

Weekly Market Recap

The week in review

- New factory orders declined 4.8% m/m
- Goods and services trade deficit improved to \$60bn

The week ahead

- July CPI
- Import price index
- Retail sales

Thought of the week

In the first week of April, President Trump imposed a 10% baseline tariff on nearly every U.S. trading partner, with three clear goals: boost U.S. manufacturing, raise revenue and reduce trade imbalances. Four months in, early signs show progress on the latter two – though not without consequences.

Since April, the Treasury has collected record tariffs. June alone brought in \$27 billion in net tariff revenue, pushing the April–June total to \$64 billion – about 2.6 times higher than a year ago. Despite the levies, goods imports held up, rising 1% y/y in 2Q25, likely due to front-running in sectors facing impending tariffs. Crucially, and in line with the President’s third goal, the goods trade deficit narrowed by nearly 10% to \$265 billion. But the improvement was far from even.

As the chart of the week shows, most of the deficit reduction came from China. Meanwhile, deficits deepened with Taiwan, Vietnam and Thailand – countries with supply chains closely tied to Chinese manufacturing – suggesting that, like water finding a new channel, imports are simply flowing through lower-tariff shores. Balance with Canada and Mexico, both USMCA partners, also diverged: the deficit with Mexico widened while shrinking with Canada. This trend may persist as Canada now faces a higher 35% tariff, while Mexico was granted a 90-day reprieve, keeping its rate at 25%.

While tariff-related inflation pressures have remained muted thanks to front-loading, margin compression and inventory buffers, all eyes will be on this week’s CPI print. With a higher 15% baseline tariff now seen in recent trade deals, pass-through risks are rising, potentially limiting the Fed’s room to maneuver.

Please see important disclosures on next page.

Weekly Data Center

Equities	Level	Index Returns (%)				
		1 week	QTD	YTD	1 year	3-yr. Cum.
S&P 500	6389	2.44	3.07	9.47	21.73	61.47
Dow Jones 30	44176	1.37	0.29	4.85	13.98	42.78
Russell 2000	5513	2.41	2.08	0.26	7.89	19.44
Russell 1000 Growth	2968	3.23	5.06	11.46	30.99	84.22
Russell 1000 Value	1188	1.41	0.68	6.73	12.38	35.40
MSCI EAFE	2680	2.87	1.05	21.19	22.12	51.83
MSCI EM	1254	2.33	2.96	18.99	23.24	36.91
NASDAQ	21450	3.88	5.33	11.50	29.65	73.64

Fixed Income	Yield	Levels (%)				
		1 week	QTD	YTD	1 year	3-yr. Cum.
U.S. Aggregate	4.53	-0.18	0.37	4.40	3.59	6.29
U.S. Corporates	4.99	-0.12	0.61	4.81	5.02	11.10
Municipals (10yr)	3.61	0.31	0.78	1.83	1.63	6.16
High Yield	7.31	0.38	0.70	5.30	9.07	25.10

Key Rates	Levels (%)					
	8/8/25	8/1/25	6/30/25	12/31/24	8/8/24	8/8/22
2-yr U.S. Treasuries	3.76	3.69	3.72	4.25	4.04	3.21
10-yr U.S. Treasuries	4.27	4.23	4.24	4.58	3.99	2.77
30-yr U.S. Treasuries	4.85	4.81	4.78	4.78	4.28	3.00
10-yr German Bund	2.68	2.66	2.60	2.35	2.27	0.88
SOFR	4.35	4.34	4.45	4.49	5.34	2.28
3-mo. EURIBOR	2.02	1.99	1.94	2.71	3.58	0.30
6-mo. CD rate	1.88	1.89	1.91	2.29	2.29	0.83
30-yr fixed mortgage	6.73	6.78	6.80	7.28	7.01	5.53
Prime Rate	7.50	7.50	7.50	7.50	8.50	5.50

Index Characteristics				
NTM P/E	P/B	Div. Yld.	Mkt. Cap (bn)	
22.20	4.98	1.17	54158	
19.85	5.32	1.74	20396	
22.83	1.83	1.35	2537	
30.70	12.88	0.48	30875	
16.78	2.76	1.90	27865	
15.05	1.92	2.73	18986	
13.26	1.83	2.08	8992	
28.31	6.70	0.60	35224	

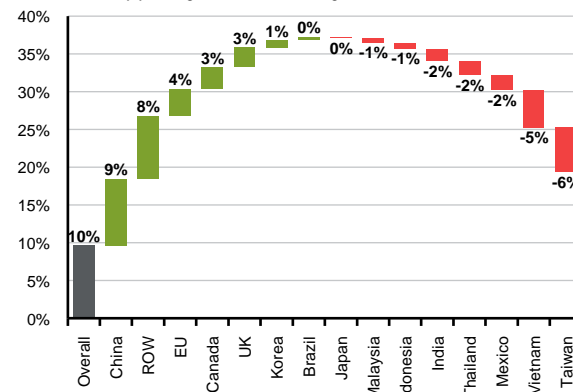
Currencies	Levels		
	8/8/25	12/31/24	8/8/24
\$ per €	1.17	1.04	1.09
\$ per £	1.34	1.25	1.27
¥ per \$	147.83	157.16	147.25

Commod.	Levels		
	8/8/25	12/31/24	8/8/24
Oil (WTI)	63.85	72.44	77.64
Gasoline	3.14	3.01	3.45
Natural Gas	3.07	3.40	1.85
Gold	3394	2609	2411
Silver	38.29	28.91	26.93
Copper	9627	8706	8649
Corn	3.91	4.53	3.77
BBG Idx	249.93	238.62	225.88

Chart of the Week

Trade deficit improved, but not evenly

Contribution to y/y change in the 2Q25 U.S. goods trade balance



Style Returns

	V	B	G
L	1.4	2.4	3.2
M	0.8	0.5	-0.3
S	2.5	2.4	2.3
	V	B	G
L	6.7	9.5	11.5
M	4.4	5.8	9.8
S	-1.1	0.3	1.5

S&P 500 Sector Returns

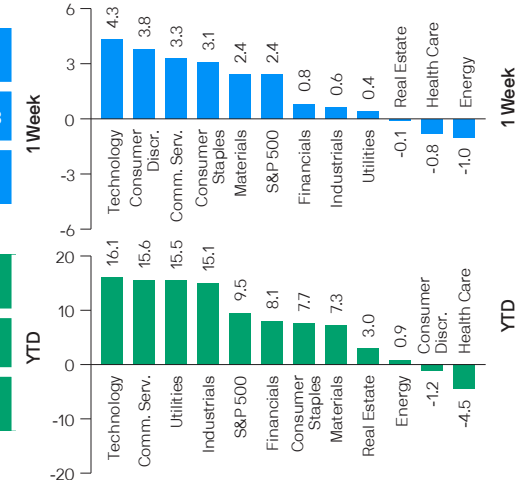




Chart of the Week: Source: U.S. Census Bureau, J.P. Morgan Asset Management. A positive value reflects an improvement in the goods trade balance from 2Q24 to 2Q25, while a negative value reflects worsening.

Thought of the week: Source: U.S. Census Bureau, J.P. Morgan Asset Management.

Abbreviations: Cons. Sent.: University of Michigan Consumer Sentiment Index; CPI: Consumer Price Index; EIA: Energy Information Agency; FHFA HPI: - Federal Housing Finance Authority House Price Index; FOMC: Federal Open Market Committee; GDP: gross domestic product; HPI: Home Price Index; HMI: Housing Market Index; ISM Mfg. Index: Institute for Supply Management Manufacturing Index; PCE: Personal consumption expenditures; Philly Fed Survey: Philadelphia Fed Business Outlook Survey; PMI: Purchasing Managers' Manufacturing Index; PPI: Producer Price Index; SAAR: Seasonally Adjusted Annual Rate

Equity Price Levels and Returns: All returns represent total return for stated period. Index: S&P 500; provided by: Standard & Poor's. Index: Dow Jones Industrial 30 (The Dow Jones is a price-weighted index composing of 30 widely-traded blue chip stocks.) ; provided by: S&P Dow Jones Indices LLC. Index: Russell 2000; provided by: Russell Investments. Index: Russell 1000 Growth; provided by: Russell Investments. Index: Russell 1000 Value; provided by: Russell Investments. Index: MSCI - EAFE; provided by: MSCI - gross official pricing. Index: MSCI - EM; provided by: MSCI - gross official pricing. Index: Nasdaq Composite; provided by: NASDAQ OMX Group.

MSCI EAFE is a Morgan Stanley Capital International Index that is designed to measure the performance of the developed stock markets of Europe, Australasia, and the Far East.

Bond Returns: All returns represent total return. Index: Bloomberg US Aggregate; provided by: Bloomberg Capital. Index: Bloomberg Investment Grade Credit; provided by: Bloomberg Capital. Index: Bloomberg Municipal Bond 10 Yr; provided by: Bloomberg Capital. Index: Bloomberg Capital High Yield Index; provided by: Bloomberg Capital.

Key Interest Rates: 2 Year Treasury, FactSet; 10 Year Treasury, FactSet; 30 Year Treasury, FactSet; 10 Year German Bund, FactSet. 3 Month LIBOR, British Bankers' Association; 3 Month EURIBOR, European Banking Federation; 6 Month CD, Federal Reserve; 30 Year Mortgage, Mortgage Bankers Association (MBA); Prime Rate: Federal Reserve.

Commodities: Gold, FactSet; Crude Oil (WTI), FactSet; Gasoline, FactSet; Natural Gas, FactSet; Silver, FactSet; Copper, FactSet; Corn, FactSet. Bloomberg Commodity Index (BBG Idx), Bloomberg Finance L.P.

Currency: Dollar per Pound, FactSet; Dollar per Euro, FactSet; Yen per Dollar, FactSet.

S&P Index Characteristics: Dividend yield provided by FactSet Pricing database. Fwd. P/E is a bottom-up weighted harmonic average using First Call Mean estimates for the "Next 12 Months" (NTM) period. Market cap is a bottom-up weighted average based on share information from Compustat and price information from FactSet's Pricing database as provided by Standard & Poor's.

MSCI Index Characteristics: Dividend yield provided by FactSet Pricing database. Fwd. P/E is a bottom-up weighted harmonic average for the "Next 12 Months" (NTM) period. Market cap is a bottom-up weighted average based on share information from MSCI and Price information from FactSet's Pricing database as provided by MSCI.

Russell 1000 Value Index, Russell 1000 Growth Index, and Russell 2000 Index Characteristics: Trailing P/E is provided directly by

Russell. Fwd. P/E is a bottom-up weighted harmonic average using First Call Mean estimates for the "Next 12 Months" (NTM) period. Market cap is a bottom-up weighted average based on share information from Compustat and price information from FactSet's Pricing database as provided by Russell.

Sector Returns: Sectors are based on the GICS methodology. Return data are calculated by FactSet using constituents and weights as provided by Standard & Poor's. Returns are cumulative total return for stated period, including reinvestment of dividends.

Style Returns: Style box returns based on Russell Indexes with the exception of the Large-Cap Blend box, which reflects the S&P 500 Index. All values are cumulative total return for stated period including the reinvestment of dividends. The Index used from L to R, top to bottom are: Russell 1000 Value Index (Measures the performance of those Russell 1000 companies with lower price-to-book ratios and lower forecasted growth values), S&P 500 Index (Index represents the 500 Large Cap portion of the stock market, and is comprised of 500 stocks as selected by the S&P Index Committee), Russell 1000 Growth Index (Measures the performance of those Russell 1000 companies with higher price-to-book ratios and higher forecasted growth values), Russell Mid Cap Value Index (Measures the performance of those Russell Mid Cap companies with lower price-to-book ratios and lower forecasted growth values), Russell Mid Cap Index (The Russell Midcap Index includes the smallest 800 securities in the Russell 1000), Russell Mid Cap Growth Index (Measures the performance of those Russell Mid Cap companies with higher price-to-book ratios and higher forecasted growth values), Russell 2000 Value Index (Measures the performance of those Russell 2000 companies with lower price-to-book ratios and lower forecasted growth values), Russell 2000 Index (The Russell 2000 includes the smallest 2000 securities in the Russell 3000), Russell 2000 Growth Index (Measures the performance of those Russell 2000 companies with higher price-to-book ratios and higher forecasted growth values).

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