

Key weekly points:

August 11, 2025

- The ISM Services Index slipped to 50.1 in July, just above contraction, with weakness in new orders and employment offset by rising input prices.
- Labor productivity grew 2.4% in Q2, while unit labor costs rose just 1.6%, helping to contain inflation pressures despite higher wages.
- U.S. Durable good orders fell 9.4% (-9.3% expected) while continuing jobless claims rose to 1974k.
- Inflation expectations ticked higher, with CPI due this week; consensus sees a slight YoY uptick to 2.8%, which will factor into the Fed's September rate decision.
- President Trump announced sweeping tariff measures, including 100% tariffs on chip imports and higher rates on goods from India and Switzerland, while easing rates for some U.S. allies. However, the chips imports would be exempted if companies bring production back to U.S.
- Corporate earnings season has been stronger than expected, with 81% of S&P 500 companies beating EPS estimates; Q2 blended earnings growth is tracking at 11.8%, the third straight quarter of double-digit growth.
- Key upcoming catalysts include U.S. CPI on Tuesday, retail sales data on Friday, and the final stages of earnings season, with market attention on consumer health and labor market trends.
- U.S. equities posted strong weekly gains, with the NASDAQ up nearly 4%, the S&P 500 rising over 2%, and leadership concentrated in technology and consumer discretionary stocks; small caps also outperformed early in the week.
- Market tone was driven by optimism over potential Federal Reserve rate cuts and strong corporate earnings, with the Magnificent 7 and mega-cap technology names such as Apple, Tesla, and Meta Platforms leading gains.
- Sector performance was mixed, with Information Technology, Consumer Discretionary, and Communication Services outperforming, while Energy lagged due to OPEC+ supply increase expectations.
- Treasury yields edged higher after \$42B in 10-year and \$25B in 30-year auctions drew weaker demand, though yields remain below July peaks.
- U.S. investment-grade bond issuance surged above \$30B for the week, with high-yield issuance also active as companies capitalized on favorable borrowing conditions and tight spreads.
- Fed officials maintained a dovish tone during the week, with some signaling rate cuts later in 2025; bond markets now price in a high probability of a September rate cut.

Global Equity Markets

Major Equity Indexes

United States	Value	WTD	MTD	YTD
S&P 500	6,389.5	2.43%	0.79%	8.63%
Dow Jones	44,175.6	1.35%	0.10%	3.83%
Nasdaq	21,450.0	3.87%	1.55%	11.08%
Russell 2000 (US Small Cap)	2,218.4	2.38%	0.31%	-0.53%
Europe	Value	WTD	MTD	YTD
Euro Stoxx (Euro)	5,347.7	3.53%	0.52%	9.23%
FTSE 100 (UK)	9,095.7	0.30%	-0.41%	11.29%
CAC 40 (France)	7,743.0	2.61%	-0.37%	4.91%
DAX (Germany)	24,162.9	3.15%	0.40%	21.37%
Ibex 35 (Spain)	14,824.9	4.94%	2.97%	27.86%
Asia	Value	WTD	MTD	YTD
Nikkei (Japan)	41,820.5	2.50%	1.83%	4.83%
Hang Seng (Hong Kong)	24,858.8	1.43%	0.35%	23.92%
CSI 300 (China)	4,105.0	1.23%	0.72%	4.32%
Latam	Value	WTD	MTD	YTD
Brazil Bovespa	135,913.3	2.62%	2.14%	12.99%
Mexico	58,070.2	2.06%	1.17%	17.28%
Volatility	Value	7d	30d	Start of Year
VIX	15.2	20.4	15.9	17.9

Global Fixed Income Markets

Government Bonds Yields

United States	Value	7d	30d	Start of Year
FED Rate (Effective Rate)	4.33	4.33	4.33	4.33
US Treasury 2y	3.76	3.68	3.84	4.24
US Treasury 10y	4.28	4.22	4.33	4.56
International	Value	7d	30d	Start of Year
Germany 10y	2.69	2.68	2.67	2.38
France 10y	3.35	3.35	3.36	3.23
UK 10y	4.60	4.53	4.61	4.59
LatAm (USD)	Value	7d	30d	Start of Year
Brazil 10y	6.38	6.52	6.55	7.15
Mexico 10y	6.00	6.06	6.05	6.68
Colombia 10y	7.56	7.70	7.82	7.72
Dom Rep 10y	6.22	6.37	6.47	6.66
Panama 10y	6.68	6.80	6.86	7.71
Salvador 10y	8.11	8.26	8.02	8.05
Corporate Spreads	Value	7d	30d	Start of Year
US Investment Grade (IG)	0.78	0.80	0.81	0.80
US High Yield (HY)	2.83	3.01	2.81	2.82
EM Latam	2.84	2.99	2.88	3.30
CDX EM*	97.78	97.40	97.58	97.03

Commodities

	Value	WTD	MTD	YTD
Oil (WTI)	63.9	-5.12%	-7.77%	-10.93%
Gold (Spot - USD/Oz)	3,397.8	1.02%	3.28%	29.46%
Silver (Spot - USD/Oz)	38.5	4.37%	4.98%	27.78%
Copper (USD/MT)	9,762.0	1.37%	1.57%	11.34%
Zinc (USD/MT)	2,827.0	3.67%	2.41%	-5.09%
Bitcoin	116,915.2	2.64%	0.36%	24.76%

Foreign Exchange Markets

	Value	WTD	MTD	YTD
Dollar Index (DXY)	98.18	-0.97%	-1.79%	-9.50%
Euro	1.16	0.47%	1.98%	12.43%
UK Pound	1.35	1.30%	1.86%	7.48%
Brazilian Real	5.43	2.00%	3.02%	13.58%
Mexican Peso	18.57	1.55%	1.62%	12.14%
Colombian Peso	4050.11	1.94%	3.35%	8.76%
Chilean Peso	966.13	0.35%	0.68%	3.16%
Dominican Peso	61.22	-0.37%	-0.32%	-0.18%
Costa Rican Colon	505.49	0.10%	0.15%	0.97%

Source: Bloomberg. As of August 8, 2025. *Markit CDX Emerging Markets Index is quoted in price.

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