

Weekly Recap

Economic Calendar

Monday, March 31

Chicago-area Business Barometer PMI.

Tuesday, April 1

Construction Spending, ISM & S&P Manufacturing PMIs, JOLTS Job Openings, IBD/TIPP Economic Optimism, Auto Sales.

Wednesday, April 2

Mortgage Activity, ADP Private Payrolls, Factory Orders.

Thursday, April 3

Challenger Job Cuts, Jobless Claims, Export/Import Prices, U.S. Trade Deficit, ISM & S&P Services PMIs.

Friday, April 4

Nonfarm Payrolls, Unemployment Rate, Average Hourly Earnings.

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[Consumer Confidence Tumbles to 4-Year Low](#)

[The Week Ahead Video](#)

Back to Equity Losses

S&P 500 Down Fifth Time in Six Weeks

U.S. equities finished sharply lower last week with Wall Street sentiment beset by elevated concerns over President Trump's impending April 2 reciprocal tariff announcements. Those concerns were amplified after a key February inflation measure surpassed expectations and consumer sentiment fell to a four-year low. On a brighter note, a surprise increase in consumer spending helped lift the final revision of fourth quarter GDP growth to 2.4% from 2.3%.

For the Week...

The S&P 500 slumped 1.52%, extending its pullback from the February 19 record peak to 9.17%. The tech-heavy Nasdaq Composite sank 2.59%, ramping up its correction loss to 14.13% from its December 16, 2024 record high. The Dow Jones Industrial Average fell more than 400-points (-0.96%).

Core PCE Prices Top Forecasts

The Federal Reserve's preferred measure of inflation, the Personal Consumption Expenditures (PCE) Price Index, came in slightly hotter-than-expected last month. Core PCE prices (excluding volatile food & energy) rose 0.4% in February (+0.3% expected) and climbed 2.8% on an annualized basis (+2.7% expected).

Weekly Sector Insights

Surprisingly, four of the eleven major S&P 500 sectors finished positive last week, led by Consumer Staples (+1.72%), Energy (+0.77%) and Real Estate (+0.46%). Consumer Discretionary (+0.05%) gained the least while Technology (-3.65%), Communications Services (-3.23%) and Industrials (-1.26%) fell the most. In 2025 performance, seven sectors are still posting year to date (YTD) gains, led by Energy (+9.04%), Healthcare (+5.58%) and Utilities (+3.83%). Four sectors are posting YTD losses, including Consumer Discretionary (-13.65%) and Technology (-12.68%) in correction territory while Communication Services (-6.43%) and Industrials (-0.85%) were down the least.

Treasury Prices Rise, Yields Ease

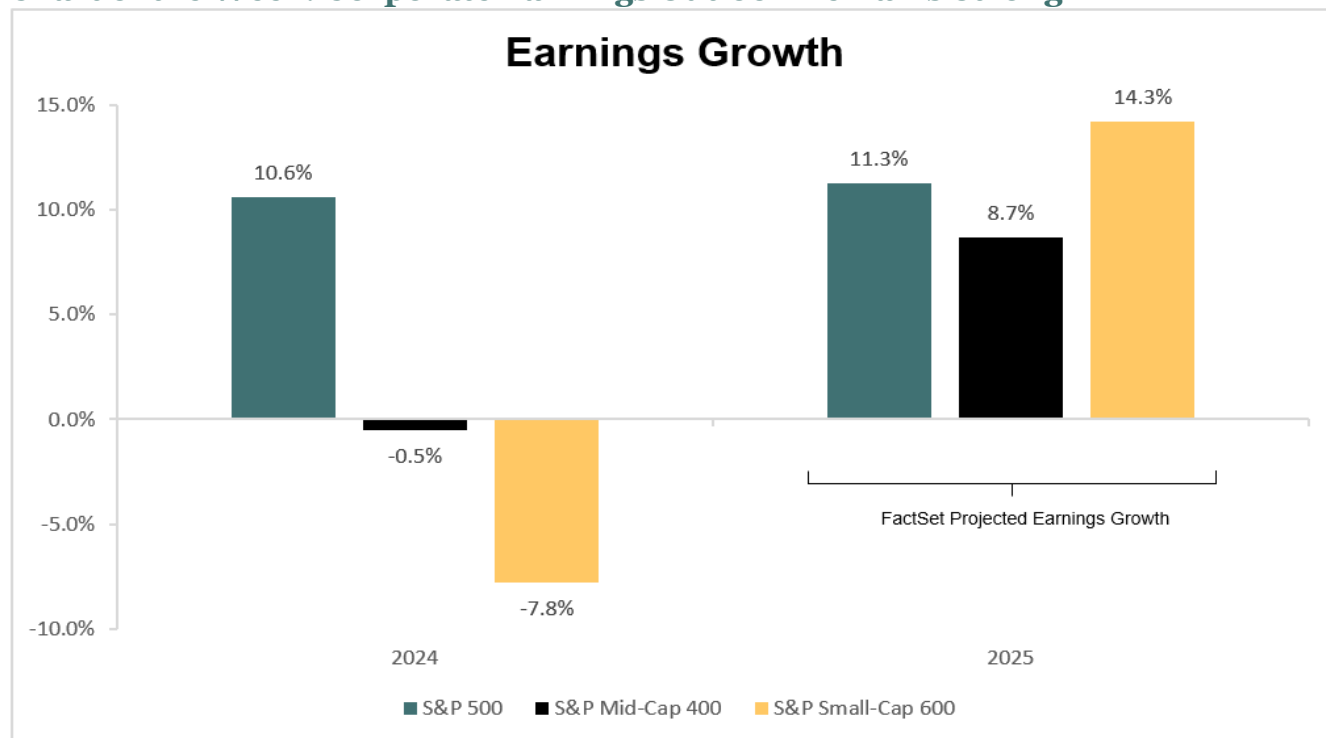
Equity sellers moved into safer haven assets like Treasuries and precious metals, lifting prices. Having risen earlier in the week the yield on 10-year Treasury notes ended Friday down 0.11% at 4.258% but was nearly unchanged on the week. The U.S. Dollar Index slipped 0.2%, while gold futures surged 3.1% ending at a new record high at \$3,114.30/ounce. U.S. WTI crude oil futures climbed a third straight week (+1.6%) to end Friday at \$69.36/barrel.

Market Watch

Stocks	1-Week	MTD	3-Month	YTD	1-Year	3-Year
Dow Jones Industrial Avg.	-0.96%	-5.01%	-2.88%	-1.85%	6.33%	8.09%
S&P 500	-1.52%	-6.16%	-6.22%	-4.81%	7.64%	8.50%
NASDAQ Composite	-2.59%	-8.02%	-12.01%	-10.15%	6.51%	7.31%
Russell 3000	-1.57%	-6.26%	-6.50%	-5.15%	6.73%	7.73%
Russell 2000	-1.62%	-6.33%	-9.55%	-9.02%	-3.52%	0.58%
MSCI EAFE	-1.05%	1.69%	8.47%	9.11%	7.20%	7.37%
MSCI Emerging Markets	-0.87%	2.40%	4.02%	4.73%	10.29%	2.56%
Bonds	1-Week	MTD	3-Month	YTD	1-Year	3-Year
Bloomberg US Agg Bonds	-0.04%	-0.19%	2.87%	2.54%	4.64%	0.72%
Bloomberg Municipal Bonds	-0.90%	-2.02%	-0.23%	-0.55%	0.89%	1.46%
Bloomberg US Corp High Yield	-0.44%	-0.95%	1.16%	1.08%	7.77%	5.34%
Commodities	1-Week	MTD	3-Month	YTD	1-Year	3-Year
Bloomberg Commodity	0.54%	3.30%	8.88%	8.22%	11.60%	-1.44%
S&P GSCI Crude Oil	1.58%	-0.57%	-1.76%	-3.29%	-16.60%	-13.16%
S&P GSCI Gold	2.16%	9.33%	18.33%	17.92%	39.13%	16.98%

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

Chart of the Week: Corporate Earnings Outlook Remains Strong



Source: Cetera Investment Management, FactSet, Standard & Poor's. Earnings growth is represented by the year-over-year change. 2025 figures are projected by FactSet. Data as of 3/24/2025.

Strong earnings growth could help the stock market rebound after the recent correction. The S&P 500 may see double-digit earnings growth again this year, while small-cap (S&P 600) earnings growth is projected to rise from -8% in 2024 to +14% this year according to projections from FactSet Research.

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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Additional risks are associated with international investing, such as currency fluctuations, political and economic instability, and differences in accounting standards.

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

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.

Glossary (Cont.)

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.