

8/25/2025

The Week Ahead



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THINGS TO WATCH

NVIDIA (NVDA)

On Wednesday afternoon, the world's preeminent AI chip company is expected to post revenue of \$46.1 billion for the quarter ended July 31, up 5% sequentially and 60% year over year. Analysts forecast fiscal 3Q26 revenue guidance of \$53.2 billion, which would mark a significant acceleration in sequential growth to 15% as China orders resume. Investors will watch closely for management's commentary on U.S. plans to claim a 15% cut from China sales and reports that Beijing has urged companies to reduce reliance on NVDA's H20 AI chips.

Fed's Preferred Inflation Indicator

On Friday morning, data from the Bureau of Economic Analysis is likely to show the U.S. core personal consumption expenditures (PCE) index rose between 0.16% and 0.24% in July following gains of 0.26%, 0.21% and 0.18% the prior three months. On a year-over-year basis, the preferred inflation gauge of Fed officials is expected to register a 2.9% reading, slightly higher than 2.8% in June. It would probably take a significant upside surprise in July core PCE to change expectations for a 0.25% Fed rate cut on September 17. Core PCE has been above the Fed's stated 2% target for more than four years from March 2021 to June 2025 after averaging just 1.6% from 2010 through 2020.

Technology Conferences

This week brings several key technology conferences. VMware Explore 2025 kicks off in Las Vegas, marking the company's flagship event under Broadcom (AVGO) ownership. A highlight will be the August 26 keynote by Broadcom President and CEO Hock Tan on "Shaping the Future of Private Cloud and AI Innovation." Meanwhile, the Jefferies Semiconductor, IT Hardware & Communication Technology Summit will host companies such as Microchip Technology (MCHP), NXP Semiconductors (NXPI), and ASML (ASML). The Deutsche Bank Technology Conference features leaders including Fortinet (FTNT), Cisco (CSCO), CoreWeave (CRWV), Arista Networks (ANET), Microsoft (MSFT), and ServiceNow (NOW).

LAST WEEK'S ECONOMIC DATA

	LATEST	3MO PRIOR	CHANGE
Housing Starts (Millions Annualized)	1.43	1.40	▲
Building Permits (Millions Annualized)	1.35	1.42	▼
S&P Global U.S. Manufacturing PMI	53.3	52.0	▲
S&P Global U.S. Services PMI	55.4	53.7	▲
Existing Home Sales (Millions Annualized)	4.01	4.00	▲

INDEX

	LEVEL	WEEK	YTD	12 MO
DJ Industrial Average	45631.74	1.59%	8.42%	14.04%
NASDAQ	21496.54	-0.55%	11.83%	22.89%
S&P 500	6466.91	0.30%	10.87%	17.61%
MSCI EAFE	2729.04	1.13%	25.43%	18.20%
BB U.S. Aggregate	2284.19	0.46%	4.94%	2.98%

KEY BOND RATES

	WEEK	1MO AGO	1YR AGO
3-Month T-Bill	4.18%	4.31%	5.16%
10-Year Treasury	4.25%	4.34%	3.85%

REPORTS DUE THIS WEEK

	LATEST
New Home Sales (Thousands Annualized)	627
S&P CoreLogic CS 20-City U.S. HPI (Y/Y)	2.8%
Conf. Board Consumer Confidence	97.2
Core PCE Price Index (Y/Y)	2.8%

Total returns are as of 8/22/25. Source data: Bloomberg and Morningstar are believed to be correct but not verified.

NUMBERS OF THE WEEK

\$8.9 billion

The U.S. government will acquire a nearly 10% stake in chipmaker Intel (INTC) through an \$8.9 billion investment funded by the Chips and Science Act and Secure Enclave Program. While structured as a passive holding, the move represents a significant shift toward government involvement in private industry. The Trump administration views domestic semiconductor capacity as a strategic priority, and sees INTC as one of a few U.S. companies capable of producing advanced chips at scale.

30%

The MSCI China Index is up 30% year-to-date in U.S. dollar terms through August 22, fueled by aggressive policy support, expanding fiscal stimulus, and sovereign fund purchases. Easing US-China trade tensions have also improved sentiment. Companies tied to AI and fintech solutions have led gains. Despite structural challenges, state-backed stabilization and renewed growth momentum have made Chinese stocks an unlikely standout so far in 2025.

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