Weekly market update: Economic data fuels rate-cut expectations.

The market and economy

- Major U.S. equity market indexes moved higher during the shortened trading week ending November 28. The markets were closed on Thursday in observance of the Thanksgiving holiday. Investors' optimism was buoyed by relatively soft economic data, which bolstered hopes that the Federal Reserve will implement an interest-rate cut at its December meeting.
- According to the Census Bureau, U.S. retail and food services sales—a gauge of consumer spending—rose 0.2% in September, falling short of expectations and declining from the 0.6% increase in August. Sales were up 4.3% year-over-year. Miscellaneous store retailers, gasoline stations, and health and personal care stores posted sales gains of 2.9%, 2.0%, and 1.1%, respectively, in September. Conversely, sales for clothing and clothing accessories stores and nonstore retailers each fell 0.7% for the month.
- The Census Bureau also reported that new orders for durable goods rose 0.5% to $313.7 billion in September. However, the increase was sharply lower than the 3.0% rise in August. Excluding transportation, new orders increased 0.6% month-over-month. Excluding defense, new orders edged up 0.1%. Durable goods orders data provide a gauge of the status of the supply chain and the confidence businesses and consumers have in the U.S. economy.
- The Department of Labor reported that the producer-price index (PPI), which tracks the average change over time in selling prices received by domestic producers of goods and service providers, rose 0.3% in September, in line with expectations. The services index surged 0.9% for the month, while the index for goods was flat. Wholesale prices for food and energy increased 1.1% and 3.5%, respectively, in September. The PPI advanced 2.7% year-over-year, unchanged from the gain in August.
- There was significant news during the week regarding the U.S. labor market. The Department of Labor reported that initial unemployment insurance claims, a barometer of the health of the labor market, declined by 6,000 to a lower-than-expected 216,000 for the week ending November 22. The total matched the claims filed during the same week in 2024. The four-week moving average of initial claims dipped 1,000 week-over-week to 223,750, but was up 5,750 from the four-week average of 218,000 a year earlier.
- The University of Michigan's final Index of Consumer Sentiment for November fell 2.6 points (4.9%) to 51.0, and tumbled 20.8 points (29.0%) year-over-year. Consumers' expectations for inflation over the next 12 months inched down 0.1 percentage point to 4.5% in November, while long-run inflation expectations declined 0.5 percentage point to 3.4%. In a statement announcing the survey results, the University of Michigan commented, "Despite these improvements in the future trajectory of inflation, consumers continue to report that their personal finances now are weighed down by the present state of high prices."

Stocks

- Global equities garnered positive returns for the week. Developed markets outperformed emerging markets.
- U.S. equities rose sharply during the week. Communication services and consumer discretionary were the top-performing sectors, while energy and consumer staples were the primary market laggards.
- Growth stocks outperformed value stocks, while small caps surpassed large caps.

Bonds

- The 10-year U.S. Treasury note yield fell to 4.02% during the week.
- The U.S. bond market ended the week in positive territory.
- High-yield bonds led the market, followed by corporate bonds and government bonds.

The Numbers as of November 28, 2025	1 Week	YTD	1 Year	Friday's Close
Global Equity Indexes				
MSCI ACWI ($)	3.5%	19.5%	17.1%	1005.1
MSCI EAFE ($)	3.2%	24.3%	22.1%	2810.5
MSCI Emerging Mkts ($)	2.5%	27.1%	26.6%	1366.9
US & Canadian Equities				
Dow Jones Industrials ($)	3.2%	12.2%	6.7%	47716.4
S&P 500 ($)	3.7%	16.4%	14.2%	6849.1
NASDAQ ($)	4.9%	21.0%	22.6%	23365.7
S&P/ TSX Composite (C$)	4.1%	26.9%	22.9%	31382.8
UK & European Equities				
FTSE All-Share (£)	2.1%	17.3%	15.9%	5241.3
MSCI Europe ex UK (€)	2.5%	13.4%	13.8%	2002.5
Asian Equities				
Topix (¥)	2.4%	21.3%	25.7%	3378.4
Hong Kong Hang Seng ($)	2.5%	28.9%	33.5%	25858.9
MSCI Asia Pac. Ex-Japan ($)	2.7%	23.5%	22.0%	703.4
Latin American Equities				
MSCI EMF Latin America ($)	4.5%	46.9%	36.1%	2721.6
Mexican Bolsa (peso)	2.8%	28.4%	27.3%	63596.8
Brazilian Bovespa (real)	2.8%	32.2%	27.7%	159072.1
Commodities ($)				
West Texas Intermediate Spot	0.6%	-18.2%	-14.7%	58.7
Gold Spot Price	3.2%	60.7%	59.7%	4216.9
Bond Indices ($)				
Bloomberg U.S. Aggregate	0.4%	7.5%	6.1%	2352.3
Bloomberg Global Aggregate	0.7%	7.9%	6.0%	500.0
JPMorgan Emerging Mkt Bond	0.5%	12.9%	11.5%	1012.7
10-Year Yield Change (basis points*)				
US Treasury	-5	-56	-25	4.02%
UK Gilt	-10	-13	17	4.44%
German Bund	-1	32	56	2.69%
Japan Govt Bond	3	71	76	1.81%
Canada Govt Bond	-5	-8	-7	3.15%
Currency Returns**				
US$ per euro	0.7%	12.0%	9.9%	1.160
Yen per US$	-0.1%	-0.6%	3.1%	156.18
US$ per £	1.0%	5.7%	4.3%	1.324
C$ per US$	-0.9%	-2.8%	-0.3%	1.398

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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