

Key weekly points:

July 14, 2025

- The S&P 500 and NASDAQ both touched record highs midweek before finishing lower, with the S&P 500 closing at down 0.3% for the week and the NASDAQ down 0.04% for the week after US President Trump threatened 35% tariffs on Canadian imports on Friday.
- The Russell 2000 ended the week down 0.62%, although earlier in the week it briefly outperformed on the back of short-covering and cyclical rotation.
- Momentum stocks, which had outperformed over the last 12 months, dramatically underperformed this week, as investors rotated into laggards, particularly highly shorted, unprofitable, and lower-momentum names. In small caps, the gap between long and short momentum widened to over 7% month-to-date, according to Piper Sandler.
- Treasury yields rose throughout the week amid deficit and inflation concerns, with the 2-year yield near 3.9% and the 10-year at 4.39%, as US President Trump's tariff threats and tax policy reignited worries over fiscal sustainability.
- A bear-steepening curve emerged as long-term yields outpaced short-term rates, signaling growing inflation concerns. Treasury auctions were mixed, with weak demand for 3-year notes but stronger results for 10-year and 30-year bonds.
- Investment-grade credit markets remained active ahead of earnings season, with around \$28.5 billion in new issuance. Despite trade-related uncertainty, credit spreads remained stable and corporate fundamentals were seen as solid.
- Initial jobless claims fell to 227,000, the lowest since mid-May, while continuing claims rose to 1.965 million, the highest since November 2021—reflecting a still-strong but gradually softening labor market.
- June CPI is expected next week, with headline and core inflation both forecast to rise 0.3% month-over-month, pushing year-over-year headline inflation to 2.7% and core to 3.0%.
- Federal Reserve officials, including Governor Waller and President Daly, signaled openness to rate cuts later this year, saying the Fed should “look through” tariff-driven inflation and that current policy is restrictive.
- U.S. President Donald Trump's escalating tariff threats—targeting countries including Canada, Brazil, and Japan—created volatility. Proposed tariffs include 50% on copper, 200% on pharmaceuticals, and 35% on Canadian exports starting August 1.
- The U.S. dollar strengthened 0.9% for the week, reversing its weak first half. The ICE U.S. Dollar Index rose even as risk assets declined.
- Corporate earnings season begins next week, with major reports expected from JPMorgan Chase, Bank of America, Morgan Stanley, Goldman Sachs, Citigroup, PepsiCo, Netflix, and Johnson & Johnson, with analysts expecting tempered growth but potential for upside surprises.

Global Equity Markets

Major Equity Indexes

United States	Value	WTD	MTD	YTD
S&P 500	6,259.8	-0.31%	0.88%	6.43%
Dow Jones	44,371.5	-1.02%	0.63%	4.30%
Nasdaq	20,585.5	-0.08%	1.06%	6.60%
Russell 2000 (US Small Cap)	2,234.8	-0.63%	2.75%	0.21%
Europe	Value	WTD	MTD	YTD
Euro Stoxx (Euro)	5,383.5	1.79%	1.51%	9.96%
FTSE 100 (UK)	8,941.1	1.34%	2.06%	9.40%
CAC 40 (France)	7,829.3	1.73%	2.13%	6.08%
DAX (Germany)	24,255.3	1.97%	1.45%	21.83%
Ibex 35 (Spain)	14,009.2	0.26%	0.12%	20.82%
Asia	Value	WTD	MTD	YTD
Nikkei (Japan)	39,569.7	-0.61%	-2.27%	-0.81%
Hang Seng (Hong Kong)	24,139.6	0.93%	0.28%	20.34%
CSI 300 (China)	4,014.8	0.82%	2.00%	2.03%
Latam	Value	WTD	MTD	YTD
Brazil Bovespa	136,187.3	-3.59%	-1.92%	13.22%
Mexico	56,593.6	-2.39%	-1.49%	14.30%
Volatility	Value	7d	30d	Start of Year
VIX	16.4	16.4	17.3	17.9

Commodities

	Value	WTD	MTD	YTD
Oil (WTI)	68.5	2.16%	5.13%	-4.56%
Gold (Spot - USD/Oz)	3,355.6	0.55%	1.59%	27.86%
Silver (Spot - USD/Oz)	39.0	5.05%	7.69%	29.15%
Copper (USD/MT)	9,660.5	-2.07%	-2.11%	10.18%
Zinc (USD/MT)	2,738.5	0.53%	-0.47%	-8.06%
Bitcoin	117,730.8	9.27%	9.41%	25.63%

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	3.89	3.88	3.95	4.24
US Treasury 10y	4.41	4.35	4.42	4.56
International	Value	7d	30d	Start of Year
Germany 10y	2.72	2.61	2.53	2.38
France 10y	3.41	3.27	3.23	3.23
UK 10y	4.62	4.54	4.55	4.59
LatAm (USD)	Value	7d	30d	Start of Year
Brazil 10y	6.58	6.46	6.69	7.15
Mexico 10y	6.06	6.05	6.24	6.68
Colombia 10y	7.83	7.79	8.12	7.72
Dom Rep 10y	6.46	6.44	6.56	6.67
Panama 10y	6.94	6.83	7.18	7.71
Salvador 10y	8.14	7.96	8.16	8.05
Corporate Spreads	Value	7d	30d	Start of Year
US Investment Grade (IG)	0.80	0.77	0.84	0.80
US High Yield (HY)	2.83	2.68	3.02	2.82
EM Latam	2.88	2.90	3.01	3.30
CDX EM*	97.60	97.75	97.38	97.03

Foreign Exchange Markets

	Value	WTD	MTD	YTD
Dollar Index (DXY)	97.85	0.69%	1.01%	-9.80%
Euro	1.17	-0.76%	-0.83%	12.89%
UK Pound	1.35	-1.15%	-1.74%	7.81%
Brazilian Real	5.56	-2.49%	-2.28%	11.05%
Mexican Peso	18.64	-0.04%	0.60%	11.77%
Colombian Peso	4000.65	-0.35%	2.17%	10.12%
Chilean Peso	958.48	-2.92%	-2.82%	3.96%
Dominican Peso	60.29	-0.48%	-1.11%	1.34%
Costa Rican Colon	504.86	0.20%	0.15%	1.12%

Source: Bloomberg. As of July 11, 2025. *Markit CDX Emerging Markets Index is quoted in price.

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