FORTIS | *Weekly Market Update*

August 25, 2025

U.S. Equity Market Summary						*Performance as of*	8/22/25
Asset Class	**1 Week**	**1 Month**	**3 Month**	**YTD**	**1 Year**	**3 Year**	**5 Year**
S&P 500	0.30%	2.61%	11.05%	10.88%	17.63%	17.80%	15.46%
Dow Jones Industrials	1.78%	1.34%	9.08%	12.44%	17.61%	15.64%	13.64%
NASDAQ	-0.58%	2.96%	13.77%	11.80%	22.84%	21.12%	14.56%
Mid Cap	1.91%	1.80%	9.18%	8.44%	13.45%	11.14%	12.30%
Small Cap	2.86%	3.81%	13.62%	7.26%	12.66%	10.32%	12.28%
Micro Cap	3.93%	4.28%	21.01%	7.66%	23.16%	7.84%	11.73%

U.S. Sector Summary							8/22/25
Sector	**1 Week**	**1 Month**	**3 Month**	**YTD**	**1 Year**	**3 Year**	**5 Year**
Cyclical							
Consumer Cyclical	1.77%	3.38%	9.89%	4.39%	27.57%	13.69%	10.67%
Financials	2.12%	1.69%	7.01%	11.61%	23.43%	18.20%	19.25%
Materials	2.39%	0.27%	7.89%	10.62%	2.69%	7.93%	10.46%
Real Estate	2.44%	-0.91%	5.14%	5.70%	2.82%	2.45%	6.90%
Sensitive							
Comm. Services	-0.15%	3.20%	10.86%	15.59%	29.51%	26.97%	13.92%
Energy	3.02%	3.12%	8.74%	4.55%	2.23%	7.28%	24.51%
Industrials	1.79%	1.40%	8.71%	16.93%	21.36%	18.33%	16.69%
Technology	-1.23%	1.39%	14.61%	13.24%	19.88%	23.14%	18.30%
Defensive							
Consumer Defensive	0.55%	1.04%	2.13%	6.18%	3.60%	5.45%	7.88%
Health Care	1.44%	3.47%	6.34%	1.30%	-9.22%	3.42%	6.96%
Utilities	0.49%	1.16%	8.15%	15.27%	17.75%	7.19%	11.07%

Equity Style Summary							8/22/25
Region	**1 Week**	**1 Month**	**3 Month**	**YTD**	**1 Year**	**3 Year**	**5 Year**
Large Growth	-0.78%	2.49%	12.35%	12.01%	23.41%	22.87%	15.57%
Large Blend	0.25%	2.60%	11.12%	11.14%	18.26%	18.08%	15.19%
Large Value	1.80%	2.56%	9.04%	9.64%	11.24%	12.24%	14.45%
Mid Growth	1.14%	0.26%	8.77%	14.01%	24.11%	14.45%	10.72%
Mid Blend	1.78%	1.68%	9.20%	11.11%	16.66%	12.05%	12.20%
Mid Value	2.27%	2.77%	9.44%	8.82%	10.71%	9.97%	13.80%
Small Growth	2.09%	3.06%	11.49%	4.65%	14.42%	10.20%	6.89%
Small Blend	2.64%	3.16%	11.73%	5.82%	12.40%	10.40%	11.66%
Small Value	3.05%	3.23%	11.91%	6.71%	10.78%	10.51%	15.30%

The Week That Was

US equity markets rebounded on Friday following Fed Chair Powell's Jackson Hole remarks, which opened the door to rate cuts. Small and mid-caps again outperformed gaining 2.9% and 1.9%, respectively, the DJIA advanced 1.8%, and posted new highs, while the SPX added 0.3% and the Nasdaq declined by 0.6%. Energy (XLE) was the top performing sector, up 3.0%, followed by Real Estate (XLRE), Materials (XLB) and Financials (XLF), which all gained in excess of 2%. Technology (XLK) shares lagged, down 1.2%, as investors sought out sectors that would benefit from potential rate cuts as opposed to AI capex spend which was called into question by OpenAI's CEO Sam Altman as well as an MIT study. Value outperformed growth across the market cap spectrum. The August flash PMI rose to 55.4, its strongest level in 2025, led by a 39-month high in manufacturing activity (53.3). However, firms reported the steepest input price increases since May, driven by tariffs and supply concerns. Initial jobless claims rose to 235K, above consensus, while continuing claims ticked higher, perhaps signaling emerging labor market softness. Treasury yields fell across the curve after the Fed Chair Powell suggested restrictive policy may soon warrant adjustment given the rising downside risks to employment. The Treasury's Q2 refunding announcement largely matched expectations and the Fed said it would slow the pace of quantitative tightening beginning in June, a modestly dovish surprise. Commodities weakened despite a softer dollar as the Bloomberg Commodity Index fell 1.6%, with gold lower by nearly 2% and crude oil declining on hopes for easing geopolitical risk and a surprise inventory build. Natural gas, surged over 30% on stronger cooling demand and renewed LNG export activity.

The Week Ahead

A "challenging situation" according to Fed Powell referring to inflation risks from tariffs and a "curious balance" in the employment market that may warrant adjusting the Fed's policy stance. That adjustment will bring further focus to Friday's PCE report which is expected to flat line at 2.6% y/y, and decline a touch on a m/m basis to 0.2%, from prior 0.3%. Personal income and spending, as part of the PCE report, are also expected to flatline on a m/m basis at 0.3%. Given Powell's employment commentary, initial and continuing jobless claims, reported each Thursday, will take on greater import with both trending higher recently. Durable goods orders on Tues (Non-defense, ex aircraft) will provide a proxy on business spending in the US and is expected to show a 2nd month of declines, estimated at -0.5%. All eyes will be on NVDA's earnings post the close on Wed. for signals of ongoing AI capex spend as well as commentary related to present and future sales to China. Other technology companies reporting include CRWD, SNOW, MRVL and ADSK. On the retail earnings front, BBY, KSS, URBN, DG and FIVE will highlight spending trends across their specific niches and provide some indication of how a weaker employment market may be impacting consumer spending patterns.

International Equity Market Summary							8/22/25
Region	**1 Week**	**1 Month**	**3 Month**	**YTD**	**1 Year**	**3 Year**	**5 Year**
Russell 3000	0.53%	2.67%	11.22%	10.60%	17.69%	17.12%	14.80%
MSCI ACWI ex USA	0.52%	3.46%	8.45%	22.86%	17.99%	14.72%	9.46%
MSCI Emerging Markets	-0.41%	1.71%	9.60%	19.93%	17.61%	11.20%	5.56%
MSCI Europe Stock	1.44%	3.31%	6.28%	27.56%	17.22%	17.93%	11.85%
MSCI Asia Pacific Stock	-0.51%	3.79%	10.26%	18.82%	17.58%	12.63%	6.90%
MSCI Latin America Stock	1.66%	6.53%	7.18%	32.85%	10.84%	9.26%	10.51%

International Equity Commentary

The STOXX Europe 600 gained 1.4% on hopes for lower US interest rates. Italy's FTSE MIB rose by 1.5% while France's CAC 40 rose 0.6%; Germany's DAX was unchanged. Eurozone business activity recovered, with the August flash composite PMI rising to 51.1 from 50.9 in July, posting the fastest manufacturing growth in over three years. Germany posted a third straight monthly expansion, while France showed tentative signs of stabilizing. Consumer confidence softened, however, with the EC's indicator slipping to -15.5 from -14.7, still well below historical averages. Japanese equities declined with the Nikkei 225 lower by 1.7% and the TOPIX declining 0.2%. The yen depreciated to 158 JPY, while 10-year JGB yields climbed to 1.61%, near multi-year highs. July core CPI rose by 3.1% y/y (vs. 3.3% prior), keeping expectations alive for another BoJ rate hike later this year. Exports fell 2.6% y/y, with weakness in autos and semiconductors to the U.S. adding to softness across major geographies. Imports declined 7.5% y/y, less than expected. China equities rallied with the CSI 300 gaining 4.2% and the Shanghai Composite up 3.5%, amid optimism for stabilizing U.S.–China trade ties. Retail investors fueled the momentum, with margin financing balances climbing to their highest since 2015. Hong Kong lagged the mainland but the Hang Seng Index gained 0.3%.

Notable Earnings Releases - Week of August 25th, 2025

Name	Earnings Release Date	Consensus EPS Estimate
HEICO Corp.	Monday, August 25, 2025	$1.15
MongoDB, Inc.	Tuesday, August 26, 2025	$0.70
Okta, Inc.	Tuesday, August 26, 2025	$0.75
PVH Corp.	Tuesday, August 26, 2025	$2.94
Kohl's Corp.	Wednesday, August 27, 2025	($0.16)
Williams-Sonoma, Inc.	Wednesday, August 27, 2025	$1.92
Five Below, Inc.	Wednesday, August 27, 2025	$0.02
NetApp, Inc.	Wednesday, August 27, 2025	$1.87
NVIDIA Corp.	Wednesday, August 27, 2025	$1.19
Dick's Sporting Goods, Inc.	Thursday, August 28, 2025	$2.84
Autodesk, Inc.	Thursday, August 28, 2025	$2.39

Economic Data Releases - Week of August 25th, 2025

Data Release	Data Release Date	Previous Print	Current Est.
US New Single Family Houses Sold	Monday, August 25, 2025	627.0K	620.0K
US Durable Goods Shipments YoY	Tuesday, August 26, 2025	-9.34%	-2.5%
Case-Shiller Composite 20 Home Price Index YoY	Tuesday, August 26, 2025	2.74%	2.7%
2Q25 GDP Growth Estimate - 2nd	Thursday, August 28, 2025	3.0%	N/A
US Pending Home Sales MoM	Thursday, August 28, 2025	-0.8%	-0.2%
US PCE Price Index YoY	Friday, August 29, 2025	2.58%	2.6%
US Trade Balance on Goods	Thursday, September 4, 2025	N/A	N/A

Market Metrics

Name	As of	Latest**	1 Month Ago	1 Mo. %	1 Year Ago	1 Year %	Freq.
Key Interest Rates							
1 Month Treasury	8/22/25	4.47%	4.37%	▲ 2.3%	5.51%	▼ -18.9%	Daily
2 Year Treasury	8/22/25	3.68%	3.83%	▼ -3.9%	3.99%	▼ -7.8%	Daily
10 Year Treasury	8/22/25	4.26%	4.35%	▼ -2.1%	3.86%	▲ 10.4%	Daily
30 Year Mortgage	8/21/25	6.58%	6.75%	▼ -2.5%	6.49%	▲ 1.4%	Weekly
US Corporate AAA	8/21/25	4.76%	4.84%	▼ -1.7%	4.36%	▲ 9.2%	Daily
US Corporate BBB	8/21/25	5.17%	5.26%	▼ -1.7%	5.10%	▲ 1.4%	Daily
US Corporate CCC	8/21/25	12.01%	12.34%	▼ -2.7%	13.35%	▼ -10.0%	Daily
Effective Federal Funds	8/21/25	4.33%	4.33%	▲ 0.0%	5.33%	▼ -18.8%	Daily
U.S. Economy							
Consumer Sentiment	7/31/25	61.70	60.70	▲ 1.6%	66.40	▼ -7.1%	Monthly
Unemployment Rate	7/31/25	4.20%	4.10%	▲ 2.4%	4.20%	▲ 0.0%	Monthly
Inflation Rate	7/31/25	2.70%	2.67%	▲ 1.3%	2.89%	▼ -6.6%	Monthly
Manufacturing PMI	7/31/25	48.00	49.00	▼ -2.0%	46.80	▲ 2.6%	Monthly
Non Manufacturing PMI	7/31/25	50.10	50.80	▼ -1.4%	51.40	▼ -2.5%	Monthly
Retail Sales	7/31/25	627,979	623,882	▲ 0.7%	605,797	▲ 3.7%	Monthly
Building Permits	7/31/25	1,354	1,393	▼ -2.8%	1,436	▼ -5.7%	Monthly

Suggested Readings and Videos	8/22/25
- Fed Chair Powell's Speech from the Jackson Hole Economic Policy Symposium	
- OpenAI's Sam Altman Sees AI Bubble Forming as Industry Spending Surges	
- China Tells Tech Giants to Halt Nvidia H20 Orders After U.S. Official's "Addiction" Remark	
- Russia Says Europe's Leaders Don't Want Peace in Ukraine as Vance Says US Will Keep Trying	
- US Stablecoin Law Jolts EU Into Rethinking Digital Euro Strategy	

Chart Of The Week 8/22/25

Stocks To Consider 8/22/25

	Ticker	Price	Market Cap	Sector
Gap Up				
Akzo Nobel NV (OTCM:AKZOY)	AKZOY	$ 23.84	$ 12,092	Chemicals
UBIQUITI INC. (XNYS:UI)	UI	$ 518.88	$ 31,388	Communications & Networking
Zoom Communications, Inc. (XNAS:ZM)	ZM	$ 82.36	$ 24,916	Software & IT Services
High Volume				
Amer Sports, Inc (XNYS:AS)	AS	$ 41.10	$ 22,754	Specialty Retailers
GARRETT MOTION INC. (XNAS:GTX)	GTX	$ 13.39	$ 2,698	Automobiles & Auto Parts
XPENG INC. (XNYS:XPEV)	XPEV	$ 23.48	$ 22,423	Automobiles & Auto Parts
Uptrend Retrace to Support				
ANTERO MIDSTREAM CORPORATION (XNYS:AM)	AM	$ 17.79	$ 8,510	Oil & Gas Related Equipment and Services
CME GROUP INC. (XNAS:CME)	CME	$ 269.75	$ 97,212	Investment Banking & Investment Services
HONEYWELL INTERNATIONAL INCORPORATION (XNAS:HON)	HON	$ 221.78	$ 140,807	Consumer Goods Conglomerates
Downtrend Slowing				
BOOZ ALLEN HAMILTON HOLDING CORPORATION (XNYS:BAH)	BAH	$ 110.26	$ 13,589	Software & IT Services
FTI CONSULTING, INC. (XNYS:FCN)	FCN	$ 167.62	$ 5,424	Professional & Commercial Services
THE KRAFT HEINZ COMPANY (XNAS:KHC)	KHC	$ 27.77	$ 32,863	Food & Tobacco
Improving Technical				
CRANE NXT, CO. (XNYS:CXT)	CXT	$ 63.06	$ 3,621	Machinery, Equipment & Components
SITEONE LANDSCAPE SUPPLY, INC. (XNYS:SITE)	SITE	$ 145.50	$ 6,491	Food & Tobacco
THOR INDUSTRIES, INC. (XNYS:THO)	THO	$ 110.96	$ 5,903	Leisure Products

Source: Timber Point Capital Management

For our full list of Stocks To Consider, contact Patrick Mullin at pmullin@timberpointcapital.com