

Weekly Market & Economic Highlights



May 27, 2025

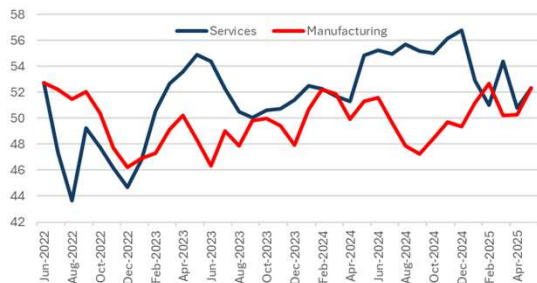
The Week's Highlights

April new home sales rose 10.9% notably ahead of consensus given sales growth of 35.5% in the Midwest and 11.7% in the southern US. Median sales price of new houses sold was \$407,200, up 0.8% from March. Report contrasts with yesterday's existing home sales down 0.5%, below consensus, and dropping to slowest pace for April since 2009. Inventory jumped 9%, also 21% higher than April of last year. Report noted pent-up housing demand continues to grow but constrained by historically high mortgage rates.

May US Markit PMI (Purchasing Managers Index) Composite of 52.1 above consensus of 51.1. Markit PMI Services of 52.3 was above consensus 51.5. Markit PMI Manufacturing also at 52.3, the highest in three months, and above consensus 50.7. Report noted growth and outlook improved from April lows though both are still subdued given tariff concerns. Employment fell slightly in May after rising in April and March. Prices charged increased at fastest rate since August 2022. Output prices also higher due to tariffs.

Recent auction of \$16B in 20-year Treasury bonds met with soft demand. Notable as the first long-dated Treasury offering after Moody's downgraded US credit rating to Aa1 from Aaa. Follows a very weak auction Tuesday of longer-dated Japanese government bonds (particularly 20Y) that drove yields to record highs.

Chart of the Week – Services and Manufacturing PMI - US



Equities	Last	Total Returns (%)				Index Characteristics				
		1 Week	MTD	YTD	1 YR	% of 52 Wk High	P/B	P/E	NTM P/E	Div. Yld.
Dow Jones Industrial Average	41,603	-2.43	2.45	-1.56	8.39	92.30%	5.24	23.09	19.59	1.73
S&P 500	5,803	-2.58	4.32	-0.82	11.62	94.39%	4.99	24.82	21.22	1.32
NASDAQ COMPOSITE	18,737	-2.45	7.48	-2.70	12.77	92.74%	6.73	34.85	26.52	0.71
Russell 2000 Index	2,040	-3.45	3.96	-8.07	0.93	82.70%	1.91	46.97	24.40	1.53
Russell Growth Index	3,931	-2.71	6.39	-2.53	14.53	93.14%	12.64	34.15	26.81	0.62
Russell Value Index	1,830	-2.52	2.15	1.15	8.27	92.96%	2.70	19.18	16.95	2.13
MSCI EAFE Index	2,580	1.33	3.77	16.28	12.69	98.83%	2.04	16.54	15.11	3.09
MSCI Emerging Markets Index	1,171	-0.06	5.47	10.08	10.47	98.11%	1.89	15.01	12.35	2.69

Fixed Income	Last	1 Week	MTD	YTD	1 YR
U.S. Aggregate Bond Index	2,223	-0.45	-1.58	1.56	4.64
U.S. Treasury Index	2,330	-0.33	-1.78	1.73	4.30
U.S. Corporate Index	3,327	-0.52	-1.11	1.14	4.61
U.S. MBS Index	2,188	-0.68	-1.81	1.48	5.04
U.S. Municipal Bond Index	1,319	-0.49	-0.22	-1.24	1.26
U.S. High Yield Index	2,735	-0.47	0.94	1.93	8.44
Emerging Markets USD Index	1,277	-0.29	0.04	2.33	7.39

Currencies	Current	12/31/24	12/29/23	12/30/22
	Exchange Rate			
\$ per €	1.14	1.04	1.10	1.07
\$ per £	1.35	1.25	1.27	1.21
¥ per \$	142.56	157.20	141.04	131.12

Commodities	Price (\$)			
Oil WTI	61.53	71.72	71.65	80.26
Natural Gas	3.33	3.63	2.51	4.48
Gold	3,357.51	2,624.50	2,062.98	1,824.02

Alternative Assets	Last	1 Week	MTD	YTD	1 YR
LBMA Gold Price PM USD	3,342.7	5.02	1.23	28.12	41.80
LBMA Silver Price/USD Index	33.1	2.99	2.70	12.34	8.37
Bloomberg Commodity Index	102.7	1.73	1.76	3.99	-2.31
Alerian MLP Index	300.9	-1.44	3.17	5.89	17.79
Dow Jones Equity REIT Total Return Index	2,575.4	-3.31	-1.49	-0.72	11.06
S&P 500 Real Estate Index	254.6	-3.26	-1.71	0.59	12.72

Interest Rates	Rate (%)			
Fed Funds Target	4.50	4.50	5.50	4.50
2 year Treasury	3.99	4.24	4.25	4.43
10 year Treasury	4.51	4.57	3.88	3.88
15 year Mortgage	6.01	6.00	5.93	5.68
30 year Mortgage	6.86	6.85	6.61	6.42
Prime Rate	7.50	7.50	8.50	7.50
SOFR	4.26	4.49	5.38	4.30

Source: Bloomberg Finance L.P. & FactSet as of May 23, 2025

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