

Weekly Market & Economic Highlights



August 11, 2025

The Week's Highlights

July ISM (Institute for Supply Management) Services Index came in at 50.1, down from June's 50.8 and below consensus for 51.4. New Orders Index dropped, but still in expansion territory. Employment Index remained in contraction territory. Prices Index up to highest since October 2022. Report noted slow growth as seasonal and weather factors had negative impacts on business. Tariffs widely cited as a concern in respondent feedback with notes of higher costs, delays, and lack of clarity causing projects to be postponed.

Final S&P Global Services PMI (Purchasing Managers Index) rose to 55.7 in July, up from 52.9 in June, and hitting a seven-month high. New orders expanded. Input prices rose sharply, with pace of inflation accelerating and linked to tariff impacts.

Preliminary Q2 Productivity up 2.4%, just ahead of 2.0% consensus and Q1's decline of 1.8%. Manufacturing sector labor productivity up 2.1%. Q2 Unit Labor Costs up 1.6%, ahead of consensus for 1.3% higher and decelerating from Q1's 6.9% increase.

Thursday's \$25 billion 30 Year Treasury auction poorly received, tailing the most in a year. Bid-to-cover of 2.266 lowest since November 2023. Dealer take of 17.5% highest since August. Tuesday's \$58 billion sale of 3 Year Treasury notes also weak.

Chart of the Week – ISM Services PMI SA - US



Equities	Last	Total Returns (%)			
		1 Week	MTD	YTD	1 YR
Dow Jones Industrial Average	44,176	1.37	0.12	4.85	13.98
S&P 500	6,389	2.44	0.81	9.46	21.70
NASDAQ COMPOSITE	21,450	3.88	1.56	11.52	29.70
Russell 2000 Index	2,218	2.41	0.34	0.25	7.88
Russell Growth Index	4,490	3.23	1.24	11.45	30.98
Russell Value Index	1,923	1.41	0.11	6.72	12.36
MSCI EAFE Index	2,680	2.87	2.48	21.23	22.22
MSCI Emerging Markets Index	1,254	2.32	0.93	18.95	23.18

Fixed Income	Last	1 Week	MTD	YTD	1 YR
U.S. Aggregate Bond Index	2,285	-0.18	0.63	4.40	3.59
U.S. Treasury Index	2,382	-0.25	0.60	4.01	2.67
U.S. Corporate Index	3,448	-0.12	0.55	4.81	5.02
U.S. MBS Index	2,255	-0.13	0.77	4.61	3.56
U.S. Municipal Bond Index	1,337	0.24	0.64	0.09	0.10
U.S. High Yield Index	2,825	0.38	0.25	5.30	9.07
Emerging Markets USD Index	1,330	0.46	0.63	6.57	8.96

Alternative Assets	Last	1 Week	MTD	YTD	1 YR
LBMA Gold Price PM USD	3,394.2	1.41	2.89	30.09	40.75
LBMA Silver Price/USD Index	38.3	4.93	5.72	29.97	42.18
Bloomberg Commodity Index	100.8	0.17	-0.39	2.06	5.82
Alerian MLP Index	301.4	-0.58	-2.22	7.99	16.53
Dow Jones Equity REIT Total Return Index	2,606.7	-0.09	-0.25	0.48	-0.27
S&P 500 Real Estate Index	258.9	-0.14	-0.38	3.03	2.57

Index Characteristics	% of 52 Wk High	P/B	P/E	NTM P/E	Div. Yld.
	98.01%	5.69	24.36	20.22	1.65
	99.42%	5.40	27.08	22.28	1.21
	99.93%	7.56	62.10	28.56	0.64
	89.94%	2.00	55.38	25.78	1.49
	99.73%	13.95	37.81	29.96	0.51
	97.71%	2.88	19.88	17.24	1.98
	98.34%	2.07	16.14	15.37	3.00
	98.57%	2.02	16.23	13.01	2.54

Currencies	Current	12/31/24	12/29/23	12/30/22
	Exchange Rate			
\$ per €	1.16	1.04	1.10	1.07
\$ per £	1.35	1.25	1.27	1.21
¥ per \$	147.74	157.20	141.04	131.12

Commodities	Price (\$)			
Oil WTI	63.88	71.72	71.65	80.26
Natural Gas	2.99	3.63	2.51	4.48
Gold	3,397.75	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	3.76	4.24	4.25	4.43
10 year Treasury	4.28	4.57	3.88	3.88
15 year Mortgage	5.75	6.00	5.93	5.68
30 year Mortgage	6.63	6.85	6.61	6.42
Prime Rate	7.50	7.50	8.50	7.50
SOFR	4.35	4.49	5.38	4.30

Source: Bloomberg Finance L.P. & FactSet as of August 8, 2025

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Presentation is prepared by: First Horizon Advisors