

Full Market Commentary

The Week on Wall Street

Stocks posted modest losses last week as tariff deals, January jobs data, and Q4 corporate reports injected volatility into markets.

The Standard & Poor's 500 Index slipped 0.24 percent, while the Nasdaq Composite Index lost 0.53 percent. The Dow Jones Industrial Average fell 0.54 percent. The MSCI EAFE Index, which tracks developed overseas stock markets, edged ahead 0.17 percent.^{1,2}

Tariffs, Q4 Reports, And Jobs

On Monday, stocks opened lower on news that tariffs on Mexico, Canada, and China went into effect over the weekend. However, markets rebounded midmorning following news of a U.S.-Mexico deal that delayed new trade rules. News of a similar last-minute agreement with Canada followed.³

Stocks continued their rally midweek, led by technology stocks from companies that provided upbeat Q4 corporate reports.^{4,5}

The S&P 500 and Nasdaq rose for the third consecutive day on Thursday, while the Dow experienced a slight fall as investors digested more corporate earnings reports. The week closed on a down note as a mixed jobs report and a cautionary inflation outlook disappointed investors.^{6,7}

Mixed Signals On The Labor Market

As has happened several times in recent years, two job reports told conflicting stories about the state of the jobs market. On Friday, the Bureau of Labor Statistics reported that 143,000 jobs had been added for the month—a four-year low. Earlier in the week, the ADP report showed the economy added 188,000 new jobs, ahead of the 150,000 economists expected.^{8,9}

Why do the reports tell different stories? Economists point to various factors, including how January can be challenging to measure accurately, typically due to the more significant number of laid-off seasonal workers.¹⁰

Best Regards,



THIS WEEK: KEY ECONOMIC DATA

Tuesday: Cleveland Fed President Beth Hammack and New York Fed President John Williams speak.

Wednesday: Consumer Price Index (CPI). Atlanta Fed President Raphael Bostic speaks. Federal budget.

Thursday: Weekly Jobless Claims. Producer Price Index (PPI).

Friday: Import Price Index. Retail Sales. Industrial Production. Business Inventories.

Source: Investors Business Daily - Econoday economic calendar; February 7, 2025

The Econoday economic calendar lists upcoming U.S. economic data releases (including key economic indicators), Federal Reserve policy meetings, and speaking engagements of Federal Reserve officials. The content is developed from sources believed to be providing accurate information. The forecasts or forward-looking statements are based on assumptions and may not materialize. The forecasts also are subject to revision.

THIS WEEK: COMPANIES REPORTING EARNINGS

Monday: McDonald's Corporation (MCD), Vertex Pharmaceuticals Incorporated (VRTX)

Tuesday: The CocaCola Company (KO), S&P Global Inc. (SPGI), Shopify Inc. (SHOP), Gilead Sciences, Inc. (GILD)

Wednesday: Cisco Systems, Inc. (CSCO), AppLovin Corporation (APP)

Thursday: Applied Materials, Inc. (AMAT), Deere & Company (DE), Palo Alto Networks, Inc. (PANW), Brookfield Corporation (BN), Moody's Corporation (MCO)

Source: Zacks, February 7, 2025. Companies mentioned are for informational purposes only. It should not be considered a solicitation for the purchase or sale of the securities. Investing involves risks, and investment decisions should be based on your own goals, time horizon, and tolerance for risk. The return and principal value of investments will fluctuate as market conditions change. When sold, investments may be worth more or less than their original cost. Companies may reschedule when they report earnings without notice.

1. The Wall Street Journal, February 7, 2025
2. Investing.com, February 7, 2025
3. The Wall Street Journal, February 3, 2025
4. CNBC.com, February 4, 2025
5. CNBC.com, February 5, 2025
6. The Wall Street Journal, February 6, 2025
7. The Wall Street Journal, February 7, 2025
8. MarketWatch.com, February 4, 2025
9. MarketWatch.com, February 5, 2025
10. The Wall Street Journal, February 7, 2025
11. IRS.gov, February 23, 2024
12. Healthline, October 3, 2024