

EAGLE FOCUS

weekly

June 2, 2025

MARKET PERFORMANCE RECAP

WEEK ENDING
June 2, 2025

INDEX	LAST FRIDAY'S CLOSE	% CHANGE YTD
S&P 500	5911.69	0.51%
Dow Jones Industrial Average	42270.07	-0.64%
Nasdaq Composite	19113.77	-1.02%
S&P MidCap 400	3001.38	-3.83%
Russell 2000	2070.77	-7.35%

A federal appeals court has temporarily paused a ruling from the Court of International Trade that had blocked former President Donald Trump's tariffs. This decision reinstates Trump's authority to impose tariffs under the emergency powers he invoked earlier in the year. The U.S. Court of Appeals for the Federal Circuit also ordered both parties to submit written arguments on the matter by early next month. The move deepens the uncertainty surrounding the tariffs, which have been a central part of Trump's economic strategy. (Source: CNN Business)



U.S. corporate profits saw a steep decline in the first quarter, and rising tariff-related expenses may continue to strain earnings and pose a risk to economic growth. The Bureau of Economic Analysis reported a \$118.1 billion drop in profits from current production, a sharp reversal from the \$204.7 billion gain recorded in the final quarter of last year. (Source: Reuters)

The Trump administration eased restrictions on 401(k) plans investing in cryptocurrency and related digital assets such as NFTs and meme coins.

The Labor Department fully rescinded a 2022 policy issued under the Biden administration, which had urged employers to use “extreme care” when offering crypto options in retirement plans. Biden officials had cited serious concerns about exposing retirement savings to fraud, theft, and significant financial risk. (Source: CNBC)

Health savings accounts (HSAs) could soon become even more beneficial under a House-approved tax-and-spending bill passed on May 22.

If the Senate approves it in June, the legislation would significantly expand access to HSAs, which already offer major tax advantages to users with eligible health insurance. Currently, around 60 million Americans use HSAs. The proposed changes could extend access to 20 million more. (Source: Wall Street Journal)

The U.S. economy contracted at a 0.2% annual rate in Q1 2025, slightly less than the previously reported 0.3%, according to the Bureau of Economic Analysis.

Despite the revision, the key takeaway remains: trade tensions are weighing on growth. A surge in imports widened the trade deficit to record levels, dragging GDP into its first decline in three years. (Source: MarketWatch)

CEO compensation at S&P 500 companies rose nearly 10% in 2024, driven by a strong stock market and rising corporate profits.

Many companies have linked executive pay more closely to performance, with much of it in stock awards tied to hitting goals like higher share prices or profits. The Associated Press analyzed pay for 344 CEOs who served at least two full fiscal years and whose companies filed proxy statements between Jan. 1 and April 30. (Source: Associated Press)

U.S. banks posted \$70.6 billion in profits in Q1 2025, a 5.8% increase from the prior quarter, driven largely by a 7% rise in noninterest income, the FDIC reported.

Provision expenses for potential loan losses edged up 0.3% to \$22.5 billion and are 9.1% higher than a year ago. While overall asset quality remained stable, the FDIC flagged ongoing stress in commercial real estate, with overdue loans reaching 1.49%—the highest since 2014. (Source: Reuters)

Consumer confidence surged in May, driven by hopes for easing U.S.-China trade tensions, according to the Conference Board.

Its Consumer Confidence Index jumped to 98.0, up 12.3 points from April and well above expectations. The boost followed President Trump’s May 12 decision to halt major tariffs, helping reverse five months of declining sentiment. The deal marked the second rollback of Trump’s tariffs since his April 2 announcement. (Source: CNBC)

Mortgage rates rose slightly this week, with the 30-year average hitting 6.89% and the 15-year at 6.03%, according to Freddie Mac.

The uptick follows choppy Treasury yields, influenced by the U.S. credit downgrade and concerns over the GOP tax plan’s impact. Though rates remain just below last year’s levels, high borrowing costs continue to challenge buyers. Home contract signings fell sharply in April, reflecting ongoing affordability issues. (Source: Yahoo Finance)

Durable goods orders dropped 6.3% in April, less than expected, but nearly erased March’s revised 7.6% gain, largely due to volatile aircraft orders.

Core capital goods orders, a key measure of business investment, fell 1.3%—the steepest decline in six months—driven by weakness in vehicles, electronics, and communications equipment. (Source: Ned Davis Research)



U.S. consumer spending saw a slight uptick in April, as a surge to make purchases ahead of expected import tariff hikes began to taper off. According to data released Friday by the Commerce Department's Bureau of Economic Analysis, consumer spending—which makes up over two-thirds of the nation's economic activity—increased by 0.2% last month, following a steady 0.7% gain in March. This aligns with economists' expectations, as a Reuters poll had also predicted a 0.2% rise. (Source: Reuters)

Private equity fundraising fell 35% to \$116 billion globally in Q1 2025. High borrowing costs and a slowdown in deals and IPOs have strained the industry, according to Pitchbook. The drop puts this year's fundraising pace on track to fall below 2024's already weak \$531 billion total. (Source: Bloomberg)

Traders are turning more bearish as long-term Treasury yields hover near 5%, with short positions hitting their highest since mid-February, according to a JPMorgan survey. The shift follows a global bond selloff driven by rising fiscal deficit concerns, the U.S. credit downgrade, and the House passage of Trump's tax bill. Although yields briefly dipped during a global debt rally, the 30-year yield remains around 4.97%, and options markets show growing demand for protection against further declines. (Source: Yahoo Finance)



On June 2, 1935, Babe Ruth, one of baseball's all-time greats, played the final game of his 22-season Major League career. His professional tenure included 10 World Series titles and 714 home runs. A year later, he was among the first five players inducted into the Baseball Hall of Fame. Known as the "Sultan of Swat," Ruth still holds the highest career slugging percentage in MLB history at .690. (Source: History.com)

Bugs Bunny's famous carrot-chomping habit isn't based on rabbit behavior—it's actually a spoof of Clark Gable in the 1934 film "It Happened One Night." In the movie, Gable's fast-talking character munches on a carrot while giving advice, a moment that Tex Avery and voice actor Mel Blanc parodied in the 1940 official debut of Bugs Bunny cartoon. The spoof became so iconic that many people came to believe, incorrectly, that carrots are a natural part of a rabbit's diet. (Source: MeTV)

Alaska, the largest U.S. state, holds a surprising geographic title: it's both the easternmost and westernmost state. While it's clearly farther west than Hawaii or California, part of the Aleutian Islands crosses the 180th meridian—making Semisopochnoi Island the easternmost point. Just 70 miles away, Amatignak Island marks the westernmost point, allowing Alaska to span both extremes. (Source: Mental Floss)

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