

# Weekly Market Update

August 25, 2025

## NEWS

- Concerns about overstretched valuations at a time when the Fed may not deliver the magnitude of policy easing forecast earlier in the year spurred a continued volatility in equities from all-time highs. Tech shares, which have led a surge from the April meltdown, bore the brunt of the selling.
- For much of this month, Wall Street traders piled into stocks and bonds, betting that the Federal Reserve was finally ready to start cutting interest rates again. All they were waiting on was the green light from Jerome Powell to keep the rally going. They got exactly what they were looking for on Friday, when the Fed chair unleashed the biggest cross-markets surge since April by striking a dovish tone during the highly anticipated speech.
- US crude exports are finally picking up after a muted summer as domestic refineries begin preventive maintenance and the Trump administration threatens tariffs on India for purchasing Russian oil.

## ECONOMY

- Housing starts in the US climbed in July to five-month high, led by the strongest pace of multifamily construction in more than two years.
- Sales of previously owned US homes rose modestly in July as price growth slowed and mortgage rates drifted lower, helping to stabilize demand.
- US manufacturing is expanding at the fastest rate in more than three years on stronger demand that's also fueling sustained inflationary pressures.
- Sales of new US homes exceeded forecasts in July after an upward revision to the prior month. While sales topped projections, the new-home market has grown dependent on price cuts and incentives to entice customers amid high mortgage rates.

INDEX LEVELS	Friday Close 8/22/25	Prior Week 8/15/25	Quarter End 6/30/25	Year End 12/31/24
Dow Jones 30	45,631	44,946	44,094	42,544
S&P 500	6,466	6,449	6,204	5,881
Russell 2000	2,361	2,286	2,175	2,230
NASDAQ	21,496	21,622	20,369	19,310

## BOND RATES

Fed Funds Target	4.50	4.50	4.50	4.50
2-Year Treasury	3.70	3.75	3.72	4.24
10-Year Treasury	4.25	4.32	4.23	4.57
1 Mo. LIBOR	4.96	4.96	4.96	4.96
1 Mo. SOFR	4.32	4.34	4.39	4.37
Muni 10-Year	3.22	3.19	3.21	3.13

## CONSUMER

Money Market	4.31	4.31	4.31	4.32
30Yr FxMortgage	6.58	6.58	6.77	6.85
Prime Rate	7.50	7.50	7.50	7.50

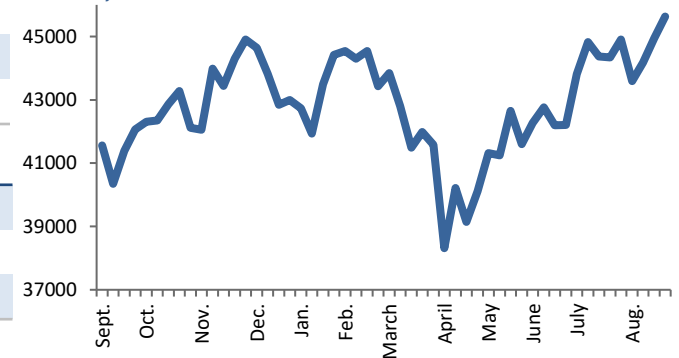
## COMMODITY

Gold	3,418	3,382	3,317	2,638
Crude Oil	67.8	65.8	67.6	74.6
Gasoline	215.8	207.2	207.9	200.1
Bitcoin	116,735	119,092	107,778	93,371

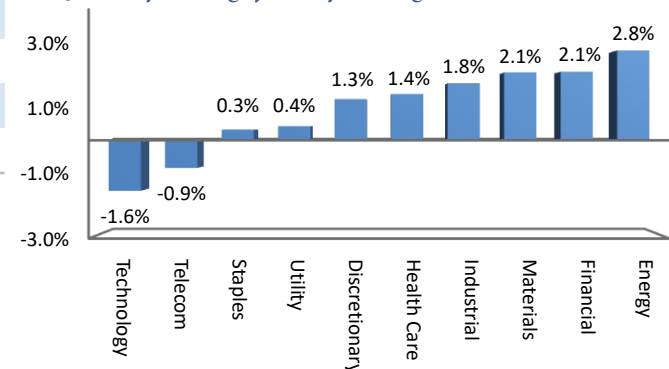
INDEX TOTAL RETURNS*	Month To Date	Year To Date	12-Month
S&P 500	2.0%	9.9%	16.1%
Dow Jones	3.4%	7.3%	12.1%
Russell 2000	6.8%	5.9%	9.8%
NASDAQ	1.8%	11.3%	22.0%
Nikkei 225	3.8%	6.9%	11.6%
Shanghai Comp	7.1%	14.1%	34.3%
German DAX	1.2%	22.4%	31.7%
London FTSE	2.1%	14.0%	12.5%

\*Returns as of 8/22/25

## Weekly Performance of Dow Jones U.S. Index



## DJ Industry Ranking by Weekly % Change



## CONTACT INFORMATION

Phoenix: 480-385-2840

[www.sovereigninvestmentadvisors.com](http://www.sovereigninvestmentadvisors.com)



# Weekly Market Update

Index Price Levels: Reflects closing price level for each index as of stated date. Dow Jones Industrial 30: IDC; S&P 500 Index: IDC; Russell 3000 Index: Russell Investments; NASDAQ Comp: MSCI.

**Indexes are not available for direct investment.**

Chart of the Week: Source: Dow Jones

Market Returns: All data represent total return including the reinvestment of dividends for stated period except price-only S&P sector returns. Indices: MSCI – EAFE, MSCI – Emerging Markets; provided by: MSCI – gross official pricing. Indices: S&P 500 Index, S&P Sector Indices; provided by: Standard & Poor's. Index: DJIA; provided by Dow Jones. Indices: Russell 2500, Russell Midcap, Russell 2000; provided by Russell Investments. Index: Barclays Aggregate Bond; provided by Barclays Capital. Index: Citi WGBI ex-US; provided by Citigroup. Index: FTSE NAREIT Composite; provided by FTSE.

Bond Rates: Fed Funds Target, EcoWin; 2 Year Treasury, IDC; 10 Year Treasury, IDC; 1 Month LIBOR, British Bankers' Association; SIFMA Muni Swap, SIFMA; Bond Buyer Index, Bond Buyer Online.

Consumer Rates: 6 Month CD, Federal Reserve; 30 Year Mortgage, Mortgage Bankers Association (MBA); Prime Rate: Federal Reserve.

Commodities: Gold, EcoWin; Crude Oil (WTI), EcoWin; Gasoline, EcoWin. Bitcoin, CME Group.

**DOW JONES INDUSTRIAL INDEX** - The DJIA serves to provide a clear, straightforward view of the stock market and, by extension, the U.S. economy. The 30 stocks now in the DJIA are all major factors in their industries and are widely held by investors. As of December 31, 2008, The Dow® represented 27% of the float-adjusted market capitalization of the Dow Jones U.S. TSM Index, which provides near complete coverage of the U.S. stock market..

**S&P 500 INDEX** - The S&P 500 Index is a capitalization weighted index comprised of 500 stocks chosen for market size, liquidity, and industry group representation. The S&P 500 Index is constructed to represent a broad range of industry segments in the U.S. economy. The S&P 500 focuses on the large-cap segment of the market with over 80% coverage of US equities.

**NASDAQ COMPOSITE INDEX**- The Russell Midcap Index measures the performance of the mid-cap segment of the U.S. equity universe and is a subset of the Russell 1000® Index. It includes approximately 800 of the smallest securities based on a combination of their market cap and current index membership. The Index represents approximately 27% of the total market capitalization of the Russell 1000 companies.

**RUSSELL 1000® INDEX**- The Russell 1000 Index measures the performance of the small to mid-cap segment of the U.S. equity universe, commonly referred to as "smid" cap. It includes approximately 1000 of the smallest securities based on a combination of their market cap and current index membership.

**JAPAN NIKKEI 225 INDEX** – The Nikkei is a stock market index for the Tokyo Stock Exchange. It is a price weighted index, and the components are reviewed once a year. The Nikkei is the most widely quoted average of Japanese equities.

**SHANGHAI COMPOSITE INDEX** – The Shanghai Composite index is a market composite made up of all the A-shares and B-shares that trade on the Shanghai Stock Exchange. The index is calculated by using a base period of 100, the first day of reporting was July 15, 1991. The Shanghai Composite is a good way to get a broad overview of the performance of companies listed on the Shanghai exchange.

**GERMAN DAX INDEX** – The Deutscher Aktien Index, or DAX 30 is the blue chip market index for the Frankfurt Stock Exchange. It follows the top 30 German stocks on the electronic Xetra system that is used on the exchange. DAX indices are calculated using capitalization weighted index using the total return Laspeyres index for calculations.

**LONDON FTSE INDEX** – The FTSE 100 Index is a share index of the 100 most highly capitalized UK companies listed on the London Stock Exchange. The index is maintained by the FTSE Group, an independent company jointly owned by the Financial Times and the London Stock Exchange. Share prices in the FTSE are weighted by market capitalization, so that the larger companies make more of a difference to the index than smaller companies.

**CITI WGBI EX-US** - The Citigroup World Government Bond Index is a market capitalization weighted index consisting of the government bond markets excluding the US. Country eligibility is determined based on market capitalization and invest ability criteria. All issues have a remaining maturity of at least one year.

**FTSE NAREIT COMPOSITE** - The FTSE NAREIT US Real Estate Index Series is designed to present investors with a comprehensive family of REIT performance indexes that span the commercial real estate space across the US economy, offering exposure to all investment and property sectors.

**Past performance does not guarantee future results.**

**Diversification does not guarantee investment returns and does not eliminate the risk of loss.**

Opinions and estimates offered constitute our judgment and are subject to change without notice, as are statements of financial market trends, which are based on current market conditions. We believe the information provided here is reliable, but do not warrant its accuracy or completeness. This material is not intended as an offer or solicitation for the purchase or sale of any financial instrument. The views and strategies described may not be suitable for all investors. This material has been prepared for informational purposes only, and is not intended to provide, and should not be relied on for, accounting, legal or tax advice. Any forecasts contained herein are for illustrative purposes only and are not to be relied upon as advice or interpreted as a recommendation.

The price of equity securities may rise or fall because of changes in the broad market or changes in a company's financial condition, sometimes rapidly or unpredictably. International investing involves a greater degree of risk and increased volatility. Investments in commodities may have greater volatility than investments in traditional securities, particularly if the instruments involve leverage.