

CHART OF THE MONTH

SEPTEMBER 2025



The three major stock market indexes — Dow Jones Industrial Average, S&P 500, and Nasdaq — all made new all-time highs on Monday. The DJIA crossed above 46,000 for the first time ever on September 11 and now sits at 46,381. It is the 13th consecutive year that the Dow has hit at least one record high, a streak that has never happened before.

The S&P 500 closed just shy of 6,700 yesterday. The index has tripled in less than ten years and quadrupled inclusive of dividends. The Nasdaq hit the round number of 22,000 for the inaugural time on September 10 and climbed another 3.6% to 22,789 to begin the new week. The latter index has doubled over the past five years and more than quadrupled over the last decade (see chart above).

Even the Russell 2000, an index of small-cap stocks, made a new high, its first since November 2021. Small caps, after underperforming its larger brethren for the past five years, have gained 14% since the beginning of August, outpacing the Dow, S&P, and Nasdaq during this time frame. These companies tend to benefit the most from lower interest rates due to their higher borrowing costs as well as from domestic economic growth.

The catalysts for these gains have been earnings that have grown more than expected coupled with the prospects (and now realization) that the Federal Reserve would cut the fed funds rate (FFR). The FFR was lowered from 4.25%-4.50% to 4.00%-4.25% last Wednesday and the fed funds futures market projects two more 0.25% reductions at the October and December meetings to end the year at 3.50%-3.75%, with the possibility of further cuts in 2026 (to perhaps the Fed’s longer-run target of 3%).

The equity market likes “easy money” and the over \$7 trillion in money funds, as we [covered last month](#), could serve to add more “logs to the fire” should investors decide to transfer cash to stocks in the months ahead.

As shown below, every major asset class is in the green this year, the first time this has happened since 2019. We are hopeful that 2026 doesn’t follow the recent four-year pattern of producing negative returns as they did in 2022 and 2018. Importantly, the cumulative and annualized results (far right columns) have been meaningfully positive for all types of U.S. common stocks (Nasdaq 100; U.S. Growth, Large Caps, Value, Small Caps, and Mid Caps) since 2011, inclusive of the occasional down years. Volatility, as the saying goes, is the “price of admission” for the prospects of earning higher than risk-free returns through the ownership of stocks.

ASSET CLASS RETURNS SINCE 2011

ETF	Asset Class	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2011-25 Cumulative	2011-25 Annualized
GLD	Gold	9.6%	6.6%	-28.3%	-2.2%	-10.7%	8.0%	12.8%	-1.9%	17.9%	24.8%	-4.2%	-0.8%	12.7%	26.7%	38.5%	142%	6.2%
EFA	EAFE Stocks	-12.2%	18.8%	21.4%	-6.2%	-1.0%	1.4%	25.1%	-13.8%	22.0%	7.6%	11.5%	-14.4%	18.4%	3.5%	25.1%	147%	6.4%
N/A	Bitcoin (\$BTC)	1473%	186%	5507%	-58%	35%	125%	1331%	-73%	95%	301%	66%	-65%	156%	121%	24.3%	38704411%	140.4%
VVO	Emerging Market Stocks	-18.7%	19.2%	-4.9%	0.0%	-15.8%	12.2%	31.5%	-14.8%	20.8%	15.2%	1.3%	-18.0%	9.3%	10.6%	21.9%	66%	3.5%
QQQ	US Nasdaq 100	3.4%	18.1%	36.6%	19.2%	9.5%	7.1%	32.7%	-0.1%	39.0%	48.6%	27.4%	-32.6%	54.9%	25.6%	15.0%	1126%	18.6%
CWB	Convertible Bonds	-7.7%	15.9%	20.5%	7.7%	-0.8%	10.6%	15.7%	-2.0%	22.4%	53.4%	2.2%	-20.8%	14.5%	10.1%	15.0%	280%	9.5%
IWF	US Growth	2.3%	15.2%	33.1%	12.8%	5.5%	7.0%	30.0%	-1.7%	35.9%	38.3%	27.4%	-29.3%	42.6%	33.1%	14.8%	842%	16.5%
SPY	US Large Caps	1.9%	16.0%	32.2%	13.5%	1.2%	12.0%	21.7%	-4.5%	31.2%	18.4%	28.7%	-18.2%	26.2%	24.9%	12.8%	580%	14.0%
EMB	EM Bonds (USD)	7.7%	16.9%	-7.8%	6.1%	1.0%	9.3%	10.3%	-5.5%	15.5%	5.4%	-2.2%	-18.6%	10.6%	5.5%	10.8%	77%	4.0%
IWD	US Value	0.1%	17.5%	32.1%	13.2%	-4.0%	17.3%	13.5%	-8.5%	26.1%	2.7%	25.0%	-7.7%	11.4%	14.2%	10.4%	331%	10.5%
IWM	US Small Caps	-4.4%	16.7%	38.7%	5.0%	-4.5%	21.6%	14.6%	-11.1%	25.4%	20.0%	14.5%	-20.5%	16.8%	11.4%	8.4%	272%	9.4%
LQD	Investment Grade Bonds	9.7%	10.6%	-2.0%	8.2%	-1.3%	6.2%	7.1%	-3.8%	17.4%	11.0%	-1.8%	-17.9%	9.4%	0.9%	8.1%	74%	3.8%
TIP	TIPS	13.3%	6.4%	-8.5%	3.6%	-1.8%	4.7%	2.9%	-1.4%	8.3%	10.8%	5.7%	-12.2%	3.8%	1.7%	7.3%	50%	2.8%
HYG	High Yield Bonds	6.8%	11.7%	5.8%	1.9%	-5.0%	13.4%	6.1%	-2.0%	14.1%	4.5%	3.8%	-11.0%	11.5%	8.0%	7.0%	104%	5.0%
BND	US Total Bond Market	7.7%	3.9%	-2.1%	5.8%	0.6%	2.5%	3.6%	-0.1%	8.8%	7.7%	-1.9%	-13.1%	5.7%	1.4%	6.4%	41%	2.4%
PFF	Preferred Stocks	-2.0%	17.8%	-1.0%	14.1%	4.3%	1.3%	8.1%	-4.7%	15.9%	7.9%	7.2%	-18.2%	9.2%	7.2%	6.3%	94%	4.6%
VNQ	US REITs	8.6%	17.6%	2.3%	30.4%	2.4%	8.6%	4.9%	-6.0%	28.9%	-4.7%	40.5%	-26.2%	11.8%	4.8%	6.3%	196%	7.7%
MDY	US Mid Caps	-2.1%	17.8%	33.1%	9.4%	-2.5%	20.5%	15.9%	-11.3%	25.8%	13.5%	24.5%	-13.3%	16.1%	13.6%	6.1%	337%	10.6%
TLT	Long Duration Treasuries	34.0%	2.6%	-13.4%	27.3%	-1.8%	1.2%	9.2%	-1.6%	14.1%	18.2%	-4.6%	-31.2%	2.8%	-8.1%	6.0%	43%	2.5%
DBC	Commodities	-2.6%	3.5%	-7.6%	-28.1%	-27.6%	18.6%	4.9%	-11.6%	11.8%	-7.8%	41.4%	19.3%	-6.2%	2.2%	4.5%	-7%	-0.5%
BIL	US Cash	0.0%	0.0%	-0.1%	-0.1%	-0.1%	0.1%	0.7%	1.7%	2.2%	0.4%	-0.1%	1.4%	4.9%	5.2%	3.0%	21%	1.3%
Highest Return		BTC	BTC	BTC	VNQ	BTC	BTC	BTC	BIL	BIL	BTC	BTC	DBC	BTC	BTC	GLD	DBC	BTC
Lowest Return		EEM	BIL	GLD	BTC	DBC	BIL	BIL	BTC	BIL	DBC	TLT	BTC	DBC	TLT	BIL	DBC	DBC
% of Asset Classes Positive		62%	95%	52%	71%	38%	100%	100%	5%	100%	90%	71%	10%	95%	95%	100%	95%	95%

Source: YCharts Past performance is no guarantee of future results.