

9/22/2025

The Week Ahead



THINGS TO WATCH

Powell in Rhode Island

Federal Reserve Chairman Jerome Powell will deliver remarks on the economic outlook tomorrow at an event hosted by the Greater Providence Chamber of Commerce. Investors will be watching closely to see if he expands on last week's FOMC press conference, where he flagged "downside risks to employment" and characterized the 0.25% rate cut as a "risk management" measure. On the same day, Fed Governor and Vice Chair for Bank Supervision Michele Bowman is scheduled to speak at a virtual event organized by the Kentucky Bankers Association.

Core PCE price index

On Friday morning, data from the Bureau of Economic Analysis is likely to show the U.S. core Personal Consumption Expenditures (PCE) index rose between 0.24% and 0.32% in August following gains of 0.27% and 0.26% the prior three months. On a year-over-year basis, the preferred inflation gauge of Fed officials is expected to register a 2.9% reading unchanged from the July reading. Core PCE has been in a range between 2.6% and 3.1% since the beginning of 2024 and has stayed above the Fed's stated 2% target for more than four years from March 2021 to July 2025.

Small Business and Consumer Health Check

Quarterly results this week from Cintas (CTAS) and Costco (COST) should provide timely insight into the health of U.S. households and small businesses. Cintas, a leading provider of uniforms, cleaning, and safety services, is closely tied to employment trends and business activity across small and mid-sized firms. Costco, with its focus on value and essentials, offers a useful gauge of consumer spending habits across income levels. Together, these results should help investors assess underlying demand trends and the balance between consumer resilience and business confidence.

LAST WEEK'S ECONOMIC DATA

	LATEST	3MO PRIOR	CHANGE
Retail Sales (M/M)	0.6%	-0.8%	▲
Housing Starts (Millions Annualized)	1.31	1.28	▲
Building Permits (Millions Annualized)	1.31	1.39	▼
Continuing Jobless Claims (Thousands)	1,920	1,937	▼

INDEX	LEVEL	WEEK	YTD	12 MO
DJ Industrial Average	46315.27	1.10%	10.28%	12.00%
NASDAQ	22631.48	2.22%	17.80%	26.99%
S&P 500	6664.36	1.25%	14.38%	18.37%
MSCI EAFE	2753.66	-0.17%	25.12%	16.58%
BB U.S. Aggregate	2324.65	-0.19%	6.23%	2.72%

KEY BOND RATES

	WEEK	1MO AGO	1YR AGO
3-Month T-Bill	3.96%	4.20%	4.71%
10-Year Treasury	4.13%	4.31%	3.71%

REPORTS DUE THIS WEEK

	LATEST
S&P Global U.S. Manufacturing PMI	53.0
S&P Global U.S. Services PMI	54.5
New Home Sales (Thousands Annualized)	652
Existing Home Sales (Millions Annualized)	4.01
Continuing Jobless Claims (Thousands)	1,920

Total returns are as of 9/19/25. Source data: Bloomberg and Morningstar are believed to be correct but not verified.

NUMBERS OF THE WEEK

10%

The U.S. Dollar Index has fallen 10% year-to-date through the end of last week, pressured by expectations of Federal Reserve rate cuts, heightened policy uncertainty, and increased hedging of dollar exposure by international investors. This weakness marks a sharp contrast to the previous 15 years, during which the index gained 39% as demand for U.S. assets and confidence in America's economic growth underpinned a prolonged period of dollar strength.

23%

Shares of embattled semiconductor manufacturer Intel (INTC) surged 23% last week after NVIDIA (NVDA) announced a \$5 billion investment in its longtime rival to co-develop chips for PCs and data centers. Under the partnership, INTC plans to offer PC processors that integrate its general-purpose CPUs with NVDA's powerful graphics units, aiming to compete more effectively with Advanced Micro Devices (AMD) and other players in the desktop and laptop markets.

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