

4/28/2025

The Week Ahead



THINGS TO WATCH

1Q U.S. GDP Growth

On Wednesday morning, the initial estimate of first quarter real gross domestic product (GDP) is set to show the U.S. economy expanded at a lackluster annualized rate of 0.4% in the first three months of the year based on consensus Bloomberg estimates. That would mark a significant deceleration from 2.4% in 4Q24 and 3.1% in 3Q24. Weaker government spending and a surge of imports as consumers and businesses pulled forward orders ahead of tariffs probably offset other areas of relative strength in the economy.

Apple (AAPL)

The iPhone maker's quarterly sales growth could surprise to the upside versus consensus expectations of 3.8% when it reports results Thursday afternoon. Analysts predict customers may have rushed to upgrade their devices before the imposition of tariffs. Given elevated uncertainty, we could see AAPL suspend full-year financial guidance and discuss plans to further transition production away from China.

Amazon (AMZN)

The e-commerce and cloud computing giant's March-quarter results post-market tomorrow are expected to be strong. However, management could issue a note of caution about consumers pulling back in the current quarter amid reports of sellers raising prices to offset import tariffs. As usual, plenty of attention will be on the annual growth rate in the company's AWS cloud computing unit relative to expectations of 16%-17%.

April Jobs Data

The range of Bloomberg survey estimates for net job additions in the U.S. economy last month is 60,000 to 165,000. The median survey estimate of 130,000 would be below the monthly average of 152,000 from December to February. Friday morning, the spotlight will be on the trajectory of hiring in the transportation, logistics, leisure and hospitality, and government sectors given their proximity to the Trump administration's focus on tariffs and downsizing the federal workforce.

LAST WEEK'S ECONOMIC DATA	LATEST	3MO PRIOR	CHANGE
New Home Sales (Thousands Annualized)	724	720	▲
Building Permits (Millions Annualized)	1.47	1.48	▼
Existing Home Sales (Millions Annualized)	4.02	4.29	▼
U. of Mich. Consumer Sentiment	52.2	71.7	▼
U. of Mich. 1-year Inflation Expectations	6.5%	3.3%	▲

INDEX	LEVEL	WEEK	YTD	12 MO
DJ Industrial Average	40113.50	2.52%	-5.23%	7.22%
NASDAQ	17382.94	6.74%	-9.80%	12.16%
S&P 500	5525.21	4.60%	-5.68%	10.91%
MSCI EAFE	2460.46	3.72%	11.26%	12.20%
BB U.S. Aggregate	2247.64	0.75%	2.74%	7.65%

KEY BOND RATES	WEEK	1MO AGO	1YR AGO
3-Month T-Bill	4.29%	4.28%	5.41%
10-Year Treasury	4.24%	4.31%	4.70%

REPORTS DUE THIS WEEK	LATEST
JOLTS Job Openings (Millions)	7.57
Core PCE Price Index (Y/Y)	2.8%
GDP (Q/Q Annualized)	2.4%
Non-Farm Payrolls (Thousands)	228
Unemployment Rate	4.2%

Total returns are as of 4/25/25. Source data: Bloomberg and Morningstar are believed to be correct but not verified.

NUMBERS OF THE WEEK

65 million

According to IDC data, Apple (AAPL) sold an estimated 65 million iPhones in the U.S. last year, 28% of the company's 232 million worldwide shipments. Last Friday, Bloomberg reported AAPL plans to shift nearly 100% of the production of iPhones sold in the U.S. to India by the end of 2026 to reduce its supply-chain reliance on China and mitigate tariff-related costs. AAPL assembled approximately 40 million iPhones in India last year (up 60% from 2023), which accounted for about 17% of global shipments.

24.84

The Chicago Board Options Exchange Volatility Index (VIX) closed at 24.84 last week, its lowest end-of-day level since "Liberation Day" on April 2. Commonly referred to as "Wall Street's fear gauge," the VIX measures the market's expectation of price volatility in the S&P 500 over the next 30 days based on options pricing. It closed above 50 on April 8 (one day before the April 9 tariff pause) for the first time since April 2020.

DISCLOSURES



This publication was prepared by MainStreet Investment Advisors, LLC ("MainStreet Advisors"), an investment adviser registered with the SEC. Registration as an investment adviser does not imply any level of skill or training. Information and opinions herein are as of the publication date and are subject to change without notice based on market and other conditions. The week is calculated beginning with Monday's market open. The specific securities identified are shown for illustrative purposes only and should not be considered a recommendation by MainStreet Advisors. Index and sector statistics are unmanaged and a common measure of performance of their respective asset classes. Indexes are not available for direct investment. Any graph, data, or information is considered reliably sourced and for educational purposes only. Any suggestion of cause and effect or of the predictability of economic or investment cycles is unintentional. This Financial Market Update may contain forward-looking statements and/or candid statements and observations regarding investment strategies, asset allocation, individual securities, and economic and market conditions; however, there is no guarantee that the statements, opinions, or forecasts will prove to be correct. The material included herein was prepared or is distributed solely for information purposes; is not a solicitation or an offer to buy/sell any security or instrument, to participate in any trading strategy or to offer advisory services by MainStreet Advisors; is not intended to be used as a general guide to investing or as a source of any specific investment recommendations; makes no implied or express recommendations concerning the manner in which any client's account should or would be handled; and should not be relied on for accounting, tax or legal advice. There are risks involved with investing including possible loss of principal and the value of investments and the income derived from them can fluctuate. Investing for short periods may make losses more likely. Past performance is not indicative of future results, which may vary. Investors are urged to consult with their financial advisors before buying or selling any securities.