

Energy Winners and Losers, Rising Productivity, and Strong Starts

February 17th, 2025

- **Strong Starts** – Equities posted strong January 2025 performances, with the S&P 500 increasing 2.8%, the Dow Jones Industrial Average rising 4.8%, and the Nasdaq Composite growing 1.7% (source: Y Charts).
- **Staying Steady** – The unemployment rate ended at 4.0% in January 2025, a 0.1% decline from December 2024. In addition, nonfarm payroll increased by 143,000, primarily in the healthcare, retail trade, and social assistance sectors (source: U.S. Bureau of Labor Statistics).
- **Gain Game** – All sectors but one posted positive gains in January 2025. The Healthcare sector rose by 6.76%, followed by the Financial sector at 6.5%. The Technology sector was the only sector with a negative return at -0.74% (source: Y Charts).
- **Factory Frenzy** – The ISM Manufacturing PMI rose 1.7 points to 50.9 in January 2025 after December 2024 was revised down to 49.2. January 2025 also marked the first expansion in the factory sector after 26 consecutive months of contractions (source: Trading Economics).
- **Productivity Please** – Nonfarm business labor productivity increased 1.2% in Q4 2024, with a 2.3% increase in output and a 1.0% increase in hours worked. In Q4 2024, labor productivity was higher, with a 2.6% increase in output compared to a 0.9% increase in hours worked (source: U.S. Bureau of Labor Statistics).
- **The New Giant** – Constellation Energy Corp, a utility provider, was the S&P 500's top performer in January, with a share price gain of 34.1%. This comes after the acquisition announcement of Calpine Corp, which made Constellation Energy Corp the largest clean energy provider in the United States (source: Yahoo Finance).
- **Knocked Down** – Edison International, a utility provider, was the S&P 500's biggest loser in January 2025, with a stock price decline of 32.4%. This comes after accusations and lawsuits about Edison's role in the California wildfires (source: Yahoo Finance).
- **Bad Burgers** – McDonald's posted a 1.4% decline in U.S. sales in Q4 2024, which is the steepest drop since the pandemic five years ago. One of the top contributing factors was the E.coli outbreak that caused the fast food giant to suspend sales of its Quarter Pounder hamburgers in 20% of its U.S. locations (source: Reuters).
- **End of an Era** – Basketball Hall of Famer Hubie Brown ended his broadcasting career at 91 years old on Sunday, February 9. Brown started his coaching career in 1972 with an assistant coach position with the Milwaukee Bucks and switched to a broadcasting role in 1982 (source: Yahoo Sports).

- **Superbowl Showdown** – President Donald Trump became the first sitting president to attend a Super Bowl on Sunday, February 9, watching the Eagles take down the Chiefs (source: The Guardian).

Definitions and Indexes

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