

Wall Street Mixed as Tech Rout Sends Nasdaq Down 1.46%; Home Depot Posts \$45.3B in Sales, Euro Stocks Rise on Peace Hopes, Investors Await Jackson Hole News.

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The U.S. and European stock markets showed mixed results as investors set aside geopolitical concerns for now, with little fresh economic or corporate news to drive direction. Wall Street closed with the Dow Jones up 10.45 points, the S&P 500 down 37.78 points, and the Nasdaq down 314.82 points as Mega-cap technology and semiconductor stocks weighed on markets throughout the session. **Nvidia** slid nearly **3.5%**, while **Advanced Micro Devices** tumbled **5.5%** and **Broadcom** lost **3.6%**. Among software names, **Palantir** sank more than **9.5%**, ranking as the worst performer in the S&P 500. Pressure also extended across other high-profile tech plays, with **Tesla**, **Meta Platforms**, and **Netflix** all finishing lower.

In European markets, stocks closed up as optimism grew around potential progress in peace talks between Russia and Ukraine.

In fixed income, U.S. government bonds saw the 10-year yields close at 4.30%. Canadian government bonds outperformed after inflation came in softer than expected, particularly on the Bank of Canada's preferred trimmed mean measure, which reinforced speculation of a possible rate cut as early as September. Currency markets were largely steady, with the U.S. dollar trading flat against a basket of peers. In the commodities market, WTI crude edged lower as traders considered the potential impact of any peace settlement on sanctions on Russian oil.

Retail Earnings Under the Spotlight

Retailers are expected to set the tone this week as investors gauge consumer resilience. Home Depot kicked off reporting this morning, delivering a cautious update. Comparable sales grew by just 1% in the second quarter, below expectations, with management noting that high interest rates and economic uncertainty continue to curb large home-improvement projects. CFO Richard McPhail emphasized that these pressures continue to weigh on the broader housing market.

While July housing starts rebounded from the sharp decline in June, the overall trend remains weak, and a decrease in permits suggests limited near-term momentum. Results from Lowe's and Target are due on Wednesday, followed by Walmart on Thursday. Together, these reports should provide critical insight into how major retailers are managing tariff pressures and shifting consumer spending patterns.

Awaiting Jackson Hole

With a light U.S. data calendar this week, attention will build toward the Jackson Hole Economic Symposium. The main highlight before then will be Thursday's S&P Flash PMI surveys for August. Investors are already pricing in around a 40% chance that the Bank of Canada will cut rates in September following today's inflation release. In the U.S., markets remain more confident that the Federal Reserve will deliver a cut at its September meeting.

Fed Chair Jerome Powell's speech at Jackson Hole on Friday is likely to shape expectations. While Powell may signal that easing is drawing closer, strong forward guidance seems unlikely ahead of the key payrolls and inflation data still due before the September FOMC decision.

Corporate Earnings Parade:

- **Home Depot, Inc. (HD):** reported 2Q25 revenues of \$45.277 billion, up 4.9%, net income of \$4.551 billion, down 0.2%, missing estimates and Earnings Per share of \$4.59. Home Depot has a Stock Price Objective of \$424.12. View our report on Home Depot: [HD pdf report 2025-08-19-18-06.pdf](#)

GDPNow Update:

- The GDPNow for 3Q25 fell to 2.30%, down from 2.50%, representing an 8% decrease.

Economic Data:

- **U.S. Retail Gas Price:** fell to \$3.243, down from \$3.265 last week, down -0.67%
- **U.S. Housing Starts** rose to 1.428 million, up from 1.358 million last month, an increase of 5.15%.
- **U.S. Building Permits:** fell to 1.354 million, down from 1.393 million last month.
- **Canada Consumer Price Index YoY:** fell to 1.73%, compared to 1.86% last month.
- **Canada Inflation Rate:** fell to 1.73%, compared to 1.86% last month.
- **Euro Area Money Supply M3:** fell to 16.92T, down from 16.94T last month.
- **Japan Machinery Orders YoY:** rose to 6.16%, compared to 4.45% last month.

Eurozone Summary:

- **Stoxx 600:** Closed at 557.81, up 3.80 points or 0.69%.
- **FTSE 100:** Closed at 9,189.22, up 31.48 points or 0.34%.
- **DAX Index:** Closed at 24,423.07, up 108.30 points or 0.45%.

Wall Street Summary:

- **Dow Jones Industrial Average:** closed at 44,922.27, up 10.47 points or 0.59%.
- **S&P 500:** closed at 6,411.37, down 37.78 points or 0.59%.
- **Nasdaq Composite:** closed at 21,314.95, down 314.82 points or 1.46%.
- **Birling Capital Puerto Rico Stock Index:** closed at 4,139.28, up 26.10 points or 0.63%.
- **Birling Capital U.S. Bank Index:** closed at 7,652.23, up 45.34 points or 0.60%.
- **U.S. Treasury 10-year note:** closed at 4.30%.
- **U.S. Treasury 2-year note:** closed at 3.75%.

Third Quarter 2025

| 3Q25 | GDPNow 3Q25 | Change |
|------------------|------------------------|-------------------------|
| 7/31/2025 | 2.30% | Initial Forecast |
| 8/1/2025 | 2.10% | -8.70% |
| 8/5/2025 | 2.50% | 19.05% |
| 8/7/2025 | 2.50% | 0.00% |
| 8/15/2025 | 2.50% | 0.00% |
| 8/19/2025 | 2.30% | -8.00% |

US Housing Starts; US Building Permits; US Retail Gas Price; Canada Consumer Price Index YoY & Canada Inflation Rate





Wall Street Recap

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