

## A volatile week ends with mixed market results

The stock market endured a volatile, headline-driven week that ultimately resolved into mixed performance across the major averages, masking notable divergence beneath the surface.



Geopolitical tensions dominated early-week trading after President Trump's renewed tariff threats toward the EU and NATO allies sparked a sharp risk-off move on Tuesday. That session marked the market's worst day of the year, pushing the S&P 500 (-0.4% WTD), DJIA (-0.5%), and Nasdaq Composite (-0.1%) decisively lower and briefly below key technical levels.

Midweek trading brought a partial reversal as easing rhetoric around Greenland-related tariffs, improving trade headlines, and steady inflation data helped stabilize sentiment. Gains on Wednesday and Thursday allowed the major averages to recover a portion of Tuesday's losses, though conviction faded into Friday as breadth weakened and investors repositioned ahead of a heavy slate of mega-cap earnings.

By week's end, performance across market segments highlighted continued selectivity. Smaller-cap indices lagged modestly, with the Russell 2000 (-0.3%) and S&P Mid Cap 400 (-0.6%) both finishing lower despite intermittent strength earlier in the week.

Sector performance reflected a clear rotation. Cyclical and rate-sensitive areas struggled, with weakness led by the financials (-2.5%), industrials (-1.6%), utilities (-2.0%), and real estate (-2.4%) sectors, while defensively-tilted and commodity-linked sectors outperformed. The energy (+3.1%) and materials (+2.6%) sectors captured the strongest gains, supported by strength in natural gas, oil-related equities, and packaging names. The communication services (+1.1%), health care (+1.1%), consumer staples (+0.9%), and consumer discretionary (+0.7%) sectors also finished the week higher.

Overall, the week underscored a market still sensitive to geopolitical developments and earnings guidance, with rotation continuing beneath relatively resilient index-level performance.

With several “Magnificent Seven” names reporting next week and inflation data largely stable, the market enters the new week near record levels—but with momentum now increasingly dependent on execution from its largest constituents.

- Nasdaq Composite: -0.1%
- Russell 2000: -0.3%
- S&P 500: -0.4%
- DJIA: -0.5%
- S&P Mid Cap 400: -0.6%

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