



October 10, 2025

The U.S. government remains closed as Congress has not yet passed a resolution for funding fiscal 2026. Although past shutdowns have had minimal impact on markets, there are some points of pain being felt. Federal employees continue without pay while the Pentagon's next military payday, October 15<sup>th</sup>, could be the first time the military does not receive pay in decades. The government shutdown may also impact the release of economic data which comes at a time when investors' focus is on the Fed's approach to current interest rates. However, the Bureau of Labor Statistics did state that the September CPI report will be released as scheduled on October 25<sup>th</sup>. The September FOMC minutes did not provide additional details with officials acknowledging that upside risks to inflation remain, although the impact from tariffs has been less than anticipated. In conjunction, Fed officials do see downside risks to the labor market which makes the Fed's job complicated as it tries to balance both of its mandates (promoting maximum employment and maintaining price stability). The S&P 500 and Nasdaq reached new highs this week, amid announcements of deals in the artificial intelligence space, before pulling back and ending the week lower. Downside pressure appeared to stem from rising tension between the U.S. and China as trade talks stall with a potential hike in tariffs back on the table. The market favored defensive and interest rate sensitive sectors with utilities and consumer staples the bright spots this week. Perhaps the defensive tone was due to the ongoing government shutdown, which is adding an additional layer of uncertainty. Over the next couple of weeks, third quarter earnings releases will begin to ramp up and investors will be monitoring them for any sign of tariff impacts on corporate earnings. The consensus for year-over-year earnings growth for the S&P 500 is approximately 8%.

Stocks	Wk		Div	YTD	12 Mos
	Close	Net Change			
DJII-USA	45,479.60	-1278.68	-2.73	1.81	6.90
S&P 500	6,552.51	-163.28	-2.43	1.46	11.41
NASDAQ	22,204.43	-576.08	-2.53	0.91	14.98
S&P MidCap 400	3,161.88	-127.05	-3.86	2.33	1.31
EAFE	92.24	-2.84	-2.99	3.16	21.99
Emerging Markets	64.22	-2.71	-4.05	2.83	22.98

Sector - Large Cap	Wk		WTD	MTD	QTD	YTD
	Close	Net Change				
Defensive						
Staples	869.22	5.17	0.6%	(0.2%)	(0.2%)	1.8%
Health Care	1,657.00	-31.46	(1.9%)	2.0%	2.0%	3.3%
CommServices	408.39	-9.19	(2.2%)	(3.4%)	(3.4%)	19.5%

Eco Sensitive						
Consumer Disc	1,839.12	-63.32	(3.3%)	(4.1%)	(4.1%)	0.4%
Energy	653.02	-27.08	(4.0%)	(4.4%)	(4.4%)	(0.3%)
Industrials	1,268.86	-37.99	(2.9%)	(2.9%)	(2.9%)	13.7%
Info Tech	5,517.86	-143.47	(2.5%)	(1.7%)	(1.7%)	19.7%
Materials	553.55	-17.59	(3.1%)	(3.0%)	(3.0%)	4.5%

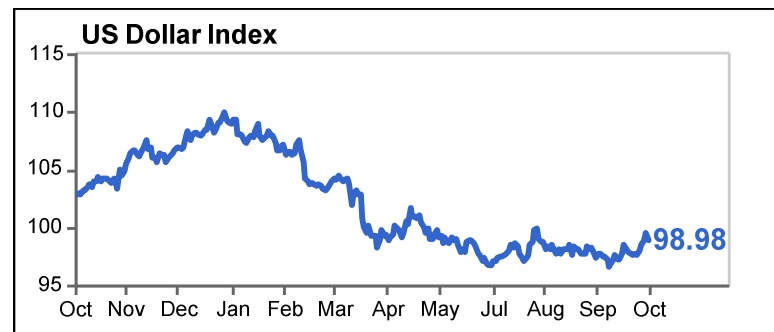
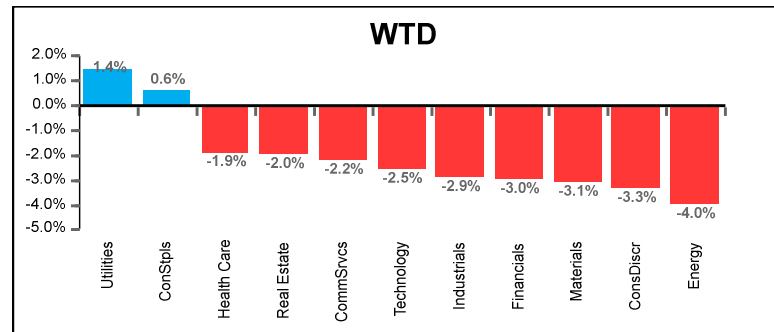
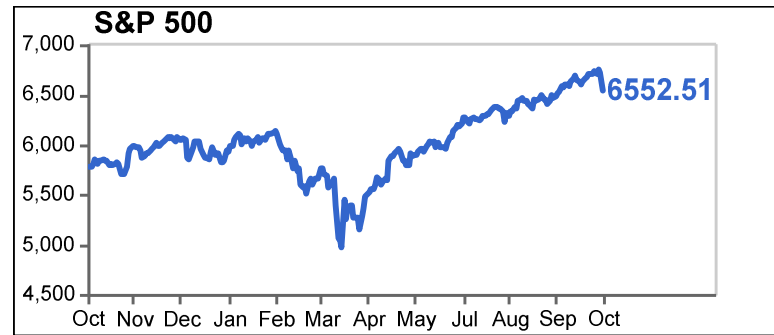
Interest Rate Sensitive						
Financials	867.78	-26.56	(3.0%)	(3.2%)	(3.2%)	7.9%
Utilities	457.90	6.41	1.4%	3.3%	3.3%	19.0%
REIT	254.58	-5.12	(2.0%)	(2.2%)	(2.2%)	0.1%

### Russell Style Returns

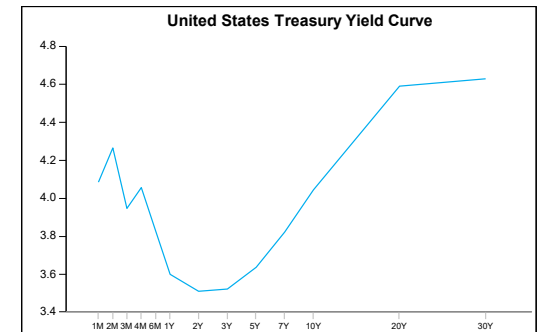
WTD	Value	Blend	Growth	YTD	Value	Blend	Growth
Large	-2.69%	-2.47%	-2.23%	Large	9.15%	12.13%	14.76%
Medium	-3.74%	-3.30%	-2.25%	Medium	6.09%	7.36%	10.53%
Small	-3.96%	-3.27%	-2.50%	Small	6.28%	8.46%	10.67%

Commodity	Price	Wk % Change	FOREX	Price	Wk % Change
Copper	4.91	-3.90	EUR/USD	1.16	-1.17
Gold	4,028.00	3.05	USD/JPY	152.43	2.89
WTI	58.83	-3.37	GBP/USD	1.33	-1.03
Brent	62.69	-2.85	USD/CAD	1.40	0.36
Natural Gas	3.14	-5.57			

Source: FactSet



Treasuries	Current Yield	12/31/24 Yield
1 - Year	3.60	4.15
2 - Year	3.52	4.24
5 - Year	3.65	4.38
10 - Year	4.05	4.57
30 - Year	4.63	4.78



COMING UP NEXT WEEK		Consensus	Prior
10/16 Philadelphia Fed Index SA	(Oct)	6.5	23.2
10/16 PPI ex-Food & Energy SA M/M	(Sep)	0.30%	-0.10%
10/16 PPI SA M/M	(Sep)	0.30%	-0.10%
10/16 PPI NSA Y/Y	(Sep)	2.6%	2.6%
10/16 Retail Sales ex-AutoFuel SA M/M	(Sep)	0.40%	0.68%
10/16 Retail Sales ex-Auto SA M/M	(Sep)	0.40%	0.70%
10/16 Retail Sales SA M/M	(Sep)	0.40%	0.60%
10/16 Business Inventories SA M/M	(Aug)	0.20%	0.20%
10/17 Housing Starts SAAR	(Sep)	1,310K	1,307K
10/17 Capacity Utilization NSA	(Sep)	77.3%	77.4%
10/17 Industrial Production SA M/M	(Sep)	0.10%	0.10%

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