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Economics Weekly

The Supreme Court on IEEPA: What
Changes, What Doesn't



On November 5, the Supreme Court heard oral arguments in the cases challenging President Trump's use of emergency powers to levy sweeping global tariffs. Justices from both ideological camps questioned whether the International Emergency Economic Powers Act (IEEPA), commonly used for sanctions, also allows the president to impose tariffs without congressional approval. Since the cases could unwind one of the president's key economic policies and erode leverage in ongoing trade negotiations, the court agreed to expedite the case and a decision is expected in the next few months.

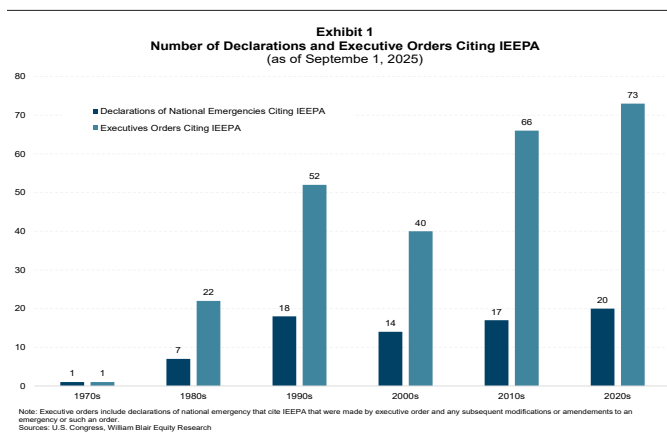
Should the justices uphold the tariffs, markets would be mostly unfazed as companies have largely adapted to a trade system based on higher tariffs, though it would heighten concerns about how this court may approach other cases on the limits of presidential authority. A decision prohibiting tariffs under the IEEPA could also trigger refunds to importers and revive trade uncertainty as the Trump administration looks to reimpose the measures under a patchwork of other trade laws. **In this *Economics Weekly*, we consider the possible outcomes of a Supreme Court ruling and what they could mean for trade policy.**

Precedents and the Scope of IEEPA

The IEEPA, the law at the center of this case, was enacted in 1977 and allows presidents to "regulate ... importation or exportation" if they declare a national emergency "to deal with any unusual and extraordinary threat" of a foreign nature.

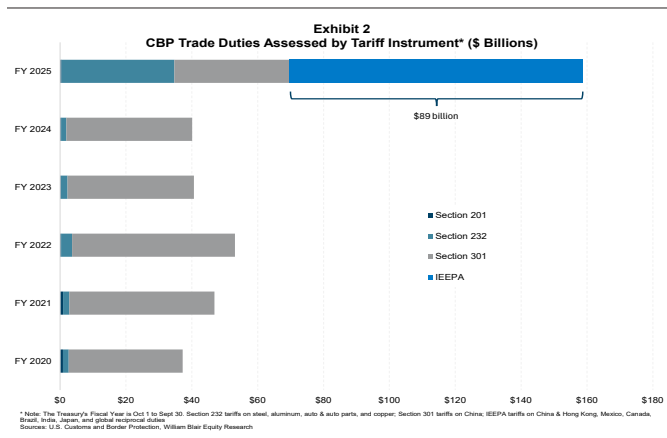
Of the more than 120 statutory powers available to the president during a national emergency, IEEPA is the most frequently used. Between 1977 and September 1, 2025, according to data from the Congressional Research Services, presidents have invoked the IEEPA in 77 declarations of national emergency, and all but 5 of the 51 ongoing emergencies involve it (exhibit 1). The state of emergency declared by President Jimmy Carter in 1979 following the seizure of the U.S. embassy in Tehran was the first use of the IEEPA. It froze Iranian government assets in the U.S. and is still in effect today. Since then, the IEEPA has been used to block foreign transactions and freeze assets in similar situations, but no prior administrations until now, including the first Trump administration, ever attempted to impose tariffs using IEEPA.

Before the case was appealed to the Supreme Court, the lower courts agreed with the small businesses and states challenging the tariffs that the IEEPA does not authorize the president to set such broad, revenue-raising tariffs and that such an unrestricted delegation of a power vested in Congress would be unconstitutional.



President Trump relied on the IEEPA to levy fentanyl trafficking-related tariffs on Canada, Mexico, and China and the reciprocal tariffs on imports from most countries to address the U.S. trade deficit. Exhibit 2 shows that U.S. Customs and Border Protection (CBP) collected nearly \$89 billion in IEEPA tariffs from "Liberation Day" through September, more than all the duties collected during fiscal 2024.

A Supreme Court decision against IEEPA tariffs would curb the president's ability to use tariffs at the same speed and scope as he has so far.



Does "Regulate ... Importation" Include Tariffs?

The government opened by defending the president's broad authority under the IEEPA, with Solicitor General John Sauer arguing that "exploding trade deficits" and fentanyl trafficking posed national emergencies and that the "regulate ... importation" "plainly embraces tariffs." That claim drew some pushback. Justice Elena Kagan pointed out that Congress holds the constitutional

authority to tax and regulate commerce, while Justice Sonia Sotomayor rejected Sauer’s attempt to distinguish tariffs from taxes: “That’s exactly what they are. They’re generating money from American citizens, revenue.” The conservative justices also chimed in. Justice Neil Gorsuch warned that Sauer’s reading of the law risked a “one-way ratchet” of expanding executive power, and Chief Justice John Roberts added that no one had ever read “regulate ... importation” to authorize tariffs “on any product from any country ... in any amount.”

Arguing for the plaintiffs, Neal Katyal claimed it was “simply implausible” that Congress intended the IEEPA to let a president “overhaul the entire tariff system,” also noting that no president in nearly 50 years had attempted to use the statute this way. Congress, he said, “knows exactly how to delegate its tariff powers ... always with real limits,” and the administration’s theory would allow a president to impose vast tariffs without guardrails.

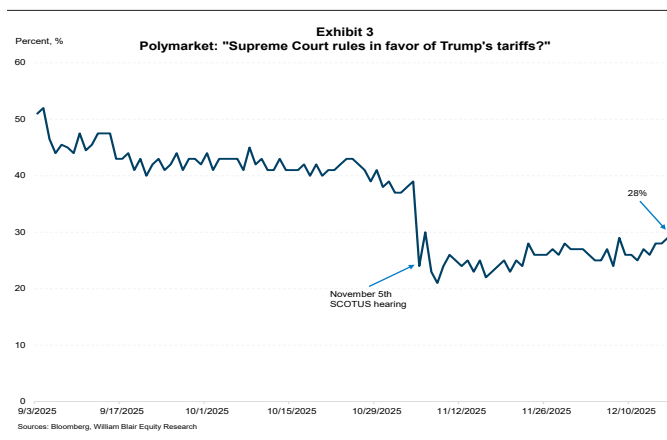
Conservative justices pressed him on scale—how the IEEPA could authorize a full embargo but not a tariff—an “odd donut hole” in the law, as Justice Brett Kavanaugh put it. Justice Amy Coney Barrett questioned whether Katyal was reading too many constraints into a statute expressly designed for emergencies.

Barrett also raised the practical problem of reimbursing billions in already-paid tariffs, calling it “a complete mess,” but Katyal countered that a “specialized body of trade law” exists to manage reimbursements, even if the process is “very complicated.” A messy unwind, he argued, is “not a reason not to act,” and he suggested the court could ease the transition by staying its ruling to give Congress time to intervene or by applying the decision only to IEEPA tariffs going forward.

Potential Outcomes and Consequences: What’s Plan B?

At the oral argument last month, enough justices were seemingly leaning against Trump’s tariffs that it appears they might rule them illegal.

In September, traders on Polymarket viewed odds of the Supreme Court ruling in favor of Trump’s tariffs as roughly a coin flip (exhibit 3). Yet following the November 5 hearing, the market grew more pessimistic, and the odds now stand at 29%.



It may seem surprising that a court that has previously expanded presidential power in other areas would take this stance, but it becomes more understandable when we consider its other rulings on the separation of powers.

For example, in 2020 the court allowed the first Trump administration to fire the head of the Consumer Financial Protection Bureau, who until then could only be removed for cause. That same court has also limited administrations’ policymaking discretion in cases ranging from the 2021 decision striking the CDC’s eviction moratorium, the 2023 decision striking the Biden administration student loan forgiveness plan, and, most notably, the 2024 decision abandoning the Chevron deference. In the latter cases, the court ruled against the administration for asserting statutory authority the justices concluded Congress had never clearly delegated.

The court is likely to rule in a similar way in the IEEPA case, and that is distinct from cases in which it rules in favor of the administration because it sees Congress as limiting the president’s own authority over agencies that are exercising his constitutional powers by restricting removal.

Should the justices strike the IEEPA tariffs, the Trump administration has indicated it would move to replicate them through a range of other trade statutes shown in exhibit 4. Some of these alternatives are familiar and some are new tools the administration may explore. Treasury Secretary Scott Bessent has listed some of these as his “Plan B.”

Exhibit 4
Tariff Instruments Available to the President

Legal Authority	Provision (Focus)	Rate and Duration	Investigating Body	Example of Use
IEEPA	National emergency (country)	Currently subject to judicial review	Presidential discretion	2025 trade deficit, fentanyl trafficking
Section 122	International payments (country)	150 days at up to 15%, extendable by Congress	Presidential discretion	
Section 201	Safeguarding domestic industry (product)	Four years at up to 50%, phasing down after first year, extendable by president	U.S. International Trade Commission	2018 washing machines, solar cells
Section 232	National security (product)	Unlimited	Department of Commerce	2018 steel and aluminum, 2025 copper, 2025 cars and car parts, 2025 lumber
Section 301	Discrimination against U.S. commerce (country)	Four years, extendable by U.S. Trade Representative with unlimited rates	U.S. Trade Representative	2018 China IP practices & digital services taxes, 2024 electric vehicles
Section 338	Discrimination against U.S. commerce (country)	Unlimited duration at up to 50%, 30-day implementation delay	Presidential discretion	

Sources: S&P Global, U.S. Congress, William Blair Equity Research

Section 122 and Section 338 have never been used to impose tariffs. Relying on the presidential discretion allowed under those laws would allow Trump to resume broad-based tariffs but could face new legal challenges.

A more credible approach is to levy product-specific, national security tariffs under Section 232 or country-specific duties under Section 301. Each requires a federal agency to complete an investigation before tariffs can be imposed, and they have already been a key part of Trump's trade strategy. These procedural guardrails slow the imposition of tariffs, but in the process give importers greater certainty about the rules that govern the country's largest trade and investment relationships.

In a midterm year, though, Trump may be wary of further shock-and-awe measures that risk alienating voters, and the administration may adopt a more measured approach than it has this year. In tacit admission his trade policies had raised prices for consumers, Trump has already rolled back IEEPA tariffs on certain food goods and now plans a bailout for the agricultural sector.

Tariffs imposed under other authorities—such as the steel, aluminum, copper, lumber, cars, and car parts tariffs under Section 232 and the Section 301 duties on most Chinese goods—remain in effect.

Several ongoing Section 232 investigations could lead to tariffs on nine other industries, including pharmaceuticals, semiconductors, and critical minerals. Some companies and trading partners have already negotiated agreements with the White House to avoid potential duties. Given their evident efficacy, the number of Section 232 investigations is likely to rise. Section 301 probes into China, Nicaragua, and Brazil could also result in country-specific tariffs.

How Refunds Might Work

If the court rules the IEEPA tariffs illegal and allows refunds, importers will have several ways to recover their money, even if they passed on some or all of those charges to consumers.

Before CBP finalizes duty calculations for their goods, importers can file a correction to adjust what they owe and later pursue a refund for overpaid duties following the court's decision. If they cannot preserve their right to a refund this way, they may file a formal protest with CBP within the allowed window, though that process can take up to two years.

Another option is to bring a case now in front of the Court of International Trade, which can direct CBP not to finalize duties and make refunds on all the importer's goods easier to process if the tariffs are struck down.

If an importer cannot secure a refund through trade channels, it may also seek damages in the Court of Federal Claims. Again, these will be moot if the Supreme Court rules for the administration or makes a decision that does not apply retroactively.

How It Would Play Out

The Supreme Court's line of questioning at last month's hearing suggests that IEEPA tariffs will be struck down in whole or in part.

Such a ruling would restrict the use of emergency powers for broad tariff actions and reinforce the need for congressional approval. The administration would likely turn to other trade authorities such as Section 301 and Section 232 to pursue its trade agenda.

Although comparable tariffs could be imposed under those statutes, political support for broad tariff measures appears to be weakening. The Senate has passed bipartisan measures to terminate President Trump's reciprocal tariffs as well as on country-specific tariffs on imports from Brazil and Canada. The resolutions were largely symbolic as the House of Representatives has a rule in place blocking votes on challenges to the president's tariffs until at least March 2026, but their bipartisan nature betrays a significant shift in sentiment.

According to the Congressional Budget Office, the tariffs enacted this year are expected to offset U.S. budget deficits by \$2.5 trillion over the next 11 years, assuming 2024 trade flows. That revenue would offset most of the estimated cost of the One Big Beautiful Bill Act over the same period if so deployed. Customs duties, and IEEPA tariffs in particular, have grown as a share of government revenues in recent years (exhibit 5).

Reducing or eliminating them would temporarily tighten public finances and exert upward pressure on Treasury yields if markets are concerned about what Plan B might bring. Ahead of any new tariffs, we could also see another wave of inventory pull-forward, in sectors most exposed to imports.

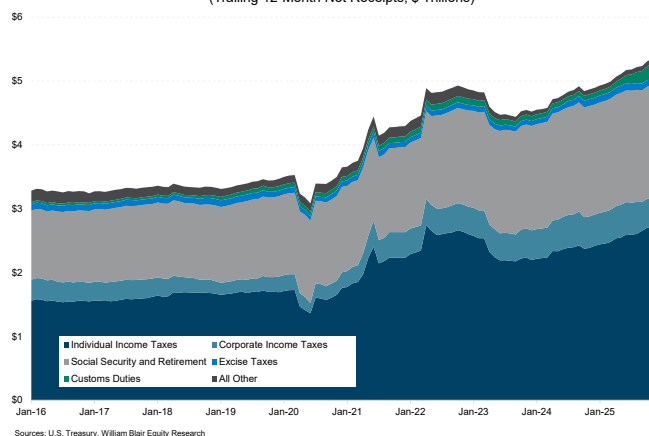
The impact would also vary across trading partners and industries. Countries that faced the largest IEEPA tariff hikes, including India, Brazil, China, and Indonesia, could experience short-term relief and could accelerate shipments before new tariffs take effect. For Mexico and Canada, the effect would be limited if USCMA exemptions remain in place.

Conclusion

The Supreme Court will soon issue a decision on the president's authority to impose tariffs under the IEEPA. The Trump administration argues that the law as written permits the president to "regulate ... importation" by levying tariffs in times of emergency, whereas the plaintiffs contend that is too generous an interpretation and encroaches on Congress's constitutional powers. The court's answer to that dispute will set the guardrails for using emergency tools in trade and have broad implications for other questions of the limits on presidential authorities.

Even if the court rules against the IEEPA tariffs, the practical effect may be limited given the administration's ability to replicate them under other statutes. Many investors and firms have already adjusted to higher duties, and any refund process can be handled through regular procedures. The Treasury bond market could experience some pressure if it starts to question the viability of the administration's Plan B. Markets care most about clarity. If procedures and timelines for any new tariffs are clear, the near-term impact should not be overly disruptive.

Exhibit 5
Federal Government Net Receipts by Source
(Trailing 12-Month Net Receipts, \$ Trillions)



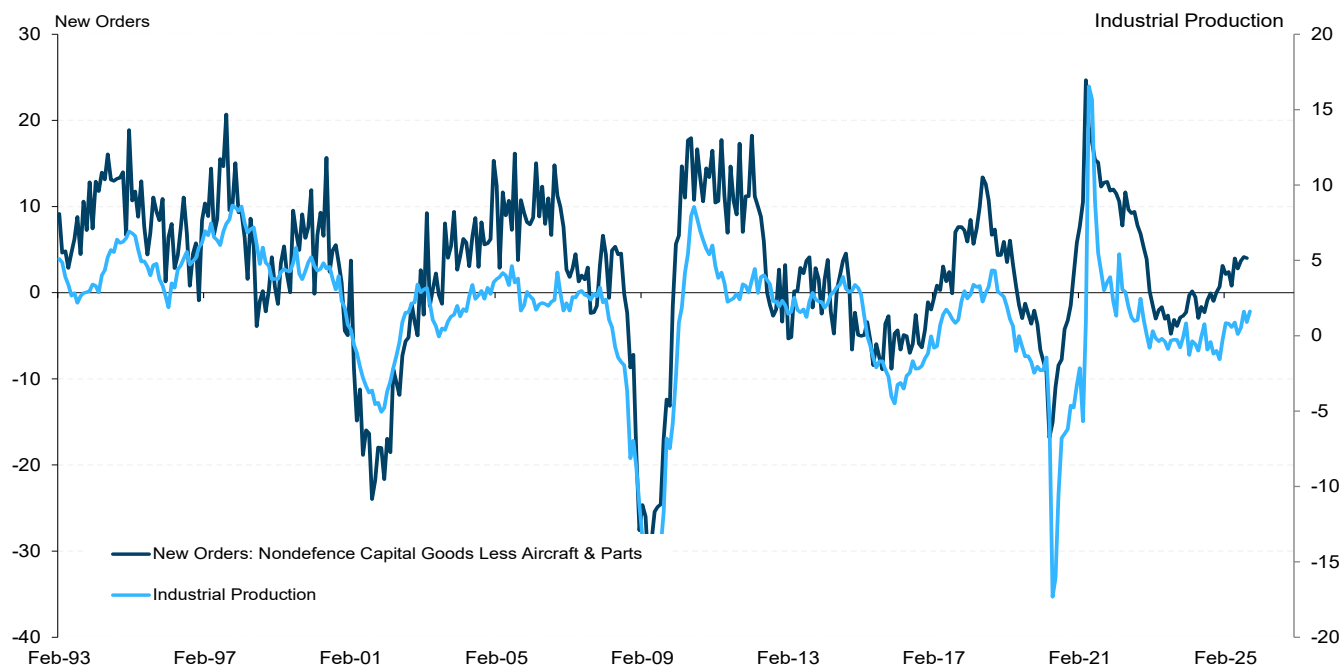
Highlights in the Week Ahead

Date	Time (ET)	Indicator	Last	Consensus	WB Estimate	Actual
23 Dec	8:30 a.m.	GDP (3Q S)	NA	3.2%	3.2%	
23 Dec	8:30 a.m.	Durable Goods Orders (Oct)	0.5%	-1.4%	-1.0%	
		Orders Less Transportation	0.6%	0.3%	0.5%	
23 Dec	9:15 a.m.	Industrial Production (Oct & Nov)	0.1%	0.1% (Nov)	0.2%	
		Capacity Utilization	75.9%	75.9% (Nov)	76.0%	
23 Dec	10:00 a.m.	Consumer Confidence (Dec)	88.7	91.7	90.0	

Sources: Bloomberg, William Blair Equity Research

Indicator of the Week: Durable Goods Orders

New Orders for Nondefence Capital Goods Less Aircraft & Parts vs Industrial Production
% Change YoY



Source: Bureau of the Census, Federal Reserve, William Blair

Economic Scorecard

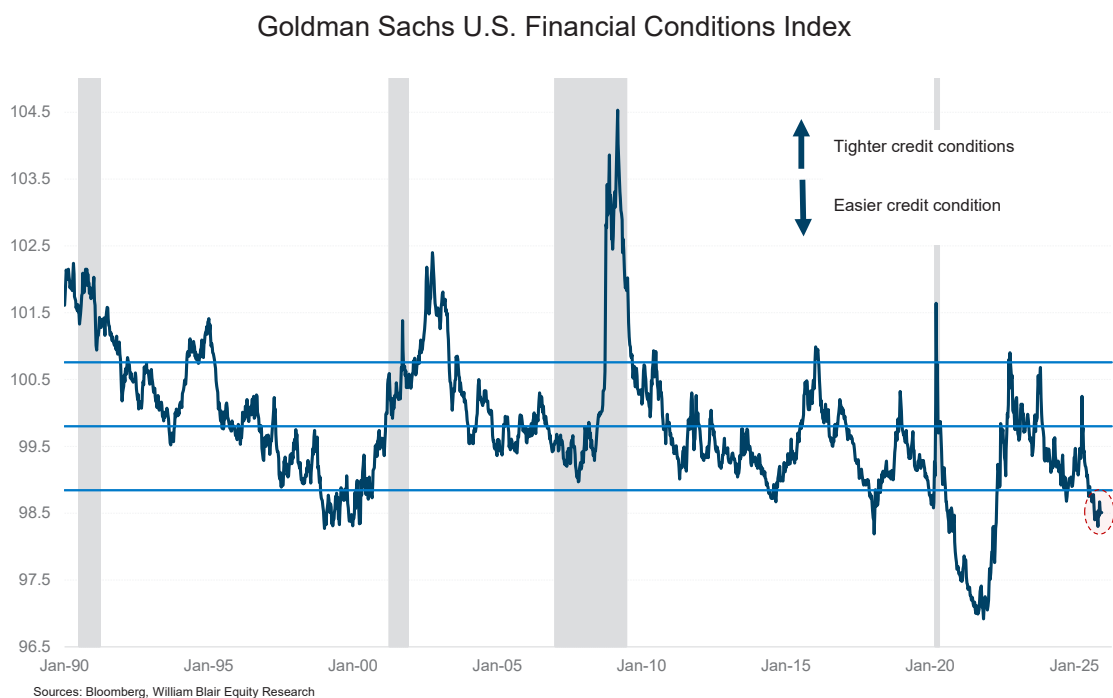
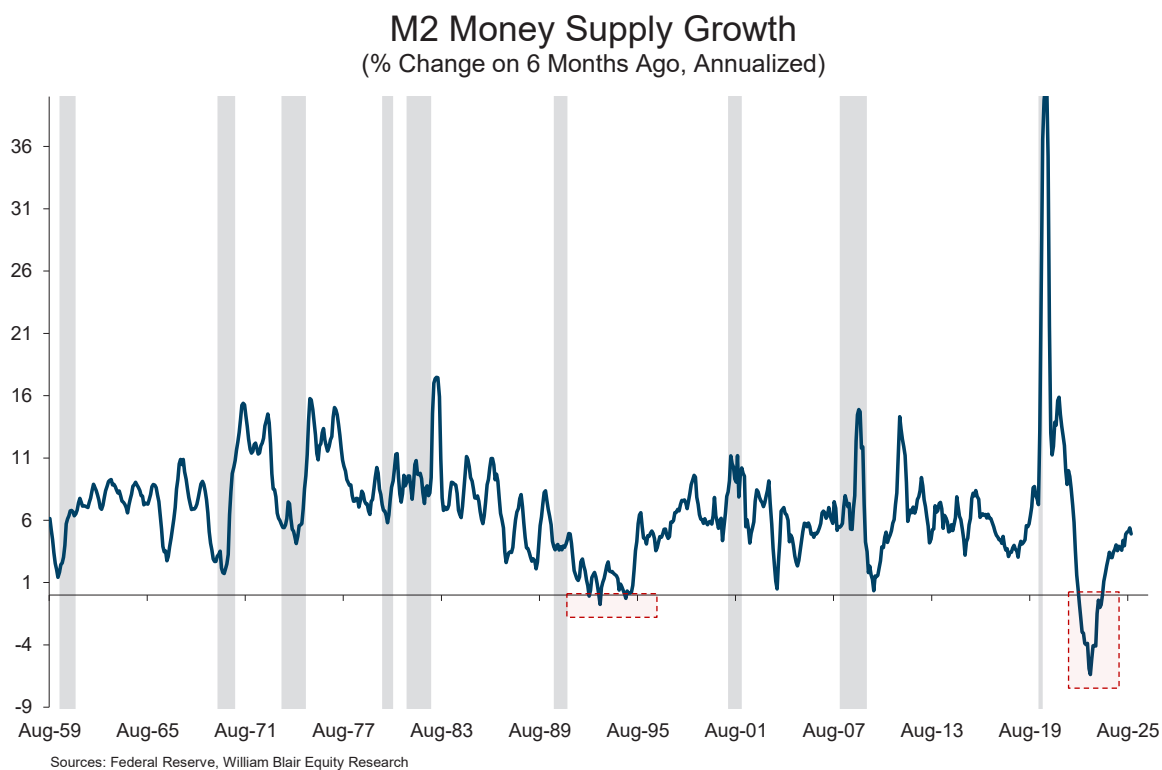
Rolling monthly heat map, % Change on Year Ago (unless otherwise noted)

	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25
Growth																			
US Leading Indicators	-4.5	-4.7	-4.6	-4.3	-3.7	-3.0	-3.0	-2.7	-3.0	-3.6	-4.3	-3.9	-3.9	-3.4	-3.4	-3.3			
US Coincident Indicators	2.1	1.7	1.7	1.6	1.6	1.3	1.7	1.5	1.5	1.8	2.0	1.4	1.4	1.6	1.5	1.4			
US Lagging Indicators	1.1	1.0	0.8	0.3	0.1	0.0	0.1	-0.1	0.1	-0.1	-0.2	0.7	0.4	0.4	0.5	1.1			
Consumer																			
Total Retail Sales	2.3	3	1.8	2	3.2	3.9	4.6	4.6	3.9	5.1	5	3.4	4.4	4.1	5	4.2	3.5		
Personal Income	5.7	5.6	5.4	5.3	5.5	5.3	5.3	5	5	5.2	5.8	4.9	4.7	5	5.2	5.2			
Real Disposable Personal Income	3.1	2.9	2.8	2.8	2.7	2.4	2.2	1.8	1.8	2.3	3	1.9	1.6	1.9	2	1.9			
Real Personal Consumption	3.1	3	3	3.4	3.3	3.2	3.6	3.3	2.7	3.2	3.1	2.5	2.5	2.5	2.6	2.1			
Personal Saving Rate (%)	5.7	5.3	5.2	4.8	5	4.9	4.3	5.1	5.2	5.1	5.7	5.2	5	4.9	4.7	4.7			
Consumer Confidence (Conference Board)**	97.8	101.9	105.6	99.2	109.6	112.8	109.5	105.3	100.1	93.9	85.7	98.4	95.2	98.7	97.8	95.6	95.5	88.7	
Employment																			
Employment Growth	1.3	1.3	1.2	1.3	1.2	1.3	1.3	1.3	1.2	1.1	1.1	1.0	1.0	1.0	0.9	0.8	0.7	0.6	
ASA Temporary Staffing Index	-9.9	-12.5	-12.2	-12.0	-9.5	-6.6	-21.0	-8.2	-7.5	-8.7	-6.4	-5.8	-5.3	-0.8	-0.9	0.8	1.5	4.5	
ISM Employment Index Manufacturing*	48.4	43.6	45.8	44.6	44.8	48.1	45.4	50.3	47.6	44.7	46.5	46.8	45	43.4	43.8	45.3	46	44	
ISM Employment Index Services*	46.7	51	49.6	48.2	52.2	50.9	51.3	52.3	53.9	46.2	49	50.7	47.2	46.4	46.5	47.2	48.2	48.9	
Unemployment Rate, %	4.1	4.2	4.2	4.1	4.1	4.2	4.1	4	4.1	4.2	4.2	4.2	4.1	4.2	4.3	4.4		4.6	
Average Hourly Earnings	3.9	3.6	4	3.9	4.1	4.2	4	3.9	3.9	3.9	3.8	3.8	3.7	3.9	3.8	3.7		3.5	
Initial Jobless Claims (avg. wkly. chg. '000s)	237	237	230	225	236	219	222	218	227	223	226	235	241	221	231	235	225	215	
Jop Openings	-19.4	-12.8	-17.6	-23.5	-10.9	-7.3	-12.5	-8.3	-11.4	-11.0	-2.9	-2.4	-0.7	-3.9	-5.5	7.8	0.7	-4.5	
Layoff Announcements	19.8	9.2	1	53.4	50.9	26.8	11.4	-39.5	103.2	204.8	62.7	47	-1.6	139.8	13.3	-25.8	175.3	23.5	
Housing Market																			
Housing Starts	-6.6	-13.4	5.6	-1	-1.2	-14.5	-0.5	-1.7	-4	3.3	0.9	-2.6	4.1	13	-6				
New Home Sales	-0.4	1.1	7.4	5.3	-8.8	10.7	11.7	-2.8	-2.4	-4.6	-1.8	-5.7	0.7	-6.5	15.4				
Existing Home Sales	-5.1	-2.5	-3.7	-3.0	3.1	6.7	9.7	2.3	-0.9	-2.4	-2.0	-0.5	0.0	0.8	1.8	3.9			
Median House Price (Existing Homes)	-0.9	-1.6	-8	-1.2	2.1	-7.4	1.1	-0.2	-1.4	-5.4	-0.4	2.5	-2.5	-7.9	1.9				
Existing Homes Inventory (Mths' supply)	3.8	3.7	3.9	3.9	4	3.9	3.8	3.7	3.9	3.8	4.2	4.3	4.3	4.4	4.3				
New Homes Inventory (Mths' supply)	8.4	7.9	8.2	7.9	9.3	8.7	8.2	9	9.3	9.2	8.5	9.6	8.9	9	7.4				
NAHB Homebuilder Sentiment*	43	41	39	41	43	46	46	47	42	39	40	34	32	33	32	32	37	38	39
Inflation																			
Consumer Price Index	3	2.9	2.5	2.4	2.6	2.7	2.9	3	2.8	2.4	2.3	2.4	2.7	2.7	2.9	3	3	2.7	
CPI Less-food & energy	3.3	3.2	3.2	3.3	3.3	3.3	3.2	3.3	3.1	2.8	2.8	2.8	2.9	3.1	3.1	3	3	2.6	
Producer Price Index	2.9	2.4	2.1	2.1	2.8	2.9	3.5	3.8	3.4	3.2	2.4	2.7	2.4	3.2	2.7	2.7			
PPI Less-food & energy	3.3	2.6	2.8	3.3	3.6	3.4	3.7	3.9	3.7	3.8	3.1	3.2	2.7	3.5	2.9	2.6			
PCE Price Index	2.5	2.6	2.4	2.3	2.5	2.6	2.7	2.6	2.7	2.4	2.3	2.5	2.6	2.6	2.7	2.8			
PCE Prices Less-food & energy	2.8	2.8	2.9	2.8	3.0	3.0	3.0	2.8	3.0	2.7	2.6	2.8	2.8	2.9	2.9	2.8			
Business Activity - US																			
Industrial Production	-1.5	-3.0	-2.6	-3.4	-3.0	-3.5	-2.2	0.9	0.8	0.6	0.9	0.1	0.5	1.6	0.9	1.6			
New Cap Gds Orders less-aircraft & parts	-4	-0.6	-1.8	0.5	0.2	-1.1	1.9	3.3	-0.9	2.2	0.5	2.2	4.5	4.4	2.5	5.3			
Business Inventories	1.2	1.6	2.1	2.1	1.9	2.2	2.6	1.9	2.5	2.3	2.5	2.2	1.7	1.6	1.4	1	1.2		
ISM Manufacturing PMI*	48.3	47	47.5	47.5	46.9	48.4	49.2	50.9	50.3	49	48.7	48.5	49	48	48.7	49.1	48.7	48.2	
Markit US Manufacturing PMI*	51.6	49.6	47.9	47.3	48.5	49.7	49.4	51.2	52.7	50.2	50.2	52	52.9	49.8	53	52	52.5	52.2	
ISM Services Index*	49.2	51.4	51.6	54.5	55.8	52.5	54	52.8	53.5	50.8	51.6	49.9	50.8	50.1	52	50	52.4	52.6	
Markit US Services PMI*	55.3	55	55.7	55.2	55	56.1	56.8	52.9	51	54.4	50.8	53.7	52.9	55.7	54.5	54.2	54.8	54.1	
Business Activity - International																			
Germany Manufacturing PMI Markit/BME*	43.5	43.2	42.4	40.6	43	43	42.5	45	46.5	48.3	48.4	48.3	49	49.1	49.8	49.5	49.6	48.2	
Japan Manufacturing PMI Jibun Bank*	50.1	49.1	49.9	49.7	49.2	49	49.6	48.7	49	48.4	48.7	49.4	50.1	49	49.7	48.6	48.2	48.7	
Caixin China Manufacturing PMI*	51.8	49.8	50.4	49.3	50.3	51.5	50.5	50.1	50.8	51.2	50.4	48.3	50.4	49.5	50.5	51.2	50.6	49.9	
China Manufacturing PMI*	49.5	49.4	49.1	49.8	50.1	50.3	50.1	49.1	50.2	50.5	49	49.5	49.7	49.3	49.4	49.8	49	49.2	
UK Manufacturing PMI Markit/CIPS*	50.9	52.1	52.5	51.5	49.9	48	47	48.3	46.9	44.9	45.4	46.4	47.7	48	47	46.2	49.7	50.2	
France Manufacturing PMI Markit*	45.4	44	43.9	44.6	44.5	43.1	41.9	45	45.8	48.5	48.7	49.8	48.1	48.2	50.4	48.2	48.8	47.8	
Currencies***																			
Euro (EUR/USD)	-1.8	-1.6	1.9	5.3	2.9	-2.9	-6.2	-4.2	-4.0	0.2	6.2	4.6	10.0	5.4	5.8	5.4	6.0	9.7	
Renminbi (USD/CNY)	0.2	1.2	-2.3	-3.8	-2.7	1.6	2.8	1.1	1.2	0.5	0.4	-0.6	-1.4	-0.4	0.6	1.5	0.0	-2.4	
Yen (USD/Yen)	11.5	5.4	0.4	-3.8	0.2	1.1	11.5	5.6	0.4	-0.9	-9.3	-8.4	-10.5	0.5	0.6	3.0	1.3	4.3	
Sterling (GBP/USD)	-0.5	0.2	3.6	9.6	6.1	0.9	-1.7	-2.3	-0.4	2.3	6.7	5.6	8.6	2.7	2.9	0.5	2.0	3.9	
Canadian \$ (USD/CAD)	3.3	4.7	-0.1	-0.4	0.4	3.3	8.6	8.2	6.5	6.3	0.2	0.8	-0.5	0.3	1.8	2.9	0.5	-0.2	
Mexican Peso (USD/MXN)	7.0	11.2	15.8	13.0	11.0	17.2	22.7	20.1	20.5	23.6	14.4	14.3	2.3	1.4	-5.4	-7.0	-7.4	-10.2	
US Equities																			
S&P 500	22.7	20.3	25.3	34.4	36.0	32.1	23.3	24.7	16.8	6.8	10.6	12.0	13.6	14.8	14.4	16.1	19.9	13.5	
S&P 400 Midcap	11.7	13.5	16.9	24.8	30.9	31.3	12.2	18.6	7.1	-4.2	-0.3	0.6	5.9	1.7	5.3	4.5	4.8	-1.7	
S&P 600 Smallcap	6.6	12.0	15.1	23.5	27.6	30.9	6.8	14.5	4.5	-5.0	-3.6	-3.4	2.8	-6.3	1.8	1.9	3.8	-4.0	
Russell 2000	8.4	12.5	16.7	24.9	32.1	34.6	10.0	17.5	5.3	-5.3	-0.5	-0.2	6.2	-1.9	6.7	9.3	12.9	2.7	

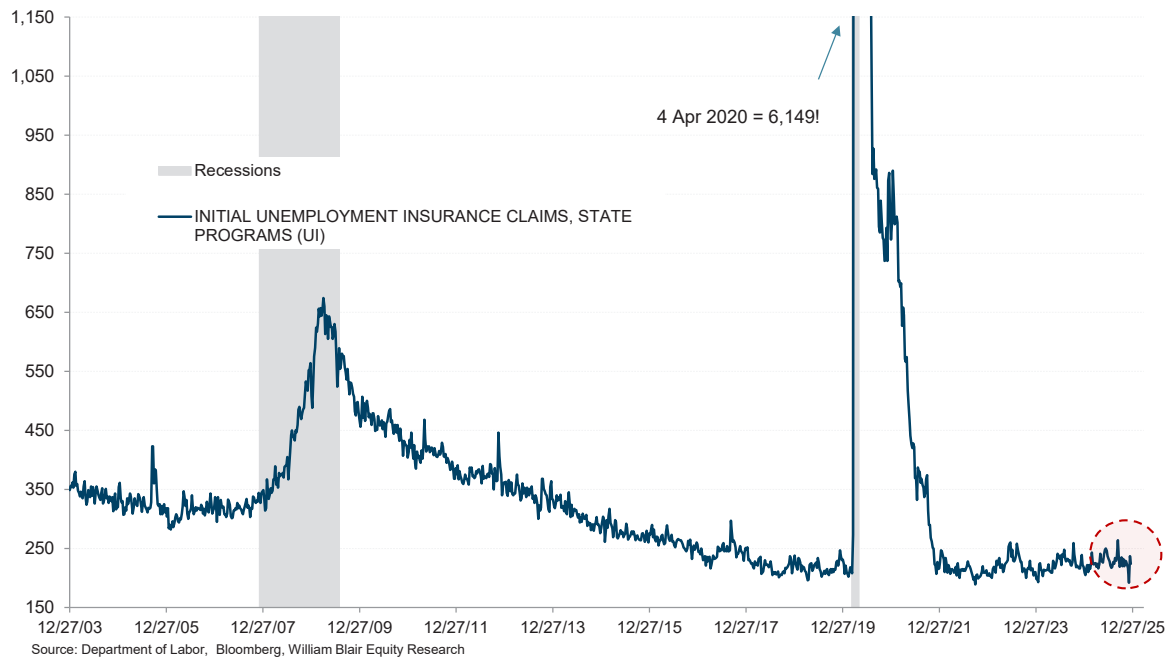
* Diffusion Index, **1985=100, ***Currencies - green/red = strengthening/weakening foreign currency vs dollar

Source: ISM, Federal Reserve, Census Bureau, Bureau of Labor Statistics, Conference Board, Bloomberg, William Blair

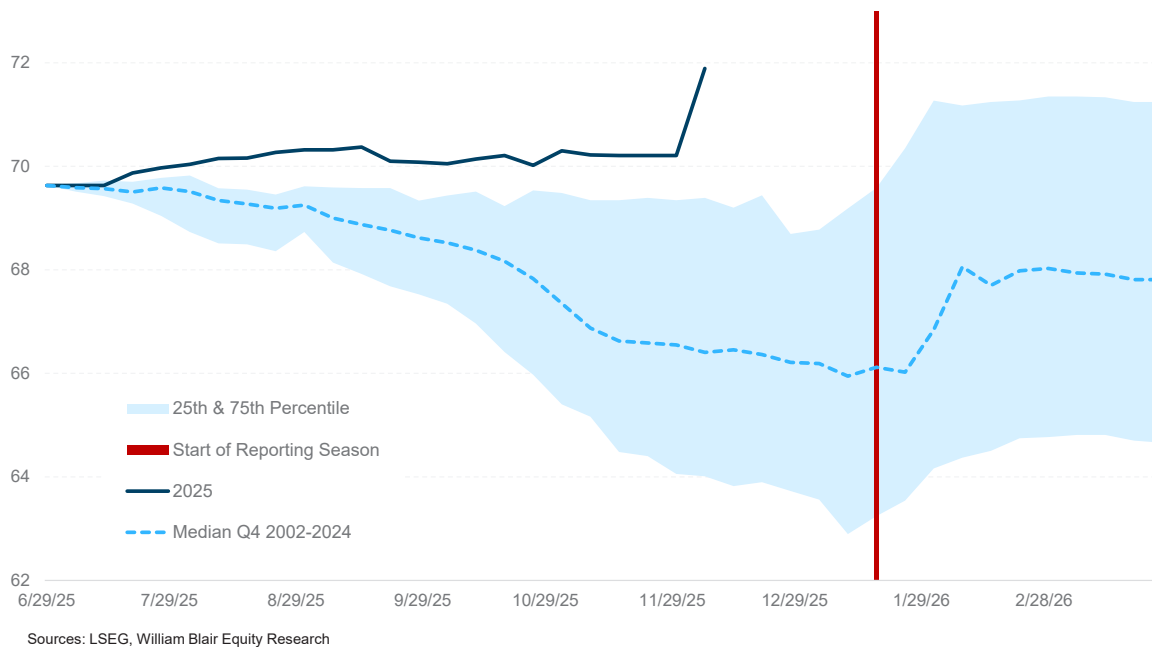
Other Economic Indicators



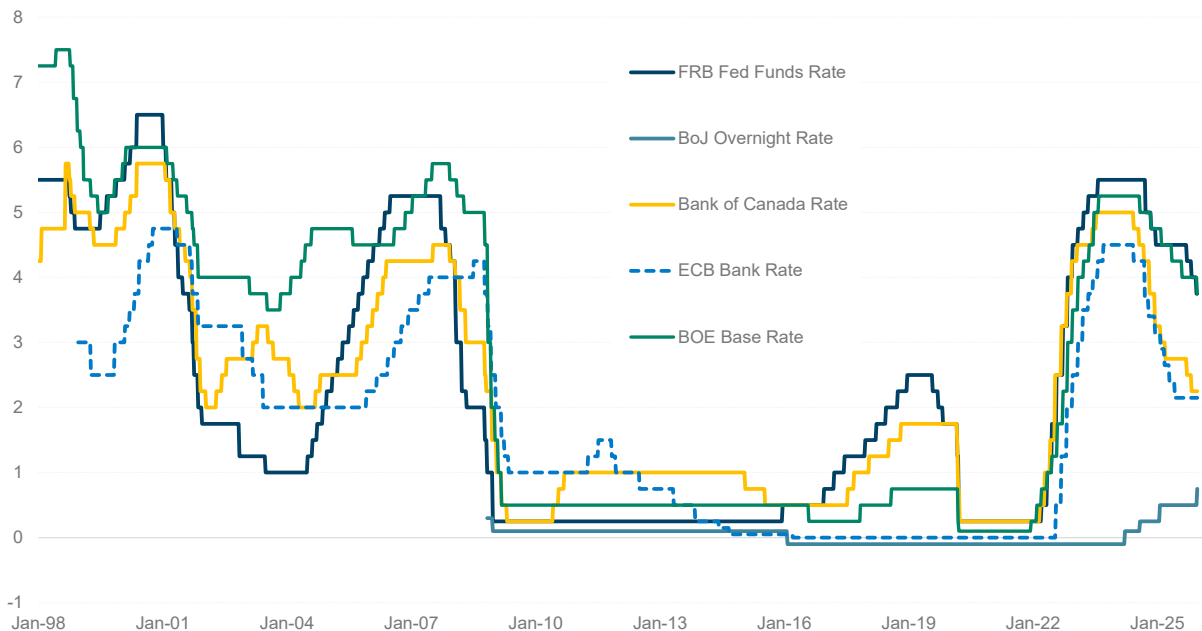
Initial Jobless Claims (‘000s, Seasonally Adjusted)



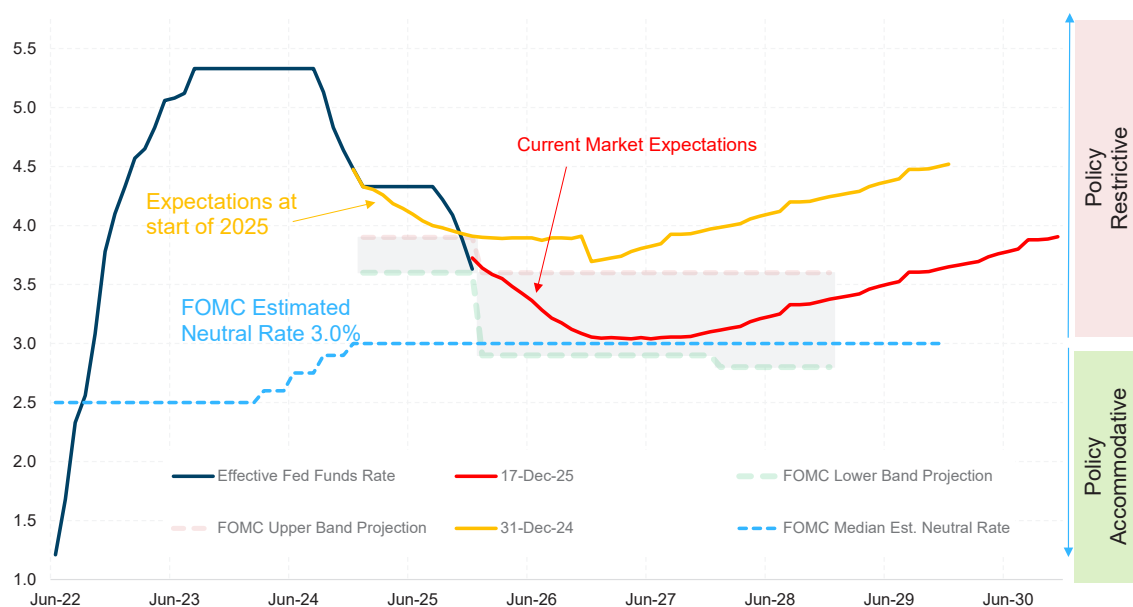
Progression of S&P 500 Q4 EPS Estimates, Q4 2025 vs Median Q4 2002-2024 (Rebased to Q4 2025 Estimate at End of Q2 2025 of \$69.5 per share)



Central Bank Target Short-Term Interest Rates, %



Fed Funds Rate Futures Market Expectations & FOMC Projections, %



S&P 500 Sector Performance

Global Industry Classification System	Current Weight* 18-Dec-25	Week Ago 11-Dec-25	Month Ago 18-Nov-25	Qtr-to-Date 30-Sep-25	Year-to-Date 31-Dec-24
S&P 500 Index	100.00	-1.83	2.38	1.29	15.19
S&P400 MidCap Index		-2.17	5.24	1.77	6.43
S&P600 SmallCap Index		-2.24	7.28	2.96	5.96
Dow Jones Industrials		-1.54	4.04	3.35	12.71
Nasdaq Composite		-2.49	2.56	1.53	19.14
Communication Services	10.56	-1.14	4.68	5.10	30.00
Advertising	0.07	1.50	2.91	-10.74	-39.16
Broadcasting	0.07	-1.61	4.02	2.92	40.15
Cable & Satellite	0.22	7.68	9.43	-7.51	-23.20
Integrated Telecommunication Services	0.56	0.15	-3.94	-11.21	3.77
Interactive Home Entertainment	0.16	0.90	2.05	-1.70	35.97
Interactive Media & Services	7.89	-1.68	7.90	11.42	41.56
Movies & Entertainment	1.21	-0.60	-8.16	-12.19	10.79
Publishing & Printing	0.03	0.56	3.57	-14.38	-4.06
Wireless Telecommunication Svcs	0.36	2.53	-6.01	-16.34	-9.27
Consumer Discretionary	10.85	1.44	7.94	2.32	7.17
Apparel Retail	0.38	-0.41	8.29	10.14	26.17
Apparel & Accessories & Luxury Goods	0.10	5.90	22.65	15.93	-0.53
Auto Parts & Equipment	0.03	-2.89	2.40	-10.01	22.99
Automobile Manufacturers	2.82	7.33	19.67	9.83	21.80
Automobile Retail	0.22	-1.85	-8.32	-16.96	6.15
Broadline Retail	4.00	-1.52	1.90	3.06	3.81
Casinos & Gaming	0.11	0.62	6.27	12.60	20.96
Computer & Electronics Retail	0.02	-4.28	-3.55	-5.10	-16.36
Consumer Electronics	0.06	-4.08	6.51	-17.88	-1.97
Distributors	0.06	-4.61	-0.71	-11.79	-11.13
Footwear	0.15	-2.75	7.18	-5.10	-22.76
Home Furnishings	0.01	-2.81	5.20	-15.07	-8.09
Home Improvement Retail	0.80	-0.54	7.47	-9.55	-6.35
Homebuilding	0.18	-3.84	4.44	-9.89	0.74
Hotels, Resorts & Cruise Lines	0.87	2.51	11.99	3.62	12.35
Leisure Products	0.02	-2.30	7.88	8.14	46.71
Restaurants	0.90	4.08	7.70	0.09	1.80
Other Specialty Retail	0.09	0.56	6.37	-0.51	14.16
Consumer Staples	5.33	0.51	2.22	0.53	2.58
Agricultural Products	0.07	-2.38	-4.51	1.93	16.40
Brewers	0.01	1.34	2.67	5.39	-16.80
Distillers & Vintners	0.05	-8.12	4.69	2.58	-35.69
Food Distributors	0.06	1.13	-1.09	-8.83	-1.82
Food Retail	0.06	0.93	-6.81	-6.85	2.68
Household Products	0.76	2.36	-1.03	-6.36	-15.28
Packaged Foods & Meats	0.38	2.00	1.09	-4.33	-10.62
Personal Care Products	0.09	0.27	12.42	12.41	-0.54
Soft Drinks	1.00	0.99	0.04	7.00	7.21
Tobacco	0.56	2.80	0.39	-5.64	24.57
Energy	2.69	-3.88	-3.06	-1.67	2.53
Integrated Oil & Gas	1.34	-2.37	-2.88	-0.48	4.63
Oil & Gas Equipment & Services	0.20	-5.81	0.12	3.21	2.69
Oil & Gas Exploration & Production	0.55	-4.93	-2.39	-1.98	-3.51
Oil & Gas Refining & Marketing & Transportation	0.25	-8.71	-11.84	-7.72	21.42
Oil & Gas Storage & Transportation	0.35	-3.02	0.62	-3.73	-6.46

Financials	12.80	-0.65	6.06	0.88	12.47
Asset Management & Custody Banks	1.08	-3.19	9.23	-2.93	3.67
Consumer Finance	0.72	-0.91	15.00	13.88	31.09
Diversified Banks	3.18	-0.83	7.62	3.90	29.35
Diversified Financial Services	7.59	-0.94	5.96	0.06	8.75
Financial Exchanges & Data	1.01	-0.92	1.22	-2.71	3.86
Insurance Brokers	0.47	1.57	1.21	-8.99	-8.61
Investment Banking & Brokerage	1.40	-3.19	7.87	2.50	36.99
Life & Health Insurance	0.30	-0.32	5.93	2.51	4.30
Multi-Sector Holdings	1.13	1.52	-0.20	0.13	11.06
Property & Casualty Insurance	0.96	1.04	2.34	1.23	8.07
Regional Banks	0.28	-0.46	13.40	6.23	15.21
Reinsurance	0.02	2.51	3.91	-5.06	-8.26
Transaction & Payment Processing	2.12	-0.03	7.41	-2.70	-3.17
Health Care	9.40	0.15	0.69	10.12	11.44
Biotechnology	1.57	0.04	-3.08	6.87	21.22
Health Care Distributors	0.36	-0.50	-4.96	10.61	47.93
Health Care Equipment	1.90	0.56	-0.44	2.53	7.72
Health Care Facilities	0.19	-2.81	-2.33	9.53	50.56
Health Care Services	0.36	-2.35	-0.69	-2.64	25.42
Health Care Supplies	0.07	-1.02	13.19	19.30	-7.39
Life Sciences Tools & Services	0.89	-3.08	-0.89	13.97	2.58
Managed Health Care	0.70	-2.87	5.64	-2.38	-29.66
Pharmaceuticals	3.36	2.17	3.57	21.37	22.31
Industrials	7.84	-2.06	3.00	-0.14	16.91
Aerospace & Defense	2.07	1.14	1.59	-1.61	36.18
Agricultural & Farm Machinery	0.21	-0.19	0.25	3.89	12.12
Air Freight & Logistics	0.30	1.14	9.28	22.40	-1.95
Building Products	0.43	-2.37	0.74	-5.08	3.87
Cargo Ground Transportation	0.08	-0.68	21.31	22.17	-2.93
Construction & Engineering	0.15	-8.14	-2.97	-0.68	28.68
Construction Machinery & Heavy Trucks	0.70	-7.05	5.96	16.73	40.76
Data Processing & Outsourced Services	0.04	-2.11	0.74	-4.85	0.23
Diversified Support Svcs	0.19	0.84	0.18	-9.41	-11.95
Electrical Components & Equipment	0.52	-7.00	0.10	-4.79	4.88
Environmental & Facilities Services	0.34	2.14	2.27	-3.06	7.97
Heavy Electrical Equipment	0.28	-9.20	15.23	3.99	94.40
Human Resource & Employment Services	0.27	-1.04	3.95	-10.68	-12.82
Industrial Conglomerates	0.34	-0.45	0.98	1.49	3.46
Industrial Machinery	0.65	-2.63	4.81	3.19	7.09
Passenger Airlines	0.17	1.15	23.71	21.95	17.24
Passenger Ground Transportation	0.27	-6.73	-12.30	-18.66	32.11
Railroads	0.44	-0.91	6.00	-0.38	9.94
Research & Consulting Svcs	0.16	-1.54	-1.97	-11.23	-7.24
Trading Companies & Distributors	0.24	-1.38	5.22	-9.19	9.07
Information Technology	32.45	-4.35	0.01	-0.93	20.62
Application Software	2.71	-1.79	8.91	-0.80	8.82
Communications Equipment	0.87	-3.52	0.32	-1.08	16.04
Electronic Components	0.38	-7.63	0.81	5.09	85.49
Electronic Equipment & Instruments	0.15	-5.54	7.74	-2.46	4.61
Electronic Manufacturing Services	0.15	-7.46	0.34	2.14	56.21
Internet Software & Services	0.09	1.09	-0.28	-4.76	-13.68
IT Consulting & Services	0.84	-1.67	7.81	8.77	1.41
Semiconductor Equipment	1.00	-3.86	12.18	20.33	81.16
Semiconductors	11.77	-7.77	-2.28	-1.60	35.20
Systems Software	7.47	-1.43	-3.73	-9.73	11.49
Technology Distributors	0.03	-4.52	2.34	-10.17	-17.79
Technology Hardware, Storage & Peripherals	7.00	-2.46	2.15	6.76	10.52
Materials	1.63	0.32	5.25	-0.33	7.37
Commodity Chemicals	0.05	-5.58	2.50	-5.07	-42.33
Construction Materials	0.12	-2.22	4.00	-3.46	16.60
Copper	0.11	-0.39	19.80	22.18	25.84

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Fertilizers & Agricultural Chemicals	0.11	0.27	1.52	-7.98	7.12
Gold	0.18	-0.08	14.71	17.83	166.90
Industrial Gases	0.41	3.02	0.05	-11.54	-3.85
Metal & Glass Containers	0.02	6.58	10.35	4.03	-4.86
Paper Packaging	0.15	0.12	5.66	-5.54	-19.10
Specialty Chemicals	0.38	0.04	3.72	1.93	1.05
Steel	0.10	-2.88	8.84	19.86	41.83
Real Estate	1.75	-1.13	-1.41	-4.20	-0.88
Data Center REITs	0.20	-3.59	-5.64	-8.96	-19.39
Health Care REITs	0.30	1.82	-4.43	1.98	27.99
Hotel & Resort REITs	0.02	1.82	7.33	8.46	5.37
Industrial REITs	0.19	-2.22	3.13	11.48	20.78
Multi-Family Residential REITs	0.00	2.39	3.92	-3.43	-13.22
Office REITs	0.02	-3.39	0.09	-6.93	-6.95
Other Specialized REITs	0.09	-4.88	-8.02	-17.92	-14.38
Real Estate Service	0.12	-1.41	3.12	-9.01	8.29
Retail REITs	0.24	0.66	0.44	-4.23	2.19
Self-Storage REITs	0.12	-3.37	-2.11	-8.57	-12.64
Single-Family Residential REITs	0.12	-3.37	-2.11	-8.57	-12.64
Telecom Tower REITs	0.23	-4.04	-4.11	-8.47	-5.03
Timber REITs	0.03	1.71	9.40	-4.81	-16.17
Utilities	2.15	0.32	-3.44	-1.65	13.23
Electric Utilities	1.41	0.17	-3.36	0.18	15.15
Gas Utilities	0.04	1.40	-3.31	-0.78	21.65
Independent Power Producers & Energy Traders	0.11	-4.44	-4.07	-12.69	18.47
Water Utilities	0.04	2.25	2.39	-4.43	6.86
Multi-Utilities	0.55	1.38	-3.97	-3.73	7.30

*Current Weight is market cap based, based on calculations by William Blair Intl. Ltd.

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DOW JONES: 48114.30

S&P 500: 6800.26

NASDAQ: 23111.50

Additional information is available upon request.

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Market Perform (Hold)	28	Market Perform (Hold)	3
Underperform (Sell)	1	Underperform (Sell)	0

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