

6/23/2025

The Week Ahead



THINGS TO WATCH

Powell Visits Capitol Hill

Fed Chair Jerome Powell will testify before House and Senate committees this week, likely addressing the outlook for interest rate cuts amid signs of internal Fed disagreements over inflation and unemployment projections. Building on his June 18 press conference remarks, Powell is expected to stress continued uncertainty in the Fed's outlook. With mixed signals from economic data and newly imposed tariffs, most policymakers appear content with a cautious, wait-and-see stance through the summer. Lawmakers are anticipated to press Powell for clarity on the Fed's policy trajectory in light of these evolving economic and political dynamics.

FedEx (FDX)

Global logistics giant FedEx (FDX) will report earnings for its quarter ended May 31 after the market closes tomorrow. Widely seen as a bellwether for the U.S. and global economy, FDX's results offer insight into trends in e-commerce and business-to-business shipping. Management's comments on how the end of the de minimis tariff exemption affected export volumes from China and other Asian markets could be particularly noteworthy. Before the Trump administration ended the de minimis carveout, imports to the U.S. with declared values below \$800 were exempted from duties.

Robotaxis in Austin

Tesla (TSLA) plans to launch a fully autonomous ride-hailing service in the Texas capital this week, using 10 to 20 Model Y robotaxis. The long-anticipated debut of Tesla's camera-based Full Self-Driving software in a complex urban setting will draw close scrutiny from investors, technologists, and the media.

New Home Sales

New single-family home sales (released Wednesday) likely fell to a 691,000 annualized rate in May from 743,000 in April, as 30-year mortgage rates near 7% continue to hinder affordability. With builder inventories still high and fewer sales incentives available, pressure on home prices may grow in the coming months.

LAST WEEK'S ECONOMIC DATA

	LATEST	3MO PRIOR	CHANGE
Retail Sales (M/M)	-0.9%	0.0%	▼
Retail Sales Control Group (M/M)	0.4%	0.8%	▼
Housing Starts (Millions Annualized)	1.26	1.49	▼
Building Permits (Millions Annualized)	1.39	1.45	▼
Continuing Jobless Claims (Thousands)	1,945	1,881	▲

INDEX	LEVEL	WEEK	YTD	12 MO
DJ Industrial Average	42206.82	0.07%	0.06%	9.76%
NASDAQ	19447.41	0.22%	1.06%	10.54%
S&P 500	5967.84	-0.12%	2.12%	10.49%
MSCI EAFE	2575.17	-1.58%	16.15%	13.40%
BB U.S. Aggregate	2253.58	0.27%	3.02%	4.38%

KEY BOND RATES

	WEEK	1MO AGO	1YR AGO
3-Month T-Bill	4.30%	4.32%	5.37%
10-Year Treasury	4.38%	4.49%	4.26%

REPORTS DUE THIS WEEK

	LATEST
S&P Global U.S. Manufacturing PMI	98.8
Existing Home Sales (Millions Annualized)	4.00
New Home Sales (Thousands Annualized)	743
Conf. Board Consumer Confidence	98.0
Core PCE Price Index (Y/Y)	2.5%

Total returns are as of 6/20/25. Source data: Bloomberg and Morningstar are believed to be correct but not verified.

NUMBERS OF THE WEEK

678%

Since its June 4 IPO, shares of Circle Internet Group (CRCL), the sole issuer of USD Coin (USDC), have soared 678% through last Friday from \$31/share to \$242/share. The Senate's bipartisan 68-30 passage of the GENIUS Act last week seeks to establish a regulatory framework for dollar-backed stablecoins. CRCL and key distribution partner Coinbase (COIN) are widely viewed as well positioned to benefit from the bill's final approval and implementation.

\$57.8 billion

According to U.S. Treasury data released late last week, Canadian investors—including the government and private sector—sold a record \$57.8 billion in U.S. Treasury securities in April. Despite this sharp decline, total foreign holdings fell by just \$36 billion to \$9.01 trillion, as Japan and the UK were net buyers. Canada now accounts for \$368 billion, or roughly 4%, of total foreign Treasury holdings. Japan (\$1.14 trillion), the UK (\$808 billion), and China (\$757 billion) are the three largest holders of Treasuries.

DISCLOSURES



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