



PACIFIC GLOBAL
Investment Management Company

Weekly Recap

March 14, 2025

Market Returns

INDEX ¹	CLOSE	WEEKLY CHANGE	YTD CHANGE
Dow Jones Industrial Avg.	41,488.19	-1,313.53 / -3.07%	-2.48%
S&P 500 [®]	5,638.94	-131.26 / -2.27%	-4.13%
Nasdaq	17,754.09	-442.13 / -2.43%	-8.06%
Russell 2000 [®]	2,044.10	-31.38 / -1.51%	-8.34%

	03/14/25 CLOSE	03/14/24 CLOSE
10-Year U.S. Treasury	4.32%	4.29%

Data: The Wall Street Journal, Federal Reserve

The Bottom Line

Continuing tariff headlines and concern for a government shutdown weighed on market sentiment this week; the S&P 500[®] Index briefly entered correction territory on Thursday with a 10.2% decline from a mid-February high. All of the major indices declined for the week with the Russell 2000[®] Index down 1.51%, followed by the S&P 500[®] (-2.27%), the Nasdaq (-2.43%) and the Dow Jones Industrial Average (-3.07%). The yield on the 10-Year U.S. Treasury Note rose 0.01% to 4.32% compared to last Friday.

Concerns about recession rose following President Trump's announcement of new and additional tariffs; some suspect the President uses tariff pronouncements as a negotiating tool in international relations as well as a message to encourage domestic manufacturing. Canada announced retaliatory tariffs on Wednesday even as its trade representatives met with the Trump Administration later in the week. Elsewhere, Vietnam agreed to a new trade pact and continues treaty negotiations to reduce or eliminate tariffs on U.S. imports. Investors and corporate executives are in limbo, unable to assess the eventual outcome and impact on economic growth. The mid-March University of Michigan index of consumer sentiment unexpectedly fell to 57.9, significantly below consensus of 63.2 and last month's reading of 64.7; the index's measure for 1-year inflation expectations rose sharply to 4.9%, the highest reading since 2022.

February core **Producers Price Index (PPI)** declined 0.1% following January's upwardly revised 0.5% gain, with the annualized rate falling to 3.4% below last month (3.8%) and projections (3.5%). The February **core Consumer Price Index (CPI)** rose 0.2%, also below consensus of 0.3% while the annual rate fell from 3.3% in January to 3.1%. Initial Jobless Claims (220,000) and continuing claims (1.870 million) were below consensus of 226,000 and 1.890 million, respectively.

Late Friday, the Senate avoided a shutdown by passing a continuing resolution to fund the government through September (fiscal year-end). The confusion over government cutbacks, budget negotiations and tariffs has created a vacuum which will likely continue for the near-term. Next week's Federal Reserve meeting will provide closely analyzed commentary. For many companies, the recent market selloff is attracting investor

interest; and yet, the uncertainties may prompt investors to proceed with caution, to begin “buying the dip” as headline news determines market direction.

¹The Dow Jones Industrial Average is an unmanaged, price weighted measure of 30 U.S. stocks selected by the Averages Committee to represent the performance of all U.S. stocks outside the Transportation and Utilities sectors. The S&P 500[®] Index is an unmanaged, market capitalization weighted index which measures the performance of the large cap segment of the U.S. equities market, covering approximately 75% of the U.S. equities market. The Index includes 500 leading companies in leading industries of the U.S. economy. The Nasdaq Composite Index is an unmanaged, market capitalization weighted measure of all domestic and international common stocks listed on The Nasdaq Stock Market. The Russell Midcap[®] Index measures the 800 smallest companies within the Russell 1000[®] Index based on a combination of their market cap and current index membership. The Russell 2000[®] Index is an unmanaged, market-weighted measure of stock market performance. It contains stocks of the 2,000 smallest publicly traded companies of the Russell 3000[®] Index. It is not possible to invest in the Indices.

©2025 Pacific Global Investment Management Company. **This material is protected by United States copyright law and may not be reproduced, distributed, transmitted, displayed, published or broadcast without the prior written permission of Pacific Global.**

Any specific securities referenced in this commentary may or may not be held in client portfolios.

Some information contained herein has been obtained from third party sources believed to be reliable but has not been independently verified by us; its accuracy or completeness is not guaranteed. Commentary is based on information considered to be reliable at the time of publication. The views expressed represent the opinions and beliefs at publication and are not meant as a market forecast. Pacific Global disclaims any responsibility to update such views. This information may not be relied on as investment advice. Economic and performance information referenced is historical and **past performance does not guarantee future results**. References to future returns are not promises or estimates of actual returns we may achieve. No investment strategy or risk management process can guarantee returns or eliminate risk in any market environment. Investing in securities involves risk of loss. Stock prices can decline significantly in response to adverse market conditions, company-specific events, and other domestic and international political and economic developments.

Pacific Global • 101 N Brand Blvd • Suite 1950 • Glendale, California 91203 • (800) 989-6693 • www.pacificglobal.us