

## WEEKLY INSIGHT

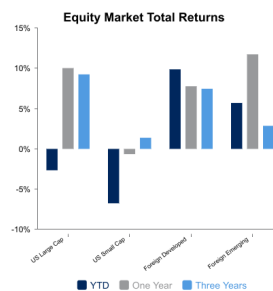
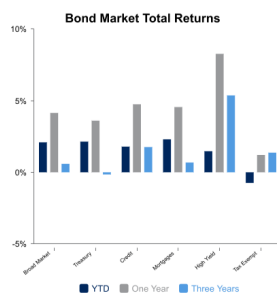
March 27, 2025

For a second week in a row stock price rose as losses year-to-date were cut to -2.6%. Share prices of companies comprising the S&P 500 Index were up 0.8% this week even as markets braced for a new round of tariff announcements next week. As the quarter closes investors turn their focus to earnings releases and CEO outlooks with the hope to find clarity on the future path of equity markets following a volatile quarter of price action. Bond markets remain stable posting a 2.3% gain year-to-date, but reported a -0.4% return this week as yields rose on the U.S. Treasury 10-year bond 10 basis points (0.10%) to 4.34%.

The economic data released this week added to the uncertainty as hard data, based upon past business activity, appears much stronger than survey data, based upon consumer and business leader outlooks of the future. Existing home sales topped estimates by growing at an annualized rate of 4.2%, gaining momentum after sales slowed in January due to harsh weather and wildfires. Home buyers and sellers have been encouraged to make deals as 30-year mortgage rates fell from highs of 7.4% in January to 6.7% today. The tight supply of listings helped sellers as a national gauge of prices rose 4.1% from a year earlier. Better weather over the four weeks ended March 16 has boosted new listings up 5.5% from a year earlier, according to Redfin Corp.

Orders for durable goods increased 0.9% in February, boosted by better orders in the transportation sector. Orders for core durables, a measure used as a proxy for business investment, retreated but remained elevated as firms booked orders ahead of tariffs being implemented. Initial jobless claims and continuing claims remain flat providing a stabilizing backdrop against the uncertainty related to price stability and the path of inflation going forward.

While hard data above has painted a picture of a stable economy, the Conference Board's headline consumer-confidence index declined to 92.9 in March versus a revised 100.1 the prior month. This measure, which is a composite of other confidence metrics, was most impacted by consumers' future expectations, which were down to their lowest point in 12 years. Consumer optimism on future income six months from now also dropped, but on a bright note, consumers found jobs more plentiful. This was shown in numbers supported by a recent improvement in the Job Openings and Labor Turnover Survey (JOLTS) figures. Throughout the survey an uptick in responses pointed to higher levels of economic policy uncertainty.



Interest Rates (%)	Current	12M Ago	3YR Ago
Fed Funds Rate (Upper b)	4.50	5.50	0.50
3-Month T-Bill	4.29	5.37	0.52
10-Year Treasury	4.35	4.19	2.47
30-Year Treasury	4.70	4.35	2.58
10-Year Corporate AA	5.21	5.08	2.09
10-Year High Yield Corp.	6.61	6.58	3.90

Commodity Prices (\$)	Current	12M Ago	3YR Ago
Gold (\$/oz)	3,019	2,195	1,958
Oil (WTI, \$/barrel)	69.65	81.35	113.90

Currencies	Current	12M Ago	3YR Ago
USD (Dollar Index Spot)	104.55	104.35	98.79
USD/EUR	0.93	0.92	0.91
USD/JPY	150.57	151.33	122.05

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