

6/30/2025

The Week Ahead

THINGS TO WATCH

Job Openings and Quit Rate

Tomorrow morning, the Labor Department's Job Openings and Labor Turnover Survey (JOLTS) for May is likely to depict a U.S. labor market that continues to display signs of less hiring and less firing. According to the median forecast in a Bloomberg survey, the number of job openings fell 2% in May to 7.26 million from 7.39 million in April. After surging to 12 million in early 2022, job openings have reverted back to their long-term trend line over the last 12 months between 7 million and 8 million. The quits rate (which measures the percentage of employed persons who voluntarily leave their position) is expected to hold steady near a 5-year low of 2%. It could creep lower in coming months, however, if more workers become less confident in the prospects of new jobs at higher wages.

One Big Beautiful Bill Act

The Senate faces a self-imposed July 4 deadline to vote on President Trump's tax-and-spending bill, which could add \$3.4 trillion to the deficit and raise the federal debt ceiling by \$5 trillion. The bill extends the 2017 tax cuts, adds new breaks, and cuts spending on programs like Medicaid and SNAP. If the OBBBA is passed by the Senate, the House must reconcile its version before it can become law.

Thursday Payrolls

The June nonfarm payrolls report, scheduled for release on Thursday morning, is anticipated to show a deceleration in job growth. Economists forecast an addition of approximately 110,000 jobs, down from May's 139,000, with the unemployment rate expected to edge up to 4.3% from 4.2%. A slowing labor market could influence the Federal Reserve's timeline for resuming interest rate cuts. The central bank's policy-setting committee next meets July 29-30 followed by September 16-17.

LAST WEEK'S ECONOMIC DATA

	LATEST	3MO PRIOR	CHANGE
S&P Global U.S. Manufacturing PMI	52.0	50.2	▲
S&P Global U.S. Services PMI	53.1	54.4	▼
Existing Home Sales (Millions Annualized)	4.03	4.27	▼
New Home Sales (Thousands Annualized)	623	642	▼
Conf. Board Consumer Confidence	93.0	93.9	▼
Core PCE Price Index (Y/Y)	2.7%	2.9%	▼

INDEX	LEVEL	WEEK	YTD	12 MO
DJ Industrial Average	43819.27	3.83%	3.89%	13.87%
NASDAQ	20273.46	4.25%	5.35%	14.34%
S&P 500	6173.07	3.45%	5.64%	14.08%
MSCI EAFE	2627.20	3.49%	20.20%	17.74%
BB U.S. Aggregate	2274.02	0.59%	3.63%	5.22%

KEY BOND RATES

	WEEK	1MO AGO	1YR AGO
3-Month T-Bill	4.29%	4.30%	5.37%
10-Year Treasury	4.28%	4.44%	4.29%

REPORTS DUE THIS WEEK

	LATEST
ISM Manufacturing PMI	48.5
ISM Services PMI	49.9
JOLTS Job Openings (Millions)	7.39
Non-Farm Payrolls (Thousands)	139
Unemployment Rate	4.2%

Total returns are as of 6/27/25. Source data: Bloomberg and Morningstar are believed to be correct but not verified.

NUMBERS OF THE WEEK

3%

The Canadian government plans to impose a 3% digital services tax, retroactive to 2022, on annual revenues over \$15 million earned by foreign internet companies. In response, President Trump announced Friday that the U.S. will halt all trade talks with Canada. Trump also warned that new tariffs on Canadian imports will be announced within the next seven days.

\$108 billion

According to market research firm Emarketer, the value of buy-now-pay-later (BNPL) transactions in the U.S. is expected to reach \$108 billion this year, up 14% from 2024. Last week, Fair Isaac Corp. (FICO) announced it will begin to incorporate BNPL data into its widely used credit score reports. BNPL loans typically allow a consumer to pay for their purchase interest-free in four installments over six weeks.

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