Weekly Update –December 29, 2025

Market Returns Ending 12/26/2025			
Category	1 Week	QTD	YTD
US			
Large Cap	1.4%	3.9%	19.3%
Mid Cap	0.7%	3.7%	9.6%
Small Cap	0.2%	4.3%	15.1%
International			
Developed	1.2%	5.0%	32.1%
Emerging	1.7%	3.8%	33.1%
Bonds			
Aggregate	0.2%	1.1%	7.3%
High Yield	0.2%	1.1%	8.4%

US Equity Style Returns

Weekly

	Value	Core	Growth
Large	1.2	1.4	1.5
Mid	0.8	0.8	0.6
Small	0.0	0.2	0.4

YTD

	Value	Core	Growth
Large	17.1	18.8	20.3
Mid	12.7	12.4	10.9
Small	14.6	15.1	15.6

Source: Bloomberg

Key Events: Delayed data shows strong growth

Third quarter GDP was came in above expectations, signaling resilience-if not outright strength-in the US economy. Weekly jobless claims data suggested continued modest strength in the jobs market.

Consumer confidence, however, continued its decline; the Conference Board measure of consumer confidence dropped to its post-pandemic low[i].

Market review: A modest Santa Claus rally begins

Economic optimism led to stock gains for the week, beginning the 'Santa Claus rally' – stocks often gain over the last 5 trading days of the year and first two days of the new year. International stocks out-gained the US, while bonds held on to slight gains.

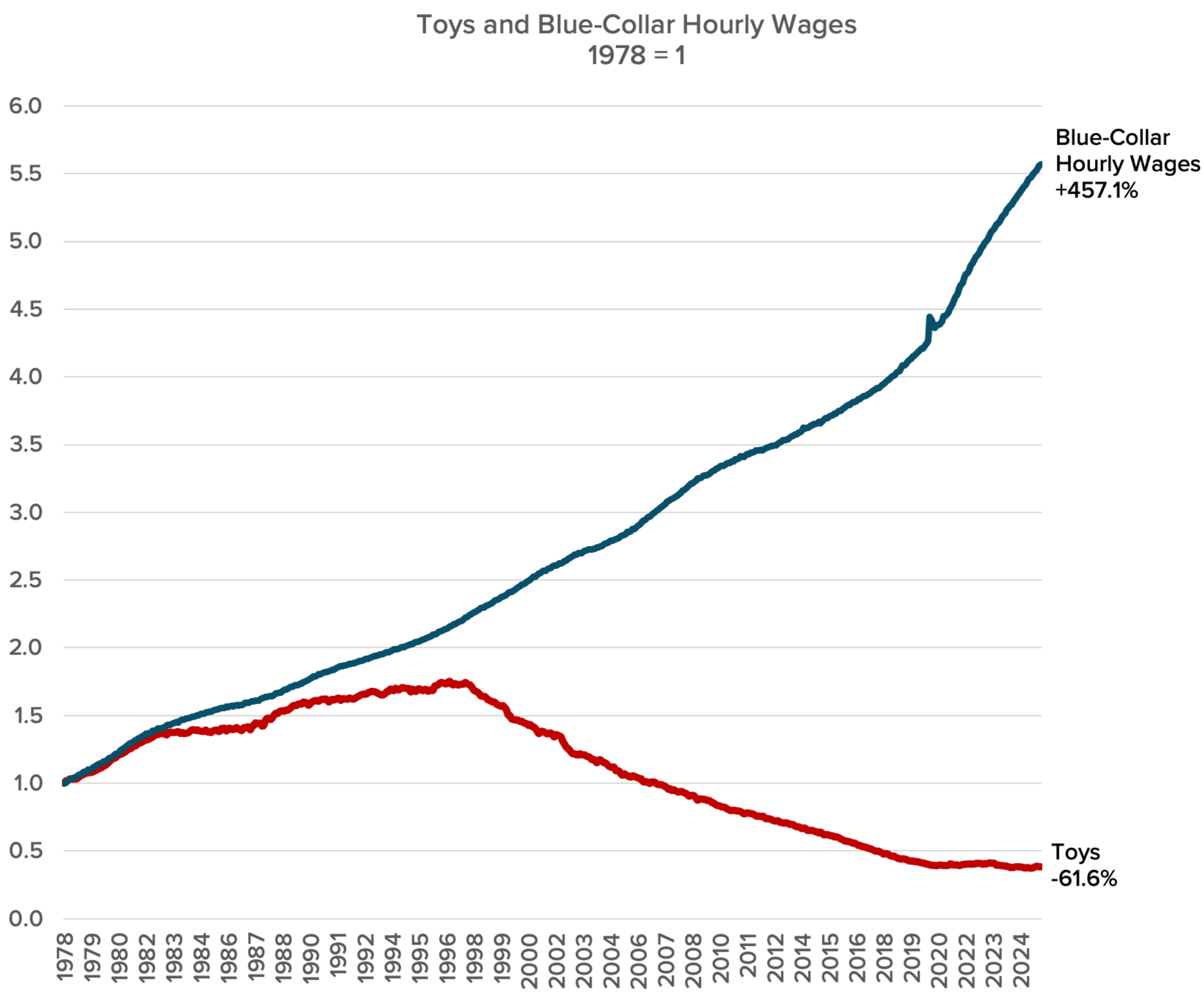
Outlook: Looking ahead to 2026

As we look ahead to 2026, the direction of Federal Reserve policy will largely depend on trends in employment and inflation, while economic and earnings growth are likely to shape stock market performance. Inflation continues to move in the right direction, and the labor market is cooling—a key factor behind weaker consumer confidence—which gives the Fed room to keep cutting rates next year.

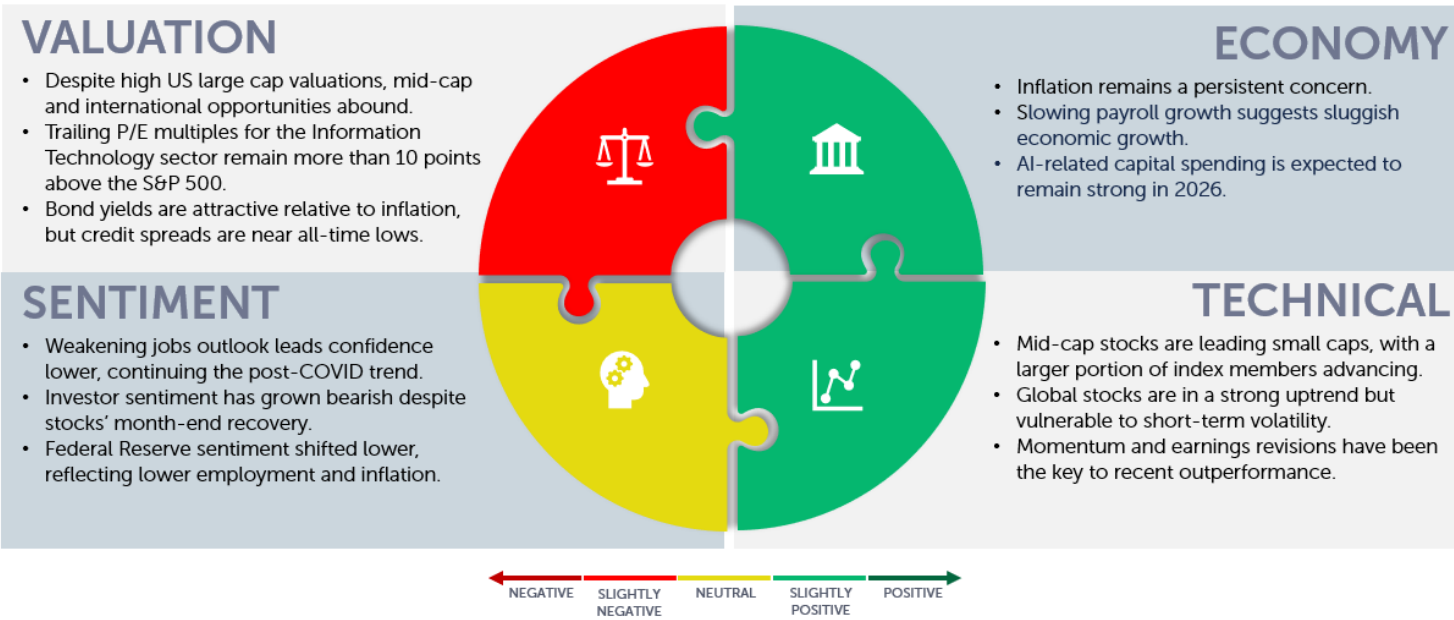
Analysts expect S&P 500 earnings to grow about 15% in 2026[ii], and Wall Street strategists expect the index to finish near 7500, roughly 8% above current levels[iii]. This relatively optimistic outlook is reflected in today's low volatility readings, as measured by the VIX. Still, it's worth noting that periods of unusually low volatility often precede sharp market moves, either up or down.

Given both the constructive market outlook and the risks that could disrupt it, broad diversification grounded in a long-term perspective remains prudent. The chart below highlights the value of maintaining that long-term perspective rather than reacting solely to recent conditions. Our portfolios are built with diversification at their core to promote resilience and adaptability.

Merry Christmas!
Gifts have been getting cheaper while wages grow[iv]



OneAscent Navigator Outlook: December 2025



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[i] Soure: Conference Board

[ii] Source: FactSet

[iii] Source: Bloomberg

[iv] Source: Humanprogress.org [The Christmas Miracle of Toy Abundance - Human Progress]

[v] Market Returns reference the following indices: Large Cap – S&P 500, Mid Cap Growth – Russell Midcap growth, Mid Cap Value – Russell Midcap Value, Small Cap – Russell 2000, Developed – MSCI EAFE, Emerging – MSCI Emerging Markets, Aggregate – Bloomberg US Aggregate, High Yield – Bloomberg High Yield