



PACIFIC GLOBAL
Investment Management Company

Weekly Recap

October 10, 2025

Market Returns

INDEX ¹	CLOSE	WEEKLY CHANGE	YTD CHANGE
Dow Jones Industrial Avg.	45,479.60	-1,278.68 / -2.73%	6.90%
S&P 500 [®]	6,552.51	-163.28 / -2.43%	11.41%
Nasdaq	22,204.43	-576.08 / -2.53%	14.98%
Russell 2000 [®]	2,394.59	-81.59 / -3.29%	7.37%

	10/10/25 CLOSE	10/10/24 CLOSE
10-Year U.S. Treasury	4.06%	4.09%

Data: The Wall Street Journal, Federal Reserve

The Bottom Line

China's hardline stance on export controls, followed by President Trump's "massive increase on Tariffs" on goods from China, drove the markets lower: the S&P 500[®] Index posted its worst session since the tariff announcements on April's "Liberation Day." For the week, the S&P 500[®] (-2.43%) posted the smallest loss followed by the Nasdaq (-2.53%), the Dow Jones Industrial Average (-2.73%) and the Russell 2000[®] Index (-3.29%). The yield on the 10-Year U.S. Treasury Note fell sharply to close at 4.06%, down from 4.12% last Friday.

China's new export restrictions on rare earth minerals upended months of trade negotiations; China also announced new fees for U.S. ships docking at Chinese ports, customs restrictions on *Nvidia* chips and an antitrust investigation into a recent *Qualcomm* acquisition. President Trump responded to Xi's "hostile" actions by calling off a meeting with President Xi scheduled for later this fall and announced, effective Nov 1, a 100% tariff on all Chinese imports and software export controls. Both countries are economically vulnerable to these new tariffs and yet, how such strident positions might effect future trade negotiations is unknown.

The 10-day U.S. government shutdown has begun to affect the U.S. economy. Furloughed workers going without pay, "reductions in force" (the government announced 4,000 layoffs late Friday), and the loss of government spending will impact the U.S. economy. The Bureau of Labor Statistics, however, recalled employees to publish the September **CPI** reports; these reports are imperative in determining the Social Security cost of living adjustment for 2026 and a key metric for the Federal Reserve meeting later this month.

Delta, one of the earliest companies to release their third quarter results, exceeded revenue and earnings projections as consumers favored higher priced premium seating; consequently, the company is expanding premium seat offerings. Delta's experience reflects a broader shift in consumer behavior towards travel, dining and resort vacations. Next week's earnings announcements will include the major financial institutions; many analysts expect third quarter results to exceed expectations.

The jolt created by the tariff announcements will likely overshadow earnings reports. Investor sentiment may be subdued until the resolution of the government shutdown and an easing of tariff tensions.

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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