Weekly Market Dashboard: August 1, 2025

Market overview

Equity Reversal

After a stretch of record closes, the major U.S. equity indices reversed course, ending the week with losses. The S&P 500 and Nasdaq retreated 2.3% and 2.2%, respectively, largely erasing their gains over the prior two weeks, while the Dow gave back 2.9%.

Inflation Limbo

The Federal Reserve's preferred inflation measure, core PCE, increased 0.3% in June, placing the 12-month inflation rate at 2.8% - unchanged from May's upwardly revised result. This latest print was slightly above estimates for a 2.7% annual reading, but in line with monthly expectations. Including food and energy, headline PCE rose at a 2.6% annual pace, higher than both forecasts and the prior month's 2.4% result.

Jobs Pullback

The U.S. labor market added just 73,000 new jobs in July, short of economist expectations of around 106,000. Notably, July's labor report revealed significant downward revisions to the prior two months' job numbers, totaling 258,000 fewer jobs than previously announced. Revised figures for May and June came in at 19,000 and 14,000 jobs, respectively, down sharply from 144,000 and 147,000. Meanwhile, the U.S. unemployment rate ticked up to 4.2% from 4.1% in June.

Steady Fed

In a nine to two decision, the Federal Reserve voted to hold its benchmark lending rate steady for the fifth straight meeting. At his press conference, Fed Chair Powell noted that the FOMC is beginning to see some effects of tariffs and inflation but offered no clear signals that a September rate cut is imminent.

Market returns

Index	1 Week	YTD	1 Year	3 Year
S&P 500	-2.34%	6.85%	16.06%	16.59%
Nasdaq	-2.16%	7.33%	20.94%	19.57%
DJIA	-2.92%	3.43%	9.93%	12.14%
Russell 2000	-4.16%	-2.11%	0.47%	6.34%
Russell Mid Cap	-3.03%	5.32%	12.07%	11.04%
MSCI EAFE	-3.13%	17.33%	14.21%	13.03%
MSCI EM	-2.47%	15.91%	15.25%	9.94%
Russell 1000 Value	-3.12%	5.24%	8.48%	10.20%
Russell 1000 Growth	-1.75%	7.97%	23.60%	21.89%
U.S. Agg. Bond	0.95%	4.59%	3.79%	1.75%
Domestic 60/40 [1]	-1.22%	5.23%	9.74%	9.37%
Global 60/40 [2]	-1.28%	7.39%	9.88%	8.98%

The week ahead

Services PMI (Jul)
(Tuesday, August 5)

Consumer Inflation Expectations (Jul)
(Thursday, August 7)

Equity style returns

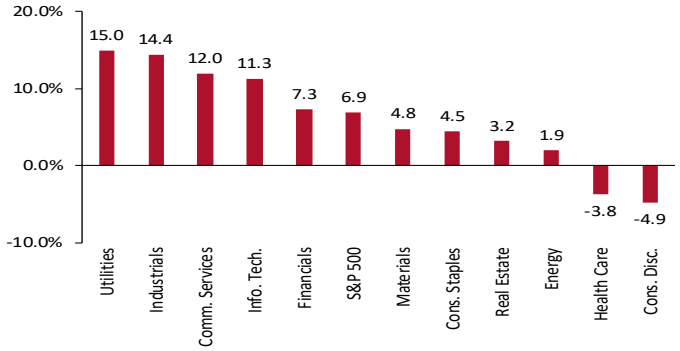
1-Week %

	Value	Core	Growth
Large	-3.12	-2.34	-1.75
Mid	-3.29	-3.03	-2.25
Small	-5.21	-4.16	-3.16

YTD %

	Value	Core	Growth
Large	5.24	6.85	7.97
Mid	3.63	5.32	10.16
Small	-3.54	-2.11	-0.75

YTD equity sector returns



U.S. Treasury yields

Date	2-Yr	5-Yr	10-Yr	30-Yr
8/1/2025	3.69%	3.77%	4.23%	4.81%
7/1/2025	3.78%	3.84%	4.26%	4.78%
8/1/2024	4.16%	3.84%	3.99%	4.27%

See page 2 for complete sources and important disclosures.

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Disclosure

U.S. Treasury Data from U.S. Department of the Treasury. Equity, Index, and Sector returns from Morningstar. Equity Style Returns: Large Core – S&P 500 TR, Large Value – Russell 1000 Value TR, Large Growth – Russell 1000 Growth TR, Mid Core – Russell Midcap Index TR, Mid Value – Russell Midcap Value TR, Mid Growth – Russell Midcap Growth TR, Small Core – Russell 2000 TR, Small Value – Russell 2000 Value TR, Small Growth – Russell 2000 Growth TR, U.S. Agg. Bond – Bloomberg U.S. Aggregate Bond Index. Equity Sector Returns: Utilities – S&P 500 Sec/Utilities TR USD, Cons. Disc. – S&P 500 Sec/Cons Disc TR USD, Cons. Staples – S&P 500 Sec/Cons Staples TR USD, Energy – S&P 500 Sec/Energy TR USD, Financials – S&P 500 Sec/Financials TR USD, Real Estate – S&P 500 Sec/Real Estate TR USD, Health Care – S&P 500 Sec/Health Care TR USD, Industrials – S&P 500 Sec/Industrials TR USD, Info. Tech. – S&P 500 Sec/Information Technology TR USD, Materials – S&P 500 Sec/Materials TR USD, Comm. Services – S&P 500 Sec/Comm. Services TR USD, S&P 500 – S&P 500 TR USD. *P* = Preliminary Release.

[1] Domestic 60/40: 42% S&P 500 TR, 6% Russell 2000 TR, 12% Russell Mid Cap TR, 40% Bloomberg U.S. Aggregate Bond Index.

[2] Global 60/40: 29% S&P 500 TR, 4% Russell 2000 TR, 8% Russell Mid Cap TR, 40% Bloomberg U.S. Aggregate Bond Index, 15% MSCI EAFE NR, 4% MSCI EM NR

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