

WEEK OF MARCH 31, 2025

Market Update

Consumer confidence continued to struggle; the Conference Board's gauge of future expectations fell to a 12-year low. U.S. equities moved lower amid tariff concerns and a hotter-than-expected inflation report. The focus this week will be Institute for Supply Management (ISM) reports, trade data, and the March employment report.

Quick Hits

- 1. Report releases:** Consumer confidence continued to struggle; the Conference Board's gauge of future expectations fell to a 12-year low.
- 2. Financial market data:** U.S. equities moved lower amid tariff concerns and a hotter-than-expected inflation report.
- 3. Looking ahead:** The focus this week will be on ISM reports, trade data, and the March employment report.



LIFE TIME
Asset
Management

Financial Market Data

Equity

Index	Week-to-Date	Month-to-Date	Year-to-Date	12-Month
S&P 500	−1.52%	−6.16%	−4.81%	7.62%
Nasdaq Composite	−2.59%	−8.02%	−10.15%	6.52%
DJIA	−0.96%	−5.01%	−1.85%	6.33%
MSCI EAFE	−0.98%	1.80%	9.27%	7.79%
MSCI Emerging Markets	−0.88%	2.41%	4.77%	10.74%
Russell 2000	−1.62%	−6.33%	−9.02%	−3.53%

Source: Bloomberg, as of March 28, 2025

U.S. equities were lower as investors eyed the April 2 tariff announcement and inflation surprised to the upside. Investors took a risk-off approach, with consumer staples, energy, and real estate being bid up amid hotter-than-expected inflation. Technology, communication services, and industrials lagged; higher inflation means a higher cost of capital, pressuring valuations.

Fixed Income

Index	Month-to-Date	Year-to-Date	12-Month
U.S. Broad Market	−0.19%	2.54%	4.64%
U.S. Treasury	−0.05%	2.63%	4.22%
U.S. Mortgages	−0.19%	2.87%	5.21%
Municipal Bond	−2.02%	−0.55%	0.89%

Source: Bloomberg, as of March 28, 2025

The Treasury yield curve continued its recent trend, with a drop in yields in the belly of the curve and steepening on the long end. The 5-year dipped 2 basis points (bps) to 3.98 percent. The 10-year was flat at 4.26 percent and the 30-year rose 3 bps to 4.63 percent.

>> The Takeaway

- Fewer international trade negotiations and blackout periods for the Federal Reserve (Fed) and equities led to lighter volatility.
- The Treasury yield curve continued its recent trend, with a drop in yields in the belly of the curve and steepening on the long end.

Looking Ahead

The focus this week will be on ISM reports, trade data, and the March employment report.

- The week kicks off Tuesday with the **ISM Manufacturing index** for March. Manufacturer confidence is expected to fall modestly into contractionary territory, where it has spent most of the past two years.
- On Thursday, the **ISM Services index** for March and the **U.S. trade deficit** for February will be released. Service sector confidence is expected to fall modestly but remain in expansionary territory. The U.S. trade deficit is set to improve from \$131.4 billion to \$123 billion.
- Finally, on Friday, the **employment report** for March will be released. Additions to nonfarm payrolls are expected to fall but remain on solid footing, with 120,000 jobs added. The unemployment rate is expected to tick up to 4.2 percent.



New River Gorge Bridge, West Virginia



This material is intended for informational/educational purposes only and should not be construed as investment advice, a solicitation, or a recommendation to buy or sell any security or investment product. Please contact your financial professional for more information specific to your situation.

Certain sections of this commentary contain forward-looking statements that are based on our reasonable expectations, estimates, projections, and assumptions. Forward-looking statements are not guarantees of future performance and involve certain risks and uncertainties, which are difficult to predict. All indices are unmanaged and are not available for direct investment by the public. Past performance is not indicative of future results. The S&P 500 is based on the average performance of the 500 industrial stocks monitored by Standard & Poor's. The Nasdaq Composite Index measures the performance of all issues listed in the Nasdaq Stock Market, except for rights, warrants, units, and convertible debentures. The Dow Jones Industrial Average is computed by summing the prices of the stocks of 30 large



Matt Glova, CFP®, CEO, Wealth Consultant

LifeTime Asset Management, LLC

801 Corporate Center Drive | Suite 110 | Raleigh, NC 27607

919.845.5315 | 919.845.5346 fax | www.lifetimeasset.com | matt@lifetimeasset.com

Securities and advisory services offered through Commonwealth Financial Network®, Member FINRA/SIPC, a Registered Investment Adviser. Fixed insurance products and services are separate from and not offered through Commonwealth Financial Network®.

companies and then dividing that total by an adjusted value, one which has been adjusted over the years to account for the effects of stock splits on the prices of the 30 companies. Dividends are reinvested to reflect the actual performance of the underlying securities. The MSCI EAFE Index is a float-adjusted market capitalization index designed to measure developed market equity performance, excluding the U.S. and Canada. The MSCI Emerging Markets Index is a market capitalization-weighted index composed of companies representative of the market structure of 26 emerging market countries in Europe, Latin America, and the Pacific Basin. The Russell 2000® Index measures the performance of the 2,000 smallest companies in the Russell 3000® Index. The Bloomberg US Aggregate Bond Index is an unmanaged market value-weighted performance benchmark for investment-grade fixed-rate debt issues, including government, corporate, asset-backed, and mortgage-backed securities with maturities of at least one year. The U.S. Treasury Index is based on the auctions of U.S. Treasury bills, or on the U.S. Treasury's daily yield curve. The Bloomberg US Mortgage Backed Securities (MBS) Index is an unmanaged market value-weighted index of 15- and 30-year fixed-rate securities backed by mortgage pools of the Government National Mortgage Association (GNMA), Federal National Mortgage Association (Fannie Mae), and the Federal Home Loan Mortgage Corporation (FHLMC), and balloon mortgages with fixed-rate coupons. The Bloomberg US Municipal Index includes investment-grade, tax-exempt, and fixed-rate bonds with long-term maturities (greater than 2 years) selected from issues larger than \$50 million. One basis point is equal to 1/100th of 1 percent, or 0.01 percent. One basis point (bp) is equal to 1/100th of 1 percent, or 0.01 percent.

Authored by the Investment Research team at Commonwealth Financial Network®

©2025 Commonwealth Financial Network®