

WEEKLY HEADINGS SNAPSHOT

Week Ending January 3, 2025

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This Week's Top Takeaways

- Please join our [Monday webinar](#) at 4PM ET titled *Come on Down* where we will detail our Ten Themes for 2025.
- ISM Manufacturing (49.3) improved in December but remained in contraction for the ninth consecutive month.
- Similar to other seasonal trends in 2024 (e.g., Sell in May and Go Away), the Santa Claus rally failed to materialize.
- Despite continued Fed cuts, the 10-year Treasury yield has increased ~100 bps since the onset of the Fed easing cycle.
- Today marks the start of the 119th Congress – where Republicans will control both the House and Senate.



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The Week Ahead

Consumer Electronics Show (CES)



Tech is in focus as the CES Tech conference will take place this week, with a keynote speech from NVIDIA CEO Jensen Huang on Monday night.

FOMC Minutes



The minutes from the December FOMC meeting will be released next Wednesday and may provide additional details about the path forward for interest rates.

Employment Report



The December jobs report will be released Friday. Consensus expects ~155k jobs to be added and the unemployment rate to hold steady at 4.2%.

Return Statistics

| Region | Weekly | 2024 |
|-------------------|--------|-------|
| S&P 500 | -2.8% | 25.0% |
| Russell MidCap | -2.0% | 15.3% |
| Russell 2000 | -2.1% | 11.5% |
| AC World | -1.9% | 18.0% |
| Emerging Markets | -1.1% | 8.1% |
| US Aggregate Bond | 0.14% | 1.25% |
| BG Commodity | 1.6% | 0.1% |
| US Dollar | 1.2% | 7.1% |

Key Market Levels

| Index | Level |
|------------------------|-------|
| S&P 500 | 5869 |
| DJIA | 42392 |
| 2-Yr Treasury Yield | 4.25% |
| 10-Yr Treasury Yield | 4.57% |
| 30-Yr Treasury Yield | 4.79% |
| EUR/USD | 1.03 |
| WTI Crude Oil (\$/bbl) | 73.13 |
| Gold (\$/oz) | 2669 |

Economic Calendar

| Date | Event |
|----------|---|
| MON 1/6 | Factory Orders |
| TUE 1/7 | ISM Services JOLTS |
| WED 1/8 | FOMC Minutes Consumer Credit |
| THU 1/9 | Jobless Claims |
| FRI 1/10 | Employment Report Michigan Sentiment |

*Weekly performance calculated from Thursday close to Thursday close.

FactSet as of: 1/2/2025

Disclosures

The DJIA is an unmanaged index of 30 widely held stocks. The S&P 500 is an unmanaged index of 500 widely held stocks. The Russell 2000 and Russell Midcap indices are unmanaged indexes of small cap and midcap securities, respectively, which generally involve greater risks. US government bonds and Treasuries are guaranteed by the US government and, if held to maturity, generally offer a fixed rate of return and guaranteed principal value. U.S. government bonds are issued and guaranteed as to the timely payment of principal and interest by the federal government. AC World (or MSCI All Country World Index) is a stock index designed to track broad global equity-market performance. The EM ("Emerging Markets") is a selection of stocks that is designed to track the financial performance of key companies in fast-growing nations. The Bloomberg US Aggregate Bond Index is a broad-based benchmark that measures the investment grade, U.S. dollar-denominated, fixed-rate taxable bond market. The Bloomberg Commodity Index is a broadly diversified commodity price index distributed by Bloomberg Index Services Limited. The US Dollar Index is a measure of the value of the U.S. dollar against six other foreign currencies. The currency pair EUR/USD indicates how many U.S. dollars (the quote currency) are needed to purchase one euro (the base currency). Municipal securities typically provide a lower yield than comparably rated taxable investments in consideration of their tax-advantaged status. Investments in municipal securities may not be appropriate for all investors, particularly those who do not stand to benefit from the tax status of the investment. Please consult an income tax professional to assess the impact of holding such securities on your tax liability. The S&P CoreLogic Case-Shiller Home Price Indices are the leading indicators of U.S. residential real estate prices, tracking changes in the value of residential real estate nationally. WTI crude oil is a specific grade of crude oil and one of the main three benchmarks in oil pricing, along with Brent and Dubai Crude. The NAHB Housing Market Index (HMI) rates the relative level of current and future single-family home sales. The data is compiled from a survey of around 900 home builders. The Consumer Price Index (CPI) is a measure of the average change over time in the prices paid for a market basket of consumer goods and services. The Michigan Consumer Sentiment Index is a monthly survey conducted by the University of Michigan to measure consumer confidence levels in the United States. The ISM Services Index is an economic index based on surveys of more than 400 non-manufacturing (or services) firms' purchasing and supply executives. The ISM Services Index Prices Paid Subindex is an index that measures changes in the prices paid for goods and services used in crop and livestock production and family living. The Producer Price Index (PPI) measures the average change over time in the selling prices received by domestic producers for their output. The Consumer Confidence Index (CCI) is a survey, administered by The Conference Board, that measures how optimistic or pessimistic consumers are regarding their expected financial situation. The Employment Cost Index (ECI) measures the change in the hourly labor cost to employers over time. The Composite Index of Leading Indicators, otherwise known as the Leading Economic Index (LEI), is an index published monthly by The Conference Board. It is used to predict the direction of global economic movements in future months. The ISM Manufacturing Index, also known as the purchasing managers' index (PMI), is a monthly indicator of U.S. economic activity based on a survey of purchasing managers at more than 300 manufacturing firms. The Import and Export Price Indices measure average changes in prices of goods and services that are imported to or exported from the US. The Personal Consumption Expenditures (PCE) Price Index is a measure of the prices that people living in the United States, or those buying on their behalf, pay for goods and services. The NFIB Small Business Index provides an indication of the health of small businesses in the U.S., which account of roughly 50% of the nation's private workforce. The FHFA House Price Index (FHFA HPI) is a comprehensive collection of publicly available house price indexes that measure changes in single-family home values based on data that extend back to the mid-1970s from all 50 states and over 400 American cities. Commodities trading is generally considered speculative because of the significant potential for investment loss. Commodities are likely to be volatile and there may be sharp price fluctuations even during periods when prices overall are rising. 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