



The US equity markets closed lower this week with a decidedly risk-off tone on Friday due to heightened volatility caused by an alarming escalation of the Israel-Iran conflict. Reports of Israeli strikes on Iranian nuclear facilities, swiftly met with retaliatory drone attacks from Tehran, sent immediate shockwaves across financial markets. Renewed geopolitical tensions were center stage and fueled a sharp surge in oil prices, with crude topping \$73 per barrel, and prompted a decisive flight to safety in assets like gold. Bond yields at the intermediate to long maturities lifted on the potential inflation impact. While initial price spikes eventually moderated, any ongoing instability could maintain upward pressure on energy costs and deepen concerns over global supply chain disruptions. President Trump urged Iran to pursue a nuclear deal, underscoring the seriousness and gravity of the situation. Prior to the airstrikes, market sentiment was positive due to optimism regarding ongoing discussions between the US and China and the potential for an interim trade deal. Softer inflation data also lifted investor confidence. The Producer Price Index (PPI) and core PPI for May both registered a modest 0.1% increase, falling slightly below analyst expectations. The Consumer Price Index (CPI) for May rose 0.1%, which was less than expected, with prices growing only at an annual rate of 2.4% (a slight uptick from April). Following the inflation reports, investors' hopes rose that a more constructive inflation environment would provide the Federal Reserve an opportunity to pull forward interest rate cuts. The mixed performance of the equity markets reflected the complex interplay of geopolitical risks and economic indicators. Investors were initially buoyed by the prospect of a US-China trade deal, which could alleviate some of the uncertainties surrounding global trade. However, the sudden escalation in the Middle East overshadowed these positive developments. The surge in oil prices due to geopolitical tensions highlighted the vulnerability of global supply chains to external shocks. As energy costs rise, companies may face increased operational expenses, potentially impacting profit margins and consumer prices.

	Close	Wk Net Change	Wk % Change	Div Yield	YTD % Change	12 Mos % Change
Stocks						
DJI-US	42,197.79	-565.08	-1.32	1.88	-0.81	9.19
S&P 500	5,976.97	-23.39	-0.39	1.60	1.62	10.00
NASDAQ	19,406.83	-123.13	-0.63	1.05	0.50	9.84
S&P MidCap 400	3,006.70	-44.40	-1.46	2.45	-3.66	2.44
EAFE	89.23	-0.51	-0.57	3.25	18.01	13.38
Emerging Markets	58.71	0.22	0.38	3.09	12.43	10.79

Sector - Large Cap	Close	Wk Net Change	WTD	MTD	QTD	YTD
Defensive						
Staples	892.67	-10.28	(1.1%)	(2.7%)	(0.0%)	4.6%
Health Care	1,582.28	19.47	1.2%	2.5%	(7.0%)	(1.4%)
CommServices	360.88	-2.98	(0.8%)	2.3%	12.9%	5.6%

Eco Sensitive	Close	Wk Net Change	WTD	MTD	QTD	YTD
Consumer Disc	1,707.72	1.33	0.1%	(0.6%)	8.4%	(6.7%)
Energy	669.00	36.23	5.7%	8.0%	(6.5%)	2.2%
Industrials	1,204.35	-19.53	(1.6%)	(0.2%)	8.5%	8.0%
Info Tech	4,656.60	-3.68	(0.1%)	2.9%	15.8%	1.0%
Materials	549.71	-2.78	(0.5%)	0.9%	1.4%	3.8%

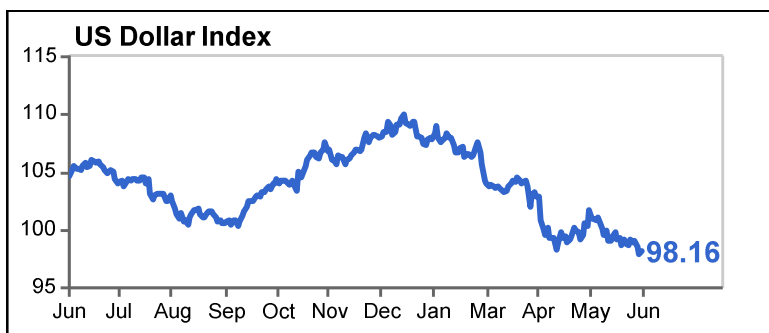
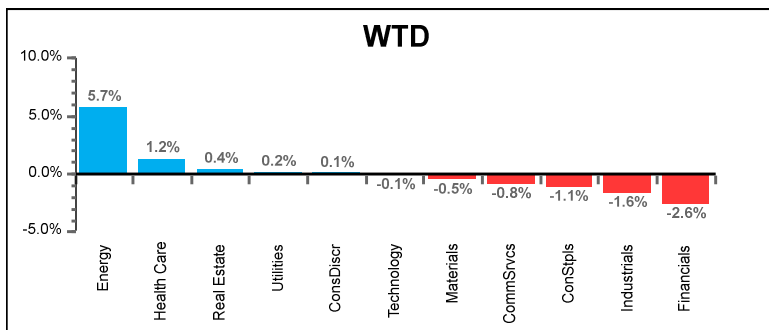
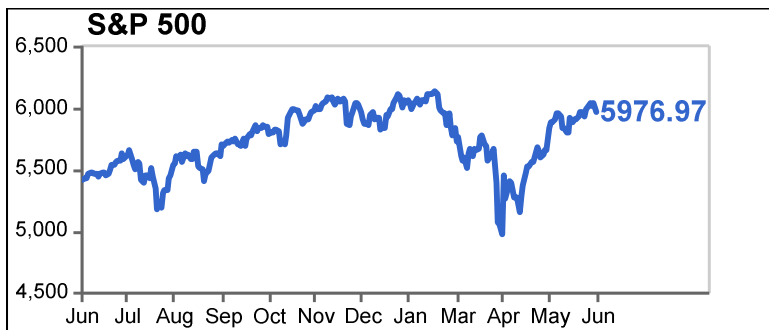
Interest Rate Sensitive	Close	Wk Net Change	WTD	MTD	QTD	YTD
Financials	829.12	-22.26	(2.6%)	(2.0%)	(0.0%)	3.1%
Utilities	410.96	0.82	0.2%	(0.8%)	2.5%	6.8%
REIT	261.53	1.14	0.4%	0.4%	0.3%	2.9%

Russell Style Returns

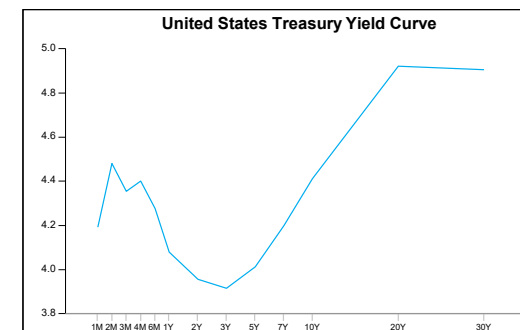
WTD	Value	Blend	Growth	YTD	Value	Blend	Growth
Large	-0.49%	-0.50%	-0.49%	Large	2.98%	2.03%	1.10%
Medium	-0.97%	-1.15%	-1.77%	Medium	-0.17%	1.31%	5.32%
Small	-0.72%	-1.42%	-2.00%	Small	-6.21%	-5.25%	-4.32%

Commodity	Price	Wk % Change	FOREX	Price	Wk % Change
Copper	4.75	-2.02	EUR/USD	1.15	1.37
Gold	3,452.40	3.16	USD/JPY	144.15	-0.51
WTI	73.63	14.01	GBP/USD	1.36	0.29
Brent	74.79	12.52	USD/CAD	1.36	-0.84
Natural Gas	3.60	-4.84			

Source: FactSet



Treasuries	Current Yield	12/31/24 Yield
1 - Year	4.07	4.15
2 - Year	3.95	4.24
5 - Year	4.00	4.38
10 - Year	4.40	4.57
30 - Year	4.90	4.78



COMING UP NEXT WEEK

	Consensus	Prior
06/16 Empire State Index SA	(Jun) -5.0	-9.2
06/17 Retail Sales ex-Auto SA M/M	(May) 0.30%	0.10%
06/17 Retail Sales SA M/M	(May) -0.50%	0.10%
06/17 Capacity Utilization NSA	(May) 77.8%	77.7%
06/17 Industrial Production SA M/M	(May) 0.20%	0.0%
06/18 Housing Starts SAAR	(May) 1,385K	1,361K
06/20 Philadelphia Fed Index SA	(Jun) -10.0	-4.0
06/20 Leading Indicators SA M/M	(May) 0.70%	-1.0%

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