

Weekly Market & Economic Highlights



February 18, 2025

The Week's Highlights

Headline January retail sales fell 0.9%, worse than expected 0.1% decline (first decline since August 2024). December revised up to 0.7% (was +0.4%). Retail sales ex-autos down 0.4%, much below consensus for 0.3%. December ex-autos revised up to 0.7% (was +0.4%). Control group sales (which feed into GDP) down 0.8%, worse than expected 0.4%. Atypical snow in the south may have hurt demand for building materials. Declines were noted in sporting goods/hobby stores (-4.6%), motor vehicles and parts dealers (-2.8%), online stores (-1.9%), furniture stores (-1.7%), building materials/garden stores (-1.3%), clothing stores (-1.2%), electronic/appliances stores (-0.7%), health/personal care stores (-0.3%), and food/beverage stores (-0.1%). Gains seen in bars/restaurants (+0.9%), gas stations (+0.9%), department stores (+0.8%), and miscellaneous stores (+0.2%).

January CPI (Consumer Price Index) much hotter than expected; core CPI up 0.4%, above consensus 0.3% and December's 0.2%. Annualized core of 3.3% above consensus and December's 3.2%. Headline CPI rose 0.5% versus 0.3% consensus and December's 0.4%. Annualized headline up 3.0% versus 2.9% consensus. Shelter remained sticky, rising 0.4% and accounting for nearly 30% of increase.

Chart of the Week – CPI NSA Year/Year - US



Equities	Last	Total Returns (%)			
		1 Week	MTD	YTD	1 YR
Dow Jones Industrial Average	44,546	0.65	0.10	4.89	18.14
S&P 500	6,115	1.52	1.29	4.11	23.93
NASDAQ COMPOSITE	20,027	2.60	2.06	3.76	27.18
Russell 2000 Index	2,280	0.05	-0.29	2.33	14.85
Russell Growth Index	4,192	2.03	1.75	3.76	28.13
Russell Value Index	1,913	0.65	0.47	5.12	18.96
MSCI EAFE Index	2,448	2.66	2.90	8.33	14.05
MSCI Emerging Markets Index	1,125	1.54	2.95	4.81	15.92

Fixed Income	Last	1 Week	MTD	YTD	1 YR
U.S. Aggregate Bond Index	2,213	0.19	0.58	1.12	4.42
U.S. Treasury Index	2,313	0.09	0.48	1.00	3.58
U.S. Corporate Index	3,331	0.35	0.72	1.27	5.46
U.S. MBS Index	2,181	0.24	0.68	1.20	4.76
U.S. Municipal Bond Index	1,345	-0.22	0.21	0.71	2.57
U.S. High Yield Index	2,727	0.26	0.26	1.63	10.20
Emerging Markets USD Index	1,269	0.22	0.61	1.68	9.73

Alternative Assets	Last	1 Week	MTD	YTD	1 YR
LBMA Gold Price PM USD	2,921.3	1.62	4.81	11.96	47.16
LBMA Silver Price/USD Index	33.1	2.57	6.81	12.37	49.90
Bloomberg Commodity Index	105.9	1.59	3.51	7.21	10.99
Alerian MLP Index	321.7	0.71	2.14	11.13	32.19
Dow Jones Equity REIT Total Return Index	2,656.8	0.18	1.35	2.41	13.79
S&P 500 Real Estate Index	264.2	0.24	1.52	3.39	15.11

Index Characteristics	% of 52 Wk High	P/B	P/E	NTM P/E	Div. Yld.
	98.83%	5.88	24.47	20.74	1.58
	99.78%	5.31	27.56	22.35	1.23
	99.12%	7.36	42.01	28.32	0.65
	92.44%	2.21	50.87	25.45	1.36
	99.34%	14.24	38.84	29.07	0.56
	97.17%	2.85	20.77	17.45	2.01
	97.50%	1.91	15.38	15.01	2.94
	94.28%	1.77	14.40	12.30	2.66

Currencies	Current	12/31/24	12/29/23	12/30/22
	Exchange Rate			
\$ per €	1.05	1.04	1.10	1.07
\$ per £	1.26	1.25	1.27	1.21
¥ per \$	152.31	157.20	141.04	131.12

Commodities	Price (\$)			
Oil WTI	70.74	71.72	71.65	80.26
Natural Gas	3.73	3.63	2.51	4.48
Gold	2,882.53	2,624.50	2,062.98	1,824.02

Interest Rates	Rate (%)			
Fed Funds Target	4.50	4.50	5.50	4.50
2 year Treasury	4.26	4.24	4.25	4.43
10 year Treasury	4.48	4.57	3.88	3.88
15 year Mortgage	6.09	6.00	5.93	5.68
30 year Mortgage	6.87	6.85	6.61	6.42
Prime Rate	7.50	7.50	8.50	7.50
SOFR	4.33	4.49	5.38	4.30

Source: Bloomberg Finance L.P. & FactSet as of February 14, 2025

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Presentation is prepared by: First Horizon Advisors