

Full Market Commentary

The Week on Wall Street

Stocks continued their slide through a volatile week. U.S. trade policy drove much of the market's movement, broadening investors' concerns about economic growth and inflation.

The Standard & Poor's 500 Index declined 3.10 percent, while the Nasdaq Composite Index dropped 3.45 percent. The Dow Jones Industrial Average slid 2.37 percent. By contrast, the MSCI EAFE Index, which tracks developed overseas stock markets, rallied 2.85 percent.^{1,2}

Tariffs Take Effect

Big price swings and tariff uncertainty loomed over the entire week. Stocks opened lower out of the gate after the White House confirmed the planned 25 percent tariff on Mexican and Canadian goods would go forward. Soft manufacturing and construction data also put broad downward pressure on markets. Meanwhile, European stocks continued to rally on anticipated defense spending.³

Stocks fell further as tariffs affected Canada, Mexico, and China. Each country announced retaliatory tariffs of their own, further fanning inflationary fears among investors. By Tuesday's close, all three averages were down 3 percent on the week, and the S&P had given up its post-election gains.⁴

Markets rebounded midweek after the White House announced a one-month reprieve from tariffs for North American automakers complying with the existing United States-Mexico-Canada Agreement (USMCA). The recovery rally built momentum as the administration hinted that exemptions for other sectors could follow.⁵

However, as trade policy fatigue rose again, the rebound reversed—despite the White House pausing more tariffs on Canadian and Mexican imports until April 2. Comments from the Treasury secretary defending U.S. tariffs and downbeat economic reports put further pressure on share prices. The Nasdaq entered correction territory, and for the first time in five years, the S&P 500 hit its sixth consecutive day of +/-1 percent price swings.⁶

Stocks continued to fall after an underwhelming February jobs report. Later, markets rebounded after Federal Reserve Chair Jerome Powell said that the economy “continues to be in a good place” and that the Fed was holding firm on current rates. The S&P, Dow, and Nasdaq all finished Friday in the green despite being down for the week.⁷

Under The Hood

The Institute for Supply Management (ISM) published fresh manufacturing data on Monday. Although headline numbers were decent, a closer look revealed that new orders dropped in January from a years-long high into correction territory while deliveries and prices paid jumped.⁸

Best Regards,



THIS WEEK: KEY ECONOMIC DATA

Tuesday: Job Openings. NFIB Small Business Optimism Index.

Wednesday: Consumer Price Index (CPI). Federal Budget. Treasury Announcement.

Thursday: Producer Price Index (PPI). Initial Jobless Claims.

Friday: Consumer Sentiment.

Source: Investors Business Daily - Econoday economic calendar; March 7, 2025

The Econoday economic calendar lists upcoming U.S. economic data releases (including key economic indicators), Federal Reserve policy meetings, and speaking engagements of Federal Reserve officials. The content is developed from sources believed to be providing accurate information. The forecasts or forward-looking statements are based on assumptions and may not materialize. The forecasts also are subject to revision.

THIS WEEK: COMPANIES REPORTING EARNINGS

Monday: Oracle Corporation (ORCL)

Wednesday: Adobe Inc. (ADBE)

Source: Zacks, March 7, 2025. Companies mentioned are for informational purposes only. It should not be considered a solicitation for the purchase or sale of the securities. Investing involves risks, and investment decisions should be based on your own goals, time horizon, and tolerance for risk. The return and principal value of investments will fluctuate as market conditions change. When sold, investments may be worth more or less than their original cost. Companies may reschedule when they report earnings without notice.



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2. Investing.com, March 7, 2025
3. The Wall Street Journal, March 3, 2025
4. CNBC.com, March 4, 2025
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6. CNBC.com, March 6, 2025
7. MarketWatch.com, March 7, 2025
8. The Wall Street Journal, March 4, 2025
9. IRS.gov, September 26, 2024
10. Healthline, October 3, 2024