



GLOBAL MARKET SQUARE



BIRLING
CAPITAL ADVISORS, LLC

Dow Jones, S&P 500, and Nasdaq Close at Record Highs as Inflation Holds Steady and Fed Rate-Cut Bets Build.

September 11, 2025

by Francisco Rodríguez-Castro
frc@birlingcapital.com

The U.S. and European stock markets closed with gains as stocks rallied on as investors looked past a mixed inflation report and grew more confident that the Federal Reserve will cut its benchmark interest rate at next week's meeting. The **Dow Jones Industrial Average** jumped **617.08 points**, while the **S&P 500** gained **0.85%** and the **Nasdaq Composite** advanced **0.72%**. All three major indexes finished at record closing highs.

Traders largely dismissed the uptick as a short-term blip, betting it won't derail the Fed's expected rate cut aimed at supporting a cooling labor market and sustaining economic momentum. Materials and health care led the gains, while energy is the lone sector broadly in the red. U.S. Treasury yields slipped, with the 10-year note at **4.01%**, reflecting expectations for a Federal Reserve rate cut next week.

Global Market Overview

Asia finished mixed. Japan's Nikkei notched a fresh record high, underscoring resilient corporate profits, while other major indexes were little changed. In Europe, equities climbed after the European Central Bank held its key deposit facility rate steady at **2.0%**, signaling a steady policy stance. The U.S. dollar weakened against most major currencies, while WTI crude retreated modestly after recent gains.

Inflation Holds Near 3%

August CPI rose **2.92% annualized**, up from 2.7% in July and right on consensus. Energy prices added upward pressure, increasing **0.7%** month-over-month on a **1.9%** jump in gasoline. Core CPI, excluding food and energy, remained firm at **3.11%**. Analysts expect newly imposed tariffs to add near-term price pressures but doubt they will create a lasting inflation trend. Despite inflation still running above the Fed's 2% target, markets broadly anticipate a rate cut to bolster a slowing labor market.

Labor Market Shows Gradual Cooling

Initial jobless claims increased to **263,000**, higher than expectations for a slight dip to 231,000. Continuing claims were stable at **1.94 million**. The unemployment rate held at **4.3%**, with **7.2 million** job openings nearly matching the unemployed at **7.3 million**, indicating continued—though moderating—labor demand. Economists believe easier monetary policy and potential fiscal support will help maintain economic momentum into year-end.

Economic Data:

- **U.S. Consumer Price Index YoY:** rose to 2.92%, compared to 2.70% last month.
- **U.S. Core Consumer Price Index YoY:** rose to 3.11%, compared to 3.05% last month.
- **U.S. Inflation Rate:** rose to 2.92%, compared to 2.70% last month.

- **U.S. Initial Claims for Unemployment Insurance:** 263,000, up from 236,000 last week, increasing 11.44%.
- **30-Year Mortgage Rate:** fell to 6.50%, compared to 6.56% last week.

Eurozone Summary:

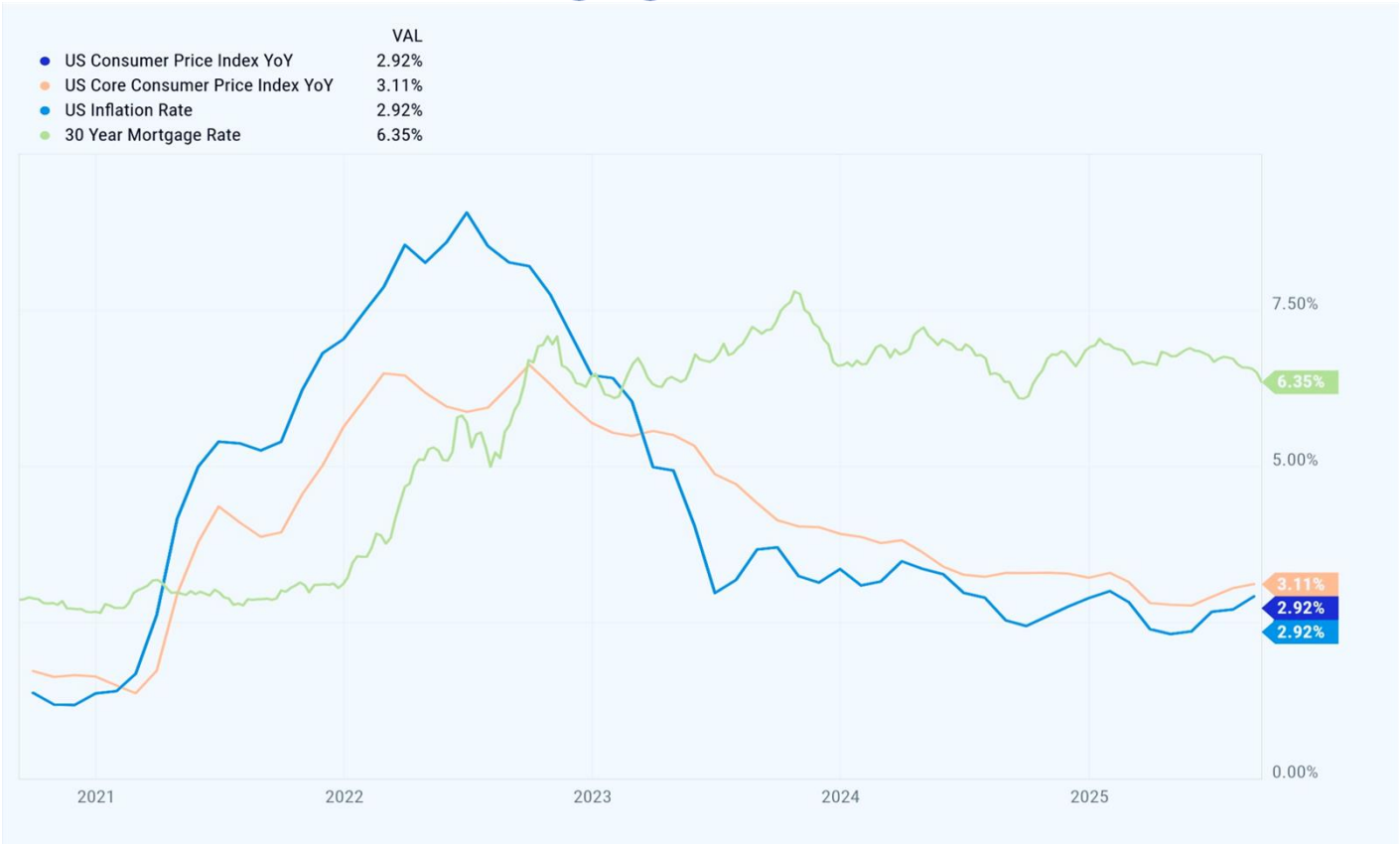
- **Stoxx 600:** Closed at 555.33, up 3.04 points or 0.55%.
- **FTSE 100:** Closed at 9,297.58, up 72.94 or 0.78%.
- **DAX Index:** Closed at 23,703.65, up 70.70 points or 0.30%.

Wall Street Summary:

- **Dow Jones Industrial Average:** closed at 46,108.00, up 617.08 points or 1.36%.
- **S&P 500:** closed at 6,587.47, up 55.43 points or 0.85%.
- **Nasdaq Composite:** closed at 22,043.07, up 157.014 points or 0.72%.
- **Birling Capital Puerto Rico Stock Index:** closed at 4,174.71, up 3.36 points or 0.08%.
- **Birling Capital U.S. Bank Index:** closed at 8,002.49, up 24.70 points or 0.31%.
- **U.S. Treasury 10-year note:** closed at 4.01%.
- **U.S. Treasury 2-year note:** closed at 3.52%.



US Consumer Price Index, US Core CPI, US Inflation Rate & 30-Year Mortgage Rate



US Initial Claims for Unemployment & US 4-Week Moving Average of Initial Claims





Wall Street Recap

September 11, 2025



Global Market Square © es una publicación preparada por Birling Capital LLC y resume los recientes desarrollos geopolíticos, económicos, de mercado y otros que pueden ser de interés para los clientes de Birling Capital LLC. Este informe está destinado únicamente a fines de información general, no es un resumen completo de los asuntos a los que se hace referencia y no representa asesoramiento de inversión, legal, regulatorio o fiscal. Se advierte a los destinatarios de este informe que busquen un abogado profesional adecuado con respecto a cualquiera de los asuntos discutidos en este informe teniendo en cuenta la situación de los destinatarios. Birling Capital no se compromete a mantener a los destinatarios de este informe informados sobre la evolución futura o los cambios en cualquiera de los asuntos discutidos en este informe. Birling Capital. El símbolo de registro y Birling Capital se encuentran entre las marcas registradas de Birling Capital. Todos los derechos reservados.