



**Investment and insurance products offered through RBC Wealth Management are not insured by the FDIC or any other federal government agency, are not deposits or other obligations of, or guaranteed by, a bank or any bank affiliate, and are subject to investment risks, including possible loss of the principal amount invested.**

## Market Week: December 15, 2025



### The Markets (as of market close December 12, 2025)

Wall Street experienced a mixed week highlighted by the Federal Reserve's policy decision (see below) and a retreat from technology shares. Illustrative of the week's volatility, the Dow and the S&P 500 reached record highs mid-week following the Fed's latest rate cut, before retreating at the end of the week. Despite a negative close last Friday, the Dow, the Global Dow, and the Russell 2000 ended the week higher, while the NASDAQ and the S&P 500 finished the week in the red. Investors moved out of technology and AI stocks and into more cyclical shares like financials, materials, and small-cap stocks. Treasury yields, which move inversely to bond prices, were mixed for the most part, ultimately trending upward by week's end. The Fed's overall sentiment that the economy, particularly the labor market, should hold up in 2026 reduced the demand for long-term bonds. Ongoing expectations of a global surplus pulled crude oil prices lower again last week.

### Stock Market Indexes

Market/Index	2024 Close	Prior Week	As of 12/12	Weekly Change	YTD Change
<b>DJIA</b>	42,544.22	47,954.99	48,458.05	1.05%	13.90%
<b>NASDAQ</b>	19,310.79	23,578.13	23,195.17	-1.62%	20.12%
<b>S&amp;P 500</b>	5,881.63	6,870.40	6,827.41	-0.63%	16.08%
<b>Russell 2000</b>	2,230.16	2,521.48	2,551.46	1.19%	14.41%
<b>Global Dow</b>	4,863.01	6,089.50	6,139.98	0.83%	26.26%
<b>fed. funds target rate</b>	4.25%-4.50%	3.75%-4.00%	3.50%-3.75%	-25 bps	-75 bps
<b>10-year Treasuries</b>	4.57%	4.13%	4.19%	6 bps	-38 bps
<b>US Dollar-DXY</b>	108.44	98.99	98.40	-0.60%	-9.26%
<b>Crude Oil-CL=F</b>	\$71.76	\$60.17	\$57.46	-4.50%	-19.93%
<b>Gold-GC=F</b>	\$2,638.50	\$4,225.50	\$4,333.70	2.56%	64.25%

Chart reflects price changes, not total return. Because it does not include dividends or splits, it should not be used to benchmark performance of specific investments.

## Key Dates/Data Releases

12/16: Housing starts, Employment Situation, import and export prices, industrial production

12/17: Retail sales

12/18: Consumer Price Index

12/19: GDP, Personal Income and Outlays, existing home sales

## Last Week's Economic News

- The Federal Reserve cut the target range for the federal funds rate by 25 basis points to 3.50%-3.75% following its December meeting. The latest reduction was in line with expectations and followed similar reductions in September and October. This most recent reduction brings the target rate range to its lowest level since 2022. The decision to reduce interest rates was not unanimous, with two members voting to maintain the current range, while a third member voted for a 50-basis-point cut. The Fed did not change its projections from September, which call for one more 25-basis-point cut in 2026. In reaching its decision, the Fed noted that job gains had slowed, while inflation moved up since earlier in the year and remained somewhat elevated.
- The Treasury deficit for November was \$173 billion, \$111 billion less than the October deficit. November receipts were \$336 billion, while outlays totaled \$509 billion. In November, individual income tax receipts (\$147 billion) were the largest contributor to total monthly receipts, while Social Security payments (\$134 billion) were the largest outlay. Through the first two months of the fiscal year, the total deficit sat at \$458 billion, about \$167 billion less than the comparable period in the previous fiscal year.
- According to the latest Job Openings and Labor Turnover Summary, the number of job openings was unchanged at 7.7 million in October from the previous month. The total number of hires slipped by 218,000 to 5.1 million. Total separations, at 5.1 million, declined 214,000 in October.
- The international trade in goods and services deficit fell 10.9% to \$52.8 billion in September, according to the latest information from the Bureau of Economic Analysis. Exports rose 3.0% to \$289.3 billion, while imports increased 0.6% to \$342.1 billion. Year to date, the goods and services deficit increased \$112.6 billion, or 17.2%, from the same period in 2024. Exports increased \$125.1 billion, or 5.2%. Imports increased \$237.7 billion, or 7.7%.
- For the week ended December 6, there were 236,000 new claims for unemployment insurance, an increase of 44,000 from the previous week's level, which was revised up by 1,000. According to the Department of Labor, the advance rate for insured unemployment claims for the week ended November 29 was 1.2%, 0.1 percentage point lower than the previous week's rate. The advance number of those receiving unemployment insurance benefits during the week ended November 29 was 1,838,000, a decrease of 99,000 from the previous week's level, which was revised down by 2,000. States and territories with the highest insured unemployment rates for the week ended November 22 were New Jersey (2.2%), Washington (2.2%), Massachusetts (1.9%), Alaska (1.8%), Connecticut (1.8%), Nevada (1.8%), Puerto Rico (1.8%), Rhode Island (1.8%), California (1.7%), and Oregon (1.7%). The largest increases in initial claims for unemployment insurance for the week ended November 29 were in Pennsylvania (+2,208), Wisconsin (+1,092), Nebraska (+870), Iowa (+605), and Ohio (+493), while the largest decreases were in California (-19,844), Texas (-7,836), New York (-3,453), Illinois (-2,216), and Florida (-2,185).
- The national average retail price for regular gasoline was \$2.940 per gallon on December 8, \$0.045 per gallon below the prior week's price and \$0.068 per gallon less than a year ago. Also, as of December 8, the East Coast price decreased \$0.039 to \$2.892 per gallon; the Midwest price fell \$0.020 to \$2.720 per gallon; the Gulf Coast price dropped \$0.058 to \$2.493 per gallon; the Rocky Mountain price declined \$0.139 to \$2.644 per gallon; and the West Coast price fell \$0.075 to \$3.956 per gallon.

## Eye on the Week Ahead

There's plenty of important economic data released this week as various government agencies try to catch up following the reopening of the Federal government. Of particular interest this week is the latest jobs report and the release of the Consumer Price Index.

*Data sources: Economic: Based on data from U.S. Bureau of Labor Statistics (unemployment, inflation); U.S. Department of Commerce (GDP, corporate profits, retail sales, housing); S&P/Case-Shiller 20-City Composite Index (home prices); Institute for Supply Management (manufacturing/services). Performance: Based on data reported in WSJ Market Data Center (indexes); U.S. Treasury (Treasury yields); U.S. Energy Information Administration/Bloomberg.com Market Data (oil spot price, WTI, Cushing, OK); www.goldprice.org (spot gold/silver); Oanda/FX Street (currency exchange rates).*

*News items are based on reports from multiple commonly available international news sources (i.e., wire services) and are independently verified when necessary with secondary sources such as government agencies, corporate press releases, or trade organizations. All information is based on sources deemed reliable, but no warranty or guarantee is made as to its accuracy or completeness. Neither the information nor any opinion expressed herein constitutes a solicitation for the purchase or sale of any securities, and should not be relied on as financial advice. Forecasts are based on current conditions, subject to change, and may not come to pass. U.S. Treasury securities are guaranteed by the federal government as to the timely payment of principal and interest. The principal value of Treasury securities and other bonds fluctuates with market conditions. Bonds are subject to inflation, interest-rate, and credit risks. As interest*



---

*rates rise, bond prices typically fall. A bond sold or redeemed prior to maturity may be subject to loss. Past performance is no guarantee of future results. All investing involves risk, including the potential loss of principal, and there can be no guarantee that any investing strategy will be successful.*

*The Dow Jones Industrial Average (DJIA) is a price-weighted index composed of 30 widely traded blue-chip U.S. common stocks. The S&P 500 is a market-cap weighted index composed of the common stocks of 500 largest, publicly traded companies in leading industries of the U.S. economy. The NASDAQ Composite Index is a market-value weighted index of all common stocks listed on the Nasdaq stock exchange. The Russell 2000 is a market-cap weighted index composed of 2,000 U.S. small-cap common stocks. The Global Dow is an equally weighted index of 150 widely traded blue-chip common stocks worldwide. The U.S. Dollar Index is a geometrically weighted index of the value of the U.S. dollar relative to six foreign currencies. Market indexes listed are unmanaged and are not available for direct investment.*

---

**Investment and insurance products offered through RBC Wealth Management are not insured by the FDIC or any other federal government agency, are not deposits or other obligations of, or guaranteed by, a bank or any bank affiliate, and are subject to investment risks, including possible loss of the principal amount invested.**

The information contained herein is based on sources believed to be reliable, but its accuracy cannot be guaranteed. RBC Wealth Management does not provide tax or legal advice. All decisions regarding the tax or legal implications of your investments should be made in connection with your tax or legal advisor. RBC Wealth Management is not a mortgage lender or broker. Nothing herein should be construed as an offer or commitment to lend. Any calculations are provided as educational tools, and are not intended to provide investment advice or serve as a financial plan. The result of any calculation performed is hypothetical and does not assume the effect of fees, commissions, tax rates, or changes in interest rates or the rate of inflation, and is not intended to predict or guarantee the actual results of any investment product or strategy. These results depend wholly upon the information provided by you and the assumptions utilized within. In selecting an anticipated investment return, you should consider factors affecting the potential return, such as investment objectives and risk tolerance. The articles and opinions in this advertisement, prepared by Broadridge Investor Communication Services, Inc., are for general information only and are not intended to provide specific advice or recommendations for any individual.

RBC Wealth Management, a division of RBC Capital Markets, LLC, Member NYSE/FINRA/SIPC.

RBC Wealth Management does not provide tax or legal advice. All decisions regarding the tax or legal implications of your investments should be made in connection with your independent tax or legal advisor. No information, including but not limited to written materials, provided by RBC WM should be construed as legal, accounting or tax advice.

Past performance does not guarantee future results.

