

Market Update

DECEMBER 2025



“Slow and Steady Wins the Race” - The Tortoise and the Hare by Aesop

Index	November 2025*	2025 YTD
S&P 500	0.24%	17.8%
Russell 2000	0.96%	13.5%
MSCI World, Ex-US	1.10%	28.7%
Bloomberg AGG Bond	0.25%	7.5%

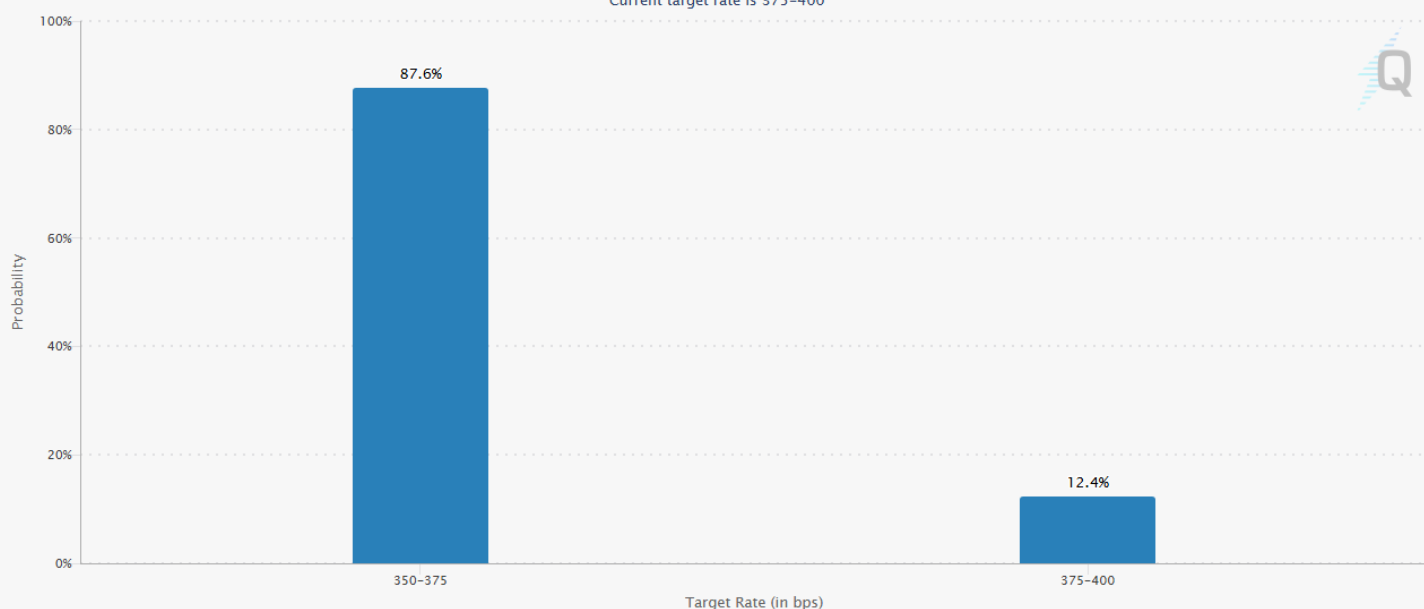
*Total Returns Source: Factset Data

November proved to be a month of contrasts for financial markets, marked by early volatility and a strong finish. Equity investors navigated sharp swings as concerns over an overheated AI sector and uncertainty around Federal Reserve policy dominated headlines. Meanwhile, fixed income markets benefited from falling yields and renewed optimism for a rate cut in December.

The month began with the steepest five-day decline since 2008, driven by profit-taking in technology and fears of an AI bubble. High-profile names in semiconductors and cloud computing saw double-digit losses mid-month. However, sentiment shifted dramatically in the final week as dovish signals from the Fed and seasonal tailwinds sparked a broad-based rally.

Target Rate Probabilities for 10 Dec 2025 Fed Meeting

Current target rate is 375–400



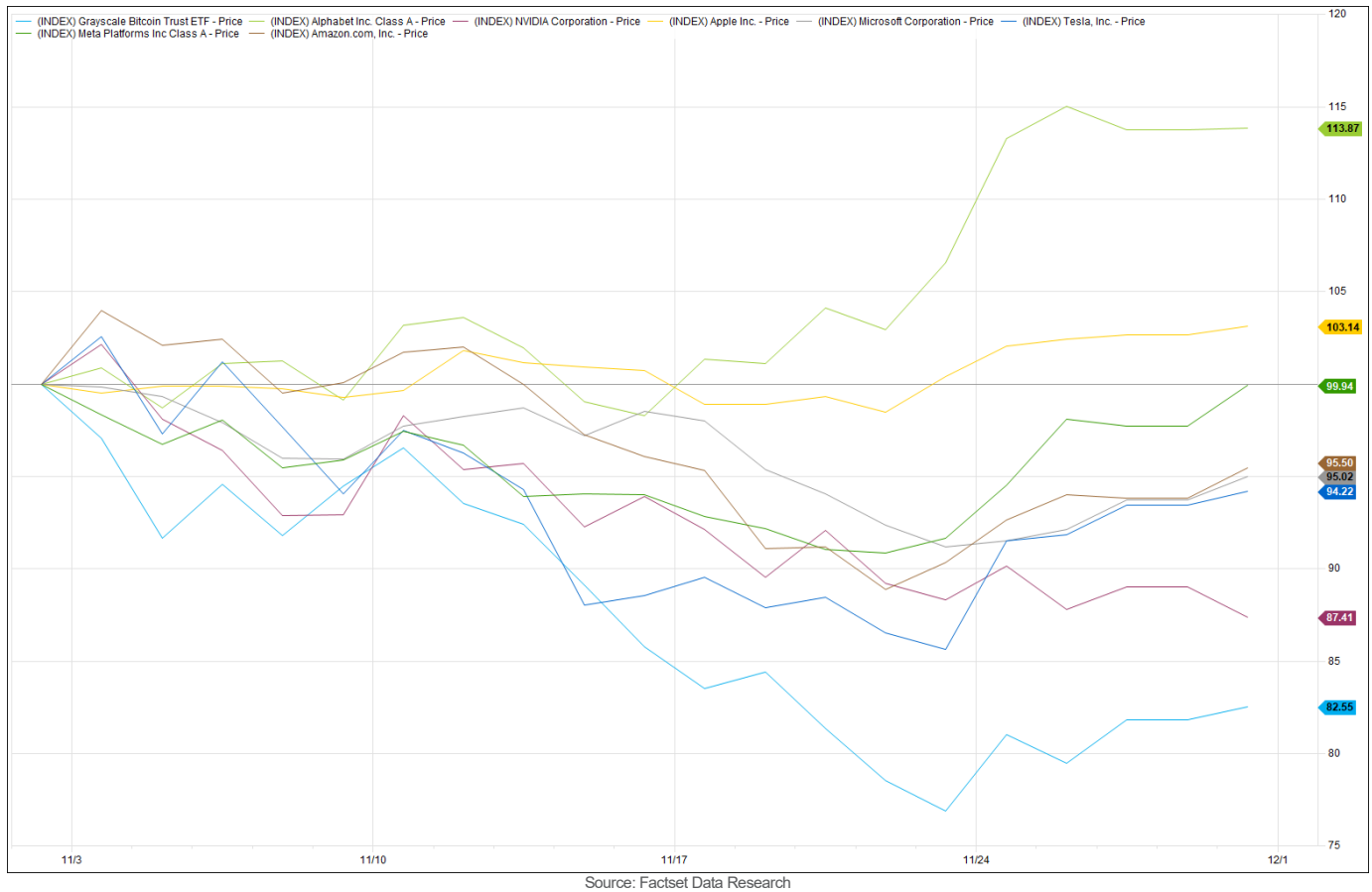
TARGET RATE (BPS)	PROBABILITY(%)			
	NOW *	1 DAY 28 NOV 2025	1 WEEK 24 NOV 2025	1 MONTH 31 OCT 2025
350-375	87.6%	86.4%	84.4%	63.0%
375-400 (Current)	12.4%	13.6%	15.6%	37.0%

* Data as of 1 Dec 2025 10:56:17 CT

1/1/2026 and forward are projected meeting dates

Source: CME Group

Sector performance was mixed, precisely why at Seacoast Wealth Management we preach the benefits of diversified equity portfolios. In a risk-off month like November our exposures to the Healthcare, Communications Services and Consumer Staples sectors more than offset weakness in Information Technology and Consumer Discretionary. As the chart below illustrates, only two of the so-called Magnificent Seven stocks were up in November with NVIDIA down more than 10% and Bitcoin down nearly 20%. Within the Seacoast Wealth Management large cap stock holdings, we saw strong double-digit percentage gains from Amgen, Alphabet, Allstate, Cardinal Health, and Parker-Hannifin. Moreover, core exposures to small and mid-cap US equities and international were also additive for the month.



In the fixed income markets, the Bloomberg U.S. Aggregate Bond Index posted solid gains, supported by lower yields and strong demand for duration. Investment-grade corporates remained firm, with no meaningful widening of spreads. Seacoast Wealth Management fixed income investments benefited from a higher weighting of investment grade corporate bonds that more than offset our shorter-duration positioning.

Looking ahead, markets enter December with renewed optimism, but volatility may persist as investors weigh Fed action against lingering valuation concerns. Diversification and disciplined risk management remain critical as we close out the year.

As always, we appreciate the opportunity to work with you, and if you have any questions, please do not hesitate to reach out to your Seacoast Wealth Management Associate.

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Sources: JP Morgan Asset Management; NASDAQ; FactSet; Bloomberg; Broadridge. 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). News items are based on reports from multiple commonly available international news sources (i.e., wire services) and are independently verified when necessary with secondary sources such as government agencies, corporate press releases, or trade organizations. All information is based on sources deemed reliable, but no warranty or guarantee is made as to its accuracy or completeness. Neither the information nor any opinion expressed herein constitutes a solicitation for the purchase or sale of any securities, and should not be relied on as financial advice. Forecasts are based on current conditions, subject to change, and may not come to pass. U.S. Treasury securities are guaranteed by the federal government as to the timely payment of principal and interest. The principal value of Treasury securities and other bonds fluctuates with market conditions. Bonds are subject to inflation, interest-rate, and credit risks. As interest rates rise, bond prices typically fall. A bond sold or redeemed prior to maturity may be subject to loss. Past performance is no guarantee of future results. All investing involves risk, including the potential loss of principal, and there can be no guarantee that any investing strategy will be successful. 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.