

# Weekly Recap

## Economic Calendar

### Monday, June 2

ISM Manufacturing,  
Construction Spending.

### Tuesday, June 3

JOLTS Job Openings,  
Durable Orders.

### Wednesday, June 4

ISM Services, ADP  
Employment Survey.

### Thursday, June 5

Initial Jobless Claims,  
Productivity.

### Friday, June 6

U.S. Employment Report,  
Consumer Credit.

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[Sentiment Turns Bullish](#)

[Earnings Expectations Cool](#)

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## Stocks Rebound

### Tariff Developments Take Center Stage

Stocks erased much of the prior week's losses, as news was dominated by tariff developments. A U.S. federal court struck down the Trump administrations tariffs, but a U.S. federal appeals court later allowed them to remain. Although the tariffs remain in place, this challenge could slow trade negotiations as the administration looks to shift its legal authorization.

### For the Week...

The S&P 500 gained 1.90% last week, pushing its year-to-date gain to 1.06%. The Dow Jones Industrial Average was up 1.67% while the tech-heavy Nasdaq Composite rose 2.02%. The small cap-focused Russell 2000 rose 1.32%, trimming its YTD loss to 6.85%.

### Inflation Eases

The Fed's preferred inflation measure, the Core Personal Consumption Expenditures Price Index, slowed to 0.1% in April, bringing the annual increase down to 2.5%, the lowest since February 2021. The headline price index that includes volatility food and energy, slowed to 2.1% on an annualized basis.

### Weekly Sector Insights

Ten of the eleven S&P 500 sectors were positive last week. Real Estate (+2.75%) led the way followed by Information Technology (+2.36%) and Communication Services (+2.12%). The lone negative sector was Energy (-0.43%). Defensive sectors Materials (+0.90%) and Utilities (+1.15%) were up the least.

Year-to-date, The Utilities sector (+9.07%) is up the most while the Consumer Discretionary sector (-5.96%) is down the most.

### Treasury Yields Drop

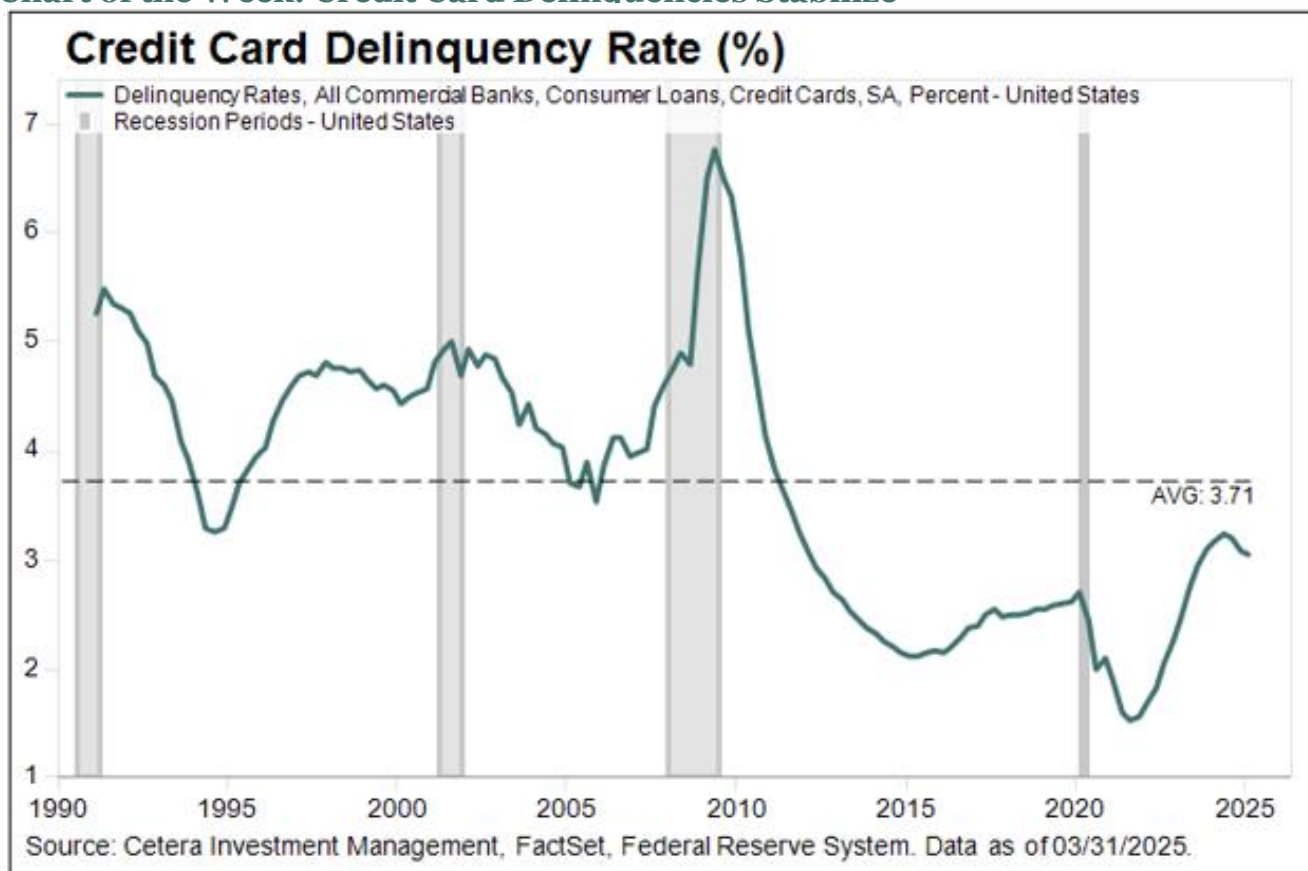
The yield on 10-year Treasury notes ended Friday at 4.41%, down 0.10% for the week. The 10-year Treasury yield started the year at 4.58%, so with yields lower, bond prices are higher. The Barclay U.S. Aggregate Bond Index is up 2.45% year-to-date. Gold futures slumped 2.33%. U.S. WTI crude oil futures fell over a percent on the week.

## Market Watch

| Stocks                       | 1-Week | MTD    | 3-Month | YTD     | 1-Year  | 3-Year  |
|------------------------------|--------|--------|---------|---------|---------|---------|
| Dow Jones Industrial Avg.    | 1.67%  | 4.16%  | -3.14%  | 0.08%   | 12.85%  | 10.54%  |
| S&P 500                      | 1.90%  | 6.29%  | -0.37%  | 1.06%   | 14.44%  | 14.16%  |
| NASDAQ Composite             | 2.02%  | 9.65%  | 1.61%   | -0.74%  | 15.01%  | 17.27%  |
| Russell 3000                 | 1.85%  | 6.34%  | -0.54%  | 0.64%   | 13.98%  | 13.47%  |
| Russell 2000                 | 1.32%  | 5.34%  | -4.10%  | -6.85%  | 1.87%   | 4.59%   |
| MSCI EAFE                    | 0.89%  | 4.58%  | 8.92%   | 16.87%  | 14.11%  | 10.99%  |
| MSCI Emerging Markets        | -1.12% | 4.27%  | 6.31%   | 8.73%   | 12.09%  | 5.57%   |
| Bonds                        | 1-Week | MTD    | 3-Month | YTD     | 1-Year  | 3-Year  |
| Bloomberg US Agg Bonds       | 0.88%  | -0.72% | -0.29%  | 2.45%   | 5.84%   | 1.32%   |
| Bloomberg Municipal Bonds    | 0.28%  | 0.06%  | -2.42%  | -0.96%  | 2.06%   | 1.77%   |
| Bloomberg US Corp High Yield | 0.74%  | 1.68%  | 0.62%   | 2.68%   | 9.54%   | 6.77%   |
| Commodities                  | 1-Week | MTD    | 3-Month | YTD     | 1-Year  | 3-Year  |
| Bloomberg Commodity          | -2.56% | -0.58% | -1.64%  | 3.05%   | 0.67%   | -4.97%  |
| S&P GSCI Crude Oil           | -1.20% | 4.43%  | -12.86% | -15.24% | -21.97% | -19.14% |
| S&P GSCI Gold                | -2.33% | -0.11% | 16.39%  | 25.54%  | 40.10%  | 21.28%  |

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

## Chart of the Week: Credit Card Delinquencies Stabilize



Credit card delinquencies have stabilized after 11 straight quarterly increases. The 3.05% delinquency rate is above pre-pandemic levels but is still below the long-term average of 3.7%. Consumers have relied less on debt since the great financial crisis.

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.