

Monthly Market Review

Multi-Asset Class | November 2025

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U.S. Equity

- Domestic equity markets, as represented by the S&P 500 Index (S&P) and the Russell 3000 Index, returned 2.34% and 2.14% respectively in October.¹
- Six of the 11 sectors saw positive returns for the month. The Information Technology sector was the best performing sector, returning 6.23% for the month, followed by Healthcare at 3.58%. The Materials sector was the worst performing sector, returning -5.04% in October.
- Small-caps (Russell 2000 Index) returned 1.81% and large caps (Russell 1000 Index) returned 2.16% while mid-caps (Russell Mid Cap Index) returned -0.83%. Growth outperformed value across all capitalizations during the month.
- According to FactSet Earnings Insight as of October 31, 2025, the estimated earnings growth rate for the S&P in Q3 2025 is 10.7%, which would mark the fourth consecutive quarter of double-digit earnings growth. This blended earnings growth rate is being supported by the Information Technology sector, which has an estimated earnings growth rate of 26.5% for the quarter. The overall percentage of companies beating their earnings per share (EPS) estimates stands at 83%, which is above the 5- and 10-year averages, currently marking the largest percentage of positive EPS surprises since Q2 2021.

Non-U.S. Equity

- Non-U.S. equity markets, represented by the MSCI ACWI ex-U.S. Index returned 2.02% in October. Developed markets, represented by the MSCI EAFE Index returned 1.18% as Europe (MSCI Europe) returned 0.74% and Japan (MSCI Japan) returned 3.39%. Emerging markets (EM), as represented by the MSCI Emerging Markets Index, returned 4.18% as negative returns in Chinese equities (MSCI China Index) of -3.89%, were offset by positive returns in South Korea (MSCI Korea) and Taiwan (MSCI Taiwan). Those markets returned 22.65% and 9.84% respectively as artificial intelligence (AI) stocks buoyed their respective Information Technology sectors.
- Within the ACWI ex-U.S. Index, six of the 11 sectors posted positive returns. Information Technology was the best performing sector for the month, returning 11.61%, while the Utilities sector was the second-best performer, returning 4.41%. Real Estate was the worst performing sector, posting a return of -2.04%.

Fixed Income

- In October, Treasury yields fell slightly along the curve. The 2-year yield fell 3 basis points (bps), and the 5-year yield fell 5 bps. The yield on the 10-year fell 7 bps and the 30-year U.S. Treasury yield fell 8 bps.

- The Bloomberg U.S. Aggregate Index returned 0.62% in October. Investment-grade (IG) credit returned 0.44%, AAA-rated bonds returned 0.45%, AA-rated bonds returned 0.49%, A-rated bonds returned 0.50% and BBB-rated bonds returned 0.37%. High-yield corporates, as represented by ICE BofA U.S. High Yield Index returned 0.20% during the month, while the Broad Treasury Index returned 0.63%. Spreads widened slightly for both high-yield and investment grade corporates.

Listed Real Assets

- During October, real estate investment trusts (REITs), as represented by the MSCI U.S. REIT Index and the FTSE NAREIT Index both returned approximately -1.61%. Buoyed by AI investments, Data Centers saw the strongest performance for the month while the Office sector was the most challenged. Listed Infrastructure, represented by the MSCI World Core Infrastructure Index, returned -1.57% for the month.

Items to Watch

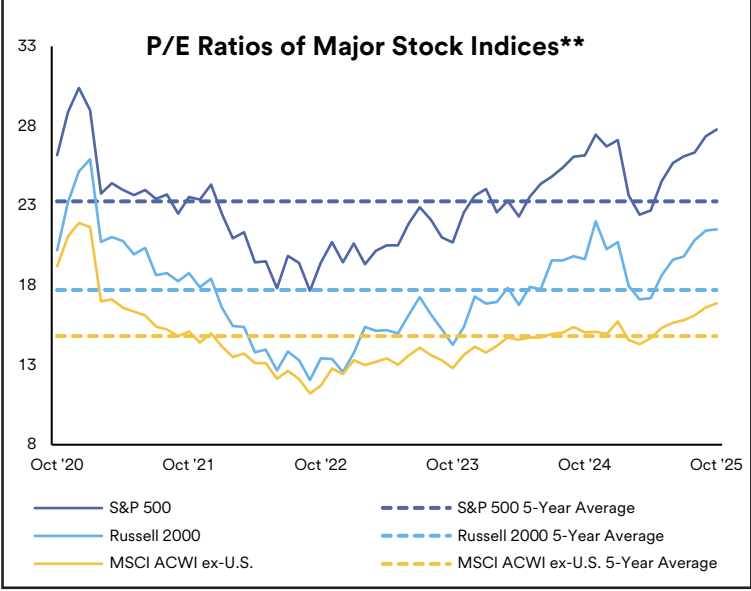
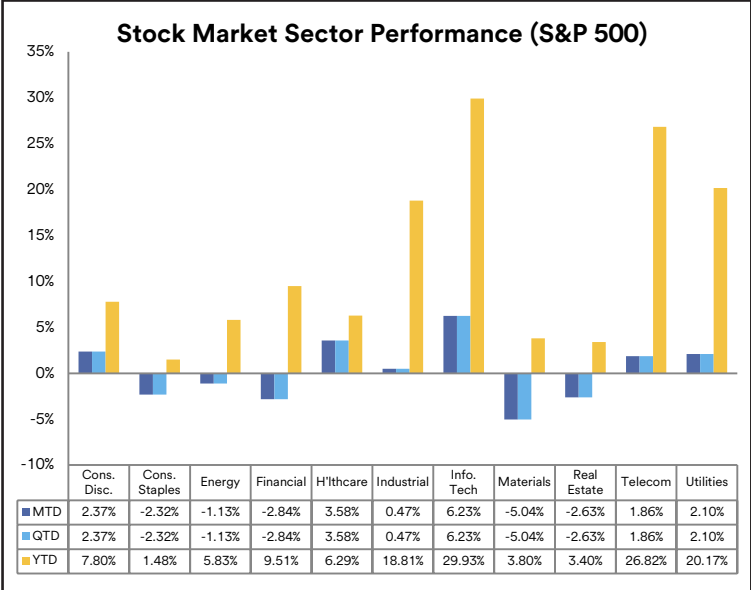
- The Federal Open Market Committee (FOMC) met at the end of October, delivering a widely anticipated 25 basis point cut, bringing the benchmark rate to 3.75%. This decision marks the second consecutive rate cut as the Federal Reserve (Fed) seeks to support economic growth and hiring, even as inflation remains elevated. The challenge of balancing inflation and employment risks is now increasingly complicated by the limited economic data available as the ongoing government shutdown delays key reports. Looking forward, Fed Chair Jerome Powell emphasized that a third consecutive rate cut in December is not guaranteed, and the next move remains highly data dependent.
- Domestic equity markets have continued to see gains supported in large part by the AI boom, with the “Magnificent 7” (Alphabet, Amazon, Apple, Meta Platforms, Microsoft, NVIDIA, and Tesla) stocks returning 4.93% for the month, marking a year-to-date return of 25.35%. The recent rally in technology stocks has been led by consecutive record highs for Amazon and a new record price for Nvidia, which now enjoys a roughly \$5 trillion market capitalization (cap). The “Magnificent 7’s” share of the S&P 500’s total market capitalization stands at 37.6%. This market concentration has provided positive returns, but remains an area of close focus as investors watch for signs of the rally slowing.

Sources

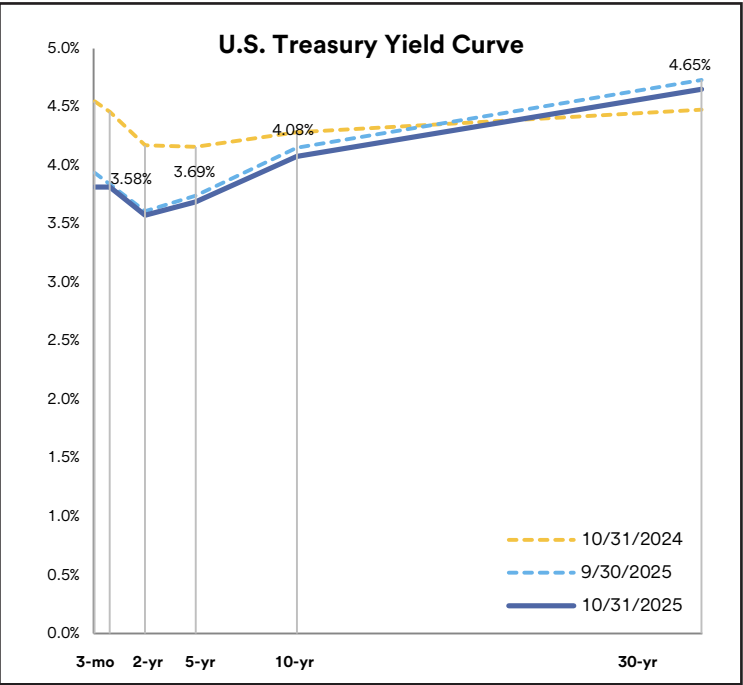
- Bloomberg
- FactSet

1 - All returns are expressed as total returns (price returns net of dividends).

Total Return of Major Indices				
Domestic Equity	MTD	QTD	YTD	1 YR
S&P 500	2.34%	2.34%	17.50%	21.42%
Russell 3000	2.14%	2.14%	16.83%	20.79%
Russell 2000	1.81%	1.81%	12.38%	14.40%
Russell 1000	2.16%	2.16%	17.06%	21.11%
International Equity	MTD	QTD	YTD	1 YR
MSCI ACWI ex-U.S.	2.02%	2.02%	28.57%	24.93%
MSCI EAFE	1.18%	1.18%	26.61%	23.03%
MSCI Emerging Markets	4.18%	4.18%	32.86%	27.92%
Fixed Income	MTD	QTD	YTD	1 YR
Bloomberg U.S. Agg	0.62%	0.62%	6.80%	6.16%
Bloomberg Global Agg	-0.25%	-0.25%	7.64%	5.69%
ICE BofA U.S. HY	0.20%	0.20%	7.27%	8.03%
Listed Real Assets	MTD	QTD	YTD	1 YR
MSCI U.S. REIT	-1.61%	-1.61%	2.08%	-1.57%
FTSE NAREIT Index	-1.61%	-1.61%	2.82%	-0.68%
MSCI World Core Infrastructure	-1.57%	-1.57%	13.66%	9.67%



Economic Indicators		
Domestic	Current	Previous Month
ADP Employment Change	42k	-32k
FOMC Rate Decision	4.00%	4.25%
ISM Services Employment	48.2	47.2
ISM Manufacturing Employment	46.0	45.3
ISM Services PMI	52.4	50.0
SM Manufacturing PMI	48.7	49.1
University of Michigan Consumer Confidence	53.6	55.1
Existing Home Sales	4.1 MM	4.0 MM
Consumer Price Index (YoY)	3.0%	2.9%
Core CPI (YoY)	3.0%	3.1%
Developed International*	6/30/2025	3/31/2025
Market GDP (ann'l rate)	1.4%	1.7%
Market Unemployment	4.9%	4.7%



Source: Bloomberg. Data as of October 31, 2025, unless otherwise noted.

*Developed market data is calculated with respect to the weightings in the MSCI World ex-U.S. Index. Most current data is as of June 30, 2025 due to release dates of numerous countries.

**P/E ratios are calculated based on one-year-forward estimates and adjusted to include only positive earning results for consistency.

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