



U.S. equities were relatively mixed this week with megacap tech generally moving higher, while healthcare and energy notably lagged. Tariff negotiations continue to dominate headlines as the August 1st deadline approaches. If no deals are made, tariffs on the European Union and Mexico will increase to 30% from 10% and 25%, respectively along with reciprocal tariffs on most foreign countries. The June Consumer Price Index (CPI) rose 0.3% month-over-month (m/m) and 2.7% year-over-year (y/y), in line with expectations. However, core CPI, which excludes the volatile food and energy categories, rose by only 0.2% m/m, better than the consensus of 0.3%. The cost of shelter rose 0.2% m/m, driving most of the overall increase but decelerating from May's 0.3%. The effects of President Trump's tariffs have been mixed so far, with clear upward pressure in apparel but minimal effect on automobiles. This is the fourth consecutive CPI print which has come in lower than expectations, increasing analysts' probability that the Federal Reserve will cut interest rates in September. As of Friday July 18th, analysts see an approximate 58% chance that the Fed will reduce interest rates by 25 basis points (bps) at their September meeting. President Trump has argued that the Federal Reserve should aggressively cut rates and continued his criticism of Fed Chair Powell throughout the week. The June Producer Price Index (PPI) was also better than expected, increasing 2.3% y/y versus expectations of 2.5%. June Retail sales rose 0.6% m/m, rebounding from the 0.9% decline reported in May and greater than the expected 0.1% as the American consumer remains resilient. Initial jobless claims for the week ended July 12th dropped by 7,000 to a seasonally adjusted 221,000 – economists were expecting roughly 233,000 claims. The Federal Reserve's latest Beige Book reported economic activity increased slightly from late May through Early July, though hiring remained generally cautious amid economic and policy uncertainty. In corporate news, 2nd Quarter earnings season is officially underway with banks, insurers, and financial service companies generally reporting favorable results.

	Close	Wk Net Change	Wk % Change	Div Yield	YTD % Change	12 Mos % Change
Stocks						
DJII-USA	44,342.19	-29.32	-0.07	1.87	4.23	9.04
S&P 500	6,296.79	37.04	0.59	1.54	7.06	13.57
NASDAQ	20,895.66	310.13	1.51	0.99	8.21	16.92
S&P MidCap 400	3,171.55	-0.85	-0.03	2.35	1.62	4.44
EAFE	88.36	-0.59	-0.66	3.28	16.86	10.42
Emerging Markets	61.05	0.99	1.65	3.04	16.91	12.66

Sector - Large Cap	Close	Wk Net Change	WTD	MTD	QTD	YTD
Defensive						
Staples	889.17	-0.22	(0.0%)	(0.9%)	(0.9%)	4.2%
Health Care	1,536.28	-40.16	(2.5%)	(2.3%)	(2.3%)	(4.3%)
CommServices	371.99	0.38	0.1%	(1.6%)	(1.6%)	8.9%

Eco Sensitive	Close	Wk Net Change	WTD	MTD	QTD	YTD
Consumer Disc	1,795.64	9.59	0.5%	2.4%	2.4%	(1.9%)
Energy	656.80	-26.39	(3.9%)	1.3%	1.3%	0.3%
Industrials	1,281.95	10.29	0.8%	2.6%	2.6%	14.9%
Info Tech	5,150.10	105.34	2.1%	3.7%	3.7%	11.7%
Materials	567.12	-7.63	(1.3%)	2.0%	2.0%	7.0%

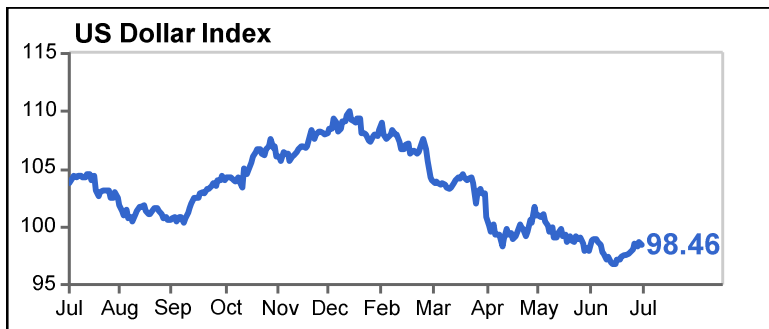
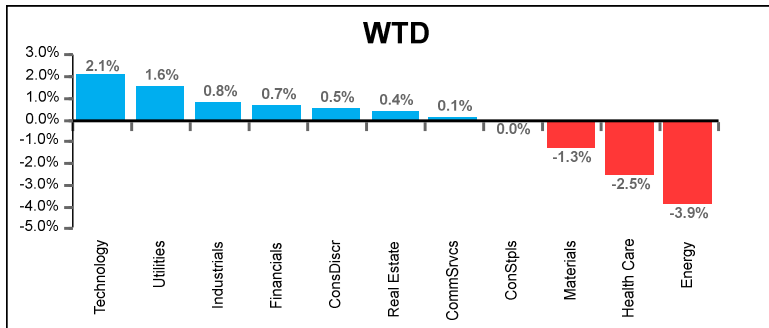
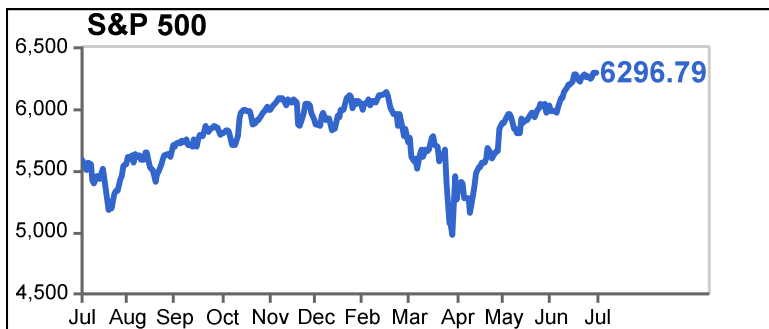
Interest Rate Sensitive	Close	Wk Net Change	WTD	MTD	QTD	YTD
Financials	874.05	5.74	0.7%	0.2%	0.2%	8.7%
Utilities	425.28	6.52	1.6%	2.5%	2.5%	10.5%
REIT	258.40	0.92	0.4%	0.4%	0.4%	1.6%

Russell Style Returns

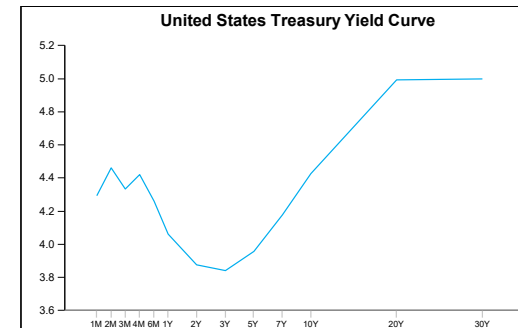
WTD	Value	Blend	Growth	YTD	Value	Blend	Growth
Large	-0.21%	0.73%	1.56%	Large	6.73%	7.71%	8.36%
Medium	0.31%	0.81%	2.28%	Medium	5.35%	6.87%	11.16%
Small	-0.98%	0.28%	1.42%	Small	0.27%	1.12%	1.98%

Commodity	Price	Wk % Change	FOREX	Price	Wk % Change
Copper	5.59	-0.31	EUR/USD	1.16	-0.54
Gold	3,355.50	-0.25	USD/JPY	148.50	0.90
WTI	66.12	-3.40	GBP/USD	1.34	-0.61
Brent	69.32	-1.48	USD/CAD	1.37	0.26
Natural Gas	3.61	7.58			

Source: FactSet



Treasuries	Current Yield	12/31/24 Yield
1 - Year	4.06	4.15
2 - Year	3.87	4.24
5 - Year	3.95	4.38
10 - Year	4.42	4.57
30 - Year	4.99	4.78



COMING UP NEXT WEEK		Consensus	Prior
07/21 Leading Indicators SA M/M	(Jun)	-0.30%	-0.10%
07/23 Existing Home Sales SAAR	(Jun)	4,055K	4,030K
07/24 Initial Claims SA	(7/19)	220.0K	221.0K
07/24 Markit PMI Manufacturing SA (Preliminary)	(Jul)	52.0	52.9
07/24 Markit PMI Services SA (Preliminary)	(Jul)	-	52.9
07/24 New Home Sales SAAR	(Jun)	650.0K	623.0K
07/25 Durable Orders SA M/M (Preliminary)	(Jun)	-9.9%	16.4%

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