



Important Data Heading into Holiday Season

12-8-2025

- Despite recent volatility, markets remain poised to capture strong returns in 2025. The S&P 500 is up over 15% year-to-date, and December “seasonals” can typically drive strong returns for the month: December brings a 1.6% return for the month, on average, since 1945 ([Thomson Reuters Graphic](#))
- Ebullient prices remain underpinned by a particularly strong Q4 2025 earnings season. 7.7% was the official growth rate for earnings in the S&P 500, with 83% of companies reporting a positive EPS surprise, and 76% reporting a positive revenue surprise.
- Consumer Sentiment remains low, but has rebounded from multi-year low reading in November. Consumers remain unhappy about the cumulative toll of inflation since 2021: [Consumer Sentiment Chart](#)
- The bond market futures contracts are pricing in, on average, two interest rate cuts over the next 12 months. After months of mixed-rhetoric from the Federal Reserve, recent weakness in the labor market has started to push the bond market to lower their expectations for future: [CME Group Expected Rate Cuts](#)
- JP Morgan’s future outlook for earnings growth in 2026 is robust, in the range of 15-16%: [Earnings Growth Outlook 2026](#)
- US GDP growth is still robust, with the Atlanta Fed estimating it at 3.5%: [GDP Now](#)