

# Monthly Recap

## At-A-Glance

The S&P 500 declined just 0.68% in April, capping a third straight monthly decline, its longest stretch of declines since 2023. April's fractional decline follows a 5.6% decline in March.

The Dow Jones Industrial fell 3.08% in April (-1,332 points), extending its YTD loss to 3.92%.

The Nasdaq Composite performed best, gaining 0.88% for the month, which trimmed its YTD loss to 9.48%.

Bloomberg's Commodities Index fell 4.81% in April, reducing its YTD gain to 3.64%.

Gold futures advance 5.36% to end April at \$3,319.10/ounce, lifting its 2025 gain to 25.68%.

U.S. West Texas intermediate (WTI) crude oil futures fell 18.56% to end the month at \$58.21 per barrel, the lowest level of the year. U.S. crude is down 18.84% for the year.

Market Indices <sup>1</sup>	April	Year-to-Date
S&P 500	-0.68%	-4.92%
Russell 3000	-0.67%	-5.36%
Russell 2000	-2.31%	-11.57%
MSCI EAFE	4.58%	11.76%
MSCI Emerging Markets	1.31%	4.28%
Bloomberg U.S. Aggregate Bond	0.39%	3.18%
Bloomberg U.S. Municipal Bond	-0.81%	-1.03%
Bloomberg U.S. Corporate High Yield	-0.02%	0.98%

<sup>1</sup>FactSet (all equity performance is total return, which includes dividends).

The S&P 500 ended only fractionally lower in April, marking a stunning recovery from deep early-April losses that culminated in a 11.7% upward swing from its April 8<sup>th</sup> low. Equities were again whipsawed after President Trump announced his highest level "reciprocal" trade tariffs on April 2, which he then subsequently suspended for 90-days on April 9 to allow affected nations to negotiate alternative trade deals. In additional relief, the Trump administration announced reciprocal tariff exemptions for imports of consumer electronics from China. At one point during the month, the S&P 500 had briefly slipped into bear market territory at the April 7 intra-day low, falling more than 20% from its February 19 record high. The broad market index ended April down 9.36% from its February peak.

In key economic data, the BEA's first estimate of first quarter GDP showed a 0.3% contraction, its first negative reading since Q1 2022. The contraction occurred as consumer spending rose 1.8%, its slowest pace in seven quarters, while moreover, a 41.3% surge in pre-tariff imports (a subtraction from GDP) led to the quarterly decline.

In more favorable economic readings, the headline Personal Consumption Expenditures (PCE) Price index declined in March to a flat 0.0% reading from +0.3% the month prior. Core PCE Prices that exclude volatile food and energy (the Fed's preferred measure of inflation) was also 0% in March, down from +0.4% in February. Importantly, annualized core prices are up 2.6%, a decline from 3.0% the month prior.

The first quarter 2025 earnings season is coming in solid so far, with 36% of S&P 500 firms reporting a blended growth rate of 10.2% and 74%, surpassing analysts' consensus forecasts. Additionally, according to FactSet, the full year 2025 earnings growth forecast has weakened from 12.6% estimated at the start of the year to 9.7% as tariff uncertainties weigh on expectations.

Mid cap Growth (+3.36%) and Large cap Growth (+1.77) performed best in April while all other styles and sizes posted losses with Small cap Value falling the most (-4.02%). In year-to-date (YTD) returns, all nine sizes and styles remain in negative territory, with Large cap Value down the least while all Small cap styles widened their 2025 losses to double-digit percentages.

#### April Returns

	Value	Blend	Growth
Large Cap	-3.05%	-0.60%	1.77%
Mid Cap	-2.48%	-1.03%	3.36%
Small Cap	-4.02%	-2.31%	-0.64%

#### Year-to-Date Returns

	Value	Blend	Growth
Large Cap	-0.98%	-5.06%	-8.37%
Mid Cap	-4.54%	-4.40%	-4.00%
Small Cap	-11.45%	-11.57%	-11.68%

Source: Cetera Investment Management, FactSet, FTSE Russell. Returns shown are total return, which includes dividends. Investors cannot invest directly in indexes. Data as of 4/30/2025.

Five of the 11 S&P 500 sectors posted April gains, led by 1.62% bargain-buying recovery in Technology stocks. Technology had tumbled 8.83% in March. Energy (-13.65%) and Healthcare (-3.70%) fell the most in April. Defensive posturing in Consumer Staples has proved successful so far into 2025 with the sector taking top year-to-date (YTD) honors, up 6.53%, followed by Utilities and Healthcare. Technology (-11.24%) and Consumer Discretionary (-14.08%) are down the most this year.

Top Sector Performers – April <sup>1</sup>	Bottom Sector Performers – April <sup>1</sup>
Technology (+1.62%)	Materials (-2.17%)
Consumer Staples (+1.23%)	Healthcare (-3.70%)
Communication Services (+0.75%)	Energy (-13.65%)
Top Sector Performers – YTD <sup>1</sup>	Bottom Sector Performers – YTD <sup>1</sup>
Consumer Staples (+6.53%)	Communication Services (-5.50%)
Utilities (+5.04%)	Technology (-11.24%)
Healthcare (+2.59%)	Consumer Discretionary (-14.08%)

<sup>1</sup> FactSet (all S&P 500 sector performance percentages are total return based, which include dividends).

Foreign equities in developed markets widely outperformed relative to the U.S. last month with the MSCI EAFE Index climbing 4.58% to extend its YTD gain to 11.76%. In MSCI EAFE country-specific indices, Germany continued to lead April gainers, advancing 7.52%, boosting its YTD performance to 24.23%. Japan rebounded 5.23% last month, netting a 5.58% YTD gain. Emerging markets recorded a smaller monthly gain, climbing 1.31%. Mexico performed best among EM nations, surging 12.99% in April, while China lost 4.27%.

Despite intense intra-month gyrations, the yield on benchmark 10-year Treasuries ended the month at 4.15%, down just 0.05%. With yields easing, the Bloomberg U.S. Government Index gained 0.63% in April while longer-duration Bloomberg U.S. Government long-term bonds slumped 1.08%. These indices are up 3.56% and 3.53%, respectively, YTD.

On a broader basis, investment-grade bonds of all types, as measured by the Bloomberg U.S. Aggregate Bond Index, rose 0.39% in April. Bloomberg's U.S. High Yield Bond Index, representing holdings of below investment-grade (junk-rated) corporate bonds, slipped just 0.02%. Bloomberg's U.S. Municipal Bond Index experienced its most volatile month in years before ending April with moderate losses (-0.81%). Within the index, bonds rated BBB (-1.55%) and single-A (-1.36%) underperformed those rated AA (-1.14%) and AAA (-1.14%). Most of April's muni weakness occurred during the second week of the month, a rollercoaster period that saw 10-year Treasury yields surge nearly 1% over three days, followed by an immediate 0.50% recovery. April 15 tax selling had also intensified April's slide.

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A diversified portfolio does not assure a profit or protect against loss in a declining market.

## **Glossary**

The **Bloomberg Barclays Capital U.S. 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 has a fluctuating average life of around 8.25 years. This total return index, created in 1986 with history backfilled to January 1, 1976, is unhedged and rebalances monthly.

The **Bloomberg Barclays 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, but in practice the index holding have a fluctuating average life of around 12.8 years. This total return index is unhedged and rebalances monthly.

The **Bloomberg Barclays 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. This total return unhedged index was created in 1986, with history backfilled to July 1, 1983 and rebalances monthly.

The **Barclays U.S. Government Bond Index** is comprised of the U.S. Treasury and U.S. Agency Indices. The index includes U.S. dollar-denominated, fixed-rate, nominal US Treasuries and US agency debentures (securities issued by US government owned or government sponsored entities, and debt explicitly guaranteed by the US government). The US Government Index is a component of the U.S. Government/Credit and U.S. Aggregate Indices, and eligible securities also contribute to the multi-currency Global Aggregate Index. The U.S. Government Index has an inception date of January 1, 1973.

The **Bloomberg Commodity Index** is a broadly diversified index that allows investors to track commodity futures through a single, simple measure. It is composed of futures contracts on physical commodities and is designed to minimize concentration in any one commodity or sector. It currently includes 19 commodity futures in five groups. No one commodity can comprise less than 2% or more than 15% of the index, and no group can represent more than 33% of the index (as of the annual reweightings of the components).

The **Cboe Volatility Index® (VIX®)** is a key measure of market expectations of near-term volatility conveyed by S&P 500 stock index option prices.

The **MSCI EAFE** 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** is designed to measure equity market performance in global emerging markets. It is a float-adjusted market capitalization index.

The **Russell 1000 Growth Index** measures the performance of the large-cap growth segment of the U.S. equity universe. It includes those Russell 1000 Index companies with higher price-to-book ratios and higher forecasted growth values.

The **Russell 1000 Value Index** measures the performance of the large-cap value segment of the U.S. equity universe. It includes those Russell 1000 Index companies with lower price-to-book ratios and lower forecasted growth values.

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 Russell Midcap represents approximately 31% of the total market capitalization of the Russell 1000 companies.

The **S&P BSE SENSEX Index** is a free-float market-weighted index of 30 well-established and financially sound stocks on the Bombay Stock Exchange, representative of various industrial sectors of the Indian economy.

The **S&P 500** is a capitalization-weighted index of 500 stocks designed to measure performance of the broad domestic economy through changes in the aggregate market value of 500 stocks representing all major industries.

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 **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 capitalization-weighted index.

The **Shanghai Composite Index** is a stock market index of all stocks (A shares and B shares) that are traded at the Shanghai Stock Exchange.

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 USD<sub>X</sub> or DXY moniker, started in March 1973, beginning with a value of the U.S. Dollar Index at 100.000. It has since reached a February 1985 high of 164.720, and has been as low as 70.698 in March 2008.

**West Texas Intermediate (WTI)** is a crude oil stream produced in Texas and southern Oklahoma which serves as a reference or "marker" for pricing a number of other crude streams. WTI is the underlying commodity of the New York Mercantile Exchange's oil futures contracts.