CWP | PRIVATE WEALTH MANAGEMENT

November 2025

Monthly Market Commentary

Summary

1. Markets posted another month of robust performance despite a few hiccups.
2. All government shutdowns resulted in a government reopening, and this time should be no different.
3. Revenues and Earnings growth for S&P 500 in Q325 so far are 7.5% and 13.8% YoY, respectively.
4. Despite elevated valuations, underlying economics and earnings remain robust.

With Thanksgiving just around the corner, the season of gratitude is upon us—a perfect time to pause and reflect on the many things we're thankful for. We hope you have the chance to enjoy time with loved ones, savor good food, and take a well-earned break. We wish you a joyful Thanksgiving season and a healthy, festive start to the holidays!

With only a couple of months remaining this year, global markets continued their strong run up to post another month of positive returns despite a few hiccups along the way in October. Market participants continue to be surprised as indexes make new all-time highs although sentiment remains cautious and markets eclipse the consistent wall of worry that has been prevalent ever since the tariff tantrum in early April. The latest cause of angst among participants can be attributed to the government shutdown which will negatively impact growth in the short term the longer it lasts. However, looking at all past shutdowns, all of which have resulted in reopening the government and have offset most of the lost growth in the following periods. We believe the markets have been discounting this accurately as the underlying economy continues to grow around trend with further tailwinds just around the corner.

Fundamentally, earnings season is in full swing with 60% of companies in the S&P 500 reporting an aggregate revenues and earnings growth rate of 7.5% & 13.8% YoY, respectively. Economic data has been on hold or delayed due to the shutdown, and we expect a slew of data to be released once the shutdown ends, which will need to be digested by markets and may cause some volatility in both directions. Valuations remain elevated but the underlying economic and earnings dynamic have held up well, which have helped a resilient market and have not mattered yet. Going forward, we remain prudent with respect to these dynamics and will adapt as and when they start to change as we are now approaching the 90th percentile of historic valuations. For now, we expect continued strong economic and earnings momentum into next year.