

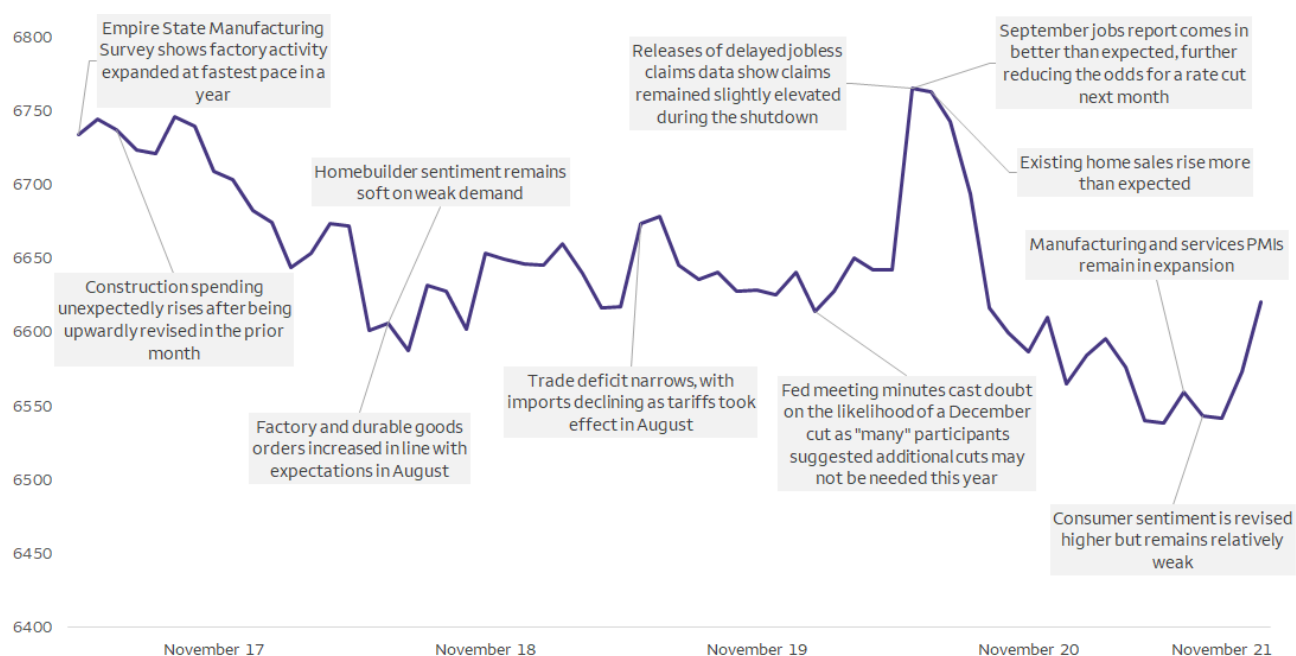
Looking Ahead

November 21, 2025

Stocks continue tech-led decline

Stocks were on track to end the week lower, led by a decline in technology stocks as optimism around the artificial intelligence (AI) trade and sustainability of Big Tech earnings faded. Investors weighed mixed economic data and Federal Reserve (Fed) commentary from the October meeting, which highlighted two-sided risks and suggested the Fed may be comfortable pausing rate cuts next month. Economic signals were uneven: residential construction improved while non-residential softened, housing indicators showed modest improvement, and trade data pointed to weak demand. Labor market conditions cooled—job growth topped expectations, but prior revisions and a higher unemployment rate pointed to moderation. Wage growth stayed steady, outpacing inflation but slowing from earlier levels, while hours worked held firm. Additional data showed resilience in business activity, with Purchasing Managers Indexes (PMIs) signaling continued expansion, and sentiment declining less than expected. Looking ahead, investors will focus on delayed economic releases, housing trends, consumer confidence, gross domestic product (GDP), and personal consumption expenditures (PCE), personal income, and personal spending data.

S&P 500 Index performance week of November 17 – 21



Sources: Bloomberg, Wells Fargo Investment Institute. Data from November 17, 2025, through November 24, 2025, at 12:00 p.m. ET. **Past performance is no guarantee of future results.** An index is unmanaged and not available for direct investment.

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Week in review: November 17 - 21

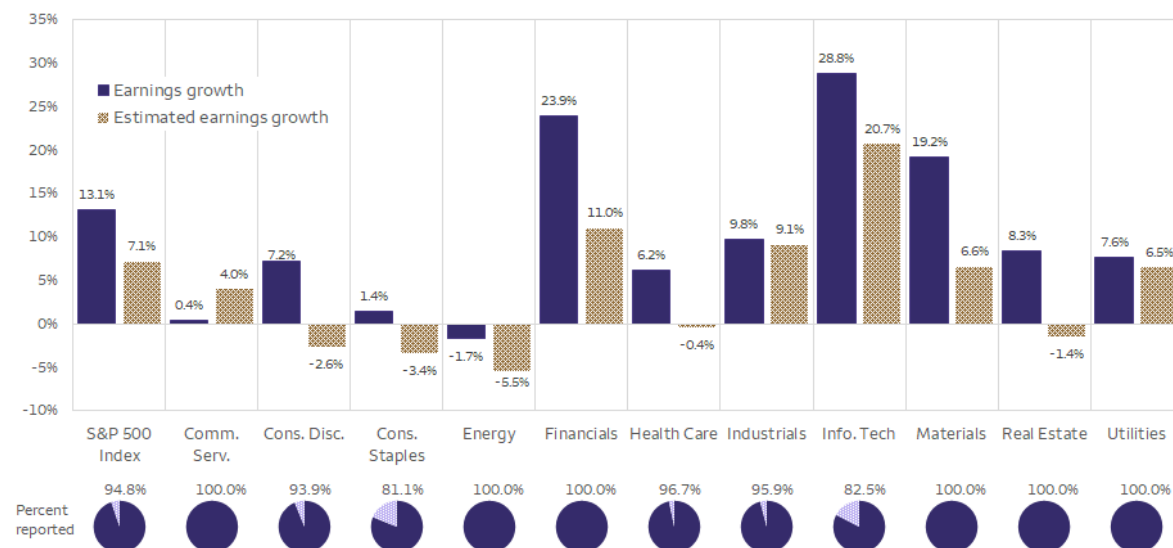
Economic data

- Construction spending increased 0.2% month-over-month (MOM) in August, reflecting strength in residential building—particularly home improvement, while nonresidential spending continued to decline.
- The National Association of Home Builders (NAHB) Housing Market Index was 38 in November, signaling weak builder sentiment amid affordability challenges and softer demand.
- The August trade balance showed a \$59.6 billion deficit as imports dropped 7.2% in real terms and exports fell modestly, reflecting cautious domestic demand, lean inventories, and ongoing tariff and policy uncertainty.
- October Federal Open Market Committee (FOMC) minutes revealed elevated uncertainty amid persistent inflation and rising employment risks, emphasizing data-dependent policy and two-sided risks.
 - The Committee cut the federal funds rate by 0.25 points to 3.75–4.00%, citing rising employment risks but stressing caution regarding further cuts this year given slow progress toward the 2% inflation goal.
- September's jobs report, delayed by the shutdown, came in better than expected amid uncertainty over the Fed policy and tariff risks, and cast further doubts over whether the Fed will cut rates in December.
 - Nonfarm payrolls rose by 119,000 MOM, exceeding consensus expectations. The prior two months' figures were revised down by a combined 33,000.
 - The unemployment rate ticked up to 4.4% from 4.3%, partly driven by a modest rise in labor force participation rather than a sharp deterioration in labor demand.
 - Average hourly earnings increased 0.2% MOM, pointing to steady wage growth.
- Housing-market data for October pointed to a modest recovery, with existing home sales rising by 1.2% MOM amid easing mortgage rates and slightly improved inventory conditions.
- November PMIs showed a mixed trend, with the services index at 55.0 and the manufacturing index at 51.9.
 - Both remained in expansionary territory, reflecting robust demand in services, while manufacturing sentiment eased amid weaker new orders and record-high inventories.
- Consumer sentiment from the University of Michigan for November was revised higher for the month.
 - With the revision, the index only fell 2.6 points in November to 51.0, remaining soft, with the revision driven by changes in perceptions of current economic conditions and a somewhat easing inflation outlook, as long-run inflation expectations softened this month.

Stock market recap

By Friday morning, the major averages were on track to end the week lower amid a broad decline in tech stocks. As of 12:00 p.m. ET, the S&P 500 Index was on track to fall 1.7%, the Nasdaq 2.5%, and the Dow 1.6% for the week.

A positive third quarter earnings season is coming to a close



Sources: Bloomberg, Wells Fargo Investment Institute. Chart shows actual versus projected S&P 500 Index earnings growth by sector. Actual earnings growth as of November 21, 2025, at 8:30 a.m. ET. Bloomberg consensus estimated earnings growth as of September 26, 2025, at 8:30 a.m. ET. **Past performance is no guarantee of future results.** An index is unmanaged and not available for direct investment.

Looking ahead to next week: November 24 – 28

U.S.

- Market moving reports kicking off a holiday-shortened week include Tuesday's delayed September retail sales and Producer Price Index (PPI), along with October pending home sales and November consumer confidence.
- That will be followed Wednesday by the Fed's Beige Book survey of regional economic conditions, September durable goods orders, and the November PMI for the Chicago area. Rounding out the docket are measures of economic activity from regional Fed banks, August's business inventories, and home prices.
- Economic releases scheduled for the week that may be delayed due to the lack of data collection and surveying during the shutdown include October's personal income, personal spending, and PCE deflator, along with a reading of third-quarter GDP.

Asia

- In China, the official government release of November PMIs for both the manufacturing and service sectors will be in focus, in addition to October's industrial profits.
- From Japan, watch for the Tokyo Consumer Price Index (CPI), services PPI, retail sales, the jobless rate, industrial production, housing starts, and department store sales.
- The Bank of Korea's policy meeting will be in focus, along with the country's industrial production, retail sales, and consumer confidence. Meanwhile, Australia releases their October CPI and private sector credit.

Europe

- The highlight will be regional preliminary November CPIs and finalized third-quarter GDPs, along with the consumer confidence readings and the eurozone's money supply.
- From France, look for the PPI, while Germany's retail sales, unemployment data, and Ifo business climate survey hit the tape.

Scheduled economic releases for week of November 24, 2025

Date	Time	Country	Release	For	Consensus	Prior
Monday, 11/24	4:00 AM	Germany	IFO Business Climate	November	88.5	88.4
Tuesday, 11/25	9:00 AM	U.S.	FHFA House Price Index MoM	September		0.4%
Tuesday, 11/25	10:00 AM	U.S.	Conf. Board Consumer Confidence	November	93.3	94.6
Tuesday, 11/25	10:00 AM	U.S.	Pending Home Sales MoM	October		0.0%
Tuesday, 11/25	7:30 PM	Australia	CPI YoY	October	3.6%	3.5%
Wednesday, 11/26	7:00 AM	U.S.	MBA Mortgage Applications	November 21		-5.2%
Wednesday, 11/26	8:30 AM	U.S.	GDP Annualized QoQ	3Q Second		3.8%
Wednesday, 11/26	8:30 AM	U.S.	Personal Consumption Annualized QoQ	3Q Second		2.5%
Wednesday, 11/26	8:30 AM	U.S.	Initial Jobless Claims	November 22	230k	220k
Wednesday, 11/26	10:00 AM	U.S.	Personal Income MoM	October		0.4%
Wednesday, 11/26	10:00 AM	U.S.	Personal Spending MoM	October		0.6%
Wednesday, 11/26	10:00 AM	U.S.	PCE Price Index YoY	October		2.7%
Wednesday, 11/26	8:00 PM	South Korea	BOK Base Rate	November 27	2.5%	2.5%
Thursday, 11/27	6:30 PM	Japan	Tokyo CPI Ex-Fresh Food YoY	November	2.7%	2.8%
Thursday, 11/27	6:50 PM	Japan	Industrial Production MoM	October Prelim	-0.6%	2.6%
Friday, 11/28	2:45 AM	France	GDP QoQ	3Q Final	0.5%	0.5%
Friday, 11/28	3:55 AM	Germany	Unemployment Change (000's)	November	5k	-1k
Friday, 11/28	8:30 AM	Canada	Quarterly GDP Annualized	3Q	0.500%	-1.575%
Saturday, 11/29	8:30 PM	China	Manufacturing PMI	November	49	49
Saturday, 11/29	8:30 PM	China	Non-manufacturing PMI	November		50.1
Sunday, 11/30	7:30 PM	South Korea	S&P Global South Korea PMI Mfg	November		49.4

Source: Bloomberg. Data as of November 21, 2025, as of 12:00 P.M. ET. Times shown in table are in Eastern Time. 3Q = third quarter.

Scheduled earnings releases for week of November 24, 2025

Ticker	Company	Report date	Call time	Revenue est. (billions)	EPS est.	EPS year ago
A	Agilent Technologies, Inc.	Monday, 11/24	4:30 PM	\$1.83	\$1.58	\$1.46
KEYS	Keysight Technologies Inc	Monday, 11/24	4:30 PM	\$1.38	\$1.83	\$1.65
ADI	Analog Devices, Inc.	Tuesday, 11/25	10:00 AM	\$3.00	\$2.24	\$1.67
DELL	Dell Technologies, Inc. Class C	Tuesday, 11/25	4:30 PM	\$27.34	\$2.49	\$2.15
WDAY	Workday, Inc. Class A	Tuesday, 11/25	4:30 PM	\$2.42	\$2.17	\$1.89
ADSK	Autodesk, Inc.	Tuesday, 11/25	5:00 PM	\$1.81	\$2.50	\$2.17
HPQ	HP Inc.	Tuesday, 11/25	5:00 PM	\$14.50	\$0.92	\$0.93
NTAP	NetApp, Inc.	Tuesday, 11/25	5:30 PM	\$1.69	\$1.89	\$1.87
SJM	J.M. Smucker Company	Tuesday, 11/25	7:00 AM	\$2.32	\$2.10	\$2.76
BBY	Best Buy Co., Inc.	Tuesday, 11/25	8:00 AM	\$9.58	\$1.31	\$1.26
BURL	Burlington Stores, Inc.	Tuesday, 11/25	8:30 AM	\$2.72	\$1.64	\$1.55
DE	Deere & Company	Wednesday, 11/26	10:00 AM	\$9.83	\$3.84	\$4.55

Source: FactSet. Data as of November 21, 2025, as of 8:30 A.M. ET. Times shown in table are in Eastern Time. EPS = earnings per share.

Risk Considerations

Different investments offer different levels of potential return and market risk. The level of risk associated with a particular investment or asset class generally correlates with the level of return the investment or asset class might achieve. **Stock markets**, especially foreign markets, are volatile. Stock values may fluctuate in response to general economic and market conditions, the prospects of individual companies, and industry sectors. **Foreign investing** has additional risks including those associated with currency fluctuation, political and economic instability, and different accounting standards. These risks are heightened in emerging markets. **Bonds** are subject to market, interest rate, price, credit/default, liquidity, inflation and other risks. Prices tend to be inversely affected by changes in interest rates. **Real estate** has special risks including the possible illiquidity of underlying properties, credit risk, interest rate fluctuations and the impact of varied economic condition.

Sector investing can be more volatile than investments that are broadly diversified over numerous sectors of the economy and will increase a portfolio's vulnerability to any single economic, political, or regulatory development affecting the sector. This can result in greater price volatility.

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Definitions

An index is unmanaged and not available for direct investment.

The S&P 500 Index is a market capitalization-weighted index composed of 500 widely held common stocks that is generally considered representative of the US stock market.

The Dow Jones Industrial Average is a price-weighted average of 30 blue-chip stocks that are generally the leaders in their industry. It has been a widely followed indicator of the stock market since October 1, 1928.

The NASDAQ Composite Index is a broad-based capitalization-weighted index of stocks in all three NASDAQ tiers: Global Select, Global Market and Capital Market.

Business inventories track inventories (either goods ready for sale or shipment that are still being held by the producer, or goods acquired for the purpose of reselling them without further processing) in the manufacturing, as well as retail and wholesale trade industries.

The change in nonfarm payrolls measures the number of employees on business payrolls.

The change in real average hourly earnings measure the change in real earnings or hours of all workers on nonfarm payrolls.

Construction spending generally refers to the value of new construction activity on residential and nonresidential projects.

Consumer confidence (or consumer sentiment) tracks sentiment among households or consumers.

The Consumer Price Index (CPI) is a measure of prices paid by consumers for a market basket of consumer goods and services. The yearly (or monthly) growth rates represent the inflation rate.

Department store sales tracks the resale of new and used goods to the general public, for personal or household consumption. Specifically these data measure sales at department stores.

Durable goods orders track the value of new orders received during the reference period. Orders are typically based on a legal agreement between two parties in which the producer will deliver goods or services to the purchaser at a future date.

Existing home sales tracks the sales of previously owned homes during the reference period.

Factory orders track the value of new orders received during the reference period. Orders are typically based on a legal agreement between two parties in which the producer will deliver goods or services to the purchaser at a future date.

The German Ifo Business Climate survey tracks the general state of the economy as it relates to businesses.

Gross domestic product (GDP) measures the final market value of all goods and services produced within a country. It is the most frequently used indicator of economic activity. The GDP by industry approach (or output-based GDP) is the sum of the gross value added (output less intermediate consumption) of all industry and services sectors of the economy (at basic prices), plus all taxes less subsidies on products. This concept is adjusted for inflation.

House/home prices track changes in residential property prices.

Housing (or building) starts track the number of new housing units (or buildings) that have been started during the reference period.

Industrial or manufacturing sales/profits (sometimes referred to as shipments or turnover) tracks producers' sale or shipment of their goods to third parties. This concept tracks the value of those sales or shipments.

Industrial production measures the output of industrial establishments in the following industries: mining and quarrying, manufacturing and public utilities (electricity, gas and water supply). Production is based on the volume of the output.

The international trade balance (or foreign trade) measures the difference between the movement of merchandise trade and/or services leaving a country (exports) and entering a country (imports). This measure tracks the value of the merchandise trade balance.

Jobless (or unemployment) claims tracks the total number of people who have filed jobless claims with the appropriate government labor office; typically, in order to receive unemployment benefits.

The labor force participation rate is the total labor force as a percent of the working age population.

The money supply (or money stock) measures the total amount of money in circulation in a country or group of countries in a monetary union.

The National Association of Home Builders (NAHB) Housing Market Index (or homebuilder sentiment) tracks sentiment among participants in the housing industry.

PCE deflators (or personal consumption expenditure deflators) track overall price changes for goods and services purchased by consumers. Deflators are calculated by dividing the appropriate nominal series by the corresponding real series and multiplying by 100.

Pending home sales tracks signed real estate contracts for existing single-family homes, condos and co-ops that have not yet closed. As such it is a leading indicator for existing home sales.

Personal income or consumer/household income tracks all income received by households including such things as wages and salaries, investment income, rental income, transfer payments, etc. This concept is not adjusted for inflation.

Personal spending or consumer/household spending (also referred to as consumption) tracks consumer expenditures on goods and services. This concept is not adjusted for inflation.

Private sector credit tracks the outstanding amount of credit (or loans) extended to businesses and consumers.

The Producer Price Index (PPI) is a measure of the change in the price of goods as they leave their place of production (i.e. prices received by domestic producers for their outputs either on the domestic or foreign market).

Purchasing Managers' Indexes (PMIs) track sentiment among purchasing managers at manufacturing, construction and/or services firms. An overall sentiment index is generally calculated from the results of queries on production, orders, inventories, employment, prices, etc.

Retail sales (also referred to as retail trade) tracks the resale of new and used goods to the general public, for personal or household consumption. This concept is based on the value of goods sold.

The U.S. Empire State Manufacturing Survey General Business Conditions (Empire State Manufacturing) is a survey, conducted on a monthly basis by the Federal Reserve Bank of New York, that tracks sentiment among manufacturers in the state of New York.

The unemployment (or jobless) rate tracks the number of unemployed persons as a percentage of the labor force (the total number of employed plus unemployed). These figures generally come from a household labor force survey.

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