

WEEKLY MARKET COMMENTS – SEPTEMBER 2, 2025

The market closed out another winning month Friday, even as stocks gave back some of their recent gains, pulling the market below its latest all-time highs.

The S&P fell by 41 to 6460 but ended August with a 1.9% gain, its fourth straight month of advances. It is now up 9.8% so far this year.

The Dow Jones Industrial Average also came off its own record high, slipping by 92 to 45,549 while the Nasdaq composite closed 250 lower to 21,455.

The reason the market was down is the month of September is historically the worst one for equities and investors wanted to lock in profits as we enter that month today.

Mixed economic data may also have given traders an excuse to sell and pocket some profits following the market's milestone-setting week. A closely watched measure of inflation showed prices mostly held steady last month, and a survey of consumer sentiment suggested Americans' worries about the economy and prices intensified since July.

Losses in technology weighed on the market, offsetting gains in health care and other sectors.

The worst example of this was in the shares of high-priced and beloved NVDA which had set a 6% potential advance in its options for Friday's expiration just before the numbers were released after Wednesday's close.

After trading a bit lower before the end of the session, it made an unexpected rally to 182 before 4:15pm as if “someone” knew that a bullish item would appear when the numbers were released.

But the market slipped right back down to 177 where it remained until Friday when it declined further to 174 which meant that hundreds of thousands of option strike price holders up to 247 lost all of their money for their troubles and belief that the 6% projection would hold.

And what makes this more sad is that EVERY analyst who was asked this question all had 182 as their near-term price target which then encouraged all of these near-term losses, and what else is new?

DELL lost 9% for the biggest decline among S&P stocks a day after the company reported second-quarter revenue that exceeded expectations, but noted that margin pressures and weakness in PC revenue.

Among other tech companies that ended the day in the red were AVGO and ORCL.

The Commerce Department said prices rose 2.6% in July compared with a year ago, as measured by the personal consumption expenditures index. That’s the same annual increase as in June and in line with what economists expected.

Still, excluding the volatile food and energy categories, prices rose 2.9% last month from a year earlier, up from 2.8% in June and the highest since February.

While inflation is much lower than the roughly 7% peak it reached three years ago, it is still running noticeably above the Fed's 2% target.

Still, Federal Reserve Chair Jerome Powell signaled the week before last that the central bank may cut its key interest rate at its meeting later this month, amid signs of sluggishness in the job market.

The most recent government data suggests hiring has slowed sharply since this spring.

The in-line PCE Price Index will keep the focus on the jobs market, and for now, the odds still favor a September cut.

Lower rates can boost investment prices and the economy by making it cheaper for U.S. households and businesses to borrow, but they risk worsening inflation.

Traders see a roughly 87% chance that the central bank will cut its benchmark interest rate by a quarter of a percentage point, according to data from CME Group.

Meanwhile, the latest reading in a survey of U.S. consumers by the University of Michigan showed sentiment soured as the final August reading is the lowest since May, reflecting heightened concerns about prices and the economy.

Treasury yields were mixed in the bond market. The yield on the 10-year Treasury rose to 4.23% from 4.21% late Wednesday. The yield on the two-year Treasury, which more closely tracks expectations for Federal Reserve action, slipped to 3.62% from 3.63%.

The Fed will get to review two more important inflation barometers before its next policy meeting, the producer price index and consumer price index. Unless those reports show a huge spike in inflation, the Fed is almost guaranteed to cut interest rates at the next meeting.

Among the stocks that weighed on the market Friday were ULTA and MRVL.

The former fell by 7% despite posting second-quarter earnings and revenue that topped analysts' estimates, while the latter slid 18% after its third-quarter guidance fell short of expectations.

Not all stocks lost ground. WOOF bucked the broader market slide after reporting better-than-expected quarterly results and ADSK with gains of 23% and 9% respectively.

INTC reached just over 25 this week and ended down at 24.35 for the week. This is a stock that the President has urged people to get into because of some kind of government support but who has failed many times over 25, which appears to be a good place to get out of.

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