

Report Date: December 8, 2025  
Data for Week Ending: December 5, 2025

	-	Reading	+
Valuation	◆◆◆◆◆◆◆◆		
Cyclical		◆◆	
Sentiment	◆◆◆◆◆◆◆◆		
Technical		◆◆◆◆◆◆◆◆	
TOTAL		◆◆	

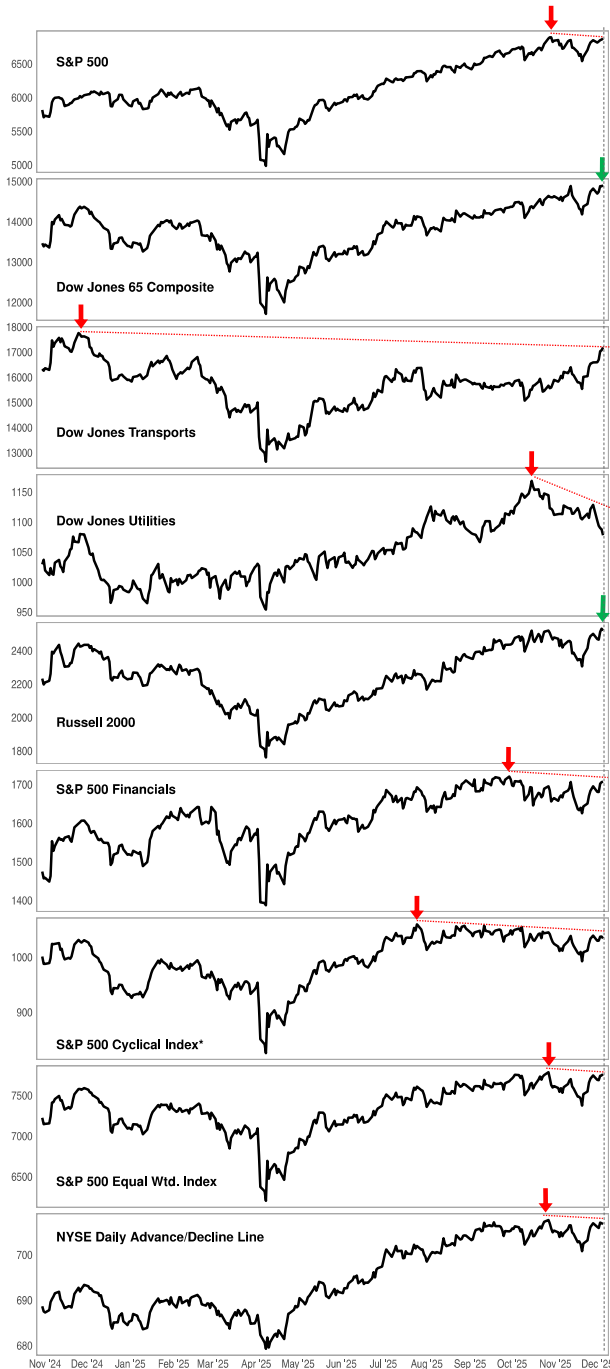
(High Neutral)

The peak of the extended holiday shopping season has beaten expectations, as shoppers spent 8-10% more year-over-year during the five-day stretch from Thanksgiving through Cyber Monday. This follows the contemporary trend of robust consumer demand coupled with abysmal consumer confidence readings—the weakest area of our Sentiment work. We’ve noted that the surveys continue to be an outlet of frustration rather than a call to action (or inaction); underestimating the American consumer never seems to be a winning strategy.

Last week's ISM data was mixed from our standpoint. The Services sector (52.6) beat expectations and pointed to its strongest growth in the past nine months. Services Prices Paid (65.4) posted its largest month-over-month downswing in almost two years and the lowest figure since April—another positive. New Orders, however, for both Services (52.9) and Manufacturing (47.4) showed big month-over-month declines. This meant that our firm favorite NOPE Index (new orders minus prices) for both segments of the economy were little changed from October. Note that the NOPE Indexes have been bearish components of our Cyclical category for almost all of 2025, as a high New Orders and low Prices Paid environment has proven elusive.

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## Major Trend Index (continued)



\*Equal-weighted composite of S&P 500 Consumer Discretionary, Industrials & Materials sub-indices.  
Daily data through September 30th.

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Two new highs in our Bellwether Indexes were the highlight of our Technical work last week. The Russell 2000 and the Dow Jones Composite (a price-weighted index of DJIA, Dow Transports, and Dow Utilities) each rang the “new high” bell. Excellent recent action in the Dow Transports—which is still a year removed from its own all-time high—boosted the DJ Composite.

The new highs provide some needed juice to this analysis as these indexes, in particular, have generally sputtered along since their prior near unanimous tops at the end of October. A few more highs across these bellwethers in the near future, four of which are less than 1% away, would go a long way alleviate our Technical anxiety.