

Kelly Financial Services LLC
Kelly Kelly
President
10 Forbes Road
Suite 130
Braintree, MA 02184
TEL 781.849.3090
FAX 781.849.3091
kellykelly@kellyfinancial.org
www.kellyfinancial.org

KELLY FINANCIAL SERVICES LLC

Market Week: September 15, 2025



The Markets (as of market close September 12, 2025)

Wall Street enjoyed a positive performance last week, fueled by growing expectations of a Federal Reserve interest rate cut. Each of the benchmark indexes listed here finished the week with gains. The NASDAQ recorded a fresh record high as tech shares continued to lead the market. Investors apparently saw the economy slowing just enough to warrant an interest rate cut but not so much as to trigger a recession. Ten-year Treasury bond yields rose last Friday, recovering some of the sharp losses from earlier in the week. The recent decline in yields, in anticipation of the aforementioned rate cut, has been a positive for the housing sector (with mortgage rates declining) and for stocks. Crude oil prices ticked higher as Ukrainian drone strikes raised concerns over potential disruptions to Russian oil exports.

Stock Market Indexes

Market/Index	2024 Close	Prior Week	As of 9/12	Weekly Change	YTD Change
DJIA	42,544.22	45,400.86	45,834.22	0.95%	7.73%
NASDAQ	19,310.79	21,700.39	22,141.10	2.03%	14.66%
S&P 500	5,881.63	6,481.50	6,584.29	1.59%	11.95%
Russell 2000	2,230.16	2,391.05	2,397.06	0.25%	7.48%
Global Dow	4,863.01	5,746.72	5,843.58	1.69%	20.16%
fed. funds target rate	4.25%-4.50%	4.25%-4.50%	4.25%-4.50%	0 bps	0 bps
10-year Treasuries	4.57%	4.08%	4.06%	-2 bps	-51 bps
US Dollar-DXY	108.44	97.74	97.63	-0.11%	-9.97%
Crude Oil-CL=F	$71.76	$61.97	$62.58	0.98%	-12.79%
Gold-GC=F	$2,638.50	$3,642.70	$3,680.50	1.04%	39.49%

Chart reflects price changes, not total return. Because it does not include dividends or splits, it should not be used to benchmark performance of specific investments.

Key Dates/Data Releases

9/16: Retail sales, import and export prices, industrial production

9/17: FOMC meeting statement, housing starts

Last Week's Economic News

- The Consumer Price Index (CPI) increased 0.4% in August after rising 0.2% in July. For the 12 months ended in August, the CPI increased 2.9% after rising 2.7% over the 12 months ended in July. The index for shelter rose 0.4% in August and was the largest factor in the overall monthly increase. Food prices increased 0.5% over the month as food at home prices rose 0.6%, while prices for food away from home increased 0.3%. Prices for energy rose 0.7% in August as gasoline prices increased 1.9% over the month. Prices less food and energy (core prices) rose 0.3% in August, the same increase as in July.
- Producer prices edged down 0.1% in August after increasing 0.7% the previous month. Over the last 12 months, producer prices have risen 2.6%. The August decrease in producer prices was attributable to a 0.2% decline in prices for services. In contrast, prices for goods inched up 0.1%. Prices less foods, energy, and trade services rose 0.3% in August, marking the fourth consecutive monthly increase. For the 12 months ended in August, prices less foods, energy, and trade services moved up 2.8%, the largest 12-month advance since climbing 3.5% in March 2025.
- The monthly Treasury budget showed a deficit of $345 billion in August, well above the July deficit of $291 billion. Outlays for military active duty and retirement, veterans' benefits, Supplemental Security Income, and Medicare payments to health maintenance organizations and prescription drug plans accelerated into August because September 1, 2025, the normal payment date, fell on a nonbusiness day. For the 11 months of the current fiscal year, the deficit sits at $1,973 billion, which is higher than the deficit of $1,897 billion over the comparable period last fiscal year.
- The national average retail price for regular gasoline was $3.192 per gallon on September 8, $0.015 per gallon above the prior week's price but $0.044 per gallon less than a year ago. Also, as of September 8, the East Coast price increased $0.051 to $3.063 per gallon; the Midwest price declined $0.033 to $3.055 per gallon; the Gulf Coast price decreased $0.032 to $2.733 per gallon; the Rocky Mountain price climbed $0.057 to $3.240 per gallon; and the West Coast price rose $0.046 to $4.194 per gallon.
- For the week ended September 6, there were 263,000 new claims for unemployment insurance, an increase of 27,000 from the previous week's level, which was revised down by 1,000. This is the highest level for initial claims since October 23, 2021, when it was 268,000. According to the Department of Labor, the advance rate for insured unemployment claims for the week ended August 30 was 1.3%, unchanged from the previous week's rate. The advance number of those receiving unemployment insurance benefits during the week ended August 30 was 1,939,000, unchanged from the previous week's level, which was revised down by 1,000. States and territories with the highest insured unemployment rates for the week ended August 23 were New Jersey (2.8%), Rhode Island (2.5%), Massachusetts (2.2%), Washington (2.1%), California (2.0%), Connecticut (2.0%), Minnesota (2.0%), Puerto Rico (2.0%), the District of Columbia (1.9%), New York (1.8%), Oregon (1.8%), and Pennsylvania (1.8%). The largest increases in initial claims for unemployment insurance for the week ended August 30 were in Tennessee (+2,870), Connecticut (+2,270), New York (+1,683), Illinois (+1,331), and California (+982), while the largest decreases were in Kentucky (-2,833), Pennsylvania (-504), Florida (-456), Texas (-402), and Arizona (-329).

Eye on the Week Ahead

The Federal Open Market Committee holds its meeting this week, the outcome of which is expected to be a 25-basis-point cut in the federal funds target rate range.

Data sources: Economic: Based on data from U.S. Bureau of Labor Statistics (unemployment, inflation); U.S. Department of Commerce (GDP, corporate profits, retail sales, housing); S&P/Case-Shiller 20-City Composite Index (home prices); Institute for Supply Management (manufacturing/services). Performance: Based on data reported in WSJ Market Data Center (indexes); U.S. Treasury (Treasury yields); U.S. Energy Information Administration/Bloomberg.com Market Data (oil spot price, WTI, Cushing, OK); www.goldprice.org (spot gold/silver); Oanda/FX Street (currency exchange rates).

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The Dow Jones Industrial Average (DJIA) is a price-weighted index composed of 30 widely traded blue-chip U.S. common stocks. The S&P 500 is a market-cap weighted index composed of the common stocks of 500 largest, publicly traded companies in leading industries of the U.S. economy. The NASDAQ Composite Index is a market-value weighted index of all common stocks listed on the Nasdaq stock exchange. The Russell 2000 is a market-cap weighted index composed of 2,000 U.S. small-cap common stocks. The Global Dow is an equally weighted index of 150 widely traded blue-chip common stocks worldwide. The U.S. Dollar Index is a geometrically weighted index of the value of the U.S. dollar relative to six foreign currencies. Market indexes listed are unmanaged and are not available for direct investment.

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