

# Weekly Recap

## Economic Calendar

### Monday, May 26

Memorial Day holiday, All Markets Closed.

### Tuesday, May 27

Durable Goods Orders, S&P Case-Shiller Home Prices, Consumer Confidence.

### Wednesday, May 28

Mortgage Activity, FOMC Meeting Minutes.

### Thursday, May 29

Jobless Claims, Q1 GDP 1<sup>st</sup> Revision, PCE Quarterly, Pending Home Prices.

### Friday, May 30

PCE & PCE Prices, Personal Incomes and Outlays, Advance Goods-only Trade Balance, Chicago-area PMI, Consumer Sentiment.

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## Stocks Retreat Over 2% on Tariff Angst

### Worst Week Since Early April

U.S. equity indices fell over 2% last week, trimming the S&P 500's strong 5.3% prior week advance nearly in half after President Trump issued two new tariff warnings. Characterizing that trade negotiations with the European Union "are going nowhere," Trump threatened stepped-up 50% tariffs on EU goods starting June 1. Investors sought relative shelter in government bonds and safer haven currencies such as the Swiss franc and Japanese yen, which weighed negatively on the U.S. dollar while gold prices advanced.

### For the Week...

The S&P 500 tumbled 2.58%, capping the week with four straight daily declines, putting the index back into negative YTD territory by 0.82%. The Dow Jones Industrial Average echoed with a 2.43% weekly loss while the tech-heavy Nasdaq Composite fell 2.45%. The small cap-focused Russell 2000 tumbled 3.45%, extending its YTD loss to 8.06%.

### New Home Sales Surge

Sales of new homes surged 10.9% in April to reach an annualized rate of 743,000, the highest sales pace since February 2022 as builders lowered prices to attract buyers. Following downward data revisions for February and March, the April median sales price of a new home fell 2% from a year ago to \$407,200. Rising mortgage rates and economic uncertainty remain as headwinds for the housing market.

### Weekly Sector Insights

In a complete reversal from the prior week gains, all eleven major S&P 500 sector groups were broadly lower with respective losses last week. Energy (-4.12%), Technology (-3.45%) and Real Estate (-3.26%) fell the most, while Communication Services (-0.63%) and Consumer Staples (-0.36%) were down the least. On a year-to-date (YTD) basis, seven sectors are still positive this year, led by Utilities (+7.82%), Industrials (+7.24%), and Consumer Staples (+6.53%). Consumer Discretionary (-7.55%), Healthcare (-4.89%), and Technology (-3.84%) are down the most so far into 2025.

### Treasury Yields Rise

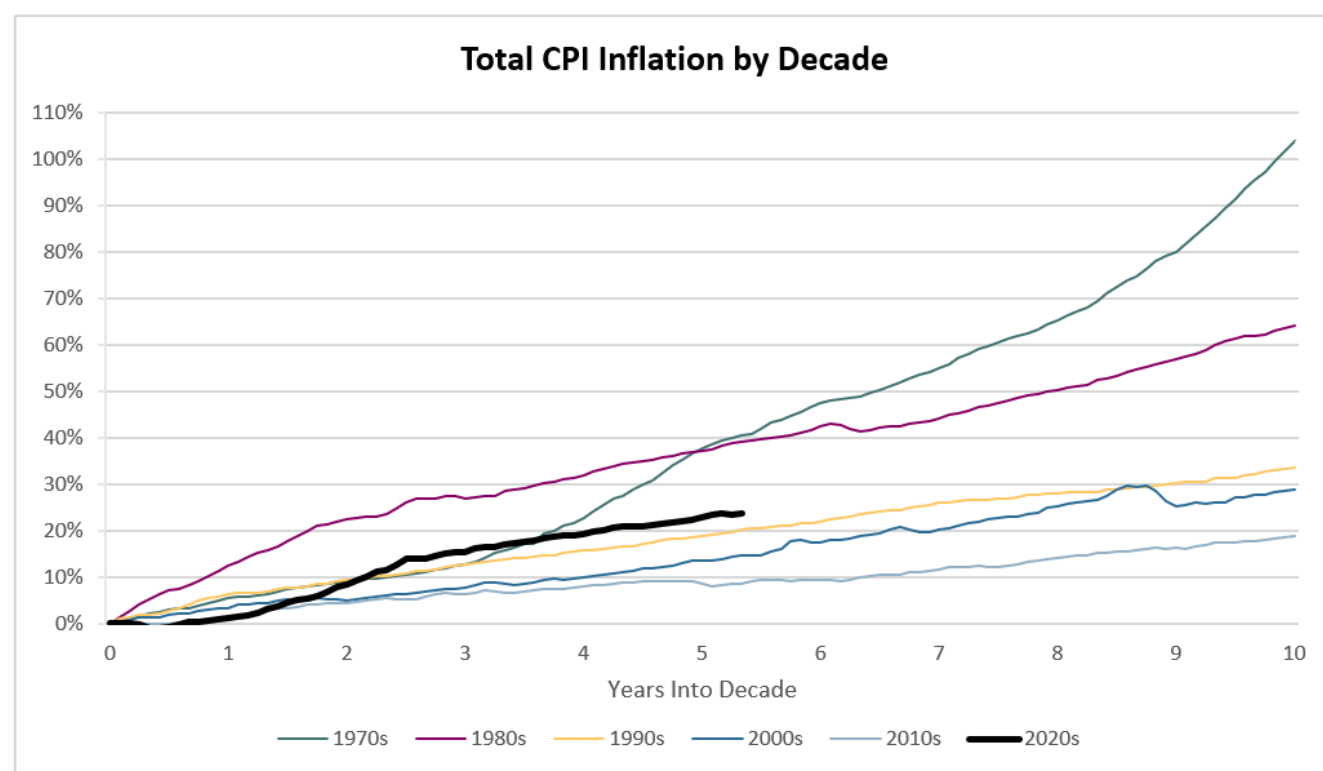
The yield on 10-year Treasury notes ended Friday at 4.514%, up 0.07%. Gold futures rebounded 5.60% to more than fully erase its 4.37% prior week decline. Gold closed out the week at \$3,365.80 per ounce. U.S. WTI crude oil futures eased 0.71% to \$61.53 per barrel.

## Market Watch

Stocks	1-Week	MTD	3-Month	YTD	1-Year	3-Year
Dow Jones Industrial Avg.	-2.43%	2.45%	-3.77%	-1.56%	8.39%	11.45%
S&P 500	-2.58%	4.32%	-3.16%	-0.82%	11.64%	15.19%
NASDAQ Composite	-2.45%	7.48%	-3.84%	-2.71%	12.74%	18.46%
Russell 3000	-2.66%	4.41%	-3.30%	-1.19%	11.27%	14.55%
Russell 2000	-3.45%	3.96%	-6.72%	-8.06%	0.95%	5.95%
MSCI EAFE	1.30%	3.65%	7.09%	15.84%	12.02%	11.75%
MSCI Emerging Markets	-0.08%	5.44%	2.87%	9.96%	9.94%	7.06%
Bonds	1-Week	MTD	3-Month	YTD	1-Year	3-Year
Bloomberg US Agg Bonds	-0.45%	-1.58%	0.09%	1.56%	4.64%	1.43%
Bloomberg Municipal Bonds	-0.49%	-0.22%	-2.11%	-1.24%	1.26%	2.54%
Bloomberg US Corp High Yield	-0.47%	0.94%	0.28%	1.93%	8.44%	7.60%
Commodities	1-Week	MTD	3-Month	YTD	1-Year	3-Year
Bloomberg Commodity	1.81%	2.04%	-2.83%	5.75%	2.37%	-3.77%
S&P GSCI Crude Oil	-0.71%	5.70%	-12.60%	-14.21%	-19.96%	-17.66%
S&P GSCI Gold	5.60%	2.27%	14.94%	28.53%	43.85%	22.31%

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

## Chart of the Week: Inflation by Decade



Source: Cetera Investment Management, Federal Reserve Bank of St. Louis, U.S. Bureau of Labor Statistics. Data as of 4/30/2025.

The consumer price index (CPI) has risen 24% since the decade's start, marking the sharpest rise in prices at this stage since the 1980s. Consumer prices had already outpaced the previous decade's total within the first four years of the current decade. That said, inflation has stabilized since reaching a cycle peak in 2022, and price pressures remain milder than in the 1970s and 1980s.

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.