

Weekly Update – April 21, 2025

Market Returns Ending 4/17/2025			
Category	1 Week	MTD	YTD
US			
Large Cap	-1.5%	-5.8%	-9.8%
Mid Cap	0.9%	-6.3%	-13.3%
Small Cap	1.1%	-6.5%	-15.4%
International			
Developed	4.1%	-0.2%	6.8%
Emerging	2.2%	-2.9%	0.0%
Bonds			
Aggregate	0.9%	-0.8%	2.0%
High Yield	1.3%	-1.2%	-0.2%

US Equity Style Returns			
	Weekly		
	Value	Core	Growth
Large	-4.8	-6.2	-7.3
Mid	-5.2	-5.0	-4.4
Small	-8.0	-7.9	-7.8
	YTD		
	Value	Core	Growth
Large	-4.2	-10.0	-14.7
Mid	-8.1	-8.7	-10.4
Small	-14.4	-15.4	-16.3

Source: Bloomberg

Key Events: Trump picks another fight

Trump threatened to fire Federal Reserve Governor Powell, arguing he should have lowered ratesⁱ.

Another set of inflation expectations roseⁱⁱ, while retail sales and unemployment claims showed evidence of continued economic strength.

Market review: Stocks react to a weaker dollar

The dollar retreated to a level below its pre-COVID high this week, benefiting international stocks at the expense of US issues. The S&P 500 lost 1.5%, while international stocks were up 3.9%.

Bonds recovered from their tariff-induced selloff but remain down for the month of April, while Gold again hit new highs on safe-haven demand.

Outlook: Remaining calm amidst the storm

Our investment philosophy is built on three key principles: investing according to our values, maintaining a long-term perspective, and constructing globally diversified portfolios. The Easter holiday offers a moment to reflect on how our faith enhances our investment approach.

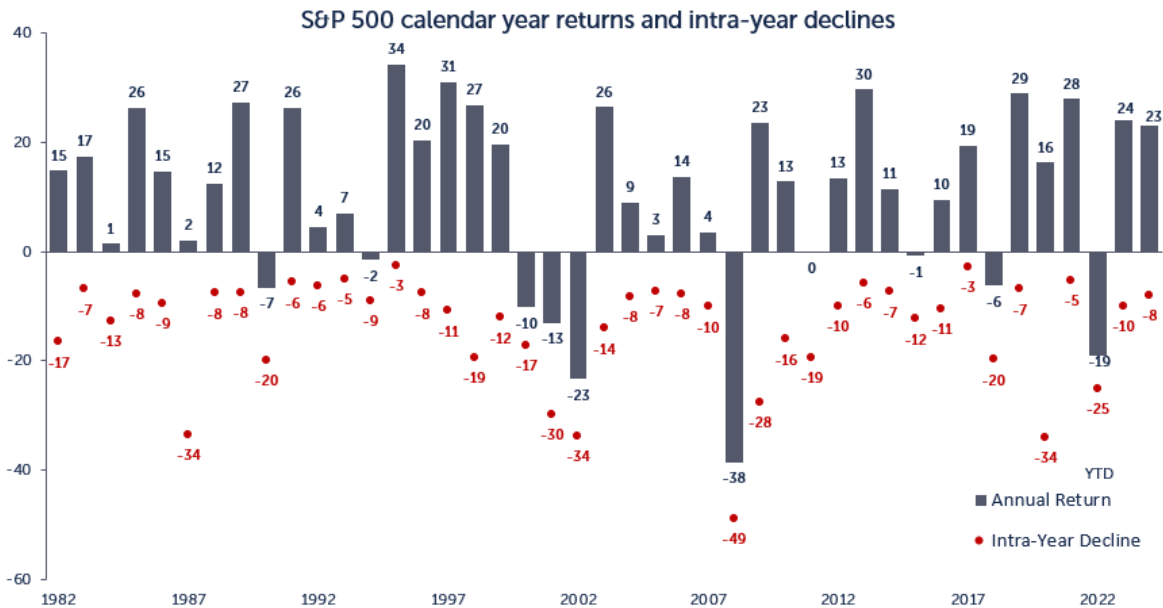
With an eternal perspective provided by our faith, we can avoid the everyday anxieties that lead many investors astray. Anchoring our lives in goodness and truth, we similarly anchor our investments with a focus on long-term growth and diversification.

Despite the current political, economic, and market challenges, we remain steadfast. The S&P suffered a 19% declineⁱⁱⁱ; the chart below illustrates that this volatility is normal. Our investment process is designed to navigate such times. We remain diversified and well-positioned to respond to market events. We encourage other investors to adopt a

similar anchored approach.



While no one looks forward to market volatility, intra-year declines are normal and a historical perspective on the frequency and severity of past drops can provide a valuable perspective.



Sources: JP Morgan Asset Management, One Ascent Investment Solutions. Returns are based on price index only and do not include dividends. Intra-year drops refer to the largest market drops from a peak to a trough during the year. For illustrative purposes only. Returns shown are calendar year returns from 1982 through 2024, over which time period the average annual return was 10.7%. Data as of 12/31/2024.

OneAscent Navigator Outlook: April 2025

VALUATION

- The MAG-7 Valuation premium has compressed but presents a mixed picture.
- The S&P 500 P/E ratio is still well above long-term averages even after the recent correction.
- Corporate and High Yield Bonds are more attractive after spreads widened in March.

ECONOMY

- Economic Data is more volatile than at any time since the COVID-19 Pandemic.
- The Index of Leading Indicators triggered a recession warning signal.
- Recent data is pointing to accelerating consumer price inflation.

SENTIMENT

- Investor sentiment, traditionally a contrarian indicator, remained negative during March.
- Consumer Confidence is extremely low, nearing a contrarian signal.
- Tariffs are taking a bite out of Corporate America's CEO Confidence.

TECHNICAL

- Technology returns declined in Q1 after two years of outperformance
- Market Breadth is not yet giving a strong bottoming signal.
- International technical data is better than US large cap data.



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ⁱ It is uncertain if the President could technically fire Jerome Powell. The Federal Reserve Act states that a board member can be removed “for cause by the President”, but what exactly qualifies as “for cause” is not defined. [Federal Reserve Act](#)

ⁱⁱ NY Fed 1-year inflation expectations rose to 3.58%, the highest level since September of 2023.

ⁱⁱⁱ Source: Bloomberg. At the time of writing, the S&P 500 is down 14% from the February high.

^{iv} Market Returns reference the following indices: Large Cap – S&P 500, Mid Cap Growth – Russell Midcap growth, Mid Cap Value – Russell Midcap Value, Small Cap – Russell 2000, Developed – MSCI EAFE, Emerging – MSCI Emerging Markets, Aggregate – Bloomberg US Aggregate, High Yield – Bloomberg High Yield