WEEKLY MARKET UPDATE | JUNE 6, 2025

Stocks rally on a good job.

The economy

- Major U.S. equity market indexes moved higher for the week ending June 6, bolstered by investors' optimism regarding generally positive employment news.
- The Department of Labor reported that U.S. payrolls expanded by 139,000 jobs in May. The total exceeded expectations but was slightly lower than the 147,000 positions added in April, which represented a downward adjustment of 30,000 from the government's initial tally of 177,000 last month. The unemployment rate was unchanged at 4.2%. The healthcare, leisure and hospitality, and social assistance sectors added 62,000, 48,000, and 16,000 positions, respectively, during the month. Conversely, federal government employment decreased by 22,000. Average hourly earnings rose 0.4% in May and 3.9% year-over-year.
- According to the Department of Labor's Job Openings and Labor Turnover Survey (JOLTS), a gauge of the status of the U.S. labor market, job openings in the U.S. rose by a greater-than-expected total of 191,000 (2.7%) in April (the most recent reporting period) to 7,391,000, but were down 3.0% from the 7,619,000 openings a year earlier. There were notable month-over-month increases in open positions in professional and business services, private education and health services, and healthcare and social assistance. Conversely, there were downturns in job openings in leisure and hospitality, and state and local government.
- The Department of Commerce reported that the U.S. trade deficit, which occurs when the value of a country's imports exceeds the value of its exports, tumbled 55.5% from its record high of $138.3 billion in March to $61.0 billion in April (the most recent reporting period). Imports declined 16.3% to $351 billion following a rush in March by U.S. businesses to purchase goods before the across-the-board tariffs on imports took effect in early April. Exports rose 3.0% to $289.4 billion for the month. The narrowing trade gap resulted mainly from a decrease in imports of pharmaceuticals, and an increase in exports of industrial supplies and materials, computers, and telecommunications equipment, as well as a steep decline in imports of industrial supplies and materials. These offset declines in exports of automobiles, parts and engines, and pharmaceuticals.
- The Institute for Supply Management's (ISM) Manufacturing Purchasing Managers' Index (PMI) dipped 0.2 percentage point to 48.5% in May—below expectations and indicating contraction in the U.S. manufacturing sector. (A PMI reading below 50% denotes a decrease in manufacturing activity.) The Employment Index ticked up 0.3 percentage point to 46.8% in May, while the New Orders Index declined 0.4 percentage point to 47.6%—its fourth straight month in contraction territory after three consecutive months of expansion. The ISM Services PMI decreased by a greater-than-expected margin of 1.7 percentage points to 49.9% in May, indicating contraction in the services sector after 10 consecutive months of expansion. The Business Activity Index ended the month on the borderline of contraction after falling 3.7 percentage points to 50.0%. In contrast, the Employment Index rose 1.7 percentage points to 50.7% in May, moving back into expansion territory after a two-month period of contraction.

Stocks

- Global equities gained ground during the week. Emerging markets outperformed developed markets.
- U.S. equities recorded positive returns during the week. Communication services and information technology were the top-performing sectors, while consumer staples and utilities were the primary market laggards.
- Growth stocks outperformed value, while small caps outpaced large caps.

Bonds

- The 10-year U.S. Treasury note yield rose to 4.51% during the week.
- Global bond markets advanced for the week.
- Corporate bonds led the markets, followed by government bonds and high-yield bonds.

The Numbers as of June 6, 2025	1 Week	YTD	1 Year	Friday's Close
Global Equity Indexes				
MSCI ACWI ($)	0.8%	5.4%	11.3%	886.8
MSCI EAFE ($)	1.0%	16.2%	10.1%	2627.2
MSCI Emerging Mkts ($)	2.2%	10.0%	10.2%	1182.7
US & Canadian Equities				
Dow Jones Industrials ($)	1.2%	0.5%	10.0%	42762.9
S&P 500 ($)	1.5%	2.0%	12.1%	6000.4
NASDAQ ($)	2.2%	1.1%	13.7%	19530.0
S&P/ TSX Composite (C$)	1.0%	6.9%	18.9%	26429.1
UK & European Equities				
FTSE All-Share (£)	0.7%	7.3%	6.0%	4794.8
MSCI Europe ex UK (€)	0.9%	9.5%	3.4%	1932.2
Asian Equities				
Topix (¥)	-1.2%	-0.6%	0.4%	2769.3
Hong Kong Hang Seng ($)	2.2%	18.6%	28.8%	23792.5
MSCI Asia Pac. Ex-Japan ($)	2.4%	9.5%	11.0%	623.3
Latin American Equities				
MSCI EMF Latin America ($)	1.5%	21.3%	-3.0%	2246.7
Mexican Bolsa (peso)	0.2%	17.1%	6.4%	57973.5
Brazilian Bovespa (real)	-0.7%	13.2%	10.7%	136102.1
Commodities ($)				
West Texas Intermediate Spot	4.2%	-11.6%	-16.1%	63.4
Gold Spot Price	0.9%	26.6%	40.0%	3322.8
Global Bond Indices ($)				
Bloomberg Global Aggregate ($)	0.4%	5.7%	6.4%	489.9
JPMorgan Emerging Mkt Bond	0.5%	3.7%	7.7%	930.4
10-Year Yield Change (basis points*)				
US Treasury	10	-7	22	4.51%
UK Gilt	0	8	47	4.64%
German Bund	7	21	2	2.57%
Japan Govt Bond	-5	35	49	1.46%
Canada Govt Bond	14	12	-5	3.34%
Currency Returns**				
US$ per euro	0.4%	10.1%	4.7%	1.140
Yen per US$	0.6%	-7.9%	-6.9%	144.82
US$ per £	0.5%	8.1%	5.8%	1.353
C$ per US$	-0.3%	-4.8%	0.2%	1.370

Source: Bloomberg. Equity-index returns are price only, others are total returns.
*100 basis points = 1 percentage point.
**Increases in U.S. dollars (USD) per euro or pound indicate a decline in the value of the USD; increases in yen or Canadian dollars per USD indicate an increase in the value of the USD.

Important information

Index returns are for illustrative purposes only and do not represent actual investment performance. Index performance returns do not reflect any management fees, transaction costs or expenses. Indexes are unmanaged, and one cannot invest directly in an index. Past performance does not guarantee future results.

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