

Weekly Recap

Economic Calendar

Monday, June 23

S&P flash US Services & Mfg. PMIs, Existing Home Sales.

Tuesday, June 24

S&P Case-Shiller Home Prices, Consumer Confidence.

Wednesday, June 25

Mortgage Activity, New Home Sales.

Thursday, June 26

Jobless Claims, Advance Goods-only Trade Balance, Durable Goods Orders, Final Q1 GDP, Pending Home Sales.

Friday, June 27

Personal Income & Spending, PCE & PCE Prices, Consumer Sentiment.

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[Crude Oil Jumps 20% this Month](#)

[The Week Ahead Video](#)

Israel-Iran Conflict Stirs Fractional Losses

Stocks End Narrowly Mixed

The S&P 500 fell fractionally for a second week as the conflict between Israel and Iran continued to dominate headlines, essentially keeping investors mostly sidelined. Amid Israeli intelligence estimates that Iran was within 15 days from developing a nuclear weapon, President Trump said on Thursday that he will “decide within two weeks” whether to strike Iran, a move he later authorized over the weekend.

For the Week...

Following a 0.36% decline the week prior, the S&P 500 fell an additional 0.12% last week, trimming its year-to-date return to 2.12%. The Dow Jones Industrial Average inched up 0.07% while the tech-heavy Nasdaq Composite rose 0.22%. The small cap-focused Russell 2000 climbed 0.44% after falling 1.45% the week prior.

Fed Holds Rates Unchanged

As widely expected, the Federal Reserve held its fourth straight FOMC meeting without changing interest rates, leaving it at the current target range of 4.25% to 4.50%. The Wednesday decision was unanimous, reflecting a cautious “wait-and-see” approach as they monitor economic conditions, particularly the future impact of tariffs. Policymakers’ individual rate outlook views on the so-called “dot plot” still indicates two rate cuts later this year.

Weekly Sector Insights

Eight of the eleven S&P 500 sectors ended negative last week with Healthcare (-2.58%) and Communication Services (-1.71%) falling the most. Real Estate (-0.15%) fell the least. Energy (+1.11%) gained the most a second week, spurred by an additional surge in crude oil prices following the Israel-Iran conflict. In year-to-date performance, Industrials (+8.47%) and Utilities (+7.49%) are still up the most, while Technology (+2.24%) is up the least. Consumer Discretionary (-7.09%) and Healthcare (-3.17%) are still the only sectors with negative YTD returns.

Treasury Yields Slip

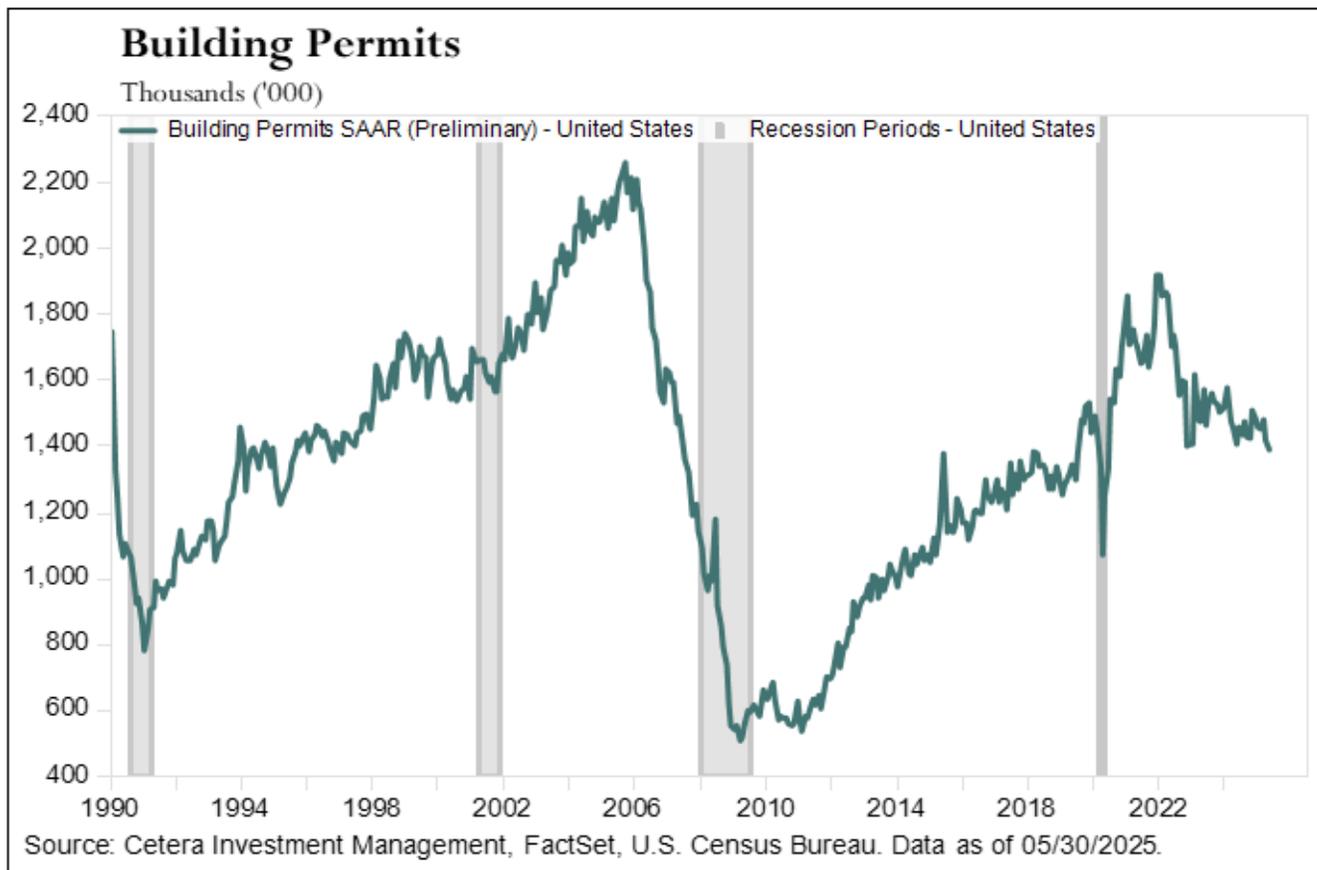
The yield on 10-year Treasury notes ended Friday at 4.380%, down 0.03% for the week. The U.S. Dollar Index climbed 0.6% for the week, while gold futures retraced 1.94% of its prior week gain to end Friday at \$3,385.70 per ounce. U.S. WTI crude oil futures advanced 3.58% after surging 10.72% the week prior, finishing Friday at \$73.84/barrel.

Market Watch

Stocks	1-Week	MTD	3-Month	YTD	1-Year	3-Year
Dow Jones Industrial Avg.	0.07%	-0.01%	1.06%	0.06%	9.76%	14.42%
S&P 500	-0.12%	1.05%	5.74%	2.12%	10.51%	19.33%
NASDAQ Composite	0.22%	1.80%	10.12%	1.05%	10.51%	22.61%
Russell 3000	-0.04%	1.10%	5.63%	1.74%	10.90%	18.68%
Russell 2000	0.44%	2.18%	2.34%	-4.82%	5.99%	9.78%
MSCI EAFE	-1.46%	-0.91%	4.40%	15.81%	13.53%	14.88%
MSCI Emerging Markets	-0.02%	3.03%	5.18%	12.02%	11.21%	8.80%
Bonds	1-Week	MTD	3-Month	YTD	1-Year	3-Year
Bloomberg US Agg Bonds	0.26%	0.49%	0.24%	2.95%	4.32%	2.63%
Bloomberg Municipal Bonds	0.16%	0.32%	-0.96%	-0.64%	0.58%	2.80%
Bloomberg US Corp High Yield	0.29%	0.77%	1.85%	3.47%	9.20%	9.07%
Commodities	1-Week	MTD	3-Month	YTD	1-Year	3-Year
Bloomberg Commodity	1.45%	7.02%	2.02%	10.28%	8.77%	-1.04%
S&P GSCI Crude Oil	3.58%	21.47%	8.48%	2.96%	-9.16%	-11.89%
S&P GSCI Gold	-1.94%	2.12%	10.24%	28.20%	42.92%	22.50%

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

Chart of the Week: Housing Construction Slowdown



Housing starts fell 9.8% in May to 1.256 million (annualized), missing expectations of 1.37 million. Multi-family starts plummeted 30.4%. Building permits, a leading indicator, fell 2% to a 5-year low of 1.393 million (annualized), signaling a weakening housing construction outlook.

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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.

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.