PEAPACK PRIVATE

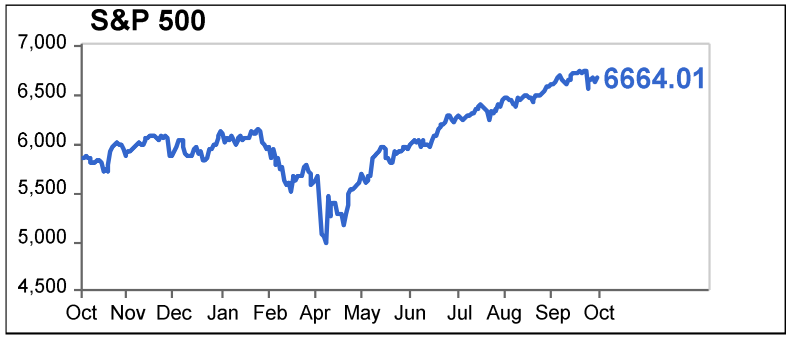
The Weekly
Economic & Market Recap

October 17, 2025

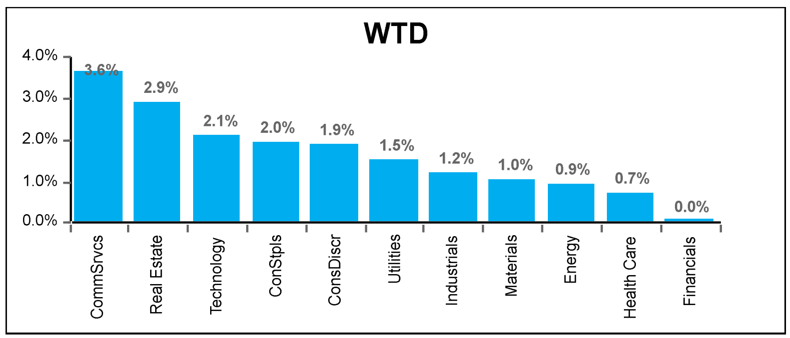
Equities finished the week higher despite ongoing trade tensions between the U.S. and China. After posting about China taking "an extraordinarily aggressive position on trade", President Trump softened his stance over the weekend stating that all would be fine. The posturing between the two Presidents centers around China's new policy restricting the export of rare earth minerals for use by foreign militaries. Treasury Secretary Bessent stated that the U.S. will not shift its negotiating stance with China due to stock market volatility and floated the idea of extending a trade truce in exchange for Beijing backing off of its latest restrictions on rare earth materials. Later in the week, President Trump stated that high tariffs on Chinese goods were "not sustainable" which eased fears over a prolonged trade war between the two countries. On Tuesday Fed Chair Powell spoke for the last time before the Federal Reserve's October meeting, noting slowing payroll gains and rising employment risks, but said longer-term inflation expectations remain anchored near the Fed's 2% goal. As of October 17th, the market is pricing in a 99% chance that the Fed will cut interest rates by 25 basis points to a target range of 3.75-4.00%. In economic data, the Empire State Manufacturing Survey came in ahead of expectations and posted its third positive reading in four months, as both new orders and shipments increased. The U.S. government shutdown continued into its third week with little progress, which has suspended the reporting of certain economic data. However, the Bureau of Labor Statistics has confirmed it will release the September Consumer Price Index (CPI) on October 24th. The Fed's beige book stated that economic activity is little changed from its prior report, though prices rose further on pressure from tariffs and services costs. In corporate news, banks and insurers kicked off the unofficial start of Q3 earnings season with mostly positive results from the major banks. Analysts project S&P 500 earnings growth of roughly 8.5% year-over year in Q3.

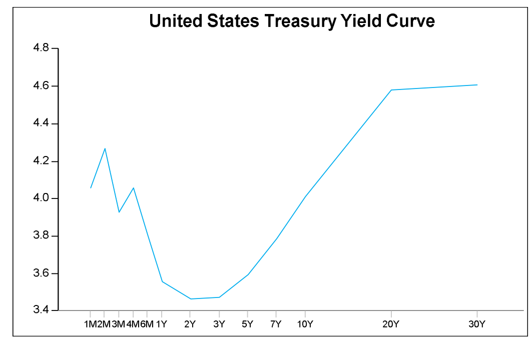
Stocks	Close	Wk Net Change	Wk % Change	Div Yield	YTD % Change	12 Mos % Change
DJII-USA	46,190.61	711.01	1.56	1.83	8.57	6.83
S&P 500	6,664.01	111.50	1.70	1.47	13.30	14.08
NASDAQ	22,679.98	475.54	2.14	0.92	17.45	23.44
S&P MidCap 400	3,223.89	62.01	1.96	2.37	3.30	0.81
EAFE	94.51	2.27	2.46	3.21	25.00	16.12
Emerging Markets	66.92	2.70	4.20	2.88	28.15	17.73

Sector - Large Cap	Close	Wk Net Change	WTD	MTD	QTD	YTD
Defensive						
Staples	886.21	16.99	2.0%	1.7%	1.7%	3.8%
Health Care	1,669.18	12.18	0.7%	2.8%	2.8%	4.0%
CommServices	423.26	14.87	3.6%	0.2%	0.2%	23.9%
Eco Sensitive						
Consumer Disc	1,873.86	34.74	1.9%	(2.3%)	(2.3%)	2.3%
Energy	659.14	6.12	0.9%	(3.5%)	(3.5%)	0.7%
Industrials	1,283.98	15.12	1.2%	(1.7%)	(1.7%)	15.1%
Info Tech	5,632.95	115.10	2.1%	0.4%	0.4%	22.2%
Materials	559.24	5.69	1.0%	(2.0%)	(2.0%)	5.6%
Interest Rate Sensitive						
Financials	867.99	0.21	0.0%	(3.2%)	(3.2%)	7.9%
Utilities	464.90	7.00	1.5%	4.9%	4.9%	20.8%
REIT	259.13	7.26	2.9%	(0.4%)	(0.4%)	1.9%



Treasuries	Current Yield	12/31/24 Yield
1 - Year	3.55	4.15
2 - Year	3.46	4.24
5 - Year	3.59	4.38
10 - Year	4.00	4.57
30 - Year	4.60	4.78





Russell Style Returns

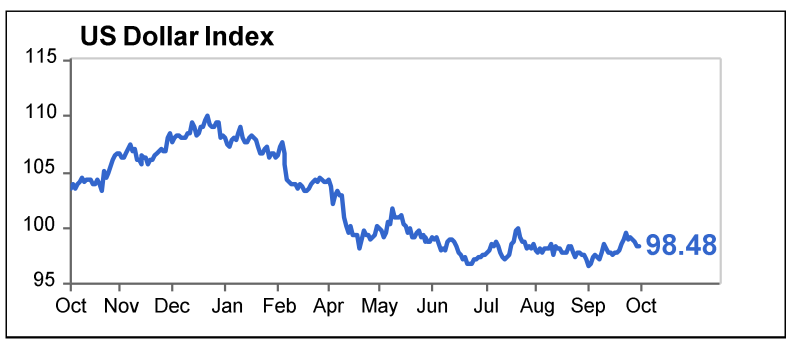
WTD	Value	Blend	Growth
Large	1.70%	1.72%	1.66%
Medium	1.54%	1.36%	1.06%
Small	2.43%	2.36%	2.11%

YTD	Value	Blend	Growth
Large	11.01%	14.06%	16.67%
Medium	7.72%	8.82%	11.70%
Small	8.87%	11.03%	13.01%

Commodity	Price	Wk % Change
Copper	4.99	2.04
Gold	4,260.40	6.50
WTI	57.21	-2.87
Brent	61.34	-2.22
Natural Gas	2.99	-3.70

FOREX	Price	Wk % Change
EUR/USD	1.17	0.34
USD/JPY	150.43	-0.41
GBP/USD	1.34	0.56
USD/CAD	1.41	0.08

Source: FactSet



COMING UP NEXT WEEK		Consensus	Prior
10/20 Leading Indicators SA M/M	(Sep)	-0.20%	-0.50%
10/23 Initial Claims SA	(10/18)	-	-
10/23 Existing Home Sales SAAR	(Sep)	4,043K	4,000K
10/24 CPI ex-Food & Energy SA M/M	(Sep)	0.30%	0.30%
10/24 CPI SA M/M	(Sep)	0.39%	0.40%
10/24 CPI NSA Y/Y	(Sep)	3.1%	2.9%
10/24 S&P Global PMI Manufacturing SA (Prelim)	(Oct)	52.2	52.0
10/24 S&P Global PMI Services SA (Prelim)	(Oct)	54.2	54.2
10/24 Michigan Sentiment NSA (Final)	(Oct)	50.1	55.0
10/24 New Home Sales SAAR	(Sep)	700.0K	800.0K

For more information about our solutions: http://peapackprivate.com