

# MARKET COMMENTARY

## DECEMBER 2025

- The best performing sector for November was Health Care while the worst was Information Technology
- Concerns over AI spending trends dampen technology momentum but broaden market performance
- Weakening employment picture may spur Fed rate cut at December meeting despite inflation higher than 2% goal

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Equity markets modestly rose in November despite broad weakness in the technology sector including among several leading AI related issues which took a pause after torrid gains achieved through the year. The slight equity market advance for the month was encouraging as it was achieved against a backdrop of mixed economic signals and heightened volatility as well as weakness in the tech sector including talk of a potential AI bubble. The U.S. economy showed signs of cooling in November, with consumer spending softening and labor demand easing, as reflected in the Federal Reserve's Beige Book, which noted modest declines in employment and cautious hiring amid tariff-related cost pressures reinforcing expectations that the Fed may cut rates again in December to support economic growth.

With this market and economic backdrop in November, the S&P 500® index advanced 0.1%, the Dow Jones Industrial Average gained 0.3% while the smaller cap weighted Russell 2000® increased 0.9% for the month. The VIX index, or fear gauge, started the month at just over 17 and spiked to over 26 mid-month following key tech sector earnings releases before ending the month back near where it started at a little over 17.

Eight of the eleven industry sectors of the S&P 500 advanced during November. The best performing sector by far was Health Care which increased by 9.1% followed by the Communication Services sector which was up 6.3%. The weakest performance in the month was posted by the Information Technology sector which decreased by 4.4% followed by the Consumer Discretionary sector which was down 2.4%. For the prior twelve months period, the Communications Services sector was the best performer with a 38.5% increase followed by the Information Technology sector which was up by 25.0%, while the Real Estate sector was the worst performer for the past twelve months with a 6.9% decrease followed by the Materials sector which was down by 5.3%.

After leading the market for much of 2025, the technology sector finally pulled back in November as concerns around the pace of artificial intelligence capital spending emerged as a market moving issue. Spending on datacenters has accelerated sharply and been supportive of domestic investment this year as well as providing encouragement as a potential driver of future economic growth. AI related optimism has been an important factor in driving tech sector stock performance this year with resulting wealth effect impacts supporting household net worth and consumption – another driver of GDP. The increasing dependency of the economy on AI surfaced in the October FOMC minutes that were released in November indicating: “Some participants commented on stretched asset valuations in financial markets, with several of these participants highlighting the possibility of a disorderly fall in equity prices, especially in the event of an abrupt reassessment of the possibilities of AI-related technology.” The scenario described in the FOMC minutes could have far reaching negative impacts on economic growth and equity markets providing a cautionary message for investors. We have been and continue to be concerned by the relative tech sector concentration in equity markets and believe that appropriate diversification and risk management is particularly important at this juncture.

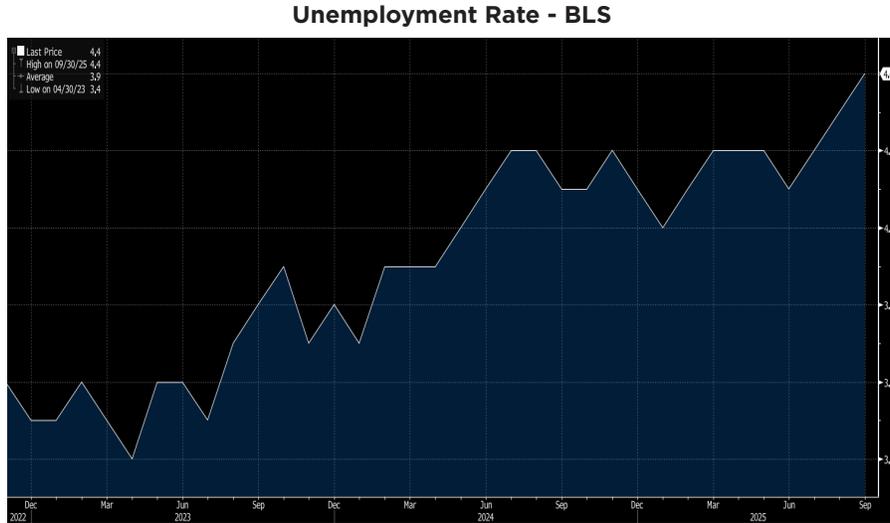
In mid-November, the 43-day U.S. government shutdown ended after Congress passed a bipartisan spending bill, which President Trump signed into law, reopening federal agencies through January 30, 2026. Politically, the deal temporarily resolves the standoff between Republicans and Democrats but leaves core disputes—such as funding priorities, expiring ACA subsidies, and immigration—unsettled, raising the risk of future shutdowns. Economically, the shutdown appears to have inflicted significant short-term damage: the Congressional Budget Office estimates a 1–2 percentage point hit to fourth-quarter GDP and roughly \$11 billion in permanently lost output, alongside \$16 billion in missed wages for federal workers and severe disruptions to air travel, small business loans, and social programs like SNAP. While the resumption of government operations is encouraging, lingering uncertainty and delayed economic data may impact Federal Reserve policy and dampen consumer confidence, underscoring the broader costs of the shutdown.

The Bureau of Labor Statistics reported that the U.S. unemployment rate stood at 4.4% in September 2025, the highest level in nearly four years, before data collection was interrupted by the October government shutdown. Because the household survey was not conducted in October, there is no official unemployment figure for that month.

**Please see important disclosures in the Disclosure Section at the end of this document.**

The next update will come with the November Employment Situation report, scheduled for mid-December, covering the reference week of November 9–15. September’s report showed modest job gains in health care and professional services, while manufacturing and retail continued to weaken. The labor force participation rate held steady at 62.6%, and broader measures of underemployment, such as U-6, also ticked upward.

The following chart demonstrates the rising path seen in the Unemployment Rate over the past several months:



Source: Bloomberg

Weakening consumer indicators and rising unemployment may influence Federal Reserve policy in the upcoming rate decision expected mid-December. In November, U.S. consumer sentiment and confidence both declined, reflecting mounting economic anxiety. The University of Michigan’s Consumer Sentiment Index fell to 51.0, near historic lows and down from 53.6 in October, as households expressed frustration over persistent high prices and weakening incomes despite a slight improvement in inflation expectations (year-ahead at 4.5%). Current personal finances and buying conditions for durable goods dropped by more than 10%, while expectations for the future improved only modestly. Similarly, the Conference Board’s Consumer Confidence Index dropped 6.8 points to 88.7, its lowest level since April, with the Present Situation Index sliding to 126.9 and the Expectations Index falling to 63.2—well below the recession-warning threshold of 80 for the tenth consecutive month. Consumers grew notably more pessimistic about business conditions and job prospects, as labor market indicators weakened and expectations for income gains shrank dramatically.

Reflecting the environment of weakening economic signals, the outlook for a potential rate cut by the Federal Reserve in mid-December has increased. New York Fed President John Williams’ late November remarks at a foreign central bank conference marked a key shift in the policy outlook. By stating there is “room for a further adjustment in the near term to move the stance of policy closer to neutral,” Williams signaled that the Federal Reserve is actively considering another rate cut as early as December. This dovish tone from a voting member of the FOMC contrasted with earlier caution from Chair Powell and other officials, and it pushed market-implied odds for a cut sharply higher. The path of interest rates now appears to be tilting toward gradual easing, driven by moderating inflation and growing concerns about labor market softness. While the Fed remains data-dependent, Williams’ comments reinforced expectations that the restrictive stance of 2024 is giving way to a more accommodative trajectory heading into 2026.

With the upcoming December FOMC meeting, we view economic datasets as pointing to a similar backdrop the FOMC faced with its October 29 session – weakening employment along with inflation running modestly above targeted 2.0% levels. At that session, the funds rate was trimmed 25 bps with expectations in place for another cut in December. Although FedSpeak has various Fed Governors coming out in favor as well as opposed to a rate cut, we sense the FOMC may indeed deliver another 25 bps cut to the funds rate along with language suggesting a pause to follow. We note that the latest CME FedWatch data has investors anticipating a potential 25 bps rate cut from the FOMC in December bringing the funds rate from the current 375-400 bps to 350-375 bps. Subsequent actions reflected in the FedWatch data suggest investors look for two additional 25 bps rate cuts later in 2026 – with the funds rate potentially ending next year within a range of 300-325 bps. With a fluid U.S. economy into 2026, we sense that the outlook into next year on earnings and Fed interest rate policy remain in flux with multiple cuts anticipated between now and yearend 2026.

In November, major equity indexes endured a turbulent month dominated by concerns over a potential AI-driven tech bubble and slowing economic momentum. Looking into 2026, consensus forecasts point to accelerating earnings growth with a broadening participation by firms across the U.S. economy. Although a range of uncertainties persist, we also look for a stronger economy into 2026 tied to lower interest rates and fiscal policy driven by the OBBB legislation. We are encouraged to see expectations for the S&P 500 Equal Weight index targeting earnings growth in double digits for 2026 – suggesting a potential broadening out of participation among companies across the U.S. economy that if forthcoming should prove positive for

investors over the intermediate term.

Although near-term conditions could be choppy, we continue to see improved strength for the U.S. economy into 2026 driven by tax cuts and corporate investment associated with investment tax credits in the OBBB legislation, while easing inflation (with the anniversary of 2025 tariffs) and declining interest rates bolster consumer access to funds enhancing economic growth. Given the premium equity market valuation of the S&P 500 today, we remain attentive to individual stock valuation - being focused on quality, well-managed companies potentially poised to generate consistent strong free cash flow available to return to investors as dividends or share buybacks.

# MARKET AND ECONOMIC STATISTICS

<b>Market Indices:</b>	<b>11/28/2025</b>	<b>12/31/2024</b>	<b>% Change YTD</b>	<b>10/31/2025</b>	<b>% Change (Monthly)</b>
S&P Composite	6,849.09	5,881.63	16.45%	6,840.20	0.13%
Dow Jones Industrials	47,716.42	42,544.22	12.16%	47,562.87	0.32%
NASDAQ Composite	23,365.69	19,310.79	21.00%	23,724.96	-1.51%
Russell 2000	2,500.43	2,230.16	12.12%	2,479.38	0.85%
FTSE 100	9,720.51	8,173.02	18.93%	9,717.25	0.03%
Shanghai Composite	3,888.60	3,351.76	16.02%	3,954.79	-1.67%
Nikkei Stock Average	50,253.91	39,894.54	25.97%	52,411.34	-4.12%
Stoxx Europe 600	576.43	507.62	13.56%	571.89	0.79%
MSCI Emerging Markets	1,366.92	1,075.48	27.10%	1,401.55	-2.47%
MSCI Emerging Markets Small Cap	1,621.40	1,406.15	15.31%	1,646.76	-1.54%
<b>Performance of S&amp;P 500 by Industry:</b>	<b>% of Index as of 11/28/2025</b>	<b>1 Month</b>	<b>3 Month</b>	<b>Year to Date</b>	<b>12 Months</b>
Consumer Discretionary	10.26%	-2.44%	2.97%	4.59%	7.03%
Consumer Staples	4.85%	3.94%	-0.57%	3.34%	-2.08%
Energy	2.84%	1.76%	0.03%	4.85%	-5.17%
Financials	13.06%	1.74%	-1.22%	10.09%	3.94%
Health Care	9.77%	9.14%	14.73%	14.26%	6.99%
Industrials	8.03%	-1.01%	1.13%	16.39%	6.96%
Information Technology	34.58%	-4.36%	8.90%	23.67%	25.04%
Materials	1.67%	3.97%	-3.61%	6.29%	-5.30%
Communication Services	10.71%	6.34%	14.18%	33.83%	38.50%
Utilities	2.37%	1.33%	7.49%	19.02%	9.42%
Real Estate	1.87%	1.84%	-1.07%	2.51%	-6.87%
S&P 500 (Absolute performance)	100.00%	0.13%	6.02%	16.45%	13.54%
<b>Interest Rates:</b>	<b>11/28/2025</b>	<b>12/31/2024</b>	<b>YTD Change (Basis Points)</b>	<b>10/31/2025</b>	<b>Month Change (BPS)</b>
Fed Funds Effective Rate	3.89%	4.33%	-44	3.86%	3
Prime Rate	7.00%	7.50%	-50	7.00%	0
Three Month Treasury Bill	3.78%	4.28%	-50	3.77%	1
Ten Year Treasury	4.01%	4.57%	-56	4.08%	-6
Spread - 10 Year vs 3 Month	0.23%	0.29%	-6	0.31%	-8
<b>Foreign Currencies:</b>	<b>11/28/2025</b>	<b>12/31/2024</b>	<b>% Change YTD</b>	<b>10/31/2025</b>	<b>% Change (Monthly)</b>
Brazil Real (in US dollars)	0.19	0.16	15.7%	0.19	0.8%
British Pound (in US dollars)	1.32	1.25	5.7%	1.32	0.6%
Canadian Dollar (in US dollars)	0.72	0.70	2.9%	0.71	0.2%
Chinese Yuan (per US dollar)	7.07	7.30	-3.1%	7.12	-0.6%
Euro (in US dollars)	1.16	1.04	12.0%	1.15	0.5%
Japanese Yen (per US dollar)	156.18	157.20	-0.6%	153.99	1.4%
<b>Commodity Prices:</b>	<b>11/28/2025</b>	<b>12/31/2024</b>	<b>% Change YTD</b>	<b>10/31/2025</b>	<b>% Change (Monthly)</b>
CRB (Commodity) Index	533.83	536.50	-0.5%	540.32	-1.2%
Gold (Comex spot per troy oz.)	4239.43	2624.50	61.5%	4002.92	5.9%
Oil (West Texas int. crude)	58.55	71.72	-18.4%	60.98	-4.0%
Aluminum (LME spot per metric ton)	2842.05	2526.78	12.5%	2878.55	-1.3%
Natural Gas (Futures 10,000 MMBtu)	4.85	3.63	33.5%	4.12	17.6%
<b>Economic Indicators:</b>	<b>9/30/2025</b>	<b>12/31/2024</b>	<b>% Change YTD</b>	<b>8/31/2025</b>	<b>% Change (Monthly)</b>
Consumer Price Index	324.4	317.6	-2.1%	323.4	0.3%
Producer Price Index	266.0	261.4	1.8%	262.8	1.2%
	<b>2Q25</b>	<b>1Q25</b>	<b>4Q24</b>	<b>3Q24</b>	<b>2Q24</b>
GDP Growth Rate (Quarterly)	3.80%	-0.60%	1.90%	3.30%	3.60%
Unemployment Rate (End of Month)	<b>September</b>	<b>August</b>	<b>July</b>	<b>June</b>	<b>May</b>
	<b>4.4%</b>	<b>4.3%</b>	<b>4.2%</b>	<b>4.1%</b>	<b>4.2%</b>

\*GDP growth rate is calculated as the percent change from the previous period seasonally adjusted at annual rates. \*\*S&P Sectors were re-named at the end of 2001. The sector Industrials is a combination of the former sectors Capital Goods & Transportation. Sources: Wall Street Journal, Bloomberg, The Department of Labor, The Bureau of Labor Statistics, The Bureau of Economic Analysis, US Treasury website.

# TABLE OF CONTENTS

Market Commentary ..... 1

Market and Economic Statistics ..... 4

**Sector Updates**

Communication Services ..... 6

Consumer Discretionary ..... 7

Consumer Staples ..... 8

Energy ..... 9

Financials ..... 10

Health Care ..... 11

Industrials ..... 12

Information Technology ..... 13

Materials ..... 14

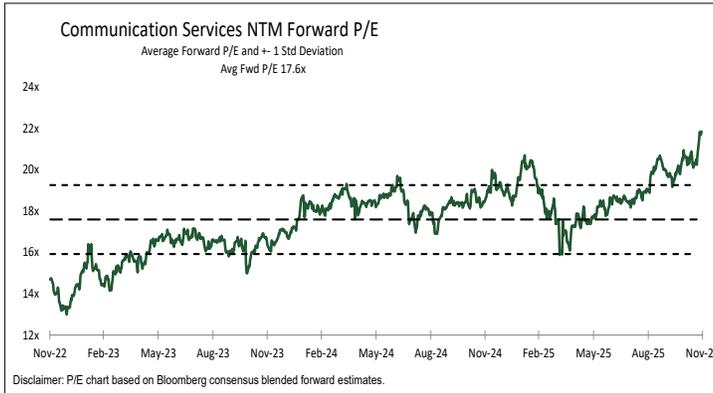
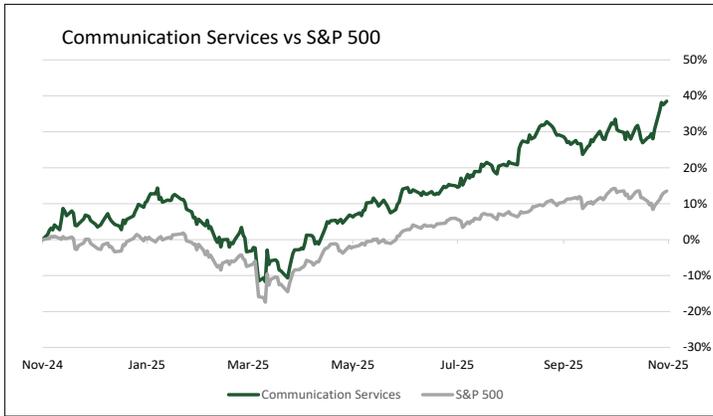
Real Estate ..... 15

Utilities ..... 16

Economic Calendar ..... 17

Disclosures ..... 19

# COMMUNICATIONS SERVICES



Source : Bloomberg

## Sector Performance

1 Month	3 Months	YTD	TTM
6.34%	14.18%	33.83%	38.50%

## S&P 500 Performance

1 Month	3 Months	YTD	TTM
0.13%	6.02%	16.45%	13.54%

## Company Performance

	1 Month
<b>Leaders</b>	
Alphabet Inc	13.9%
Alphabet Inc	13.6%
Warner Bros Discovery	6.9%
AT&T Inc	5.1%
Paramount Skydance	4.1%
<b>Laggards</b>	
Trade Desk Inc/The	-21.3%
Charter Comms.	-14.4%
Live Nation	-12.1%
Walt Disney Co/The	-7.2%
Omnicom Group Inc	-4.5%

## Consensus FY EPS / P/E

Last Year	Current Year	Next Year
\$18.22	\$18.69	\$20.34
25.1x	24.5x	22.5x

## Sector Update

Communications Services outperformed the market in November driven by the Interactive Media & Services and Diversified Telecommunications Services subsectors.

Alphabet was the best performing Communications Services company for the second month in a row, which contributed to Interactive Media & Services outperforming the market. Factors contributing to the rise of Alphabet shares included Berkshire Hathaway's SEC disclosure that it acquired a \$4.3 billion stake in the company and Alphabet's introduction of Gemini 3 Pro, which became the top ranked model on AI Arena's Leaderboard. News that Anthropic could lease up to one million Google TPU chips representing one gigabit+ of AI data center capacity as well as news that Meta Platforms could purchase TPU chips in 2027 also fueled the rise of Alphabet shares.

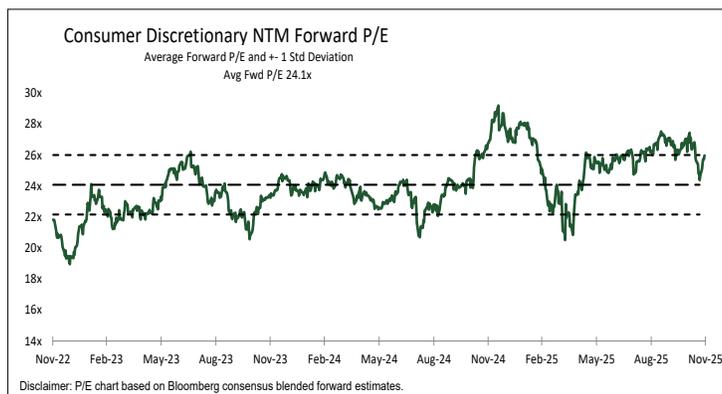
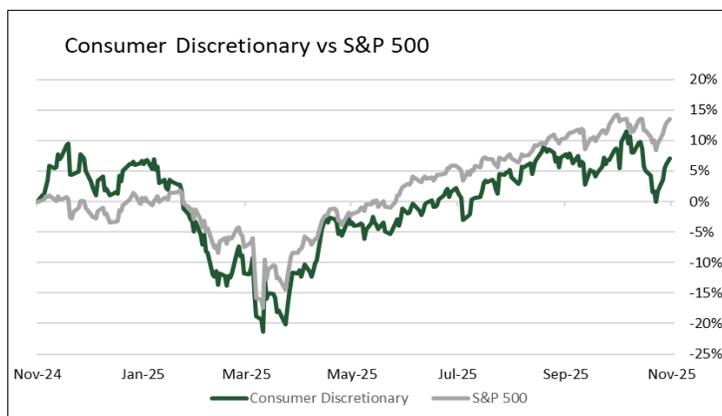
The Diversified Telecommunications subsector outperformed the market as investors rotated their investments into defensive sectors in response to the volatility in high growth tech stocks.

The Entertainment subsector underperformed the market as the decline in the shares of the Walt Disney Company outweighed the rise in Paramount Discovery and Warner Brother Discovery (WBD) shares. Disney shares fell after reporting lower than expected results due to the decline in its linear TV business.

Warner Brothers Discovery and Paramount Skydance were among the top performing Communications Services companies. The Wall Street Journal suggested that Paramount Skydance may be best positioned to acquire Warner Brothers Discovery, since it is offering to acquire the entire company. Comcast and Netflix's bids are only for WBD's streaming and studios businesses and not for its cable networks.

The Communications Services sector appears close to being fairly valued, with a P/E of 24.5x and 22.5x the consensus analyst FY25/FY26 EPS estimates, compared to 9% expected earnings growth and its average forward P/E multiple of 17.6x.

# CONSUMER DISCRETIONARY



Source : Bloomberg

## Sector Performance

1 Month	3 Months	YTD	TTM
-2.44%	2.97%	4.59%	7.03%

## S&P 500 Performance

1 Month	3 Months	YTD	TTM
0.13%	6.02%	16.45%	13.54%

## Company Performance 1 Month

Leaders	Company	1 Month
	Marriott International	17.0%
	Expedia Group Inc	16.2%
	Ralph Lauren Corp	14.9%
	Las Vegas Sands Corp	14.8%
	Ross Stores Inc	11.0%
Laggards		
	DoorDash Inc	-22.0%
	Norwegian Cruise Lines	-17.7%
	Carnival Corp	-10.6%
	Pool Corp	-8.8%
	Garmin Ltd	-8.7%

## Consensus FY EPS / P/E

Last Year	Current Year	Next Year
\$62.59	\$61.58	\$68.32
30.6x	31.1x	28.0x

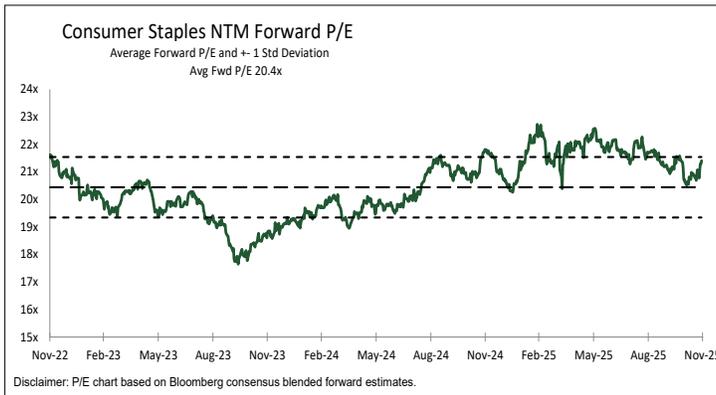
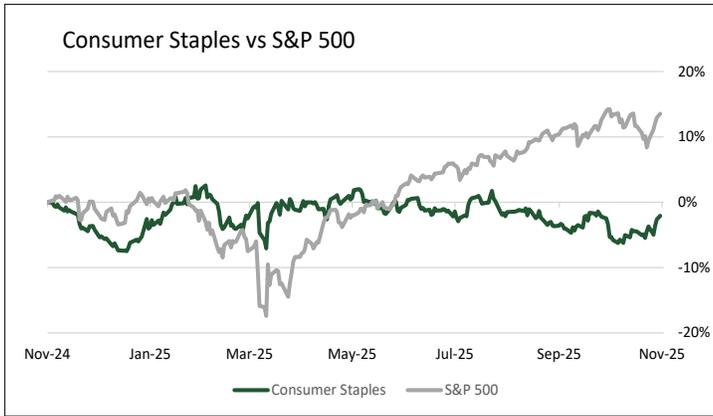
## Sector Update

The Consumer Discretionary sector underperformed the broader market in November as the group faced a challenging macro backdrop including weakening consumer sentiment and jobs picture. Particular strength during the month was seen in the Leisure Products subsector while laggards included the Automobiles, Auto Components, and Multiline Retail subsectors. The Consumer Discretionary sector has underperformed the S&P 500 performance for the month of November as well as for the trailing three months, year-to-date, and trailing twelve months periods, as reflected in the accompanying chart.

In November 2025, U.S. consumer sentiment and consumer confidence both weakened, reflecting mounting economic anxiety. The University of Michigan's Consumer Sentiment Index fell to 51.0, near historic lows and down from 53.6 in October, as households expressed frustration over persistent high prices and weakening incomes despite a slight improvement in inflation expectations (year-ahead at 4.5%). Current personal finances and buying conditions for durable goods dropped by more than 10%, while expectations for the future improved only modestly. Similarly, the Conference Board's Consumer Confidence Index dropped 6.8 points to 88.7, its lowest level since April, with the Present Situation Index sliding to 126.9 and the Expectations Index falling to 63.2—well below the recession-warning threshold of 80 for the tenth consecutive month. Consumers grew notably more pessimistic about business conditions and job prospects, as labor market indicators weakened and expectations for income gains shrank dramatically. As Dana Peterson, Chief Economist at The Conference Board, noted: "Consumer confidence tumbled in November to its lowest level since April after moving sideways for several months... Consumers were notably more pessimistic about business conditions six months from now, and expectations for increased household incomes shrunk dramatically."

In the October 2025 Existing Home Sales report released in mid-November by the National Association of Realtors, U.S. home sales rose 1.2% month-over-month to a seasonally adjusted annual rate of 4.1 million units, marking a 1.7% increase year-over-year. Inventory levels declined to 1.52 million units which was down 0.7% from September but represented a nearly 11% increase from last year, equating to a 4.4-months supply of homes for sale. The median existing-home price increased to \$415,200, up 2.1% from October 2024, continuing a 28-month trend of year-over-year price gains. Sales improved in the Midwest and South while falling in the West with no change in the Northeast. Commenting on the report, Lawrence Yun, NAR's Chief Economist, stated: "Home sales increased in October even with the government shutdown due to homebuyers taking advantage of lower mortgage rates. Rents are decelerating which will reduce inflation and encourage the Federal Reserve to continue cutting rates and pulling back their quantitative tightening. This will help bring more homebuyers into the market since the Fed rate has an indirect impact on mortgage rates."

# CONSUMER STAPLES



Source : Bloomberg

## Sector Performance

1 Month	3 Months	YTD	TTM
3.94%	-0.57%	3.34%	-2.08%

## S&P 500 Performance

1 Month	3 Months	YTD	TTM
0.13%	6.02%	16.45%	13.54%

## Company Performance 1 Month

Leaders	Company	1 Month
	Kenvue Inc	20.7%
	Tyson Foods Inc	12.9%
	Monster Beverage Corp	12.2%
	Dollar Tree Inc	11.8%
	Dollar General Corp	11.0%
Laggards	Kimberly-Clark Corp	-8.8%
Lamb Weston Holdings	-4.3%	
Clorox Co/The	-4.0%	
Church & Dwight Co Inc	-2.9%	
Estee Lauder Cos Inc	-2.7%	

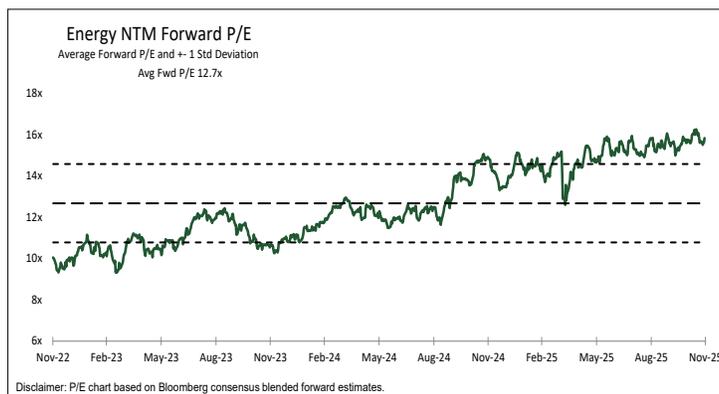
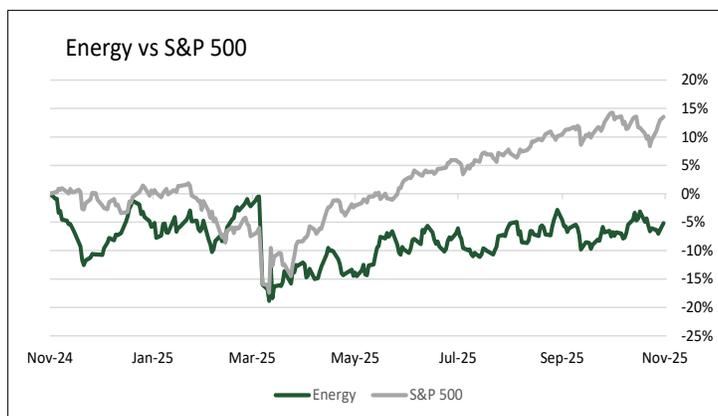
## Consensus FY EPS / P/E

Last Year	Current Year	Next Year
\$39.04	\$39.18	\$41.47
22.6x	22.5x	21.3x

## Sector Update

The Consumer Staples sector increased 3.94% on average in November outperforming the S&P 500 Index that rose 0.13%. YTD, the Consumer Staples sector increased 3.34% and underperformed the S&P 500 Index that increased 16.45%. All segments except Household Products rose during the month. The strongest segment was Personal Products due to M&A activity. More recently, U.S. demand for Home and Personal Care products has been volatile with cautious category sales trends. Shares of protein companies strengthened during the month on favorable demand especially for chicken, improved operating metrics, lower feed costs, and innovation. The Consumer Staples segment trades with a forward P/E of about 22.5x as compared with its average forward P/E of 20.4x. Many packaged food stocks are trading with high-single digit to low-double digits P/E valuations offering attractive 4-5%+ dividend yields. The key holiday season and consumer behavior remain factors to monitor in Q4. Within the beverage segment, the energy drink category maintains momentum and may deliver high-single digit category value growth through 2030. Recent consumer engagement trends, expansion into zero sugar and female offerings, and highlighted promotions along with innovation and flavor proliferation support the momentum. Recent results for protein beverage companies reflect increased capacity, market share gains, price/mix, and strong execution to meet consumer trends. With about 50% household penetration for protein beverages versus 75% for energy drinks, there remains continued opportunity for growth.

Focus across the Consumer Staples sector centers on consumer behavior including channel shopping shifts, changing consumption patterns, trend toward GLP-1 use, how to stimulate consumer purchases, appropriate level of promotion, innovation to favorably drive price/mix, and realizing efficiencies. The group is expected to deliver positive earnings growth for 2026 and could benefit especially if the market broadens. The recent reduction by the Administration on tariffs such as coffee, cocoa, and beef should provide a tailwind to margins and earnings for a number of companies. A weaker dollar could provide a positive tailwind for multi-national companies in 2026. With many Consumer Staples companies trading at attractive levels with high-single to low-double digit P/E valuations, we continue to expect heightened consolidation among the group as companies seek to drive top-line growth while driving out costs and delivering higher margins. Portfolio transformation through divestments and acquisitions as well as streamlining the number of product offerings remain key themes. Pricing is increasingly more difficult given the stretched and cautious consumer, and companies are increasingly focused on innovation to deliver improved price/mix. With the Fed cutting rates and investors seeking yield, there could be heightened rotation into the higher yielding dividend stocks trading at attractive valuations. We continue to advise a selective investment among the Consumer Staples stocks.



Source : Bloomberg

### Sector Performance

1 Month	3 Months	YTD	TTM
1.76%	0.03%	4.85%	-5.17%

### S&P 500 Performance

1 Month	3 Months	YTD	TTM
0.13%	6.02%	16.45%	13.54%

### Company Performance 1 Month

Leaders	Company	1 Month
	Expand Energy Corp	18.0%
	Devon Energy Corp	14.1%
	Targa Resources Corp	13.8%
	EQT Corp	13.6%
	Coterra Energy Inc	13.4%
Laggards	Texas Pacific Land Corp	-8.4%
	Chevron Corp	-4.2%
	Halliburton Co	-2.3%
	Marathon Petroleum	-0.6%
	ConocoPhillips	-0.2%

### Consensus FY EPS / P/E

Last Year	Current Year	Next Year
\$39.95	\$40.24	\$43.72
17.2x	17.1x	15.7x

## Sector Update

The Energy sector outperformed the S&P 500 in November, rising 1.8% vs the S&P 500's 0.1% gain, but the sector has still underperformed the broader market on a 3-month, 12-month, and YTD basis. With hostilities in Europe and the Middle East appearing to subside, the macroenvironment continues to be challenging, contributing to two years of significant relative underperformance. Against this backdrop, the Oil, Gas, & Consumable Fuels subsector outperformed the Energy Equipment & Services subsector during the month.

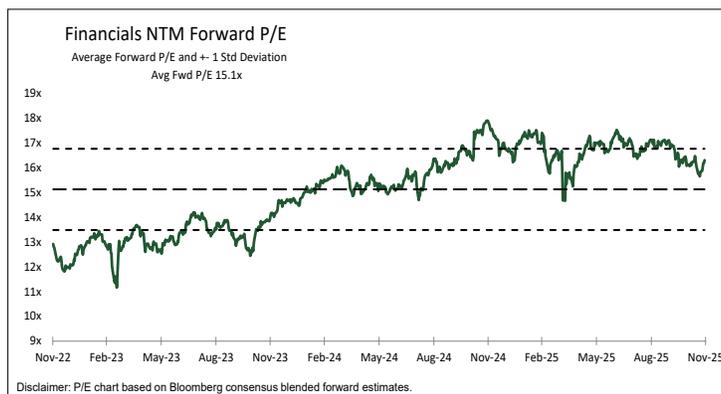
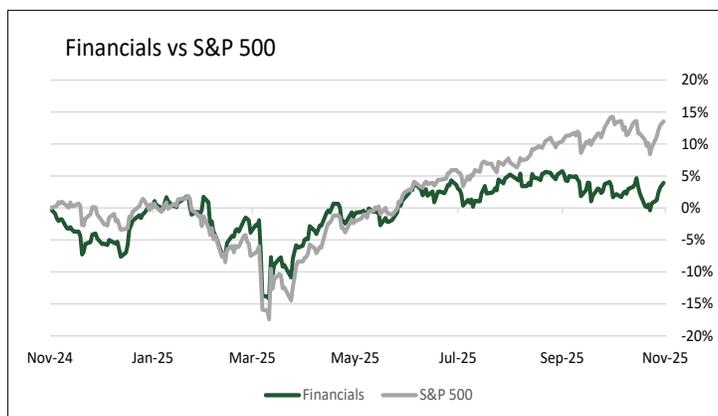
After nearly four years, Ukraine and Russia appear to be making progress on a potential peace deal led by efforts from the United States. Following the original 28-point plan that was devised by the U.S. and Moscow without Ukraine's involvement, an amended Ukrainian 19-point peace plan has moved forward to discussions with Russia. Time will tell when the peace plan may be enacted, but in the meantime hostilities between the two countries seem to be continuing as Russian forces attempt to gain ground in the eastern region of Donbas in Ukraine.

During the month, the International Energy Agency (IEA) released their World Energy Outlook report. In the report, the agency reintroduced the "Current Policies Scenario" in which the organization estimates that global oil and gas demand could grow until 2050, a shift from last year's expectation of plateauing oil demand this decade. The new expectation is driven by demand for petrochemical products, jet fuel, and a slowdown in electric vehicle adoption. In mid-November, OPEC+ released their monthly Oil Market Report where the cartel is now estimating oil demand to reach 43.0 million barrels per day (bpd) in 2026, representing a small surplus of 20,000. As a result, OPEC+ held oil output levels unchanged for the first quarter of 2026 as the cartel continues to try and regain market share amid a potential supply glut. While IEA and OPEC+ demand estimates have come closer in line with each other, the IEA still forecasts a larger oil surplus of ~4.1 million bpd.

West Texas Intermediate (WTI) crude oil prices decreased to \$58.55 at the end of the month from the \$60.98 level seen last month. Natural gas prices rose to \$4.85 from \$4.12 mmbtu last month. Retail gasoline prices decreased slightly to ~\$3.00 from the ~\$3.04 per gallon figure a month ago.

The Baker Hughes oil rig count decreased slightly to 544 in the month from the 546-level last month. For the week ending November 21, U.S. crude oil inventories came in at 426.9 million barrels, which is ~4% below the five-year average for this time of year and compares to last month's 416 million barrels. Following the downturn seen during the height of the pandemic in 2020, U.S. crude oil production has been in an uptrend, which continued during 2024 and into 2025. The trough daily production seen in 2020 was in the ~9.7 million barrels per day range and has now rebounded to a range of ~13.8 million barrels per day.

# FINANCIALS



Source : Bloomberg

## Sector Performance

1 Month	3 Months	YTD	TTM
1.74%	-1.22%	10.09%	3.94%

## S&P 500 Performance

1 Month	3 Months	YTD	TTM
0.13%	6.02%	16.45%	13.54%

## Company Performance 1 Month

Leaders	Company	1 Month
	Jack Henry	17.1%
	Corpay Inc	13.6%
	Allstate Corp/The	11.2%
	Progressive Corp/The	11.1%
	Hartford Insurance	10.3%
Laggards	Coinbase Global Inc	-20.6%
	Robinhood Markets Inc	-12.5%
	Block Inc	-12.0%
	PayPal Holdings Inc	-9.5%
	Fiserv Inc	-7.8%

## Consensus FY EPS / P/E

Last Year	Current Year	Next Year
\$50.63	\$50.95	\$54.68
17.5x	17.4x	16.2x

## Sector Update

Financials gained 1.7% in November, outpacing a flattish result in the broader market S&P 500® index in the same period. As fears regarding AI valuations and financing turned sentiment and performance against the broader Technology sector, relatively defensive subsectors like Insurance performed quite well—leading Financials on a 5.1% improvement in the month. Still, all five Financials subsectors finished November higher than the prior month including Banks and Consumer Finance up 1.2% and 0.8%, respectively. Year-to-date gains of 10.1% in the sector lag the tech-heavy broader market index by ~640 bps so far in 2025; however, cyclical lender categories in the Bank and Consumer Finance subsectors have outperformed meaningfully on 23.8% and 23.2% respective gains.

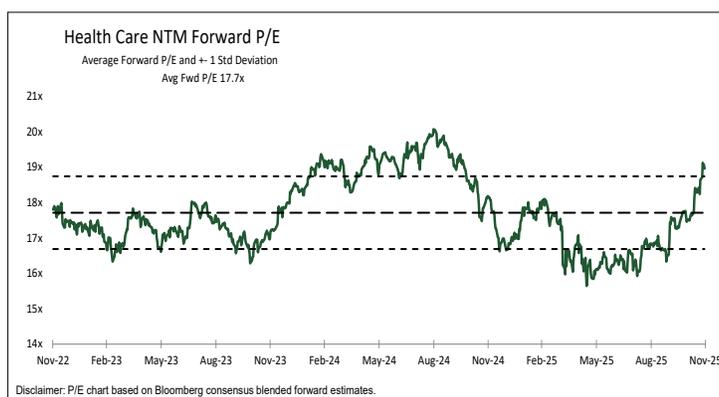
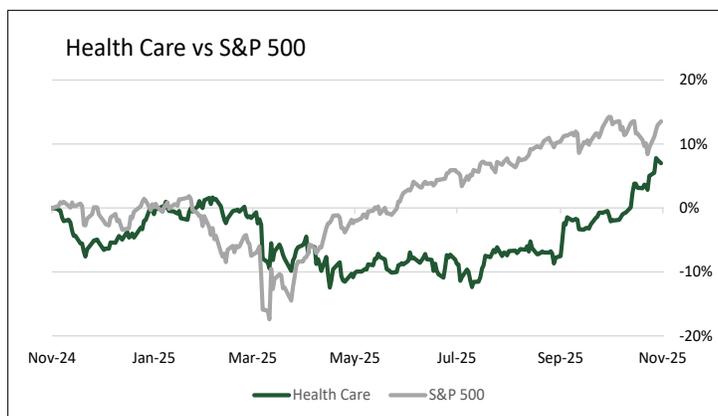
Insurers represented three of the five best performing Financials stocks in November including Allstate (ALL), Progressive (PGR), and The Hartford (HIG) with the industry viewed as insulated from recent artificial intelligence bubble jitters. Jack Henry & Associates (JKHY), a company that provides payment processing and other services to regional and community banks, was the best performing Financial stock in November, up more than 17% after posting better than expected earnings and raising its forward outlook.

On the other hand, Coinbase Global (COIN) and Robinhood Markets (HOOD) were the worst performing Financials stocks on 20% and 12.5% respective declines in November, largely reflecting a sharp pullback in bitcoin and other cryptocurrencies.

Despite constrained data flow resulting from the recent government shutdown, the Federal Reserve is now widely expected to cut its overnight funding rate by 25 bps in December given recent private surveys indicating erosion in the labor market. Previous rate cuts and those expected into 2026 could support steepening yield curve conditions typically supportive of net interest income growth for banks as short-term linked deposit costs fall while longer-term loan yields remain steady. Easing monetary policy is also viewed as stimulative to consumer and business activity while also supporting credit performance as debt service burdens trend lower. At the same time, tax legislation passed in the summer provides potential fiscal stimulus into 2026 that could amplify economic activity providing a tailwind to lenders.

Elsewhere, lagging subsectors such as Insurance and Diversified Financial Services, up just 0.7% and 0.9% in 2025 respectively, could benefit from potential broadening of market participation or defensive rotation if AI related jitters re-emerge into early 2026.

# HEALTH CARE



Source : Bloomberg

## Sector Performance

1 Month	3 Months	YTD	TTM
9.14%	14.73%	14.26%	6.99%

## S&P 500 Performance

1 Month	3 Months	YTD	TTM
0.13%	6.02%	16.45%	13.54%

## Company Performance 1 Month

Leaders	Company	1 Month
	Eli Lilly & Co	24.6%
	Solventum Corp	23.5%
	Merck & Co Inc	21.9%
	Regeneron Pharma Inc	19.7%
	IDEXX Laboratories Inc	19.6%
Laggards	Humana Inc	-11.7%
	Zoetis Inc	-11.0%
	Moderna Inc	-4.3%
	UnitedHealth Group Inc	-3.5%
	Molina Healthcare Inc	-3.1%

## Consensus FY EPS / P/E

Last Year	Current Year	Next Year
\$91.50	\$90.91	\$97.47
20.0x	20.2x	18.8x

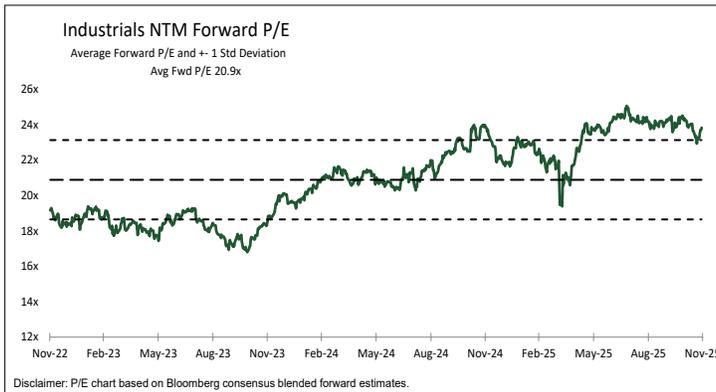
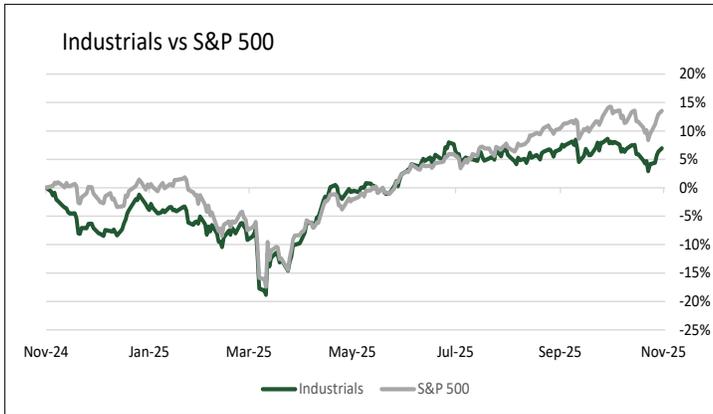
## Sector Update

The Health Care sector gained 9.14% in November, outperforming the S&P 500's 0.13% increase by the widest monthly margin this year. Following this move, Health Care is no longer among the weakest performers year-to-date or over the past 12 months. Broader market participation helped the sector as some investors rotated away from crowded trades and toward the defensive characteristics of Health Care. The sector also briefly surpassed its prior all-time highs set in 2024.

After showing early-year defensive strength, Health Care lagged as the broader equity market rallied, but the sector began to regain momentum in October, supported by company-specific catalysts and growing confidence that health policy changes may be less disruptive than initially feared. This recovery continued into November as investors revisited the sector. Expectations for a more favorable interest-rate environment supported sentiment in Pharmaceuticals and Biotech, contributing to a pickup in M&A activity and venture funding for new companies. Late in the month, the government released mandated prices for 15 high-cost drugs as part of the next phase of the IRA pricing framework, bringing the total number of Medicare drugs with government-set prices to 25. While government price setting is likely a negative to the pharmaceutical sector, the announcements of these prices has removed a significant sector overhang. Additionally, the government-set prices appear manageable for the pharmaceutical industry, as much of the expected \$12 billion in Medicare savings is tied to looming patent expirations on several targeted drugs — multiple of which would likely have seen price declines anyway. That said, uncertainty about the extension of ACA subsidies for 2026 remains. A central point of contention during the now-resolved government shutdown was the future of these subsidies, which are scheduled to expire at year-end. Republicans argued that extending them would increase the deficit, while Democrats emphasized their importance for vulnerable populations and hospital systems. Despite the shutdown's resolution, negotiations have made little progress, and the impasse over ACA subsidies persists.

The Biotechnology, Health Care Providers & Services, Life Sciences Tools & Services, Health Care Equipment & Supplies, and Pharmaceuticals subsectors each provided gains in November. The Health Care sector trades at a forward P/E of 20.2x, above the sector's historical average of 17.7x.

# INDUSTRIALS



Source : Bloomberg

## Sector Performance

1 Month	3 Months	YTD	TTM
-1.01%	1.13%	16.39%	6.96%

## S&P 500 Performance

1 Month	3 Months	YTD	TTM
0.13%	6.02%	16.45%	13.54%

## Company Performance

Leaders	Company	1 Month
	Expeditors International	20.5%
	Southwest Airlines Co	14.9%
	Cummins Inc	13.8%
	Delta Air Lines Inc	11.7%
	Parker-Hannifin Corp	11.5%
Laggards		
	Axon Enterprise Inc	-26.2%
	Paycom Software Inc	-13.9%
	Jacobs Solutions Inc	-13.5%
	Generac Holdings Inc	-9.8%
	Copart Inc	-9.4%

## Consensus FY EPS / P/E

Last Year	Current Year	Next Year
\$49.22	\$48.27	\$55.11
26.4x	26.9x	23.6x

## Sector Update

The Industrials sector underperformed the S&P 500 in November, falling 1.0% versus the 0.1% gain displayed by the index. The Industrials sector also underperformed the S&P 500 on a three-month, year-to-date, and trailing twelve-month basis. Four of the 12 Industrials subsectors recorded gains in November, led by Airlines with an 11.1% increase, while Trading Companies & Distributors led laggards to the downside with a 4.0% decrease.

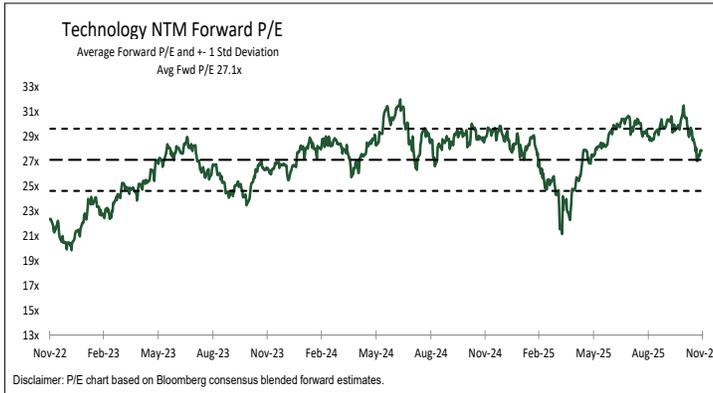
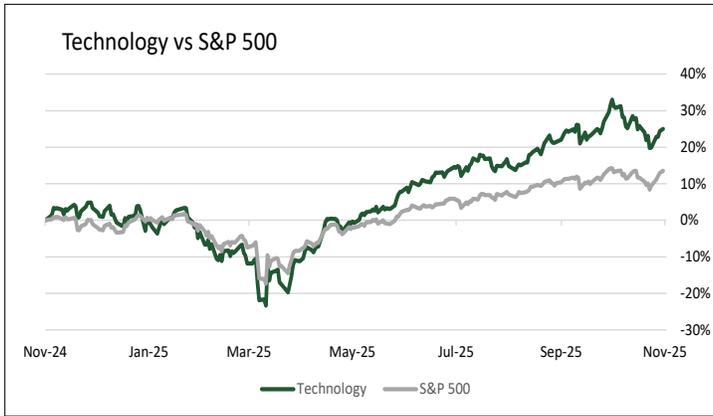
Stocks in the Building Products subsector were largely flat or down during November, with the overall group falling 3.2%. With some weakness in fundamental housing drivers and high mortgage rates, consumer demand for products such as HVAC units, water heaters, and other household fixtures mostly remained tepid in the month despite some resilient commercial demand in key areas such as datacenters. As pressured housing turnover, price appreciation, and household formation persist, the sector continues to wait for a rebound in consumer demand.

The Institute for Supply Management's (ISM) latest Manufacturing Purchasing Managers' Index (PMI) showed contraction in the manufacturing sector for the ninth consecutive month in November with a reading of 48.2%. Prior to a two-month period of expansion in January and February of this year, the ISM PMI displayed contraction for 26 straight months. Manufacturing sector activity contracted at a faster rate than in October as the New Orders and Employment Indexes each fell two percentage points further into contraction territory and "underscored the ongoing economic uncertainty" according to Susan Spence, Chair of the ISM Manufacturing Business Survey Committee. The Production Index climbed 3.2 percentage points and flipped from contraction to expansion, but this increase in activity may have resulted from a drawdown in backlogs rather than sustainable growth in demand, as the Backlog of Orders Index fell 3.9 percentage points.

All four demand components of the ISM PMI showed contraction despite the New Export Orders and Customers' Inventories Indexes rising compared to October. Elsewhere, 67% of panelists indicated managing head count remained the default over hiring, the same percentage as last month. The Prices Index increased half a percentage point to 58.5% while Supplier Deliveries showed faster execution after three consecutive and 14 of the last 16 months displaying slower performance.

The Industrials sector is trading at an average forward P/E ratio of 26.9x FY25 and 23.6x FY26 consensus estimates, which are both higher than its three-year average of 20.9x.

# INFORMATION TECHNOLOGY



Source : Bloomberg

## Sector Performance

1 Month	3 Months	YTD	TTM
-4.36%	8.90%	23.67%	25.04%

## S&P 500 Performance

1 Month	3 Months	YTD	TTM
0.13%	6.02%	16.45%	13.54%

## Company Performance

Leaders	Company	1 Month
	Akamai Technologies	19.2%
	EPAM Systems Inc	14.3%
	Analog Devices Inc	13.3%
	Sandisk Corp/DE	12.0%
	Broadcom Inc	9.0%
Laggards		
	Super Micro Computer	-34.9%
	Oracle Corp	-23.1%
	Dell Technologies Inc	-17.7%
	Arista Networks Inc	-17.1%
	Palantir Technologies	-16.0%

## Consensus FY EPS / P/E

Last Year	Current Year	Next Year
\$150.02	\$166.72	\$209.08
38.0x	34.2x	27.3x

## Sector Update

Technology and all of its subsectors underperformed the market in November, with the Software and Semiconductors & Semiconductor Equipment subsectors leading the charge to the downside. Oracle was one of the worst performing equities in the Technology sector, which contributed to the decline in the Software subsector. Investors appear to have been concerned about potential deterioration in Oracle's credit after the company borrowed more than \$56 billion, increasing its debt level to over \$100 billion, to fund the buildout of AI data centers (Source: Los Angeles Times).

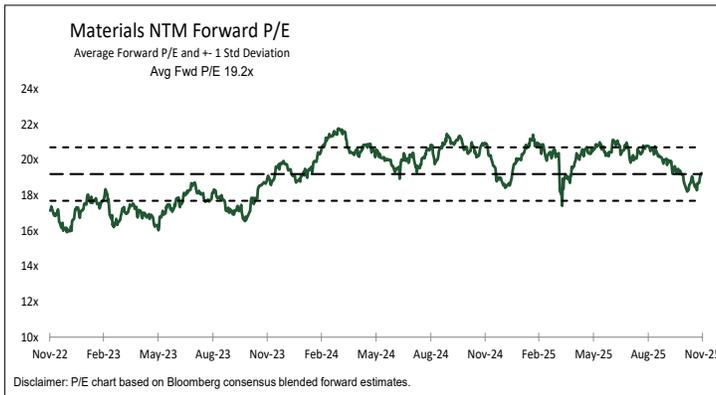
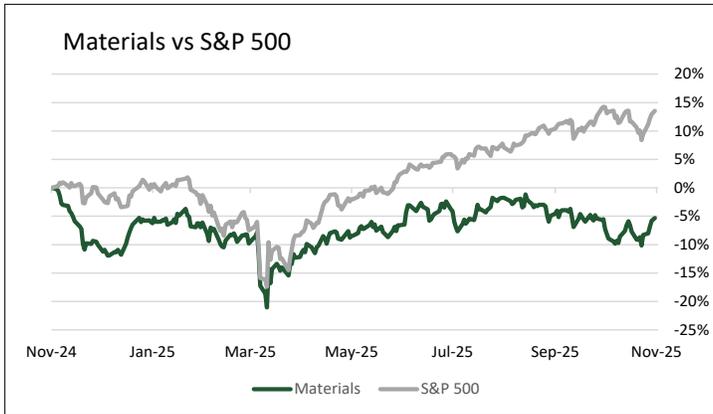
Even though the Semiconductors & Semiconductor Equipment subsector underperformed the market, Analog Devices (ADI) and Broadcom were among the top performing equities in the Technology sector. Analog Devices reported better than expected results driven by double-digit growth across all of its businesses. ADI's Industrial business benefited from double-digit growth in aerospace & defense, digital healthcare, factory automation, and test & measurement. ADI's Communications Infrastructure business benefited from 50% year-over-year growth in its AI data center revenue over the past three quarters, with AI reaching an annualized run rate of \$1 billion by the fourth quarter.

Broadcom shares rallied over the past month on news that Anthropic may lease up to one million of Alphabet's TPUs, which Broadcom helped design. In addition, news reports suggested that Meta Platforms could purchase TPU chips for use in its AI data centers in 2027.

The Communications Equipment subsector lagged the market due to the sharp decline in the shares of Arista Networks. The company expects its gross margin to decline as it obtains a greater portion of its revenue from lower-margin AI infrastructure deals than from higher-margin enterprise deals.

The Technology sector appears close to fairly valued, with a P/E of 34.2x and 27.3x the consensus analyst FY25/FY26 EPS estimates, compared to 25% expected earnings growth and its average forward P/E of 27.1x.

# MATERIALS



Source : Bloomberg

### Sector Performance

1 Month	3 Months	YTD	TTM
3.97%	-3.61%	6.29%	-5.30%

### S&P 500 Performance

1 Month	3 Months	YTD	TTM
0.13%	6.02%	16.45%	13.54%

### Company Performance

Leaders	Company	1 Month
	Albemarle Corp	32.3%
	DuPont de Nemours Inc	16.5%
	Newmont Corp	12.1%
	International Flavors	10.3%
	Corteva Inc	9.8%
Laggards	Mosaic Co/The	-10.8%
	CF Industries Holdings	-5.5%
	Smurfit WestRock PLC	-3.3%
	Linde PLC	-1.9%
	Avery Dennison Corp	-1.4%

### Consensus FY EPS / P/E

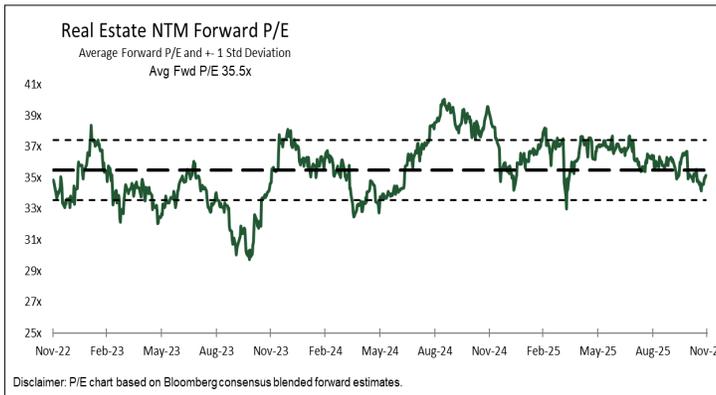
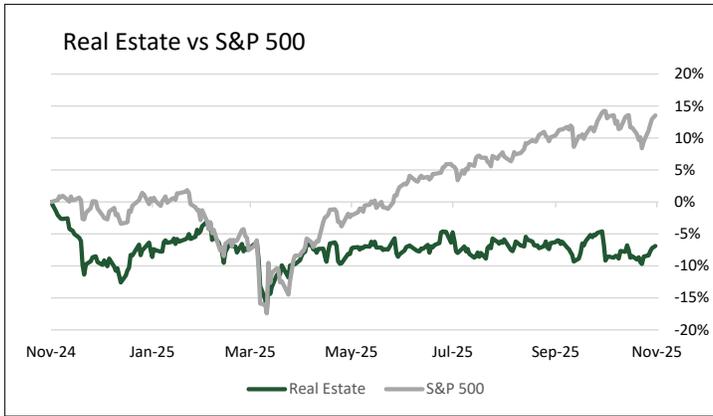
Last Year	Current Year	Next Year
\$24.53	\$25.15	\$29.74
23.0x	22.4x	18.9x

## Sector Update

The Materials sector increased 3.97% in November and significantly outperformed the 0.13% increase for the S&P 500 Index. YTD, the Materials sector increased 6.29% and well underperformed the S&P 500 Index that rose 16.45%. All segments outperformed the S&P 500 Index in the month with Metals and Mining the strongest performer. The Materials sector trades with an average forward P/E of about 22.4x vs its historical valuation range of 19.2x. Expectations have increased for a Federal Reserve rate cut in December. As of December 1, 2025, gold prices increased strongly driven by expectations of upcoming U.S. interest rate cuts, strong central bank demand, and global geopolitical uncertainty. The mining companies may see higher revenues and margins as the result of the recent rise of gold prices versus stable production costs. While silver has benefited from the movement towards safe-haven demand, silver's rally has also benefited from heightened industrial applications and tightening supply.

Global demand remains muted for almost all basic chemicals with the destocking cycle as customers work through excess inventory, economic slowdowns in key regions, high production costs, and consumer spending that switched to services. Persistent overcapacity in basic chemicals also continues to pressure operating rates. This may be the longest trough on record. Continuing expansions in China & U.S. have left many markets oversupplied. Shares in lithium stocks have recently traded higher on strengthening lithium pricing supporting greater confidence in earnings upside potential. Lithium carbonate future prices in China rose past CNY 92,000 per tonne in November making it the highest in 17 months. The increase reflects a recovering outlook for battery infrastructure demand. Major producer Ganfeng signaled they expect lithium demand to grow by 30% next year. Looking forward, questions center on demand from China, potentially sequentially strengthening US and European demand, and pricing trends. The outlook remains favorable for copper supported by acute supply disruptions, tight US inventories, and resilient global demand. Demand for copper remains strong supported by infrastructure buildout by data centers. Copper prices are forecast higher in 2026. Aluminum prices are also forecast higher supported by a tight market in 1H of 2026 before additional supply is expected to come online in 2H of 2026. The outlook for box demand includes moderated growth expectations for 2026 on weakening sentiment in December reflecting softer demand. Selective investment among the group remains a key factor with a preference for strong management teams, high-quality businesses, and strong balance sheets.

# REAL ESTATE



Source : Bloomberg

## Sector Performance

1 Month	3 Months	YTD	TTM
1.84%	-1.07%	2.51%	-6.87%

## S&P 500 Performance

1 Month	3 Months	YTD	TTM
0.13%	6.02%	16.45%	13.54%

## Company Performance

Leaders	Company	1 Month
	Welltower Inc	15.0%
	Host Hotels & Resorts	10.0%
	Ventas Inc	9.3%
	UDR Inc	8.1%
	Camden Property Trust	6.9%
Laggards		
	Iron Mountain Inc	-16.1%
	Equinix Inc	-11.0%
	Alexandria Real Estate	-7.8%
	Digital Realty Trust Inc	-6.0%
	VICI Properties Inc	-3.9%

## Consensus FY EPS / P/E

Last Year	Current Year	Next Year
\$13.10	\$13.03	\$13.84
20.0x	20.1x	18.9x

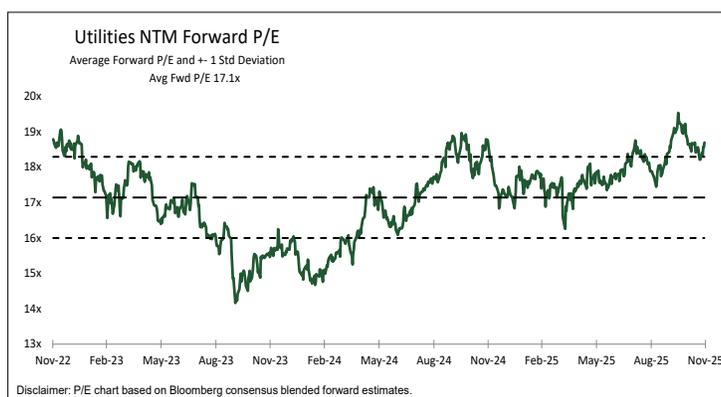
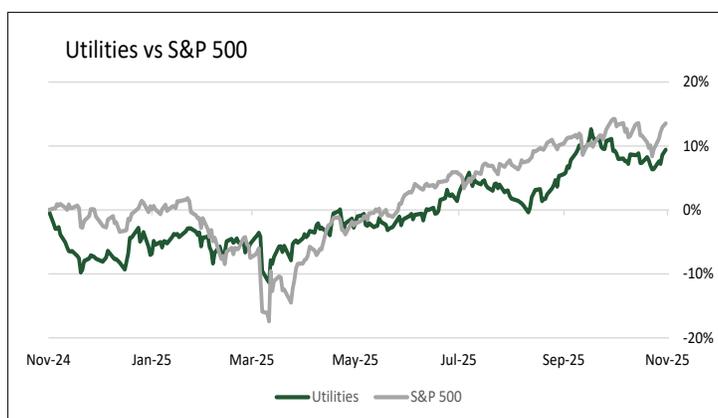
## Sector Update

November was a turbulent month for equity investors that saw the S&P 500 end up 0.13%. Looking under the hood, one sees that despite much stronger than forecasted earnings across the S&P 500, concerns over rising capex investment growth related to AI drove profit taking among Tech sector leaders, along with rotation into more defensive laggards. Real Estate thus outperformed, rising by 1.84% in November. Although economic uncertainties persist for the U.S., we sense that interest rates may move lower into 2026 that combined with fiscal stimulus tied to lower tax rates and investment tax credits for corporations may drive improving economic growth as 2026 unfolds. We continue to think future returns for the Real Estate sector remain closely tied to interest rates. With a more accommodative Fed, lower short-term rates could foster multiple expansion and/or reduce floating rate borrowing costs, although the 10-year Treasury rate is likely to be most impactful to sector fundamentals and performance. If inflation remains contained against a falling short-term interest rate backdrop, the outlook for Real Estate sector investment could be poised to improve further on a relative basis in 2026.

With the conclusion of 3Q2025 earnings season, investors saw disperse operating results and individual stock performance across the Real Estate sector. Unsurprisingly, firms delivering upside results with guidance for 2025 FFO increased were viewed more favorably by investors. Still, we note that with profit taking/selling pressures experienced across the AI trade, data center issues backed off sharply despite delivering upside 3Q2025 FFO along with heightened expectations for 2025. As illustrated in the adjacent tables, shares of Iron Mountain and Equinix retrenched by double digits in November, while shares of Digital Realty pulled back 6% - with each of these firms delivering upside earnings reports for 3Q2025. That is, despite seeing strong leasing demand with growing pipelines of new data centers under development, concerns over rising capex investment creating potential for over capacity shifted investor sentiment for what had been a leading subsegment of the Real Estate sector. It is tough to call where sentiment for this subsector goes near term, although most view AI as in early stages of its life cycle.

In contrast to concerns overhanging the fast paced capex growth for the data center segment, senior housing/assisted living operators Welltower and Ventas have experienced significant gains in occupancy - recovering from COVID fallout - along with solid pricing that has driven high single digit RevPAR growth. This subsector that had suffered from fast paced capacity expansion into the COVID pandemic has now largely absorbed new capacity. Today, rising construction costs have shifted managements' focus to M&A as a more cost effective mechanism for growth with both of these sector leaders announcing significant activity and growing deal pipelines - led by Welltower's \$23B of deal flow reported with 3Q2025 earnings. Beyond the senior housing subsector, Host Hotels shares appreciated by double digits in November after reporting upside 3Q2025 EBITDA and FFO driven by pricing increases in the 3% range Q over Q, while facilities in Maui continue to recover from earlier severe fire damage. We also note that lodging sector leaders are excited about the pending June 2026 FIFA World Cup soccer events set to play in North America.

# UTILITIES



Source : Bloomberg

## Sector Performance

1 Month	3 Months	YTD	TTM
1.33%	7.49%	19.02%	9.42%

## S&P 500 Performance

1 Month	3 Months	YTD	TTM
0.13%	6.02%	16.45%	13.54%

## Company Performance 1 Month

Leaders	Company	1 Month
	Dominion Energy Inc	7.0%
	Edison International	6.3%
	NextEra Energy Inc	6.0%
	NiSource Inc	4.8%
	CenterPoint Energy Inc	4.6%
Laggards	Eversource Energy	-9.0%
	Vistra Corp	-5.0%
	Constellation Energy	-3.4%
	Southern Co/The	-3.1%
	NRG Energy Inc	-1.4%

## Consensus FY EPS / P/E

Last Year	Current Year	Next Year
\$22.28	\$22.20	\$24.74
20.6x	20.6x	18.5x

## Sector Update

Utilities gained 1.3% in November, extending the sector's year-to-date outperformance of the S&P 500® index to -250 bps. Secular growth supported by artificial intelligence driven electrical infrastructure build-out, recent and expected central bank easing driving lower interest rates, and historically defensive tilt continue to make the sector appear attractive for current investment.

Multi-Utilities, primarily comprised of traditional regulated companies offering electric and gas services, was the best performing subsector in November, up 3.5% in the month. Electric and Water Utilities subsectors also posted modest gains in the month; however, the more volatile Independent and Renewables subsector, comprised of just AES (AES) and Vistra Corp (VST), declined 4.1% in the period.

Local utility Dominion Energy (D) was the best performing stock in the Utilities sector in November, up 7% in the period after reporting stronger than expected Q3 earnings, affirming its multi-year growth targets, and providing a positive update on the Coastal Virginia Offshore Wind (CVOW) program construction process. Later in the month, regulators approved a new gas-fired generation plant in Chesterfield and an increase in base rates, albeit a smaller increase than requested by the company.

Eversource Energy (ES) was the worst performer in the month as shares pulled back sharply on news that the Connecticut state regulators rejected its \$2.4B sale of Aquarion Water, citing concern over future customer price increases. While the company can seek appeal or reconsideration, the rejection negatively impacts the Massachusetts based power provider's debt reduction strategy and targeted 14% funds from operations to debt ratio by year-end—bringing balance sheet concern and a potential credit rating downgrade into focus.

Although the Utilities sector currently trades at a premium to its historical three-year average P/E multiple of 17.1x based on earnings forecasted in the next twelve months, given ongoing secular growth tailwinds around data center investment, grid hardening, and manufacturing onshoring, the group's relative premium appears substantiated against a capacity constrained electricity market likely persisting for several years. Further, given a more accommodative monetary policy from the Federal Reserve—lower interest rates have the potential to drive incremental multiple expansion in the typically interest rate sensitive sector.

## ECONOMIC CALENDAR

Date	Release	For	Prior
1-Dec	Construction Spending	October	N/A
1-Dec	ISM Manufacturing Index	November	48.7%
3-Dec	MBA Mortgage Applications Index	11/29	0.2%
3-Dec	ADP Employment Change	November	42K
3-Dec	Import Prices	September	0.3%
3-Dec	Import Prices ex-oil	September	0.4%
3-Dec	Export Prices	September	0.3%
3-Dec	Export Prices ex-ag.	September	0.3%
3-Dec	Industrial Production	September	0.1%
3-Dec	Capacity Utilization	September	77.4%
3-Dec	ISM Services	November	52.4%
3-Dec	EIA Crude Oil Inventories	11/29	+2.77M
4-Dec	Continuing Claims	11/22	N/A
4-Dec	Initial Claims	11/29	N/A
4-Dec	Trade Balance	October	N/A
4-Dec	EIA Natural Gas Inventories	11/29	-11 bcf
5-Dec	Factory Orders	October	N/A
5-Dec	Univ. of Michigan Consumer Sentiment - Prelim	December	N/A
5-Dec	Personal Income	September	0.4%
5-Dec	Personal Spending	September	0.6%
5-Dec	PCE Prices	September	0.3%
5-Dec	PCE Prices - Core	September	0.2%
5-Dec	Consumer Credit	October	\$13.1B
9-Dec	Productivity-Rev.	Q3	N/A
9-Dec	Unit Labor Costs - Rev	Q3	N/A
9-Dec	JOLTS - Job Openings	October	N/A
10-Dec	MBA Mortgage Applications Index	12/6	N/A
10-Dec	Employment Cost Index	Q3	0.9%
10-Dec	Wholesale Inventories	October	N/A
10-Dec	EIA Crude Oil Inventories	12/6	N/A
10-Dec	FOMC Rate Decision	December	N/A
10-Dec	Treasury Budget	November	N/A
11-Dec	Continuing Claims	11/29	N/A
11-Dec	Core PPI	November	N/A
11-Dec	Initial Claims	12/6	N/A
11-Dec	PPI	November	N/A
11-Dec	EIA Natural Gas Inventories	12/6	N/A
15-Dec	Empire State Manufacturing	December	18.7
15-Dec	NAHB Housing Market Index	December	38
16-Dec	Building Permits	November	N/A
16-Dec	Export Prices ex-ag.	November	N/A
16-Dec	Housing Starts	November	N/A

## ECONOMIC CALENDAR

16-Dec	Import Prices ex-oil	November	N/A
16-Dec	Nonfarm Payrolls	November	119K
16-Dec	Nonfarm Private Payrolls	November	97K
16-Dec	Unemployment Rate	November	4.4%
16-Dec	Avg. Hourly Earnings	November	0.2%
16-Dec	Average Workweek	November	34.2
16-Dec	Capacity Utilization	November	N/A
16-Dec	Industrial Production	November	N/A
17-Dec	MBA Mortgage Applications Index	12/13	N/A
17-Dec	Retail Sales	November	N/A
17-Dec	Retail Sales ex-auto	November	N/A
17-Dec	Business Inventories	October	N/A
17-Dec	EIA Crude Oil Inventories	12/13	N/A
18-Dec	CPI	November	N/A
18-Dec	Core CPI	November	N/A
18-Dec	Initial Claims	12/13	N/A
18-Dec	Continuing Claims	12/6	N/A
18-Dec	Philadelphia Fed Index	December	N/A
18-Dec	Leading Indicators	November	N/A
18-Dec	EIA Natural Gas Inventories	12/13	N/A
18-Dec	Net Long-Term TIC Flows	October	N/A
19-Dec	GDP - Third Estimate	Q3	N/A
19-Dec	GDP Deflator - Third Estimate	Q3	N/A
19-Dec	Personal Income	November	N/A
19-Dec	Personal Spending	November	N/A
19-Dec	PCE Prices	November	N/A
19-Dec	PCE Prices - Core	November	N/A
19-Dec	Existing Home Sales	November	N/A
19-Dec	Univ. of Michigan Consumer Sentiment - Final	December	N/A
23-Dec	GDP-Adv.	Q3	3.8%
23-Dec	GDP Deflator-Adv.	Q3	2.1%
23-Dec	New Home Sales	November	N/A
24-Dec	MBA Mortgage Applications Index	12/20	N/A
24-Dec	Durable Goods -ex transportation	November	N/A
24-Dec	Durable Orders	November	N/A
24-Dec	EIA Crude Oil Inventories	12/20	N/A
25-Dec	Continuing Claims	12/13	N/A
25-Dec	Initial Claims	12/20	N/A
25-Dec	EIA Natural Gas Inventories	12/20	N/A

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Sectors and sector components defined by Standard & Poor's GICS Level 1 index. For the list of all holdings in GICS Level 1 index sectors, contact your Davenport Financial Advisor.

**Leaders:** Represent top five best stock price performance in the most recent calendar month within their respective GICS Level 1 Sector

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