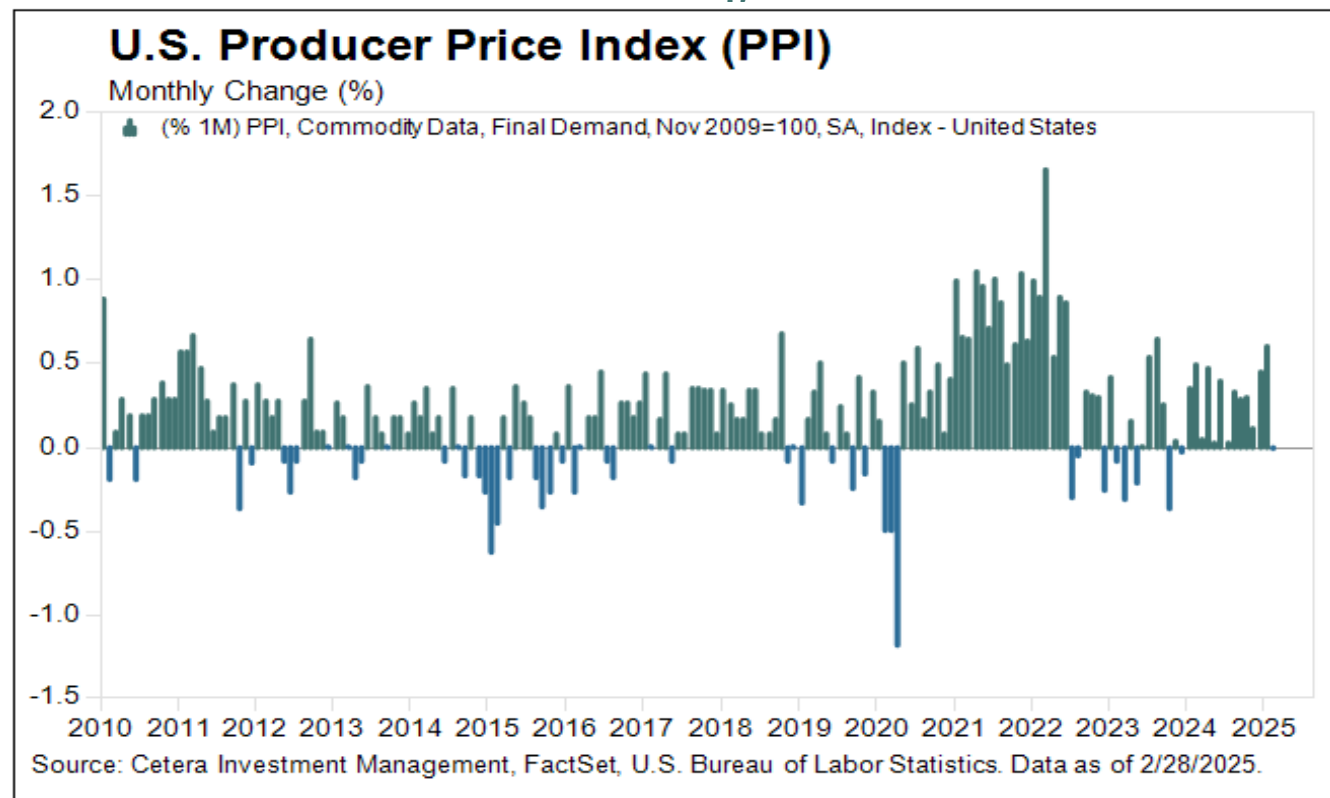
The yield on 10-year Treasury notes ended Friday at 4.315%, unchanged for the week. The U.S. Dollar Index edged 0.1% lower while gold futures surged a further 2.9% to a fresh \$3,000 milestone ending Friday at \$3,001.10/ounce. U.S. WTI crude oil futures (-0.7%) continued to weaken, ending its eighth straight down week at \$67.18/barrel, its longest losing streak since 2015.

## Market Watch

Stocks	1-Week	MTD	3-Month	YTD	1-Year	3-Year
Dow Jones Industrial Avg.	-2.98%	-5.24%	-4.94%	-2.10%	8.53%	10.16%
S&P 500	-2.23%	-5.22%	-6.49%	-3.85%	10.96%	12.26%
NASDAQ Composite	-2.40%	-5.75%	-10.75%	-7.93%	10.86%	13.05%
Russell 3000	-2.18%	-5.37%	-7.22%	-4.25%	10.24%	11.45%
Russell 2000	-1.45%	-5.39%	-12.60%	-8.11%	2.00%	3.23%
MSCI EAFE	-1.11%	1.97%	6.75%	9.41%	8.40%	9.12%
MSCI Emerging Markets	-0.74%	2.13%	1.56%	4.46%	9.30%	4.71%
Bonds	1-Week	MTD	3-Month	YTD	1-Year	3-Year
Bloomberg US Agg Bonds	-0.06%	-0.64%	1.36%	2.08%	5.09%	0.20%
Bloomberg Municipal Bonds	-0.89%	-1.41%	-0.85%	0.07%	1.15%	1.14%
Bloomberg US Corp High Yield	-0.67%	-0.95%	0.45%	1.08%	8.40%	5.58%
Commodities	1-Week	MTD	3-Month	YTD	1-Year	3-Year
Bloomberg Commodity	0.19%	2.27%	7.47%	7.14%	11.17%	-1.13%
S&P GSCI Crude Oil	-0.11%	-4.09%	-5.52%	-6.71%	-17.13%	-12.87%
S&P GSCI Gold	3.73%	6.33%	13.20%	14.69%	38.36%	15.49%

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

## Chart of the Week: Producer Prices Unchanged



The Producer Price Index (PPI) was unchanged in February versus expectations of +0.3%. The final goods component increased by 0.3%, while services fell by 0.2%. A 53% rise in chicken egg prices accounted for two-thirds of February's final goods inflation. Egg inflation is a temporary disruption that will eventually drag on goods inflation when prices reverse. While tariff risks loom, flat wholesale prices could lead to a near-term price relief for consumers.

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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Additional risks are associated with international investing, such as currency fluctuations, political and economic instability, and differences in accounting standards.

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.