



PACIFIC GLOBAL
Investment Management Company

Weekly Recap

August 29, 2025

Market Returns

INDEX ¹	CLOSE	WEEKLY CHANGE	YTD CHANGE
Dow Jones Industrial Avg.	45,544.88	-86.86 / -0.19%	7.05%
S&P 500®	6,460.26	-6.65 / -0.10%	9.84%
Nasdaq	21,455.55	-40.98 / -0.19%	11.11%
Russell 2000®	2,366.42	4.47 / 0.19%	6.11%

	08/29/25 CLOSE	08/29/24 CLOSE
10-Year U.S. Treasury	4.23%	3.87%

Data: The Wall Street Journal, Federal Reserve

The Bottom Line

Concerns over high valuations and performance expectations of *Technology* stocks continue to support the rotation to the broader market. Also, the likelihood of a September interest rate cut by the Federal Reserve provides an economic boost which should benefit small and mid-cap companies. For the week, the Russell 2000® Index (0.19%) eked out a small gain while the other major indices, the S&P 500® Index (-0.10%), the Dow Jones Industrial Average (-0.19%) and the Nasdaq (-0.19%) lost fractionally. The yield on the 10-Year U.S. Treasury Note declined to 4.23% from 4.26% last Friday.

This week's economic reports include a 2.8% decline in durable goods orders and a drop in the University of Michigan consumer sentiment index, to 58.2 from the previous month's reading of 61.7, a five-month high. Also, the second estimate of the 2nd quarter GDP revised the preliminary reading of 3.0% to 3.3%. The PCE index, the Fed's preferred measure of inflation, rose 0.2% for the month and 2.6% year-over-year while the Core PCE rose 0.3% for the month and 2.9% year-over-year, the highest reading in five months. Initial jobless claims (229,000) and continuing claims (1.954 million) fell slightly versus both consensus and the prior readings.

Nvidia's earnings exceeded expectations; the company raised its outlook more modestly than anticipated. Third quarter guidance did not include information on the sale of the company's H20 chip to China as the country has restricted these chips in favor of domestic production notwithstanding lagging design and production capabilities.

Late Friday, the U.S. Court of Appeals for the Federal Circuit agreed with the lower court that President Trump did not have the authority to impose most of his sweeping tariffs. The court determined that the President's 'emergency' actions to impose tariffs were not included in the 1977 International Emergency Economic Powers Act. The ruling will be paused until October 14th to allow for an expected appeal to the U.S. Supreme Court.

Several factors, including tariff uncertainties, employment and economic data, and the Fed's interest rate announcement, will drive market momentum in September. In the near term, the markets may reflect the strength and sustainability of the investor rotation into the broader market.

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.

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