

8/11/2025

The Week Ahead

THINGS TO WATCH

July Inflation Data

Tomorrow morning, the Bureau of Labor Statistics is expected to report the consumer price index (CPI) rose 0.2% in July, following increases of 0.3% in June and 0.1% in May. On a year-over-year basis, CPI is projected to be 2.8%, up slightly from June's 2.7%. A reading that falls below expectations could strengthen the case for a supersized 0.50% Federal Reserve rate cut on September 18. In contrast, evidence of faster price level growth in tariff-sensitive areas like apparel and electronics may prompt Fed officials to further delay policy easing.

Retail Sales

The U.S. Census Bureau will release July retail sales data on Thursday. Economists expect a 0.4%–0.8% monthly increase, supported by stronger auto sales and major online promotions such as Amazon's Prime Day. Consumers likely took advantage of summer discounts after moderating goods purchases amid spring tariff uncertainty. Following declines in April and May, retail sales rebounded 0.6% in June on the back of improved auto demand, potentially signaling resilient consumer spending momentum entering the third quarter.

Earnings Season Winds Down

After a deluge of quarterly results the last two weeks, only a handful of prominent U.S. companies are on the earnings calendar this week. They include fast-casual restaurant chain Cava Group (CAVA) and healthcare distributor Cardinal Health (CAH) tomorrow, network equipment maker Cisco (CSCO) on Wednesday, and agricultural machinery giant Deere & Co. (DE) on Thursday. Recently-public technology firms Circle Internet Group (CRCL) and CoreWeave (CRWV) will also deliver results this week.

S&P 500 New All-Time High?

With last Friday's close of 6,389.45, the S&P 500 is on the cusp of eclipsing its previous record on July 28. The index has made 15 new closing highs in 2025, with more than half of those in July. After tumbling 19% from February 14 through April 8, the S&P 500 surged 28% through August 8, one of its strongest 4-month periods ever.

LAST WEEK'S ECONOMIC DATA

	LATEST	3MO PRIOR	CHANGE
ISM Services PMI	50.1	51.6	▼
S&P Global U.S. Services PMI	55.7	50.8	▲
Durable Goods Orders (M/M)	-9.4%	7.6%	▼
Continuing Jobless Claims (Thousands)	1,974	1,872	▲

INDEX	LEVEL	WEEK	YTD	12 MO
DJ Industrial Average	44175.61	1.37%	4.85%	13.79%
NASDAQ	21450.02	3.88%	11.54%	29.05%
S&P 500	6389.45	2.44%	9.47%	21.14%
MSCI EAFE	2679.76	2.87%	21.58%	20.42%
BB U.S. Aggregate	2285.40	-0.18%	4.46%	3.29%

KEY BOND RATES

	WEEK	1MO AGO	1YR AGO
3-Month T-Bill	4.24%	4.35%	5.21%
10-Year Treasury	4.28%	4.40%	3.99%

REPORTS DUE THIS WEEK

	LATEST
NFIB Small Business Optimism	98.6
Consumer Price Index (Y/Y)	2.7%
Core Consumer Price Index (Y/Y)	2.9%
Producer Price Index (Y/Y)	2.3%
Retail Sales (M/M)	0.6%

Total returns are as of 8/8/25. Source data: Bloomberg and Morningstar are believed to be correct but not verified.

NUMBERS OF THE WEEK

22%

Non-SPAC IPOs in 2025 have averaged a 22% gain in their first day of trading. This is the second-highest return since data followed by Bloomberg Intelligence began in 2006, behind only 2020's 28% return. Figma (FIG) leads this year's debuts, soaring 250% on day one. Such sharp post-listing jumps signal elevated risk-taking and pent-up demand for new offerings. While issuers seek the highest possible valuations at IPO, these surges suggest private pricing may have been too conservative.

15.15

The CBOE Volatility Index (VIX) closed at 15.15 last week, its second-lowest weekly finish since mid-February and 23% below its five-year average of 19.8. The VIX measures the implied volatility of the S&P 500 Index based on one-month option prices for futures tied to the index. Readings between 15 and 20 are generally considered normal, indicating expectations of a calm market environment over the next 4 weeks without signaling excessive complacency.

DISCLOSURES



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