

# MARKET COMMENTARY

## SEPTEMBER 2025

- The best performing sector for August was Materials while the worst was Utilities
- Investors anticipate rate cut at September Fed meeting after Chair Powell's remarks at Jackson Hole
- President Trump seeks rate cuts and more executive influence on Fed
- Modest broadening of market performance from Mag 7 concentration

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Equity markets rallied in August as investors grew enthusiastic over the potential for the Federal Reserve to cut rates at the upcoming September FOMC meeting. CME FedWatch data suggests that the probability of a rate cut at the Fed's next meeting in mid-September is now over 90%, and investors appear to be leaning into the bullish market backdrop. Although equity markets remain concentrated in the Magnificent 7, performance broadened somewhat in August with the tech sector taking a breather and market leadership rotating to prior laggards. With the VIX Index or market fear gauge dropping to historically benign levels, equity markets ended the month near all-time record highs.

Although we remain cautiously optimistic as we look for an improved economic outlook into 2026, we are concerned about the potential for rising inflation and the trajectory for long-term interest rates. In addition, we note the high level of concentration of the market in a handful of large cap AI linked technology stocks. Given the premium equity market valuation of the S&P 500 today, we are keenly 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 and/or share buybacks.

August market activity was heavily influenced by politics and the Federal Reserve with the administration exerting maximum pressure in an effort designed to induce the Fed to push rates lower. These actions may have contributed to Fed Chair Jerome Powell's surprisingly dovish presentation at the Jackson Hole summit which appeared to open the door to future rate cuts. Although rate cuts can lend support to equity markets in the short-term, the historical independence of the Fed has been tied to a monetary policy stance supportive of low inflation. We note that the longer end of the rate curve tends to reflect inflation expectations, a key driver of mortgage rates and longer term economic activity. Reflective of the current market environment, we observed further steepening of the yield curve in August with longer term rates rising through the month. We are concerned by the current rate dynamics and, in particular, about the potential impact on mortgage rates and the housing cycle.

Equity markets advanced strongly in August with the Dow Jones Industrial Average up by 3.2%, the S&P 500® index up 1.9%, and the smaller cap weighted Russell 2000® gaining 7.0%. The VIX index, or fear gauge, started August with a spike to over 20 and thereafter moderated through the month trending in the mid to high teens to end the month at a relatively benign level just over 15.

Nine of the eleven industry sectors of the S&P 500 advanced during August. The best performing sector was Materials which increased by 5.6% followed by the Health Care sector which was up 5.3%. The weakest performance in the month was posted by the Utilities sector which decreased by 2.0% followed by the Industrials sector which was down 0.2%. For the prior twelve months period, the Communications Services sector was the best performer with a 33.1% increase followed by the Consumer Discretionary sector which was up by 24.0%, while the Health Care sector was the worst performer for the past twelve months with a 12.7% decrease followed by the Real Estate sector which was down by 2.8%.

President Trump raised the stakes in August in his effort to pressure the Federal Reserve with an unprecedented announcement of the firing of Fed governor Lisa Cook. This represents the first time in Fed history that a president has sought to remove a sitting Fed governor. Following this announcement, legal actions ensued, and the matter is now before a judge to determine the legality of the firing. If the move is upheld, it appears that President Trump will quickly proceed to fill the position with a governor inclined to support his interest rate cutting agenda. The bottom line is that President Trump appears close to achieving his goal of a more dovish Fed which we think could increase the risk of higher inflation and potentially push longer term rates higher.

In late August, Federal Reserve Chair Jerome Powell delivered his annual address at the Jackson Hole symposium, signaling a potential shift in interest rate policy. Powell indicated that the current economic conditions, including a stable labor market and progress on inflation, may warrant interest rate cuts in the near future. He emphasized that the Fed would proceed carefully, considering the balance of risks and the overall

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economic outlook. Markets have been looking to Powell to provide strong hints about a September interest rate cut. For their part, the chair and other officials have been cautious about easing monetary policy with the effect of tariffs on inflation still unclear. We were encouraged by Powell's tariff commentary as he indicated that: "A reasonable base case is that the effects will be relatively short-lived – a one-time shift in the price level."

In his remarks, Powell highlighted that the stability of the unemployment rate and other labor market measures allows the Fed to proceed carefully as they consider changes to their policy stance. He indicated that the labor market was in good shape and the American economy has shown resilience. Powell noted that sweeping changes are in progress but not finalized relative to U.S. tax, trade, and immigration policies with uncertain implications to arise. Powell also mentioned that tariffs could spur a more lasting inflation dynamic that may be a risk to be assessed and managed.

Powell stopped short of committing to a 25 BPS rate cut at the September meeting or providing a timeline of when a cut could occur. He suggested with policy in restrictive territory, the baseline outlook and the shifting balance of risks may warrant the FOMC adjusting its policy stance. Although not specifically endorsing a funds rate cut with the upcoming September FOMC session, investors took Powell's comments as signaling a shift in policy is at hand – with the remarks catalyzing an equity market surge.

With Powell's Jackson Hole commentary, deemed more dovish than expected, odds of a 25 BPS funds rate cut with the September FOMC session have now climbed to over 90%, while latest CME FedWatch data has investors anticipating potential second and third 25 BPS rate cuts from the FOMC by January 2026 bringing the funds rate from current 425-450 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 ending next year within a range of 300-325 BPS. With a fluid outlook to the U.S. economy existing in 2H2025 and into 2026 as well, we sense that the outlook into next year on earnings and Fed interest rate policy remain in flux with five rate cuts anticipated into yearend 2026.

Against a backdrop of ongoing uncertainty, housing market turnover has remained relatively low reflecting a range of factors including high mortgage rates, high home prices, and low supply of homes available for sale. The level of activity in the housing market is a key factor influencing economic growth, and the ongoing constraints in the market are increasingly concerning.

Existing home sales for July increased by 2.0% month-over-month to a seasonally adjusted annual rate of 4.01 million, marking a 0.8% rise compared to the previous year, with the median home price hitting a record \$422,400 according to the National Association of Realtors. This was the highest ever price level for July and continues 25 months of year-over-year price gains, though with slowed growth. Inventory of homes for sale climbed to 1.55 million units, the highest in five years, representing 4.6 months' supply and providing more options for buyers, who now have increased negotiating power amid a market showing some signs of cooling. On average homes are staying on the market for 28 days before selling which is up from the prior year level of 24 days.

The chart below highlights the average 30-year mortgage rate which, as can be seen, remains well above levels dating to the pre-pandemic period. Elevated mortgage rates represent a key housing affordability challenge to potential homeowners and remains a concern given the uncertain path of inflation:

**Chart 1: National Average 30-Year Fixed Rate Mortgage (%)**



Source: Bloomberg

During the pandemic mortgage rates dropped precipitously for a short period of time during which many homeowners refinanced mortgages at very low rates. The large number of homeowners with low mortgage rates has presented a structural barrier to housing turnover given the rate headwind that would result from moving and securing new financing today. This downward pressure on supply of homes for sale has been a factor supporting sustained growth in home prices since the pandemic.

Putting these affordability and supply challenges together, we see in the following chart the result which has been sustained

levels of aggregate housing turnover well below pre-pandemic levels.

Chart 2: Existing Home Sales (millions)



Although investors have highly valued tech stock growth issues this year, of late we have started to see what appears to be a shift of investor sentiment with some profit taking in the sector. We view a broadening of market participation by equity laggards and/or those firms well positioned to benefit from lower interest rates – Financials, Industrials, Health Care, and Small Cap issues - as a positive heading into what has historically been a challenging post Labor Day early autumn season for equities. Time will tell how the FOMC, corporate America, and consumers handle evolving economic conditions. We continue to anticipate the U.S. moves through a slowdown in 2H2025 before the outlook potentially improves into 2026. Given the premium equity market valuation of the S&P 500 today, we are keenly attentive to individual stock valuation – being focused on quality, well-managed companies likely poised to generate consistent strong free cash flow available to return to investors as dividends and/or share buybacks.

# MARKET AND ECONOMIC STATISTICS

<b>Market Indices:</b>	<b>8/29/2025</b>	<b>12/31/2024</b>	<b>% Change YTD</b>	<b>7/31/2025</b>	<b>% Change (Monthly)</b>
S&P Composite	6,460.26	5,881.63	9.84%	6,339.39	1.91%
Dow Jones Industrials	45,544.88	42,544.22	7.05%	44,130.98	3.20%
NASDAQ Composite	21,455.55	19,310.79	11.11%	21,122.45	1.58%
Russell 2000	2,366.42	2,230.16	6.11%	2,211.65	7.00%
FTSE 100	9,187.34	8,173.02	12.41%	9,132.81	0.60%
Shanghai Composite	3,857.93	3,351.76	15.10%	3,573.21	7.97%
Nikkei Stock Average	42,718.47	39,894.54	7.08%	41,069.82	4.01%
Stoxx Europe 600	550.14	507.62	8.38%	546.11	0.74%
MSCI Emerging Markets	1,258.44	1,075.48	17.01%	1,243.23	1.22%
MSCI Emerging Markets Small Cap	1,582.45	1,406.15	12.54%	1,544.15	2.48%
<b>Performance of S&amp;P 500 by Industry:</b>	<b>% of Index as of 8/29/2025</b>	<b>1 Month</b>	<b>3 Month</b>	<b>Year to Date</b>	<b>12 Months</b>
Consumer Discretionary	10.54%	3.35%	8.31%	1.58%	23.99%
Consumer Staples	5.20%	1.45%	-3.28%	3.93%	0.52%
Energy	3.03%	2.92%	10.83%	4.82%	-1.36%
Financials	13.96%	2.98%	5.98%	11.45%	18.09%
Health Care	9.08%	5.25%	3.54%	-0.41%	-12.66%
Industrials	8.46%	-0.15%	6.36%	15.09%	15.60%
Information Technology	33.48%	0.27%	15.70%	13.56%	21.78%
Materials	1.89%	5.58%	7.25%	10.27%	-1.55%
Communication Services	10.01%	3.57%	13.57%	17.21%	33.06%
Utilities	2.36%	-2.03%	2.84%	10.73%	10.57%
Real Estate	2.00%	2.03%	1.38%	3.61%	-2.83%
S&P 500 (Absolute performance)	100.00%	1.91%	9.28%	9.84%	14.37%
<b>Interest Rates:</b>	<b>8/29/2025</b>	<b>12/31/2024</b>	<b>YTD Change (Basis Points)</b>	<b>7/31/2025</b>	<b>Month Change (BPS)</b>
Fed Funds Effective Rate	4.33%	4.33%	0	4.33%	0
Prime Rate	7.50%	7.50%	0	7.50%	0
Three Month Treasury Bill	4.14%	4.28%	-13	4.28%	-14
Ten Year Treasury	4.23%	4.57%	-34	4.37%	-15
Spread - 10 Year vs 3 Month	0.08%	0.29%	-21	0.09%	-1
<b>Foreign Currencies:</b>	<b>8/29/2025</b>	<b>12/31/2024</b>	<b>% Change YTD</b>	<b>7/31/2025</b>	<b>% Change (Monthly)</b>
Brazil Real (in US dollars)	0.18	0.16	13.7%	0.18	3.1%
British Pound (in US dollars)	1.35	1.25	7.9%	1.32	2.2%
Canadian Dollar (in US dollars)	0.73	0.70	4.7%	0.72	0.8%
Chinese Yuan (per US dollar)	7.13	7.30	-2.3%	7.20	-1.0%
Euro (in US dollars)	1.17	1.04	12.9%	1.14	2.4%
Japanese Yen (per US dollar)	147.05	157.20	-6.5%	150.75	-2.5%
<b>Commodity Prices:</b>	<b>8/29/2025</b>	<b>12/31/2024</b>	<b>% Change YTD</b>	<b>7/31/2025</b>	<b>% Change (Monthly)</b>
CRB (Commodity) Index	554.89	536.50	3.4%	562.11	-1.3%
Gold (Comex spot per troy oz.)	3447.95	2624.50	31.4%	3289.93	4.8%
Oil (West Texas int. crude)	64.01	71.72	-10.8%	69.26	-7.6%
Aluminum (LME spot per metric ton)	2618.48	2526.78	3.6%	2562.36	2.2%
Natural Gas (Futures 10,000 MMBtu)	3.00	3.63	-17.5%	3.11	-3.5%
<b>Economic Indicators:</b>	<b>7/31/2025</b>	<b>12/31/2024</b>	<b>% Change YTD</b>	<b>6/30/2025</b>	<b>% Change (Monthly)</b>
Consumer Price Index	322.1	317.6	-1.4%	321.5	0.2%
Producer Price Index	262.6	261.4	-0.4%	261.3	0.5%
	<b>2Q25</b>	<b>1Q25</b>	<b>4Q24</b>	<b>3Q24</b>	<b>2Q24</b>
GDP Growth Rate (Quarterly)	3.30%	-0.50%	2.40%	3.10%	3.00%
Unemployment Rate (End of Month)	<b>July</b>	<b>June</b>	<b>May</b>	<b>April</b>	<b>March</b>
	<b>4.2%</b>	<b>4.1%</b>	<b>4.2%</b>	<b>4.2%</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.

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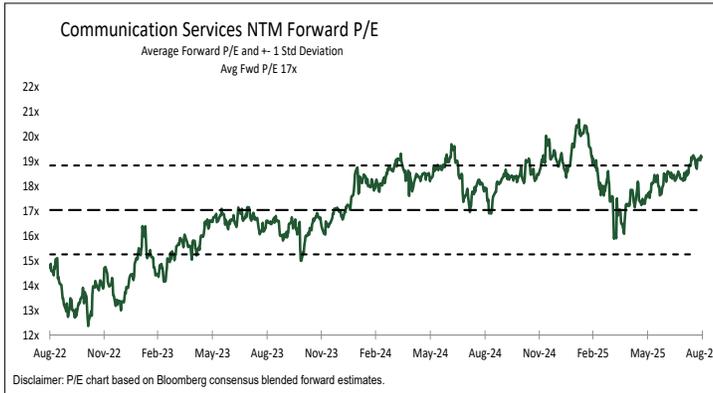
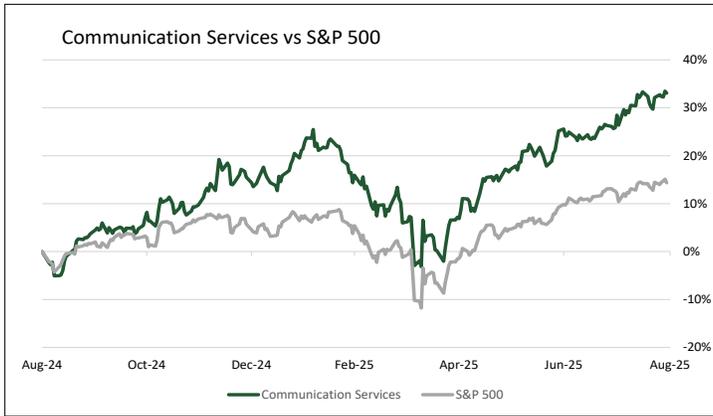
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# COMMUNICATIONS SERVICES



Source : Bloomberg

## Sector Performance

1 Month	3 Months	YTD	TTM
3.57%	13.57%	17.21%	33.06%

## S&P 500 Performance

1 Month	3 Months	YTD	TTM
1.91%	9.28%	9.84%	14.37%

## Company Performance

Leaders	Company	1 Month
	Paramount Skydance	25.2%
	TKO Group Holdings Inc	12.8%
	Electronic Arts Inc	12.8%
	Live Nation	12.7%
	Alphabet Inc	10.9%
Laggards		
	Trade Desk Inc/The	-37.1%
	Warner Bros Discovery	-11.6%
	Meta Platforms Inc	-4.5%
	Charter Comm.	-1.4%
	Walt Disney Co/The	-0.6%

## Consensus FY EPS / P/E

Last Year	Current Year	Next Year
\$18.52	\$18.82	\$20.00
21.6x	21.3x	20.0x

## Sector Update

Communications Services outperformed the market in August, driven by the rise in the Diversified Telecommunications Services, Entertainment, and Interactive Media & Services subsectors.

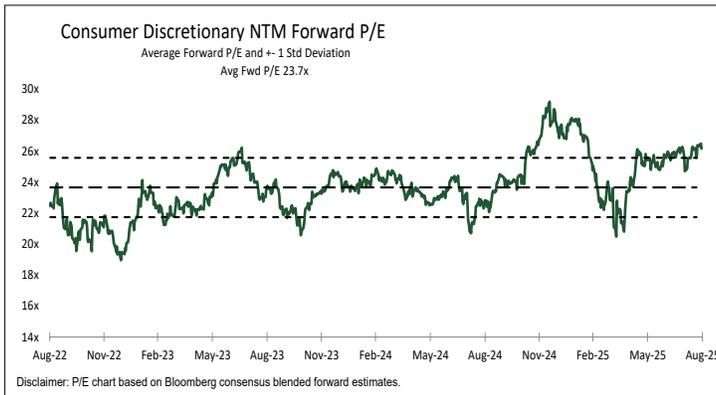
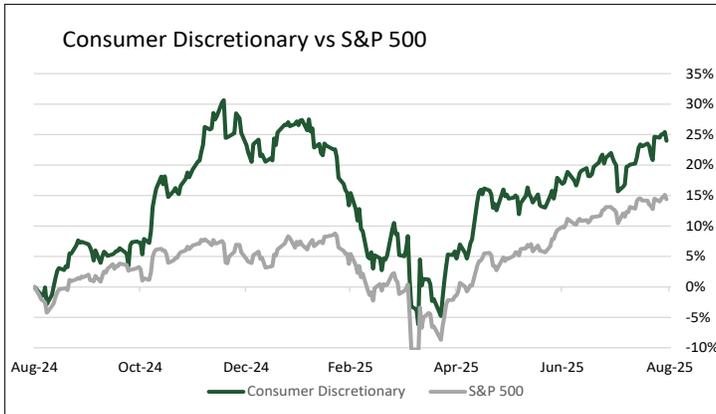
Diversified Telecommunications Services performance was driven by the rise in the shares of leading telecommunications services providers after they reported better than expected results. Federal Reserve Chairman Powell's suggestion that the Federal Reserve could begin cutting interest rates in September may have led investors to purchase shares of leading telecommunications service providers that have attractive dividend yields.

The Entertainment subsector outperformed the market driven by Paramount Skydance. The completion of the Paramount and Skydance merger on August 7th appears to have contributed to the significant appreciation in Paramount Skydance shares. The company expects to generate \$2 billion in merger synergies and recently announced that it secured streaming rights to bring animated adult comedy South Park to Paramount. Paramount Skydance also signed a seven-year deal to bring the Ultimate Fighting Championship (UFC) to Paramount for \$1 billion per year.

Interactive Media & Services performance was driven by Alphabet. Investors may have anticipated that U.S. District Court Judge Mehta would issue a favorable antitrust ruling, which he did in early September. Judge Mehta did not require Alphabet to divest its Chrome browser or suspend its annual payments to Apple and other device manufacturers to secure placement of Google as the default search engine. Judge Mehta's issued antitrust remedies include requiring Alphabet to share Google search data with other companies so that they can develop competing search engines.

The Communications Services sector appears close to fairly valued, with a P/E of 21x and 20x the consensus analyst FY25/ FY26 EPS estimates, compared to 6% earnings growth and its average forward P/E multiple of 17x.

# CONSUMER DISCRETIONARY



Source : Bloomberg

## Sector Performance

1 Month	3 Months	YTD	TTM
3.35%	8.31%	1.58%	23.99%

## S&P 500 Performance

1 Month	3 Months	YTD	TTM
1.91%	9.28%	9.84%	14.37%

## Company Performance 1 Month

Leaders	Company	1 Month
	Expedia Group Inc	19.2%
	Lennar Corp	18.7%
	DR Horton Inc	18.7%
	PulteGroup Inc	16.9%
	Wynn Resorts Ltd	16.3%
Laggards		
	Tapestry Inc	-5.7%
	Ulta Beauty Inc	-4.3%
	Norwegian Cruise Line	-2.8%
	Amazon.com Inc	-2.2%
	DoorDash Inc	-2.0%

## Consensus FY EPS / P/E

Last Year	Current Year	Next Year
\$61.47	\$59.92	\$68.17
30.3x	31.0x	27.3x

## Sector Update

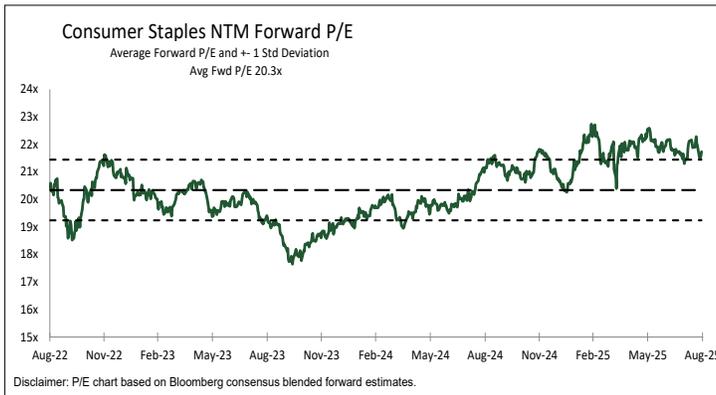
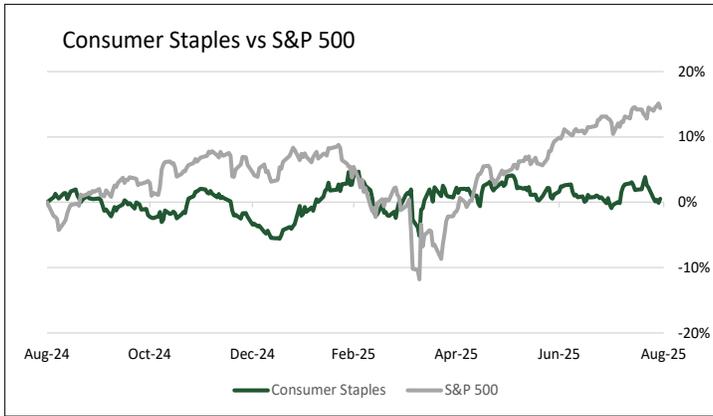
Against a broadly bullish market backdrop, Consumer Discretionary stocks gained in August meaningfully outperforming the S&P 500 index. Particular strength was seen in the Auto Components and Household Durables subsectors whereas Multiline Retail notably weakened during the month. Although the Consumer Discretionary sector exceeded the S&P 500 for the month and for the trailing-twelve-months periods, it has lagged the index on both a three months and year-to-date basis, as reflected in the accompanying chart.

The Conference Board reported that consumer confidence declined in August to 97.2 from a revised reading of 98.7 in July reflecting rising worries about jobs and income. Although consumer confidence declined in the month, the result did slightly exceed consensus expectations per Bloomberg. The Conference Board indicated that both the present situation index and the expectations index dropped in the month with expectations tracking at recessionary levels. Stephanie Guichard, Senior Economist at the Conference Board, indicated that: "Consumer confidence dipped slightly in August but remained at a level similar to those of the past three months. The present situation and the expectation components both weakened. Notably, consumers' appraisal of current job availability declined for the eighth consecutive month, but stronger views of current business conditions mitigated the retreat in the Present Situation Index."

Retail sales moved solidly higher in July increasing 0.5% with automobile sales providing key support for the monthly gain according to the Census Bureau. Core retail sales excluding gas and vehicles was up 0.2%. It appears that auto sales may be benefiting as consumers strive to lock in deals ahead of potential tariff fueled price increases. For the month, auto sales were up a strong 1.6% after increasing 1.4% in June. Sales of furniture and home furnishing in July also saw strong growth with a 1.4% increase. Areas of weakness in July included building materials and garden supplies retailers where sales dropped 1.0% and miscellaneous store retailers where sales were down 1.7%. Once again there was an encouraging sign in the sales report seen in control group sales which reflects a narrower subset of core demand that increased by 0.5% which was above the Bloomberg consensus estimates of a 0.4% gain.

Existing home sales for July increased by 2.0% month-over-month to a seasonally adjusted annual rate of 4.01 million, marking a 0.8% rise compared to the previous year, with the median home price hitting a record \$422,400 according to the National Association of Realtors. This was the highest ever price level for July and continues 25 months of year-over-year price gains, though with slowed growth. Inventory of homes for sale climbed to 1.55 million units, the highest in five years, representing 4.6 months' supply and providing more options for buyers, who now have increased negotiating power amid a market showing some signs of cooling. On average homes are staying on the market for 28 days before selling which is up from the prior year level of 24 days.

# CONSUMER STAPLES



Source : Bloomberg

## Sector Performance

1 Month	3 Months	YTD	TTM
1.45%	-3.28%	3.93%	0.52%

## S&P 500 Performance

1 Month	3 Months	YTD	TTM
1.91%	9.28%	9.84%	14.37%

## Company Performance 1 Month

Leaders	Company	1 Month
	Archer-Daniels-Midland	15.6%
	Tyson Foods Inc	8.6%
	Altria Group Inc	8.5%
	PepsiCo Inc	7.8%
	Monster Beverage Corp	6.2%
Laggards	Keurig Dr Pepper Inc	-10.9%
	Hormel Foods Corp	-9.4%
	Clorox Co/The	-5.9%
	Mondelez International	-5.0%
	Target Corp	-4.5%

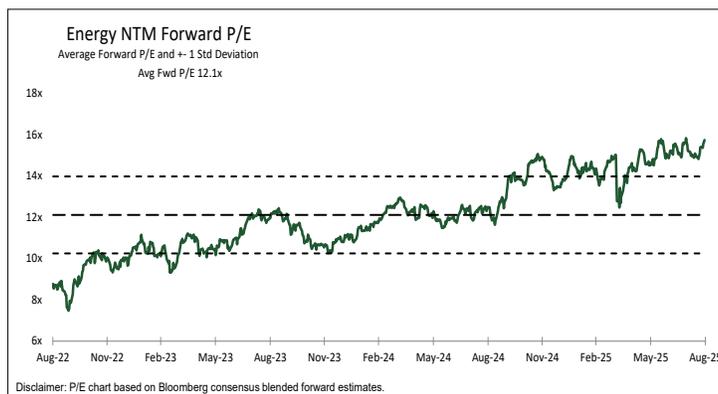
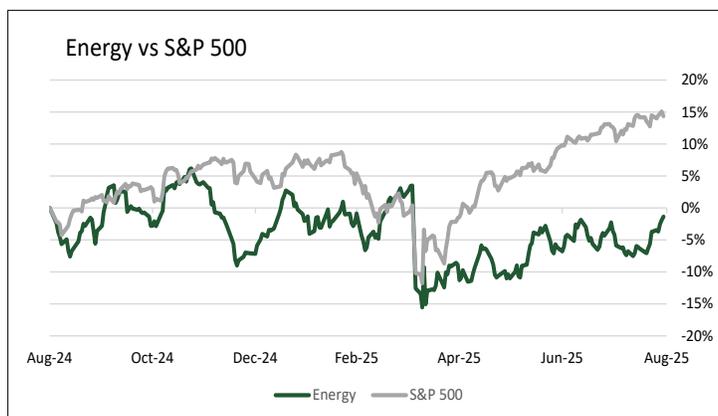
## Consensus FY EPS / P/E

Last Year	Current Year	Next Year
\$39.41	\$39.24	\$41.81
22.5x	22.6x	21.2x

## Sector Update

The Consumer Staples sector increased 1.4% on average in August as compared with the S&P 500 Index that increased 1.9%. YTD, the Consumer Staples sector increased 3.9% and underperformed the S&P 500 Index that increased 9.8%. All segments except Food & Staples Retailing and Personal Products reported increases in August. The Consumer Staples segment trades with a forward P/E of about 22.6x as compared with its average forward P/E of 20.3x. Consumer Staples companies remain focused on how to best align their business to give the best value to shareholders. Companies continue to invest in AI, Technology, and Data Analytics to market, innovate, realize cost savings, reach consumers, and support speed of adoption. Confectionery companies face continued input cost pressures from higher cocoa costs and more moderate consumer consumption. In early September 2025, West African cocoa crop prospects show mixed signals creating ongoing uncertainty regarding the cocoa crop and costs for companies especially confectionery for 2H and 2026. While the overall domestic snacking category has weakened in 2025, companies think the current weakness reflects more of an economic overhang vs a structural change. Long-term, companies do not see a change in the favorable trend towards snacking by consumers. Volatility of tariffs and input costs and related pricing movements by companies creates ongoing frustration for retailers. In addition, the lack of volume growth in the center of the store remains a concern as consumers shop the perimeter. Center of the store food brands are lagging the most in sales reflecting consumer shift in shopping channels (ie club stores, e-commerce), the trade down to private label offerings, continued cautious consumer behavior, competition, and company specific execution issues. Focus remains on elasticity across categories as companies seek to raise prices in 2H and 2026.

We continue to advise a selective investment among the Consumer Staples stocks. As many high quality companies are now trading at historical low valuation levels, there is heightened interest in an investment in the sector. Recently, Elliott Management announced it has taken a \$4 billion stake in Pepsi with the objective to unlock value, Kraft Heinz is splitting into two entities, and Kellogg successfully split into two companies unlocking shareholder value. Many Consumer stocks are trading with high-single digit to low-double digits P/E valuations offering attractive 4-5%+ dividend yields. We find the current valuations reflect many of the near-term challenges including tariffs, input cost volatility, consumer behavior, retailer inventory, and pricing. Volume inflection across most of Consumer Staples companies remains elusive and supports the continued expectation for heightened consolidation or portfolio reshaping. As consumers seek to eat more meals at home, ingredient and flavoring companies should capitalize on the trend. Consumer trend toward higher protein consumption should drive accelerating growth for protein companies and heightened innovation of products containing a greater percentage of protein content. We continue to advise a market weight investment across the Consumer Staples segment and find a preferred investment for the next 12-18 months in attractively valued companies with favorable management, attractive yields, and leading brand portfolios.



Source : Bloomberg

## Sector Performance

1 Month	3 Months	YTD	TTM
2.92%	10.83%	4.82%	-1.36%

## S&P 500 Performance

1 Month	3 Months	YTD	TTM
1.91%	9.28%	9.84%	14.37%

## Company Performance 1 Month

Leaders	Company	1 Month
	APA Corp	20.4%
	Valero Energy Corp	10.7%
	Schlumberger NV	9.0%
	Devon Energy Corp	8.7%
	Occidental Petroleum	8.4%
Laggards	Expand Energy Corp	-7.6%
	ONEOK Inc	-7.0%
	Kinder Morgan Inc	-3.8%
	Texas Pacific Land Corp	-3.6%
	EQT Corp	-3.6%

## Consensus FY EPS / P/E

Last Year	Current Year	Next Year
\$40.87	\$39.85	\$45.59
16.8x	17.2x	15.1x

## Sector Update

The Energy sector outperformed the S&P 500 in August, advancing 2.9% vs the S&P 500's 1.9% return. The sector has also outperformed the broader market on a 3-month basis but has underperformed for the past 12 months and YTD. With hostilities in Europe and the Middle East ongoing, the macroenvironment continues to be challenging, contributing to two years of significant relative underperformance. Against this backdrop, the Oil, Gas, & Consumable Fuels subsector underperformed the Energy Equipment & Services subsector during the month.

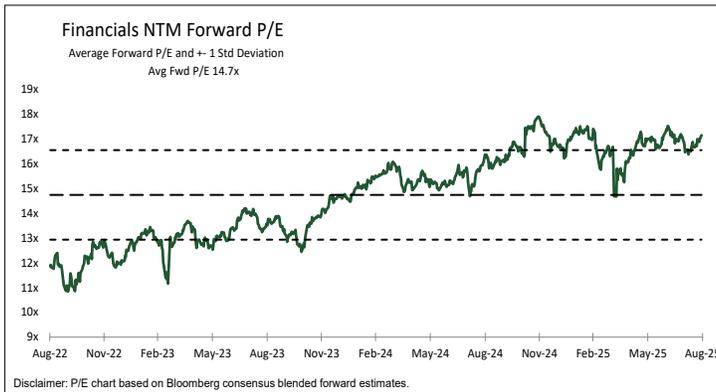
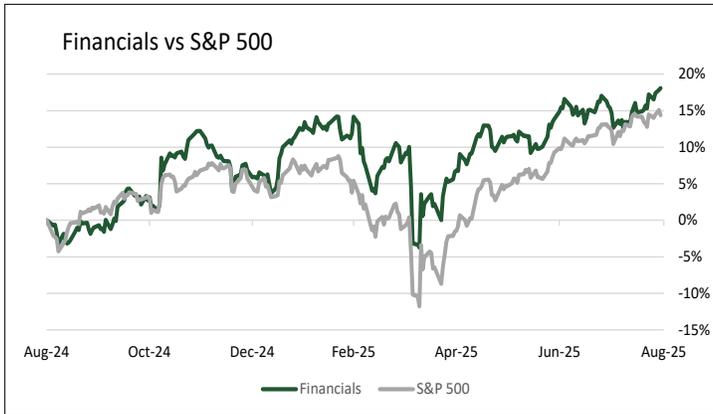
Since the start of the Ukraine-Russia war, India has increased its purchases of sanctioned Russian oil from <1% of crude oil imports in 2022 to 36-40% in 2025. In response to India's sanctioned oil purchases, the Trump administration imposed secondary sanctions by adding an additional 25% tariff on imports. This now brings the total tariff to 50% on Indian goods shipped to the US which could reduce its exports to America by 60% and lower its GDP by 0.9%, according to Bloomberg.

In mid-August OPEC increased its world oil demand forecast for 2026 by 100,000 barrels per day (bpd) to 1.38 million bpd while cutting its supply estimate by 100,000 to 630,000 bpd. The cartel also increased its forecast for world economic growth slightly to 3%, citing the Trump administration's tariff dealmaking. The cartel provided commentary stating that the "economic data at the start of the second half of 2025 further confirm[s] the resilience of global growth, despite persistent uncertainties related to U.S.-centered trade tensions and broader geopolitical risks." The International Energy Agency (IEA), on the other hand, increased its world oil supply forecast while trimming its demand growth forecast to 2.5 million bpd and 680,000 bpd, respectively. The agency also provided some commentary on its report stating that "The latest data show lackluster demand across the major economies and, with consumer confidence still depressed, a sharp rebound appears remote" going on to say that "oil market balances look ever more bloated."

West Texas Intermediate (WTI) crude oil prices decreased to \$64.01 at the end of the month from the \$69.26 level seen last month. Natural gas prices decreased slightly to \$3.00 from \$3.11 mmbtu last month. Retail gasoline prices increased slightly to -\$3.19 from the -\$3.15 per gallon figure a month ago.

The Baker Hughes oil rig count decreased to 536 in the month from the 540-level last month. For the week ending August 22, U.S. crude oil inventories came in at 418.3 million barrels, which is ~6% below the five-year average for this time of year and compares to last month's 426.7 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 ~13.4 million barrels per day.

# FINANCIALS



Source : Bloomberg

## Sector Performance

1 Month	3 Months	YTD	TTM
2.98%	5.98%	11.45%	18.09%

## S&P 500 Performance

1 Month	3 Months	YTD	TTM
1.91%	9.28%	9.84%	14.37%

## Company Performance

Leaders	Company	1 Month
	Assurant Inc	15.1%
	Global Payments Inc	11.1%
	American Express Co	10.7%
	Fifth Third Bancorp	10.1%
	Synchrony Financial	9.6%
Laggards	Coinbase Global Inc	-19.4%
	Fidelity National Info	-12.1%
	MarketAxess Holdings	-10.5%
	FactSet Research	-7.3%
	Apollo Global Mgmt	-6.3%

## Consensus FY EPS / P/E

Last Year	Current Year	Next Year
\$48.61	\$49.43	\$53.81
18.4x	18.1x	16.7x

## Sector Update

The Financials sector gained 3% in August, beating the 1.9% advance in the S&P 500® index, benefitting from a broadening rally as investors focused on the potential for near-term FOMC rate cuts paired with retrenchment in volatility. Despite relative underperformance against the broader market index in the past three months, the sector's 11.5% year-to-date and 18.1% trailing twelve-month gains remain better than the S&P 500 returns in those respective periods.

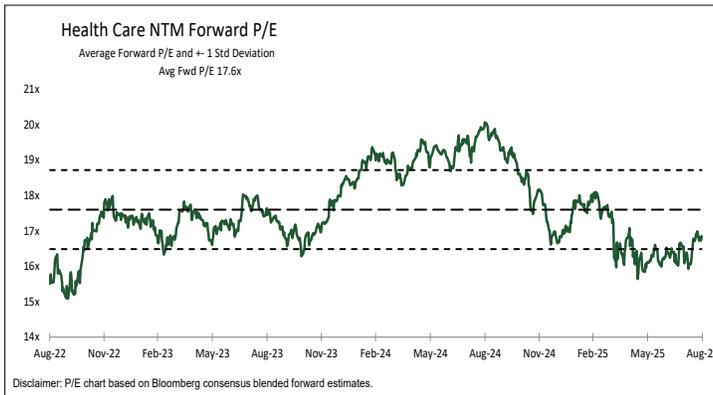
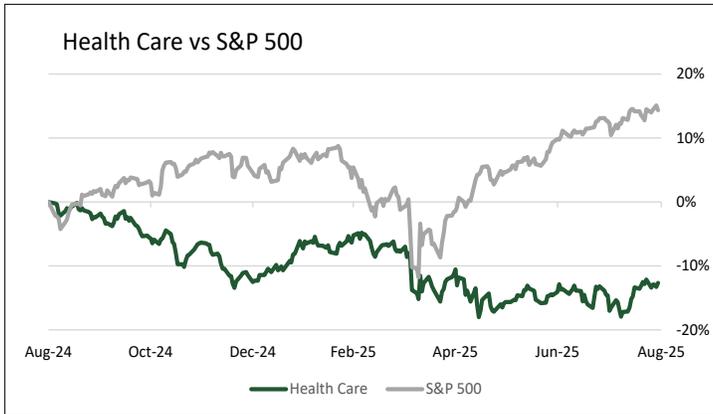
Subsector performance was led by the Consumer Finance group, up 8.5% in the month as a reflection of the cyclical risk-on sentiment. Banks increased 4.0% while Insurance stocks gained 4.1% and Diversified Financial Services advanced 3.8%. Capital Markets subsector performance lagged the rest of the sector, down 0.6% in the month. The Capital Markets subsector performance reflects inclusion of Coinbase (COIN), MarketAxess Holdings (MKTX), and FactSet Research (FDS) which were three of the five worst performing Financials stocks in August.

Specialty insurer Assurant (AIZ) was the best performing Financials stock in August, up 15.1% after reporting better than expected second quarter results and raising its full year outlook ahead of street expectations.

Lenders, including Banks and Consumer Finance, performed well on subdued volatility and steepening of the yield curve as shorter-term bond yields fell, perceived as a result of recent political pressure on the Federal Reserve to lower its targeted overnight funds rate. A steep yield curve typically supports net interest income growth for banks as short-term linked deposit costs fall while longer-term loan yields increase. 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, following 20% and 19% year-to-date gains in the Bank and Consumer Finance groups, respectively, valuations appear to more fully reflect current optimism leaving little room for disappointment. Further, material net interest income growth likely requires a resurgence in loan demand as the banking industry may be hesitant to extend duration in securities portfolios to chase yield given lingering scar tissue and balance sheet repositioning after the liquidity crisis and regional bank failures in early 2023.

Valuations in the sector appear more full at this juncture on a forward P/E of 18.1x compared to a three-year average of 14.7, supported by risk and volatility measures having returned toward multi-decade lows.

# HEALTH CARE



Source : Bloomberg

## Sector Performance

1 Month	3 Months	YTD	TTM
5.25%	3.54%	-0.41%	-12.66%

## S&P 500 Performance

1 Month	3 Months	YTD	TTM
1.91%	9.28%	9.84%	14.37%

## Company Performance 1 Month

Leaders	Company	1 Month
	UnitedHealth Group Inc	24.2%
	Humana Inc	21.5%
	IDEXX Laboratories Inc	21.1%
	Viatrix Inc	20.7%
	Insulet Corp	17.9%
Laggards	Moderna Inc	-18.5%
	Vertex Pharmaceuticals	-14.4%
	Dexcom Inc	-6.7%
	Cooper Cos Inc/The	-4.7%
	Cardinal Health Inc	-4.1%

## Consensus FY EPS / P/E

Last Year	Current Year	Next Year
\$90.33	\$90.37	\$97.85
17.7x	17.7x	16.3x

## Sector Update

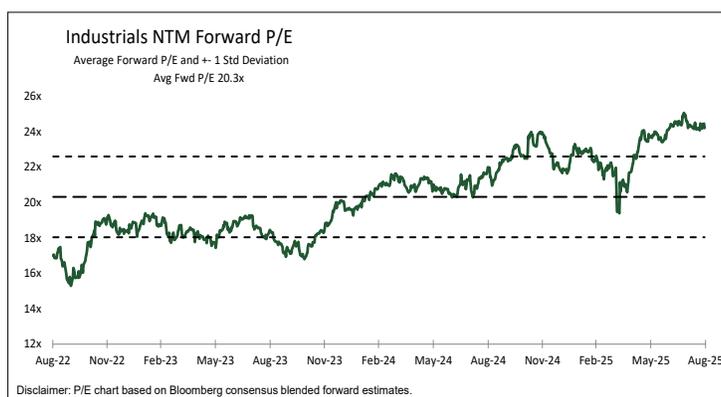
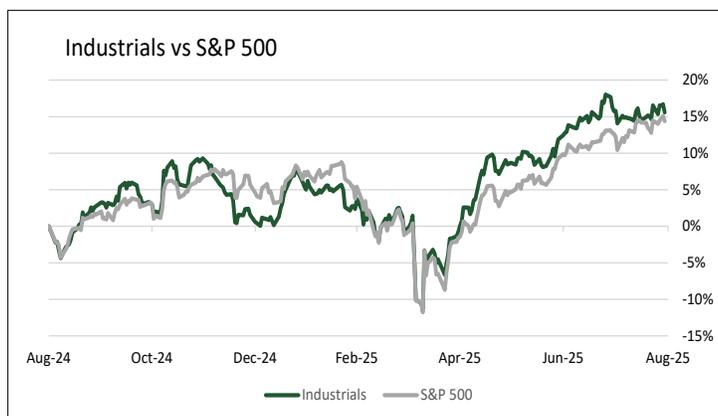
The Health Care sector rose 5.25% in August, outperforming the S&P 500's 1.91% gain and marking a notable shift in momentum. Although it remains the weakest-performing sector year-to-date and over the trailing 12 months, it is no longer at the bottom on a 1-month or 3-month basis. In fact, Health Care ranked as the second-best performing S&P 500 sector for August, just behind Materials. Despite this rebound, the sector continues to trade below its all-time highs. August's gains represent a modest recovery following July's decline, but overall performance still lags for the year. Earlier in 2025, Health Care benefited from a defensive market posture, yet struggled as broader equities rallied.

Investor sentiment remains cautious amid ongoing policy uncertainty, including proposed pharmaceutical tariffs and developments surrounding the Trump administration's "Most Favored Nation" drug pricing initiative. In late July, the Trump administration sent letters to 17 major pharmaceutical companies demanding that they lower U.S. drug prices to match the lowest prices offered in other developed nations by September 29th, stating that they must provide MFN prices to every Medicaid patient and stop offering better prices overseas. While analysts noted that the ultimatum was stark, behind-the-scenes negotiations were ongoing in August, possibly delaying harsh enforcement.

Early in the month, the Centers for Medicare & Medicaid (CMS) finalized a 2.6% base payment increase for inpatient hospital services, which is slightly higher than the initially proposed 2.4% increase. This rate is the amount that the government pays hospitals on behalf of a Medicare recipient. While the rate increased, some industry participants have noted that this rate increase fell short of recent input price inflation. Providers argued that the update doesn't reflect rising labor costs, administrative burdens, and other expenses. Despite this development, Hospital stocks rose in August following strong earnings results in late July that highlighted higher inpatient volumes and ER visits, improved operating margins, solid cash flow, and share buybacks.

Each Health Care subsector posted gains during the month, led by a 13.4% gain from Health Care Providers & Services. Additionally, Life Sciences Tools & Services increased 4.8%, Pharmaceuticals increased 4.2%, Health Care Equipment & Supplies grew 3.1%, and Biotechnology grew 2.6%. Currently, the Health Care sector trades at a forward P/E of 17.7x, roughly in line with the sector's historical average of 17.6x.

# INDUSTRIALS



Source : Bloomberg

## Sector Performance

1 Month	3 Months	YTD	TTM
-0.15%	6.36%	15.09%	15.60%

## S&P 500 Performance

1 Month	3 Months	YTD	TTM
1.91%	9.28%	9.84%	14.37%

## Company Performance 1 Month

Leaders	Company	1 Month
	Dayforce Inc	21.0%
	United Airlines Holdings	18.9%
	Delta Air Lines Inc	16.1%
	Leidos Holdings Inc	13.3%
	CH Robinson	11.6%
Laggards	TransDigm Group Inc	-13.0%
	Emerson Electric Co	-9.3%
	Eaton Corp PLC	-9.2%
	Deere & Co	-8.7%
	CSX Corp	-8.5%

## Consensus FY EPS / P/E

Last Year	Current Year	Next Year
\$47.05	\$47.97	\$55.30
27.3x	26.8x	23.2x

## Sector Update

The Industrials sector underperformed the S&P 500 in August, falling 0.15% versus the increase of 1.91% shown by the index. The Industrials sector also underperformed the S&P 500 on a three-month basis but outperformed the index on a year-to-date and trailing 12-month basis. Only three of the 12 Industrials subsectors recorded gains in August, led by Airlines with a 15.0% increase during the month, while Construction & Engineering led laggards with a 6.9% loss.

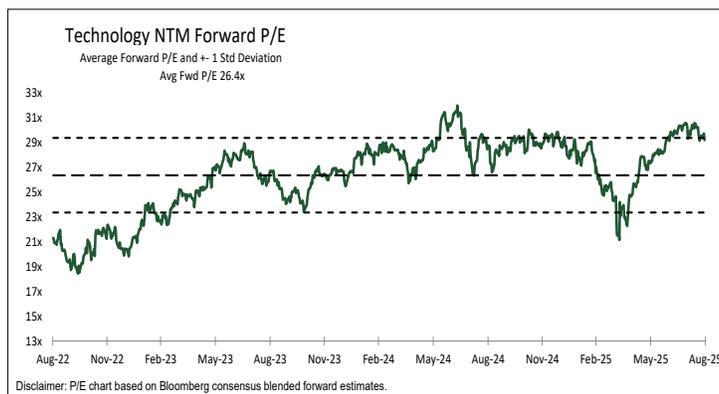
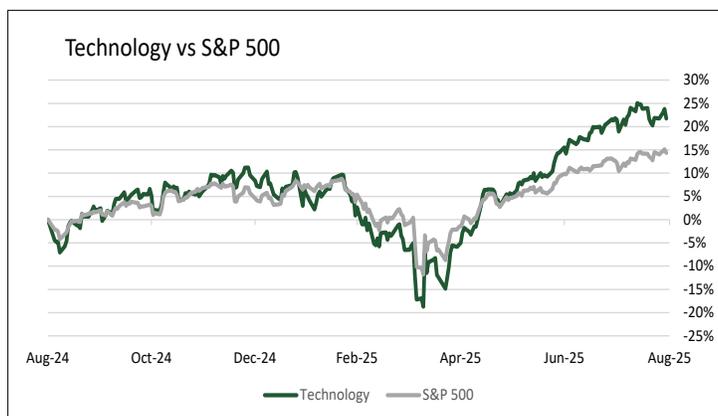
Some airline stocks recorded solid gains during the month as July's CPI report, released on August 12, indicated that airfares increased 4% from June to July, marking the first increase since January. As tariff-related macro uncertainty weighed on domestic travel demand and airline stocks in the first half of the year, some airline management teams sought to offer promotions and reduce capacity to better align supply and demand. The potential return of airfare pricing power indicated by the CPI report may have contributed to the rebound in the sector in August. Premium ticket sales have grown faster than economy sales for some large airlines in the last few quarters, possibly reflecting the bifurcation between affluent and struggling consumers that has emerged in the broader economy. Several management teams have commented on potentially expanding premium offerings in the near and medium term to attract more business from financially stable customers.

Ongoing tariff-related uncertainty may still be complicating decisions for industrial management teams. The Institute for Supply Management's (ISM) Purchasing Managers Index (PMI) for Manufacturing displayed contracting economic activity in the manufacturing sector for a sixth consecutive month, with August's 48.7% result modestly above July's 48% figure. We note that the Manufacturing PMI recorded contraction for 26 consecutive months before briefly showing expansion in January and February of this year. Despite the New Orders Index registering expansion for the first time in seven months, overall demand appeared to fall during August, with the New Export Orders, Customers' Inventories, and Backlog of Orders Indexes all displaying contraction. Susan Spence, Chair of the ISM Manufacturing Business Survey Committee, noted that for every positive comment on new orders from panelists, there were "2.5 comments expressing concern about near-term demand, primarily driven by tariff costs and uncertainty."

The Production Index flipped from expansion to contraction in the month, recording a 3.6 percentage point decline to 47.8% from July's 51.4% reading. Furthermore, the Employment Index registered contraction for the seventh straight month, with Spence noting that "layoffs and not filling open positions remain the main headcount management strategies" for manufacturing companies.

The Industrials sector is trading at a forward P/E ratio of 26.8x FY25 consensus estimates, which is higher than its three-year average of 20.3x.

# INFORMATION TECHNOLOGY



Source : Bloomberg

## Sector Performance

1 Month	3 Months	YTD	TTM
0.27%	15.70%	13.56%	21.78%

## S&P 500 Performance

1 Month	3 Months	YTD	TTM
1.91%	9.28%	9.84%	14.37%

## Company Performance 1 Month

Leaders	Company	1 Month
	Intel Corp	23.0%
	Monolithic Power	17.5%
	Enphase Energy Inc	16.5%
	HP Inc	15.1%
	Analog Devices Inc	11.9%
Laggards		
	Super Micro Computer	-29.6%
	Gartner Inc	-25.8%
	Fortinet Inc	-21.2%
	Intuit Inc	-15.0%
	ON Semiconductor	-12.0%

## Consensus FY EPS / P/E

Last Year	Current Year	Next Year
\$143.15	\$162.59	\$191.32
36.6x	32.2x	27.4x

## Sector Update

The Technology sector lagged the market in August driven by the underperformance of four of six subsectors.

The Semiconductor and Semiconductor Equipment subsector trailed the market, weighed down by the decline in the shares of leading AI semiconductor companies. Nonetheless, semiconductor companies Analog Devices, Intel, and Monolithic Power Systems were among the top performing Technology equities.

The U.S. government's decision in June to allow U.S. companies to sell their AI chips to China contributed to the rise in the shares of leading AI semiconductor manufacturers in June and July as investors anticipated potential revenue upside. However, their shares retreated in August as it became apparent that the China AI revenue opportunity may not materialize in the near-term. The Chinese government recently urged local tech companies to halt their purchases and use of U.S. AI chips, citing security concerns.

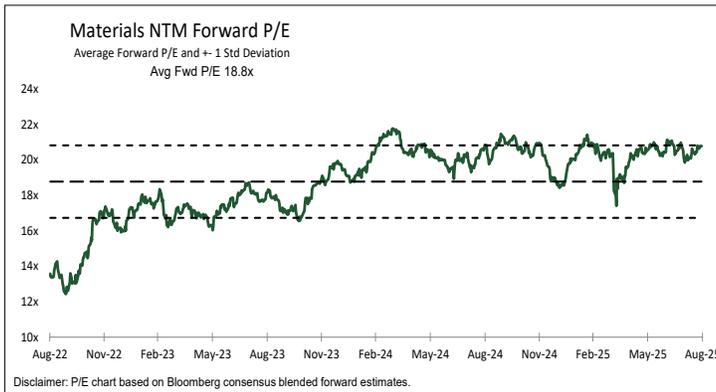
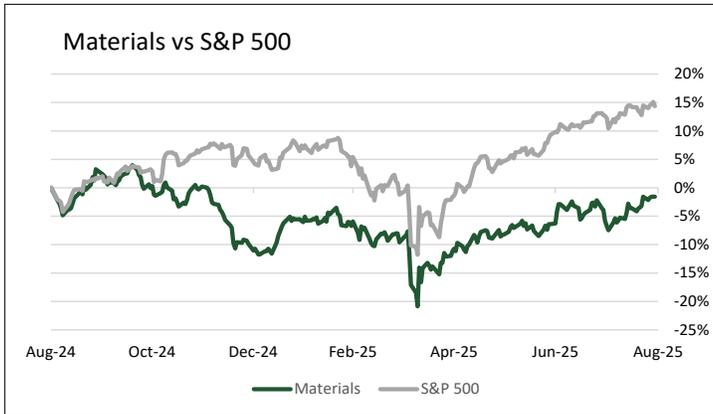
The broad global recovery in industrial end market demand, including aerospace & defense, digital healthcare, factory automation/robotics, and Test & Measurement contributed to Analog Devices' (ADI) better than expected Q-3 25 results and guidance. Monolithic Power Systems' better than expected results and guidance were driven by higher enterprise demand and initial demand from hyperscale cloud companies for its power solutions for custom AI systems.

The U.S. government recently obtained a 10% equity stake in Intel for approximately \$8.9 billion through a conversion of the previously awarded CHIPS Act and Secure Enclave program funds. News of this development contributed to the sharp rise of Intel shares in August.

The Computer Hardware subsector outperformed the market driven by better than expected results from leading providers of smartphones and PCs. Hewlett Packard was among the top performing equities in the Technology sector after it reported better than expected results driven by increased enterprise purchases of Windows 11 enabled and AI PCs.

The Technology sector appears close to fairly valued, with a P/E of 32.2x and 27.4x the consensus analyst FY25/FY26 EPS estimates, compared to 18% earnings growth and its average forward P/E of 26.4x.

# MATERIALS



Source : Bloomberg

## Sector Performance

1 Month	3 Months	YTD	TTM
5.58%	7.25%	10.27%	-1.55%

## S&P 500 Performance

1 Month	3 Months	YTD	TTM
1.91%	9.28%	9.84%	14.37%

## Company Performance 1 Month

Leaders	Company	1 Month
	Albemarle Corp	25.2%
	Newmont Corp	19.8%
	Packaging Corp	12.5%
	Sherwin-Williams Co	10.6%
	Freeport-McMoRan Inc	10.3%
Laggards		
	Ball Corp	-8.1%
	Amcor PLC	-7.7%
	Mosaic Co/The	-7.2%
	CF Industries Holdings	-6.7%
	International Flavors	-5.0%

## Consensus FY EPS / P/E

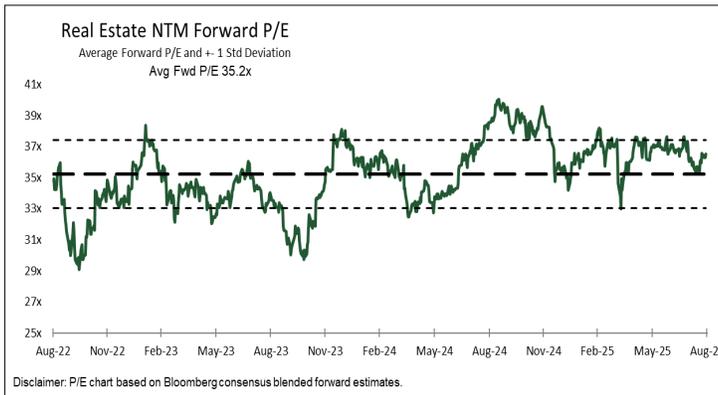
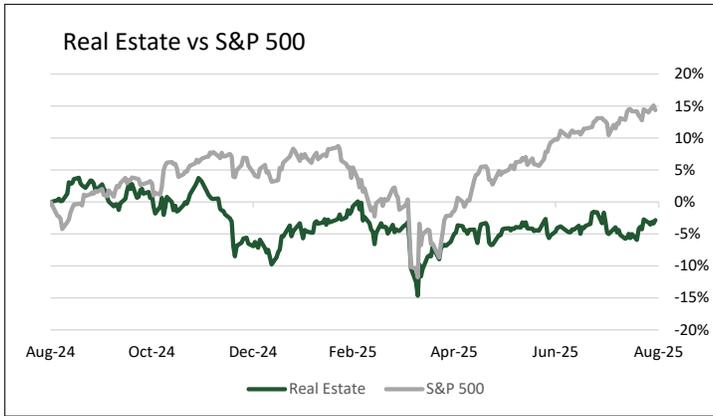
Last Year	Current Year	Next Year
\$23.72	\$25.41	\$29.60
24.6x	23.0x	19.7x

## Sector Update

The Materials sector increased 5.6% in August and outperformed the 1.9% increase for the S&P 500 Index. YTD, the Materials sector increased 10.3% and has outperformed the S&P 500 Index that rose 9.8%. All segments reported gains with the greatest increase in the Metals & Mining segment. During August, the strong performance for the metal and mining stocks reflected favorable pricing for silver, gold, copper, nickel, lithium, and additional critical minerals supported by favorable demand. In addition, the ruling by the federal appeal court in Washington, DC related to the president's authority to impact tariffs has driven volatility in the group. The Materials segment trades with an average forward P/E of about 23x vs its historical valuation range of 18.8x.

The macro environment remains uncertain given ongoing news about tariffs, fluctuating costs, and uncertain consumer behavior and volumes. The key remains whether companies can mitigate tariff impacts through price increases, cost reductions, and by shifting the sourcing footprint. High mortgage rates remain an overhang on the domestic housing market. Focus is currently centered on the potential for a rate cut by the Federal Reserve in September. Recently, mortgage rates to purchase a home have moderated although still elevated versus pre-pandemic levels. Despite the trend, according to the Mortgage Banker Association, mortgage applications to purchase a home declined 3% as of September 4, 2025 vs the prior week. A slowing labor market is also a concern for consumer confidence and home sales along with affordability and inventory. Housing companies emphasize that they continue to prioritize price over pace of volume sales. Builders prioritize margins, cash flow, and share repurchases over volume growth. Contracts to buy previously owned U.S. homes fell more than expected in July as higher mortgage rates and a slowing labor market sidelined prospective homeowners. In August 2025, the chemical sector experienced a significant slowdown reflecting weak demand and continued global macroeconomic challenges. Uncertainties persist globally with tariffs, costs, and trade barriers. Results remain mixed with stronger results from agriculture and electronic companies vs petrochemical companies that face weak demand. Companies focus on cash preservation by cutting costs and deferring capital spending projects.

# REAL ESTATE



Source : Bloomberg

## Sector Performance

1 Month	3 Months	YTD	TTM
2.03%	1.38%	3.61%	-2.83%

## S&P 500 Performance

1 Month	3 Months	YTD	TTM
1.91%	9.28%	9.84%	14.37%

## Company Performance

Leaders	Company	1 Month
	BXP Inc	10.8%
	Simon Property Group	10.3%
	Host Hotels & Resorts	9.5%
	Federal Realty	9.1%
	Public Storage	8.3%
Laggards	SBA Communications	-8.8%
	CoStar Group Inc	-6.0%
	Crown Castle Inc	-5.7%
	Iron Mountain Inc	-5.2%
	Digital Realty Trust Inc	-5.0%

## Consensus FY EPS / P/E

Last Year	Current Year	Next Year
\$12.99	\$12.92	\$13.99
20.4x	20.5x	19.0x

## Sector Update

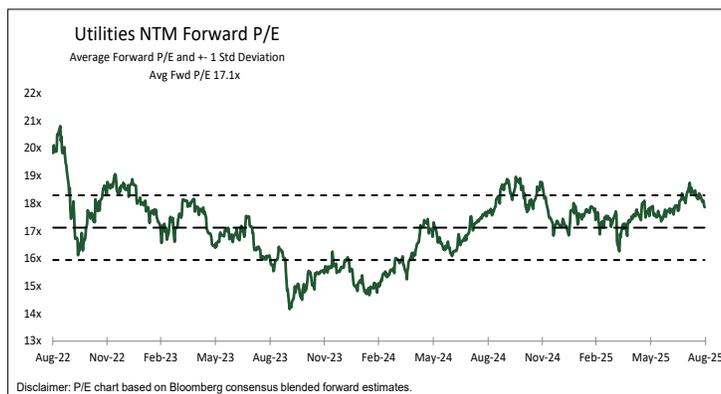
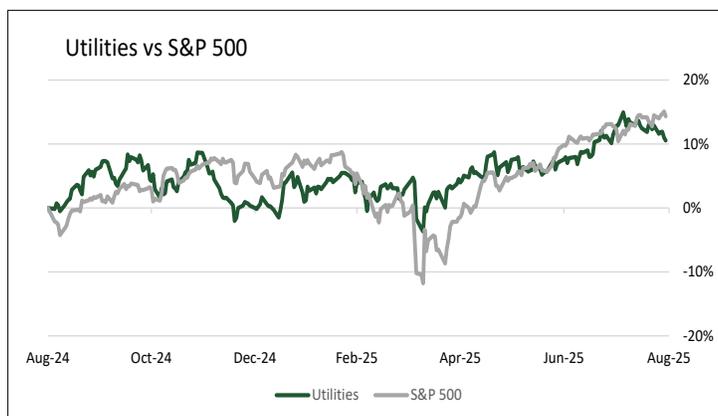
Investors anticipate the FOMC may trim the fed funds rate at the upcoming September 17th session with as much as 100 BPS of cuts possible over the next 12-15 months – that if forthcoming would likely represent a positive catalyst for interest rate sensitive sectors including Real Estate. As a result, the market started to experience rotation from prior sector leaders with broadening participation from laggards including stocks of firms potentially benefitting from lower interest rates. As such, the real estate sector experienced improved sentiment during August achieving a one-month gain of 2.03%, outperforming the S&P 500 that appreciated 1.91%. At recent real estate conferences/gatherings, management teams suggested that capital markets have improved with significant enhanced access to debt financing at attractive rates offering liquidity for M&A. Notably, new supply under development in many aspects of real estate remains fairly restricted today offering pricing power to operators, while fostering expectations for increased M&A. Keen interest continues to focus on data centers; lease spreads have widened for those owning retailing properties; excess capacity in multi family is being absorbed; limited new office space is under development with redevelopment and return to office work offering cautious optimism, while senior housing remains supply constrained offering pricing power as well.

The recently completed 2Q2025 earnings season had many real estate firms deliver upside operating results along with increases to guidance going forward. As illustrated in the adjacent graphics, solid results and/or rising expectations drove double digit type appreciation for BXP, Simon Properties, and Host Hotels. BXP, an owner of class A office space in major urban centers across the U.S., delivered upside FFO tied to tight cost controls during the quarter. Simon Properties, a leader in retail malls and outlets, beat consensus forecasts with occupancy rates on the rise and redevelopment efforts advancing. Solid demand from core operations saw Host Hotels achieve improved RevPAR rates and margins in the quarter supporting enhanced guidance for 2025. And, Public Storage shares advanced soundly despite seeing sustained weaker demand and soft pricing for self-storage.

Other companies delivered more of a mixed message with latest earnings reports. Cell tower operators SBA Communications and Crown Castle have continued to experience churn post the Sprint T-Mobile merger. Although CoStar delivered strong growth of new bookings for both its Homes.com and Apartments.com businesses, sustained investment in the Homes LOB had management guidance for the 3Q2025 coming through below consensus expectations. Data center operators Iron Mountain and Digital Realty saw their shares back off despite delivering strong growth as management of IRM suggested growth into 2026 could slow modestly from 30% this year toward 25% next year, while DLR noted their backlog had dipped modestly.

We continue to view future returns for the Real Estate sector to remain closely tied to interest rates and growth prospects for the U.S. economy. Ultimately, the Federal Reserve is widely anticipated to move into an easing cycle commencing this month, while tariffs are viewed as a one-time tax having minimal impact to domestic focused real estate firms. Thus, the outlook for real estate sector investment is potentially poised to improve further on a relative basis into 2026.

# UTILITIES



Source : Bloomberg

## Sector Performance

1 Month	3 Months	YTD	TTM
-2.03%	2.84%	10.73%	10.57%

## S&P 500 Performance

1 Month	3 Months	YTD	TTM
1.91%	9.28%	9.84%	14.37%

## Company Performance

Leaders	Company	1 Month
	PG&E Corp	9.0%
	Edison International	7.7%
	Atmos Energy Corp	6.5%
	AES Corp/The	3.0%
	Dominion Energy Inc	2.5%
Laggards	NRG Energy Inc	-12.9%
	Constellation Energy	-11.5%
	Vistra Corp	-9.3%
	Public Service	-8.3%
	Consolidated Edison Inc	-5.1%

## Consensus FY EPS / P/E

Last Year	Current Year	Next Year
\$21.73	\$22.24	\$24.69
19.6x	19.2x	17.3x

## Sector Update

Utilities were the worst performing sector in August, down 2% in the period compared to a 1.9% gain in the S&P 500® index. Utilities, particularly components most closely associated with AI demand, took a breather alongside large cap AI technology stocks in the month as the market broadened and rotated into previously unloved sectors. The sector has outperformed the S&P 500 by less than one percentage point year-to-date but trails the broader market index on a trailing three- and twelve-month basis. Still, secular growth supported by electrical infrastructure build-out, a prospective decline in interest rates, and defensive tilt make the sector appear attractive for current investment.

The Independent and Renewable Power subsector, which includes just AES Corp (AES) and Vistra (VST), declined 7.9% and lagged peers after three consecutive months as the leading Utilities subsector. More traditional Electric and Multi-Utilities declined 1.9% and 2.0% respectively. Water Utilities (including just American Water Works (AWK)) was the best performing subsector on a 2.3% gain in the month.

NRG (NRG), Constellation (CEG), and Vistra (VST) were the worst performing Utilities stocks in August, cooling off from strong year-to-date advances given perceptions of being closely associated with AI demand in conjunction with profit-taking seen among mega-cap tech names.

Despite weak August performance, growing power demand remains a multi-year secular tailwind for the sector, with current focus following AI and datacenter-related projects. Power and grid capacity constraints are already believed to be the most significant challenge to datacenter infrastructure build-out. Industry surveys conducted by Deloitte forecast a fivefold increase in total datacenter electricity demand by 2035 including a more than thirtyfold increase for AI datacenters compared to 2024 levels. Said otherwise, the ~143GW datacenter demand growth forecasted represents approximately 19% growth from record peak demand of 759GW in the US as reported by the US Energy Information Administration (EIA) in July.

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; however, given secular growth tailwinds around data center investment, grid hardening, and manufacturing onshoring, the group appears attractive.

## ECONOMIC CALENDAR

Date	Release	For	Prior
2-Sep	S&P Global U.S. Manufacturing PMI - Final	August	53.3
2-Sep	ISM Manufacturing Index	August	48.0%
2-Sep	Construction Spending	July	-0.4%
3-Sep	MBA Mortgage Applications Index	8/30	-0.5%
3-Sep	Factory Orders	July	-4.8%
3-Sep	JOLTS - Job Openings	July	7.357M
3-Sep	Beige Book	September	N/A
4-Sep	ADP Employment Change	August	104K
4-Sep	Trade Balance	July	-60.2B
4-Sep	Unit Labor Costs-Rev	Q2	1.6%
4-Sep	Initial Claims	8/30	229K
4-Sep	Productivity-Rev	Q2	2.4%
4-Sep	Continuing Claims	8/23	1954K
4-Sep	S&P Global U.S. Services PMI - Final	August	55.4
4-Sep	ISM Services	August	50.1%
4-Sep	EIA Natural Gas Inventories	8/30	+18 bcf
4-Sep	EIA Crude Oil Inventories	8/30	-2.39M
5-Sep	Nonfarm Payrolls	August	73K
5-Sep	Nonfarm Private Payrolls	August	83K
5-Sep	Unemployment Rate	August	4.2%
5-Sep	Avg. Hourly Earnings	August	0.3%
5-Sep	Average Workweek	August	34.3
8-Sep	Consumer Credit	July	\$7.4B
10-Sep	MBA Mortgage Applications Index	9/6	-1.2%
10-Sep	PPI	August	0.9%
10-Sep	Core PPI	August	0.9%
10-Sep	Wholesale Inventories	July	0.1%
10-Sep	EIA Crude Oil Inventories	9/6	N/A
11-Sep	Core CPI	August	N/A
11-Sep	CPI	August	0.2%
11-Sep	Initial Claims	9/6	N/A
11-Sep	Continuing Claims	9/6	N/A
11-Sep	EIA Natural Gas Inventories	9/6	N/A
11-Sep	Treasury Budgets	August	-\$291.1B
12-Sep	Univ. of Michigan Consumer Sentiment - Prelim	September	N/A
15-Sep	Empire State Manufacturing	September	11.9
16-Sep	Retail Sales	August	0.5%
16-Sep	Retail Sales ex-auto	August	0.3%
16-Sep	Import Prices	August	0.4%
16-Sep	Import Prices ex-oil	August	0.3%
16-Sep	Export Prices	August	0.1%
16-Sep	Export Prices ex-ag.	August	0.1%

## ECONOMIC CALENDAR

16-Sep	Capacity Utilization	August	77.5%
16-Sep	Industrial Production	August	-0.1%
16-Sep	Business Inventories	July	0.0%
16-Sep	NAHB Housing Market Index	September	N/A
17-Sep	MBA Mortgage Applications Index	9/13	N/A
17-Sep	Building Permits	August	1362K
17-Sep	Housing Starts	August	1428K
17-Sep	EIA Crude Oil Inventories	9/13	N/A
17-Sep	FOMC Rate Decision	September	N/A
18-Sep	Continuing Claims	9/13	N/A
18-Sep	Initial Claims	9/13	N/A
18-Sep	Philadelphia Fed Index	September	-0.3
18-Sep	Leading Indicators	August	-0.1%
18-Sep	EIA Natural Gas Inventories	9/13	N/A
18-Sep	Net Long-Term TIC Flows	July	\$150.8B
23-Sep	Current Account Balance	Q2	-\$450.2B
23-Sep	Existing Home Sales	August	4.01M
24-Sep	MBA Mortgage Applications Index	9/20	N/A
24-Sep	New Home Sales	August	652K
24-Sep	EIA Crude Oil Inventories	9/20	N/A
25-Sep	Adv. Intl. Trade in Goods	August	-\$103.6B
25-Sep	Adv. Retail Inventories	August	0.2%
25-Sep	Adv. Wholesale Inventories	August	0.2%
25-Sep	Continuing Claims	9/20	N/A
25-Sep	Durable Goods -ex transportation	August	1.1%
25-Sep	Durable Orders	August	-2.8%
25-Sep	GDP - Third Estimate	Q2	3.3%
25-Sep	GDP Deflator - Third Estimate	Q2	2.0%
25-Sep	Initial Claims	9/20	N/A
25-Sep	EIA Natural Gas Inventories	9/20	N/A
26-Sep	Personal Income	August	0.4%
26-Sep	Personal Spending	August	0.5%
26-Sep	PCE Prices	August	0.2%
26-Sep	PCE Prices - Core	August	0.3%
26-Sep	Univ. of Michigan Consumer Sentiment - Final	September	N/A
29-Sep	Pending Home Sales	August	-0.4%
30-Sep	FHFA Housing Price Index	July	-0.2%
30-Sep	S&P Case-Shiller Home Price Index	July	2.1%
30-Sep	Consumer Confidence	September	97.4
30-Sep	Chicago PMI	September	41.5

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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.

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