

Primary Market Drivers

Earnings & Economic Data

While tariff policy has been the primary market driver over the past two months, this week will likely cede focus to economic data and earnings. It's the biggest earnings week of the season and the economic calendar is stacked with impactful data. On the earnings front, we have 179 companies reporting, accounting for 35% of the S&P 500. All eyes will be on big tech with announcements from Meta (META 4/30), Microsoft (MSFT 4/30), Amazon (AMZN 5/1), and Apple (AAPL 5/1). While there are far too many to list, other notable announcements include Coca-Cola (KO 4/29), Sysco (SYU 4/29), United Parcel Service (UPS 4/29), Starbucks (SBUX 4/29), Visa (V 4/29), Caterpillar (CAT 4/30), Qualcomm (QCOM 4/30), Cardinal Health (CAH 5/1), Chevron (CVX 5/2), Cigna Group (CI 5/2), and Exxon Mobil (XOM 5/2). The economic calendar is just as busy with a handful of significant data points. We will see JOLTS (4/29), Consumer Confidence (4/29), ADP Employment (4/30), US Q1 GDP (4/30), Chicago PMI (4/30), Core PCE (4/30), Pending Home Sales (4/30), Personal Spending & Income (4/30), Challenger Job Cuts (5/1), PMI Manufacturing (5/1), Construction Spending (5/1), ISM Manufacturing (5/1), Factory Orders (5/2), and Nonfarm Payrolls & Unemployment (5/2).

Fed Policy

Following Powell's recent speech at the Economic Club of Chicago, the White House voiced its displeasure with the Fed chairman. This led to speculation that Powell could be fired, a notion that Trump dismissed on Wednesday noting he had no intention of doing so. As such, that fiasco came and went rather quickly. In the meantime, the market is now dismissing any chance of a rate cut in May, with CME's FedWatch Tool listing odds of a 25bps cut at just 6.9%. Odds jump to 61.9% for lower rates at the June 18th meeting, though this week's economic data will no doubt shift these odds as we will see labor market, manufacturing, services, GDP, and inflation data over the next several days.

Tariffs

Rumors are circulating that a trade deal with India is set to be announced either this week or next. It would be the first country to officially ink a deal with the United States, though the pace of negotiations are sluggish and transparency surrounding progress is low. Other countries that are progressing are the UK, Japan, Australia, South Korea, Argentina, and Switzerland. However, it is difficult to discern how advanced these talks actually are and when they might be finalized outside of small clues from social media posts and soundbites. There are also conflicting reports of whether or not the US has directly engaged with China regarding trade. US officials insist there have been conversations, while the CCP denies any talks have taken place. The market remains on edge as we await meaningful progress.

All referenced market information, statistics, and economic data were gathered from StreetAccount, a paid subscription data service provided by FactSet Research Systems Inc.

Market Returns 4/25/2025

Category	Ticker	YTD%
Domestic Equity		
S&P 500	SPY	-5.16%
Dow Jones	DIA	-5.35%
Large-Cap Growth	QQQ	-7.43%
Large-Cap Value	IVE	-4.36%
Mid Caps	MDY	-8.92%
Small Caps	IWM	-11.95%
International Equity		
Developed Intl	EFA	11.26%
Emerging Markets	EEM	3.90%
Fixed Income		
Core Bonds	AGG	2.71%
Corporate Bonds	LQD	2.22%
High Yield Bonds	HYG	1.57%
ST Treasuries	IEI	3.41%
LT Treasuries	TLT	2.88%
International Bonds	BNDX	1.38%



Performance data and stock chart were gathered from eSignal, a paid market screening application provided by Intercontinental Exchange, Inc.

Current Environment Summary

What's Working	What's Not	What's Next
Inflation Falling	Tariff Policy	Tech Earnings: META, MSFT, AMZN, AAPL
Fed Easing Cycle	Global Economic Uncertainty	35% of the S&P 500 Reporting Earnings
Strong Earnings Growth	Fed Inaction	Labor Data: JOLTS, ADP, Nonfarm Payrolls
Interest Rates Falling	Equity & Bond Market Volatility	Data: US Q1 GDP, March Core PCE
Strong Labor Market	Status of Trade Negotiations Uncertain	Tariff Headlines
Consumers Still Spending	Consumer Confidence Falling	Expect Volatility to Continue

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