

First to Market

September 8, 2025

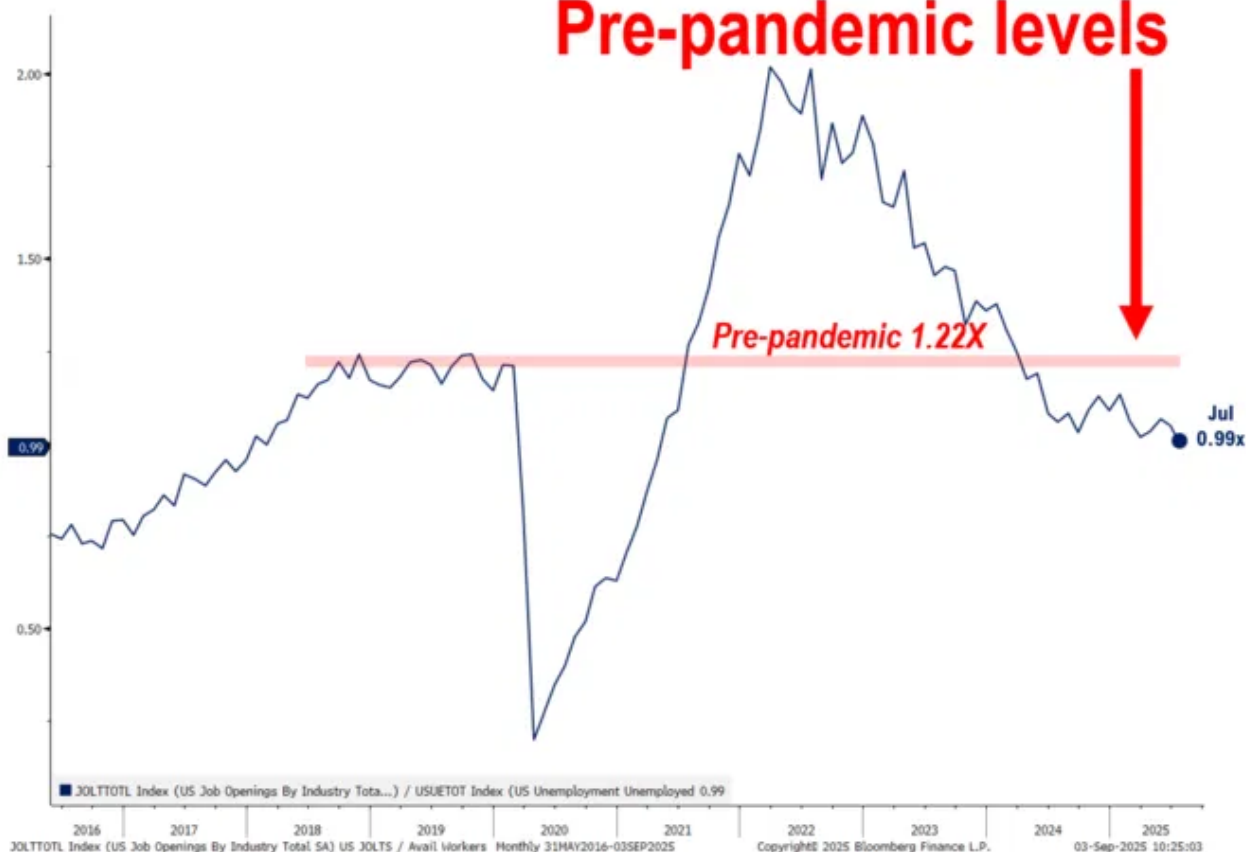
## Through the Looking Glass

*"A lack of transparency results in distrust and a deep sense of insecurity." – Dalai Lama*

## Chart of the Day

**RATIO: Job Openings (JOLTS) / Available Workers Ratio**  
Since 2016

**Still below  
Pre-pandemic levels**



Source: Fundstrat, Bloomberg, BLS

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**fundstrat**



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## Good morning!

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As with its U.S. counterpart, the European Central Bank releases minutes from its meetings, generally four weeks afterward. One quote from the ECB's account of the July 24 meeting, released on Aug. 28, caught the attention of some observers: With regard to rates, [the ECB commented](#) that "communication should maintain a careful, neutral tone and be **deliberately uninformative** about future interest rate decisions." [*emphasis added*]

Central bank officials are never, or at least almost never, explicit about their intentions regarding future policy, and in the past few years during this inflation cycle, Federal Reserve officials including Chair Jerome Powell have been careful to use language in public-facing remarks that leaves them room to maneuver if subsequent macroeconomic data or developments were to provide some sort of surprise. Yet even then, it would have been curious for them to explicitly admit to a goal of being "deliberately uninformative."

Lessons learned in 1951 and in the 1970s taught them that this could have pitfalls. In 1951, the Federal Reserve clashed with President Harry Truman regarding rates and monetary policy, with Truman seeking to keep borrowing costs low and thus make it easier for the U.S. to fund its military efforts in the Korean War. This dispute ultimately resulted in the 1951 Treasury-Federal Reserve Accord that more firmly codified Fed independence.

Subsequently, some Fed officials supported a policy of communications opacity partly (though not entirely) because they viewed it as a further safeguard of the Fed's hard-won independence. The idea was that if nobody knew what the Fed's policy actually was, politicians would find it difficult to pressure the Fed into an unwise, but politically expedient or populist, change in policy.



Right now, Chair Powell is faced with a similar professional and moral obligation to safeguard the independence of the Fed for future generations, a matter of some importance regardless of whether one agrees with current Fed policy or not. One can only hope that he isn't tempted to recall Martin's example, or to take inspiration from the ECB to be similarly "deliberately uninformative."

After all, that ultimately did not turn out well for Arthur Burns, Fed chair from 1970-78. A lack of public transparency ultimately made it easier for then-President Richard Nixon to privately pressure Burns into the more politically expedient tactic of keeping rates low – a decision that made Nixon happy (well, happier, at least) but we now know to have been bad for Americans, contributing to years of stagflation. Burns' successors have since recognized that transparent public communications with the public can help to safeguard the independence of the Fed, making any attempt at political interference easier to spot, and thus, easier to resist.

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## Share your thoughts

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Have you tried, or do you enjoy in-store or private-label food products by choice (and not financial necessity)? Click [here](#) to send us your response.

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### Here's what a reader commented

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Question: Have you tried, or do you enjoy in-store or private-label food products by choice (and not financial necessity)?

Answer: I am first and foremost concerned with what I put in my body. I read labels and support local food providers. After that private-label is just like any other brand to me. Several with organic ingredients have earned my trust. The brands mentioned with struggling shares have not.

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## Catch up with FS Insight

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We are surprised to see AAll net bulls still negative, with bears outnumbering bull for five consecutive weeks. Generally, [this is constructive for stocks near term](#).

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## Technical

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Friday's decline likely could prove to be a "Shot across the Bow" for momentum. Yet while [I expect upside to prove limited between now and this month's FOMC meeting](#), trends are still in good shape and have not shown any damage despite momentum having trailed off in recent weeks.

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## Crypto

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[Short-term downside risks are building in the crypto market](#) as (1) liquidity conditions deteriorate, (2) negative seasonality persists, and (3) the market debates the potential for a "Fed mistake".

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## News We're Following

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### **Breaking News**

- At least six killed in Jerusalem shooting attack [WSJ](#)
- EchoStar sells spectrum licenses to SpaceX in \$17 billion deal to resolve FCC probe [REU](#)
- PNC agrees to buy Colorado's FirstBank for about \$4.1 billion [BBG](#)

### **Markets and economy**

- Opec+ agrees to boost output as Saudi focuses on revenue drive [ET](#)
- Chinese hackers pretended to be a top U.S. lawmaker during trade talks [WSJ](#)
- Treasury Secretary Bessent warns of massive refunds if the Supreme Court voids Trump tariffs [CNBC](#)



- The EU's trade truce with the U.S. is in danger of unraveling [WSJ](#)

### Business

- Stellantis to recall about 92,000 US vehicles over loss of drive power, NHTSA says [REU](#)
- Microsoft cloud services disrupted by Red Sea cable cuts [BBC](#)
- South Korea says Hyundai plant detainees to go home without being deported [WSJ](#)

### Politics

- ICE raids unfold in Boston as Trump signals Chicago is next [BBG](#)
- 'I'm gonna punch you in your f—ing face': Scott Bessent threatens an administration rival [POL](#)

### Overseas

- Japanese prime minister resigns, takes fall for disappointing elections [SEM](#)
- French PM François Bayrou on the brink in crucial confidence vote [FT](#)
- Argentina bonds slump on Milei's landslide defeat in Buenos Aires vote [BBG](#)

### Of Interest

- French winemaker gets prison for selling fake champagne [NYT](#)
- One of the most sacred places in the world is being turned into a luxury mega-resort [BBC](#)

### Overnight

S&P Futures	+14 ▲ point(s) (+0.2% ▲ )
overnight range:	-10 ▼ to +19 ▲



	point(s)
<b>APAC</b>	
Nikkei	+1.45% ▲
Topix	+1.06% ▲
China SHCOMP	+0.38% ▲
Hang Seng	+0.85% ▲
Korea	+0.45% ▲
Singapore	+0.03% ▲
Australia	-0.24% ▼
India	+0.13% ▲
Taiwan	+0.22% ▲
<b>Europe</b>	
Stoxx 50	+0.54% ▲
Stoxx 600	+0.36% ▲
FTSE 100	+0.09% ▲
DAX	+0.57% ▲
CAC 40	+0.53% ▲
Italy	+0.30% ▲
IBEX	+0.65% ▲



## FX

Dollar Index (DXY)	-0.12% ▼ to 97.65
EUR/USD	+0.09% ▲ to 1.1727
GBP/USD	+0.18% ▲ to 1.3533
USD/JPY	-0.25% ▼ to 147.80
USD/CNY	+0.04% ▲ to 7.1299
USD/CNH	+0.02% ▲ to 7.1251
USD/CHF	+0.29% ▲ to 0.7957
USD/CAD	+0.20% ▲ to 1.3803
AUD/USD	+0.52% ▲ to 0.6591

## UST Term Structure

2Y-3M Spread narrowed	-1.9bps ▼ to -52.7bps ▼
10Y-2Y Spread widened	2.2bps to 58.5bps
30Y-10Y Spread widened	0.3bps to 68.4bps



## Yesterday's Recap

SPX	-0.32% ▼
SPX Eq Wt	+0.12% ▲
NASDAQ	100 +0.08% ▲
NASDAQ Comp	-0.03% ▼
Russell Midcap	+0.20% ▲
R	2k +0.48% ▲
R	1k Value -0.26% ▼
R	1k Growth -0.22% ▼
R	2k Value +0.49% ▲
R	2k Growth +0.48% ▲
FANG+	+0.69% ▲
Semis	+1.18% ▲
Software	+1.22% ▲
Biotech	+2.14% ▲
Regional Banks -1.03% SPX GICS1 Sorted: Energy -2.06%	
Fin	-1.84% ▼
Indu	-0.40% ▼
Utes	-0.33% ▼





SPX	-0.32% ▼
Tech	-0.21% ▼
Cons Disc	-0.12% ▼
Cons Staples	+0.16% ▲
Healthcare	+0.32% ▲
Materials	+0.53% ▲
Comm Srvcs	+0.55% ▲
REITs	+0.98% ▲

**USD HY OaS**

All Sectors	-5.5bps ▼ to 342bps
All Sectors ex-Energy	-3.9bps ▼ 319bps
Cons Disc	-14.6bps ▼ 335bps
Indu	+0.1bps ▲ 240bps
Tech	-1.2bps ▼ 371bps
Comm Srvcs	-10.1bps ▼ 465bps
Materials	+7.4bps ▲



	345bps
<b>Energy</b>	<b>-6.8bps</b> ▼ 373bps
<b>Fin Snr</b>	<b>-0.9bps</b> ▼ 281bps
<b>Fin Sub</b>	<b>-4.4bps</b> ▼ 261bps
<b>Cons Staples</b>	<b>-2.3bps</b> ▼ 255bps
<b>Healthcare</b>	<b>-3.2bps</b> ▼ 337bps
<b>Utes -6.4bps 250bps *</b>	

DATE	TIME	DESCRIPTION	ESTIMATE	LAST
9/8	11:00 AM	Aug NYFed 1yr Inf Exp	n/a	3.09
9/9	6:00 AM	Aug Small Biz Optimisum	100.5	100.3
9/10	8:30 AM	Aug PPI m/m	0.3	0.9
9/10	8:30 AM	Aug Core PPI m/m	0.3	0.9
9/11	8:30 AM	Aug CPI m/m	0.3	0.2
9/11	8:30 AM	Aug Core CPI m/m	0.3	0.3
9/11	8:30 AM	Aug CPI y/y	2.9	2.7
9/11	8:30 AM	Aug Core CPI y/y	3.1	3.1
9/12	10:00 AM	Sep P UMich 1yr Inf Exp	4.5	4.8
9/12	10:00 AM	Sep P UMich Sentiment	58	58.2



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