



PACIFIC GLOBAL
Investment Management Company

Weekly Recap

November 14, 2025

Market Returns

INDEX ¹	CLOSE	WEEKLY CHANGE		YTD CHANGE
Dow Jones Industrial Avg.	47,147.48	160.38	/ 0.34%	10.82%
S&P 500 [®]	6,734.11	5.31	/ 0.08%	14.49%
Nasdaq	22,900.59	-103.95	/ -0.45%	18.59%
Russell 2000 [®]	2,388.23	-44.59	/ -1.83%	7.09%

	11/14/25 CLOSE	11/14/24 CLOSE
10-Year U.S. Treasury	4.15%	4.43%

Data: The Wall Street Journal, Federal Reserve

The Bottom Line

Investors wavered due to continuing uncertainties about the profitability of **AI** initiatives, Federal Reserve policies and tariffs. For the week, the Dow Jones Industrial Average (0.34%) and the S&P 500[®] Index (0.08%) gained fractionally while the Nasdaq (-0.45%) and the Russell 2000[®] Index (-1.83%) declined. The yield on the 10-Year U.S. Treasury Note increased to 4.15% from 4.09% last Friday.

The record 43-day U.S. government shutdown ended on Wednesday as President Trump signed a continuing resolution. Reopening priorities include compensation for government employees, delayed issuance of various relief payments and the staged release of delayed economic reports. To start, September non-farm payrolls will be released Thursday.

The absence of routine data releases has stoked a contentious atmosphere surrounding the Fed's upcoming December meeting. Many expected the Fed to cut rates next month; the revised odds are now perhaps 50/50. Commentaries by several Fed governors this week leaned cautious citing the lack of inflation and employment data.

On Friday, President Trump, in responding to concerns about the rising cost of living, lowered his previously announced tariffs on beef, coffee and dozens of agricultural and food goods. Also, the U.S. announced several framework agreements which will lower tariffs to 10% for most goods from Argentina, Guatemala and El Salvador; 15% for Ecuador; and 15% (down from 39%) for Switzerland.

Investors, and indeed business executives, continue to assess the profitability assumptions on **AI** investments. A recent study by *JPMorganChase* estimates \$5 trillion in **AI** supercomputer investments through 2030; a 10% return on investment would require an additional \$650 billion in annual revenues. *OpenAI*, though, with approximately \$20 billion in annual revenues, has no expectation of profitability until 2030. Analysts recently asked the CEO of gaming company *Take-Two Interactive* about potential personnel cost savings using

AI. He explained that, while the company has used **AI** for many years in accelerating high-quality game development, he expected staff to remain a key component in video game creation.

The clouds of uncertainty, and volatility, will likely characterize the markets. The debate over **AI**, the upcoming Fed meeting, and tariff policies, will strongly influence the markets near-term.

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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Pacific Global • 500 N Brand Blvd • Suite 2160 • Glendale, California 91203 • (800) 404-6693 • www.pacificglobal.us