

Wall Street Extends Rally as Dow and S&P 500 Notch Fifth Straight Gain; Consumer Confidence Sinks to Four-Year Low Amid Cooling Labor Market.

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by Francisco Rodríguez-Castro
frc@birlingcapital.com

The U.S. and European stock markets closed higher following an intense performance stretch, with the Dow Jones Industrial Average and the S&P 500 each closing higher for five consecutive trading days. The Nasdaq Composite, however, declined by 0.1% on Monday, April 28, breaking its previous streak.

European markets posted modest gains despite a weaker-than-expected eurozone economic sentiment reading. Asian indices closed higher.

U.S. Treasury yields are holding steady with the 2-year yield at 3.65% and the 10-year at 4.19%.

Investors focus today on two key economic releases: the Conference Board's Consumer Confidence Index for April and the March Job Openings and Labor Turnover Survey (JOLTS).

The Conference Board reported that the U.S. Consumer Confidence Index® fell by 7.9 points to 86.0 (1985=100), marking the fifth consecutive monthly decline and the lowest level since May 2020. The Expectations Index, which gauges consumers' short-term outlook for income, business, and labor market conditions, dropped 12.5 points to 54.4, the lowest reading since October 2011 and well below the threshold of 80 that typically signals a recession ahead.

This decline reflects growing consumer concerns about the economy, particularly regarding tariffs and inflation. Notably, the share of consumers expecting fewer jobs in the next six months rose to 32.1%, nearly matching levels seen during the Great Recession.

Markets Rebound Sharply – What Comes Next?

The recent market rebound has been notable. The S&P 500 has surged approximately 11% since its April 8 year-to-date low and now sits just 10% below its February 19 all-time high. This momentum has been partly fueled by optimism that the U.S. may be taking steps to ease trade tensions. Reports indicate that the administration is considering reductions in tariffs on Chinese goods and is advancing negotiations with key partners like India and South Korea.

Further boosting sentiment, new reports this morning suggest that the administration could roll back auto parts tariffs for U.S.-assembled vehicles and exempt certain car imports from overlapping steel and aluminum duties. At the same time, the first-quarter earnings season has been encouraging, with S&P 500 earnings on track to rise nearly 10% year-over-year.

Despite recovering over half of the roughly 19% market drawdown, future gains will likely hinge on concrete trade policy resolutions rather than headlines alone. Until formal agreements are reached, markets could remain volatile. In this environment, we continue to advocate for a long-term, diversified investment approach aligned with individual financial goals.

Consumer Confidence and Labor Market Cools

Today marks the start of a data-heavy week, beginning with the latest figures on job openings and consumer sentiment.

The U.S. labor market showed further signs of softening in March, according to the latest Job Openings and Labor Turnover Survey (JOLTS) released today by the Bureau of Labor Statistics. Job openings fell to 7.19 million, down from a revised 7.48 million in February, marking the lowest level in six months and falling short of economists' expectations. This decline underscores a steady cooling in labor demand after years of historically high openings.

Despite the moderation in vacancies, the broader employment picture remains stable. Hiring activity held relatively firm, with 5.41 million hires recorded in March and a hires rate of 3.4%. Separations, which include quits, layoffs, and discharges, also declined to 5.14 million, suggesting that businesses are holding onto existing employees even as they scale back on new postings.

The quit rate—a key indicator of worker confidence—remained steady at 2.1%, signaling that employees still feel reasonably secure about their job prospects. Meanwhile, layoffs and discharges edged lower to 1.56 million, with a layoff rate of 1.0%, reinforcing the notion that, although job openings are declining, widespread job losses are not yet materializing.

Today's report paints a nuanced picture: while labor demand is clearly moderating, employers are not aggressively reducing headcount. This suggests that businesses are cautiously navigating an environment shaped by persistent economic uncertainty, including trade tensions and shifting policy dynamics.

Looking ahead, the trajectory of the labor market will likely hinge on broader economic developments, including the potential easing of trade disputes and the Federal Reserve's policy path. Investors and policymakers will closely watch April's nonfarm payroll data to determine whether the labor market's gradual cooling continues, or new momentum can be found.

GDPNow:

- The GDPNow for the first quarter was updated on April 29, down to -2.70% from -2.50%, an 8.00% decrease.

Economic Update:

- **U.S. Retail Gas Price:** fell to \$3.268, down from \$3.295 last week, decreasing -0.82%.
- **U.S. Job Openings: Total Nonfarm:** fell to 7.192 million, down from 7.48 million last month, decreasing by 3.85%.
- **Case-Shiller Composite 20 Home Price Index YoY:** fell to 4.52%, compared to 4.75% last month.
- **Case-Shiller Home Price Index: National:** rose to 330.25, up from 329.41 last month.
- **Eurozone Consumer Confidence Indicator:** fell -16.70, down from -14.50 last month.
- **Eurozone Economic Sentiment Indicator:** fell to 93.60, down from 95.00 last month.
- **Japan Industrial Production Index MoM:** rose to 2.30%, compared to -1.09% last month.
- **China PMI:** fell to 48.60, down from 49.10 last month.
- **China Non-Manufacturing PMI:** rose to 50.40, up from 50.20 last month.

Eurozone Summary:

- **Stoxx 600:** Closed at 525.09, up 1.90 points or 0.36%.
- **FTSE 100:** Closed at 8,463.46, up 46.12 or 0.55%.
- **DAX Index:** Closed at 22,425.83, up 154.16 or 0.69%.

Wall Street Summary:

- **Dow Jones Industrial Average:** closed at 40,527.62, up 300.03 points or 0.75%.
- **S&P 500:** closed at 5,560.83, up 32.08 points or 0.58%.
- **Nasdaq Composite:** closed at 17,461.32, up 95.18 points or 0.55%.
- **Birling Capital Puerto Rico Stock Index:** closed at 3,633.50, up 53.19 points or 1.49%.
- **Birling Capital U.S. Bank Index:** closed at 6,053.25, down 4.34 points or 0.07%.
- **U.S. Treasury 10-year note:** closed at 4.19%.
- **U.S. Treasury 2-year note:** closed at 3.65%.



GDPNow

Date	GDPNow 1Q25	Change
1/31/2025	2.90%	Initial Forecast
2/3/2025	3.90%	34.48%
2/5/2025	2.90%	-25.64%
2/7/2025	2.90%	-25.64%
2/14/2025	2.30%	-20.69%
2/19/2025	2.30%	0.00%
2/28/2025	-1.50%	-165.22%
3/6/2025	-2.40%	60.00%
3/7/2025	-1.60%	-33.33%
3/17/2025	-2.10%	31.25%
3/18/2025	-1.80%	-14.29%
3/26/2025	-1.80%	0.00%
3/28/2025	-2.80%	55.56%
4/1/2025	-3.70%	32.14%
4/3/2025	-2.80%	-24.32%
4/9/2025	-2.40%	-14.29%
4/16/2025	-2.20%	8.33%
4/17/2025	-2.20%	0.00%
4/24/2025	-2.50%	-13.64%
4/29/2025	-2.70%	-8.00%



US Job Openings: Total Nonfarm & US Job Seekers

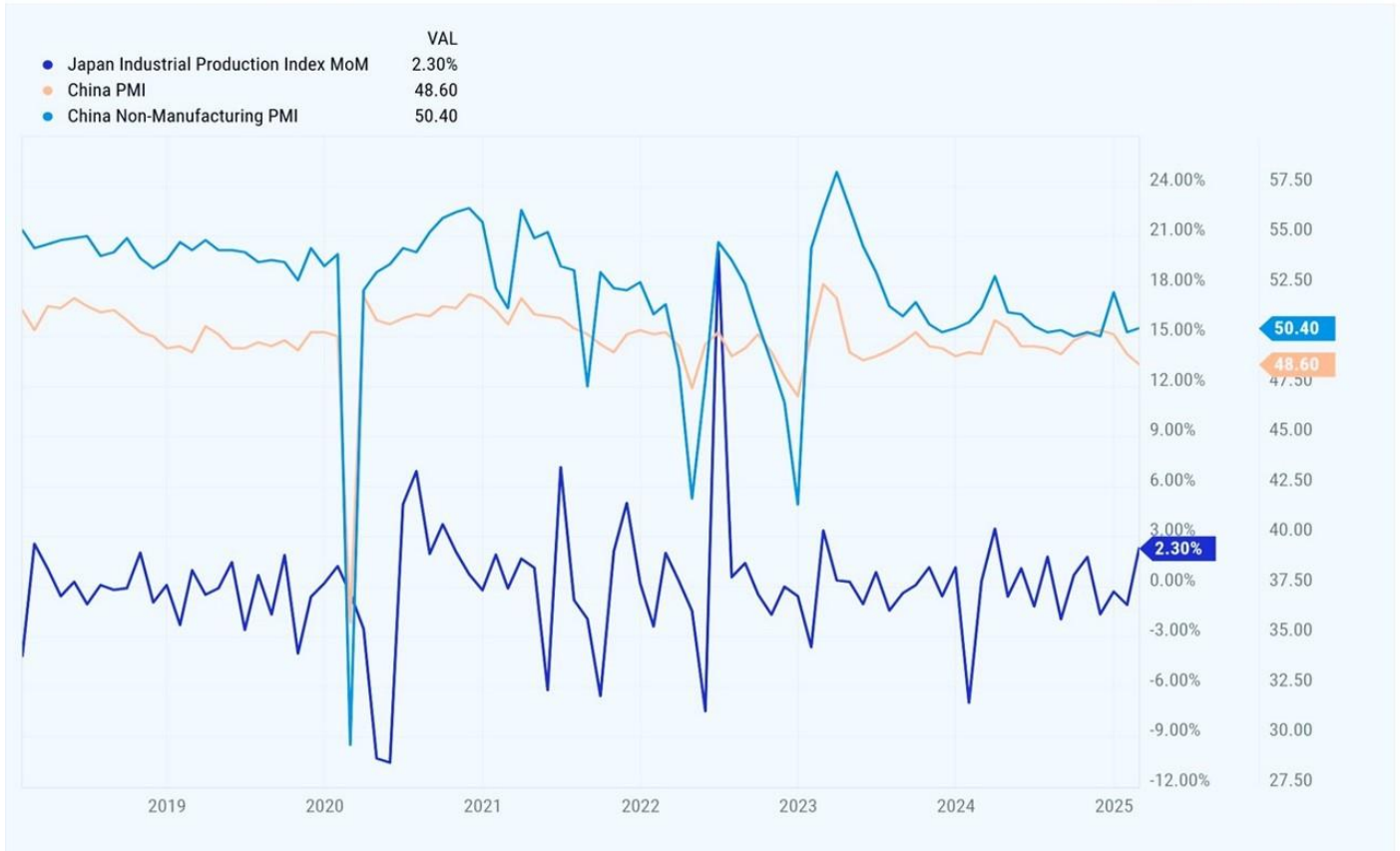


Case-Shiller Composite Home Price Index, Case-Shiller Home Price Index National, EU Economic Sentiment & EU Consumer Confidence



Japan Industrial Production Index, China PMI & China Non-Manufacturing

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Wall Street Recap

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