

WEEKLY MARKET COMMENTARY

December 8, 2025

WEEK IN REVIEW

The first week of December delivered a series of key U.S. economic indicators, offering a clearer picture of the nation's growth trajectory as the year draws to a close. Markets and policymakers focused on fresh data from the manufacturing and services sectors, labor market trends, and inflation pressures, each providing important signals about the health and direction of the economy.

U.S. manufacturing activity remained in contraction during November, with the ISM Manufacturing Purchasing Managers' Index (PMI) at 48.2, signaling ongoing softness in factory output and demand. Respondents cited weak new orders and cautious inventory management, underscoring persistent headwinds for the industrial sector despite some stabilization in supply chains.

The service sector continued to show strength, with the Services PMI registering 52.6 in November. This reading indicates solid expansion, supported by robust business activity and steady employment gains. Service providers reported healthy demand across consumer-facing and professional segments, helping to offset some of the softness seen earlier in the year. The resilience of services remains a key pillar for the U.S. economy, especially as manufacturing recovers.

Labor market conditions remained favorable, as initial jobless claims fell to 191,000 for the week. This is a notable decrease from the prior week and marks one of the lowest levels in recent months. The low number of claims signals that layoffs are limited and that employers are largely holding onto workers, even as hiring slows. This stability in the labor market supports consumer spending and underpins overall economic confidence.

Inflation pressures persisted but showed signs of moderation. The Core Personal Consumption Expenditures (PCE) Price Index — the Federal Reserve's preferred inflation gauge — rose 0.2% month-over-month and 2.8% year-over-year in September (the most recent available data). These figures indicate that underlying price growth remains elevated but is gradually easing, aligning with expectations for a cautious approach from policymakers as they monitor inflation trends.

ECONOMIC AND CAPITAL MARKETS DASHBOARD

Broad Market Indices	1-week	1-month	3-month	YTD
Stock Market (Total Return)				
S&P 500	0.35%	1.24%	6.31%	18.22%
Dow Jones 30	0.62%	1.64%	6.07%	14.58%
NASDAQ	0.93%	0.42%	8.82%	22.84%
Russell 1000 Growth	0.45%	-0.25%	6.76%	19.84%
Russell 1000 Value	0.26%	3.14%	4.92%	15.43%
Russell 2000	0.88%	2.45%	5.79%	14.47%
Wilshire 5000	0.37%	1.32%	5.85%	17.64%
MSCI EAFE Index	0.34%	1.28%	6.16%	19.13%
MSCI Emerging Market Index	1.37%	0.69%	10.25%	30.42%
VIX	-5.75%	-14.44%	1.52%	-11.18%
FTSE NAREIT All Equity REITs	-1.64%	0.37%	-1.26%	2.79%
S&P U.S. Aggregate Bond Index	-0.42%	0.45%	0.97%	6.76%
Interest Rates	12/5/2025	11/28/2025	11/21/2025	11/14/2025
3-month T-bill Yield (%)	3.70	3.79	3.83	3.88
10-year Treasury Yield (%)	4.14	4.01	4.06	4.15
10Y-2Y Treasury Spread (%)	0.57	0.52	0.55	0.54
30-year Fixed Mortgage Rate (%)	6.30	6.36	6.34	6.31
Commodities				
WTI Crude (\$/bl)	60.07	58.58	58.86	60.87
Gold (\$/Troy Oz)	4,243.00	4,191.05	4,072.85	4,071.10
Bitcoin	89,366.43	90,936.32	84,793.05	94,785.21

Weekly Indicators	12/5/2025	11/28/2025	11/21/2025	11/14/2025
Employment				
Initial Unemployment Claims (000's)	-	191.00	218.00	222.00

Quarterly Data	9/30/2025	6/30/2025	3/31/2025	12/31/2024
Output				
Real GDP Growth (%q/q, saar)	-	3.80	-0.60	1.90
Private Consumption (%q/q, saar)	-	2.50	0.60	3.90

Monthly Indicators	11/28/2025	10/31/2025	9/30/2025	8/29/2025
Consumption				
Consumer Expenditures (%m/m, sa)	-	-	0.31	0.50
Retail Sales (%m/m, sa)	-	-	0.07	0.53
Personal Savings Rate (%)	-	-	4.70	4.70
Labor				
Civilian Unemployment Rate (%)	-	-	4.40	4.30
Nonfarm Employment (Chg, 000's)	-	-	119	-4
Real Average Hourly Earnings (%y/y)	-	-	0.76	0.96
JOLTS Job Openings (000's)	-	-	-	7227
Inflation				
Consumer Price Index (CPI) (%m/m, sa)	-	-	0.31	0.38
Core CPI (%m/m, sa)	-	-	0.23	0.35
Producer Price Index (PPI) (%m/m, sa)	-	-	0.31	-0.14
Core PPI (%m/m, sa)	-	-	0.18	0.34
Personal Consumption Expenditures (PCE) (%m/m, sa)	-	-	0.27	0.26
Core PCE (%m/m, sa)	-	-	0.20	0.22
Output and Capacity				
Industrial Production (%m/m, sa)	-	-	0.10	-0.26
Mfg New Orders (%m/m, sa)	-	-	0.19	1.31
Durable New Orders (%m/m, sa)	-	-	0.51	3.00
Durable Inventories (%m/m, sa)	-	-	-0.11	-0.08
Survey Data and Composite Indicators				
Consumer Confidence (CB, 1985=100)	88.70	95.50	95.60	97.80
ISM Manufacturing Report (%)	48.20	48.70	49.10	48.70
ISM Non-Manufacturing Report (%)	52.60	52.40	50.00	52.00
Leading Economic Index (%m/m)	-	-	-	-0.51
Housing and Construction				
Building Permits (Mil. of Units, saar)	-	-	-	1.33
Housing Starts (Mil. of Units, saar)	-	-	-	1.31
New Home Sales (Mil. of Units, saar)	-	-	-	0.80

WEEK AHEAD

This week's economic calendar features several events that will offer valuable insights into the U.S. economy's direction. On Tuesday, the Job Openings and Labor Turnover Survey (JOLTS) report and the 10-Year Note Auction will provide a window into labor market dynamics and investor sentiment toward government debt.

Wednesday is set to be a pivotal day, with the Federal Reserve releasing its latest economic projections, policy statement, and interest rate decision, followed by a press conference. These events will be

closely watched for signals about the Fed's outlook and future policy moves. Additionally, the weekly crude oil inventories report will shed light on energy supply trends, which can influence inflation and broader market conditions.

Thursday rounds out the week with the Initial Jobless Claims report, offering a timely update on employment trends, and the 30-Year Bond Auction, which will reflect long-term investor confidence and expectations for interest rates.

Together, these events will help shape market expectations and provide a clearer picture of the economic landscape as the year draws to a close. Investors and policymakers will be looking for clues about labor market health, monetary policy direction, and overall financial stability.

DISCLOSURES AND DEFINITIONS

Economic Indicators:

1. CPI: Consumer Price Index measures the average change in prices paid by consumers for goods and services over time. Source: Bureau of Labor Statistics.
2. Core CPI: Core Consumer Price Index excludes food and energy prices to provide a clearer picture of long-term inflation trends. Source: Bureau of Labor Statistics.
3. PPI: Producer Price Index measures the average change in selling prices received by domestic producers for their output. Source: Bureau of Labor Statistics.
4. Core PPI: Core Producer Price Index excludes food and energy prices to provide a clearer picture of long-term inflation trends. Source: Bureau of Labor Statistics.
5. PCE: Personal Consumption Expenditures measure the average change in prices paid by consumers for goods and services. Source: Bureau of Economic Analysis.
6. Core PCE: Core Personal Consumption Expenditures exclude food and energy prices to provide a clearer picture of long-term inflation trends. Source: Bureau of Economic Analysis.
7. Industrial Production: Measures the output of the industrial sector, including manufacturing, mining, and utilities. Source: Federal Reserve.
8. Mfg New Orders: Measures the value of new orders placed with manufacturers for durable and non-durable goods. Source: Census Bureau.
9. Durable New Orders: Measures the value of new orders placed with manufacturers of durable goods. Source: Census Bureau.
10. Durable Inventories: Measures the value of inventories held by manufacturers for durable goods. Source: Census Bureau.
11. Consumer Confidence (CB, 1985=100): Measures the degree of optimism that consumers feel about the overall state of the economy and their personal financial situation. Source: Conference Board.
12. ISM Manufacturing Report: Measures the economic health of the manufacturing sector based on surveys of purchasing managers. Source: Institute for Supply Management.
13. ISM Non-Manufacturing Report: Measures the economic health of the non-manufacturing sector based on surveys of purchasing managers. Source: Institute for Supply Management.
14. Leading Economic Index: Measures overall economic activity and predicts future economic trends. Source: Conference Board.
15. Building Permits (Mil. of Units, saar): Measures the number of new residential building permits issued. Source: Census Bureau.
16. Housing Starts (Mil. of Units, saar): Measures the number of new residential construction projects that have begun. Source: Census Bureau.
17. New Home Sales (Mil. of Units, saar): Measures the number of newly constructed homes sold. Source: Census Bureau.
18. SA: Seasonally adjusted.
19. SAAR: Seasonally adjusted annual rate.

Market Indices & Indicators:

1. S&P 500: A market-capitalization-weighted index of 500 leading publicly traded companies in the U.S., widely regarded as one of the best gauges of large U.S. stocks and the stock market overall.
2. Dow Jones 30: Also known as the Dow Jones Industrial Average, it tracks the share price performance of 30 large, publicly traded U.S. companies, serving as a barometer of the stock market and economy.
3. NASDAQ: The world's first electronic stock exchange, primarily listing technology giants and operating 29 markets globally.
4. Russell 1000 Growth: Measures the performance of large-cap growth segment of the U.S. equity universe, including companies with higher price-to-book ratios and growth metrics.
5. Russell 1000 Value: Measures the performance of large-cap value segment of the U.S. equity universe, including companies with lower price-to-book ratios and growth metrics.
6. Russell 2000: A market index composed of 2,000 small-cap companies, widely used as a benchmark for small-cap mutual funds.
7. Wilshire 5000: A market-capitalization-weighted index capturing the performance of all American stocks actively traded in the U.S., representing the broadest measure of the U.S. stock market.
8. MSCI EAFE Index: An equity index capturing large and mid-cap representation across developed markets countries around the world, excluding the U.S. and Canada.
9. MSCI Emerging Market Index: Captures large and mid-cap representation across emerging markets countries, covering approximately 85% of the free float-adjusted market capitalization in each country.
10. VIX: The CBOE Volatility Index measures the market's expectations for volatility over the coming 30 days,

often referred to as the «fear gauge.»

11. FTSE NAREIT All Equity REITs: Measures the performance of all publicly traded equity real estate investment trusts (REITs) listed in the U.S., excluding mortgage REITs.
12. S&P U.S. Aggregate Bond Index: Represents the performance of the U.S. investment-grade bond market, including government, corporate, mortgage-backed, and asset-backed securities.
13. 3-Month T-bill Yield (%): The yield on U.S. Treasury bills with a maturity of three months, reflecting short-term interest rates.
14. 10-Year Treasury Yield (%): The yield on U.S. Treasury bonds with a maturity of ten years, reflecting long-term interest rates.
15. 10Y-2Y Treasury Spread (%): The difference between the yields on 10-year and 2-year U.S. Treasury bonds, often used as an indicator of economic expectations.
16. WTI Crude (\$/bl): The price per barrel of West Texas Intermediate crude oil, a benchmark for U.S. oil prices.
17. Gold (\$/Troy Oz): The price per troy ounce of gold, a standard measure for gold prices.
18. Bitcoin: A decentralized digital currency without a central bank or single administrator, which can be sent from user to user on the peer-to-peer bitcoin network.

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The Dow Jones Industrial Average (DJIA) is a price-weighted index composed of 30 widely traded blue-chip U.S. common stocks. The S&P 500 is a market-cap weighted index composed of the common stocks of 500 leading companies in leading industries of the U.S. economy. The NASDAQ Composite Index is a market-value weighted index of all common stocks listed on the NASDAQ stock exchange.

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