

Weekly Update – November 24, 2025

Market Returns Ending 11/21/2025			
Category	1 Week	QTD	YTD
US			
Large Cap	-1.9%	-1.1%	13.5%
Mid Cap	-0.8%	-2.6%	6.6%
Small Cap	-0.8%	-2.6%	7.5%
International			
Developed	-3.4%	-1.4%	24.1%
Emerging	-3.7%	-0.8%	27.2%
Bonds			
Aggregate	0.5%	0.9%	7.1%
High Yield	0.0%	-0.1%	7.2%

US Equity Style Returns			
Weekly			
	Value	Core	Growth
Large	-0.8	-1.9	-2.9
Mid	-0.9	-1.2	-2.4
Small	-0.4	-0.8	-1.1
YTD			
	Value	Core	Growth
Large	11.3	13.0	14.5
Mid	7.1	6.9	5.8
Small	7.3	7.5	7.7
Source: Bloomberg			

Key Events: Surprising intraday reversal stuns AI bulls

Nvidia reported strong earnings and offered a better than expected revenue forecast after the market closed on Wednesday. The news brought an initial sigh of relief to those leveraged to the AI trade. Markets surged on the news Thursday morning, but a dramatic reversal took NVDA down roughly 3% for the day and the tech-heavy Nasdaq ended down more than 2%.

John Williams, President of the New York Fed, suggested that another near term rate cut could be warranted early Fridayⁱ. This revived the possibility of a December rate cut and it sparked a week end rally.

Market review: Crypto and AI angst breed volatility

Stocks were decidedly lower for the week. The tech sector was off by over 5%, but healthcare, consumer staples and communications sectors all showed gainsⁱⁱ. The Bloomberg Bitcoin Index fell more than 10% and the volatility index spiked. Small and mid-caps fared better than large. International markets suffered due to the risk-off unwind and a modestly stronger dollar.

The aggregate bond index rose as Treasury yields fell.

Outlook: AI bubble debate to last for some time

Ray Dalio published a piece titled “The Big Dangers of Big Bubbles with Big Wealth Gaps” this past week and GMO published a newsletter titled “It’s Probably a Bubble, but There is Plenty to Invest In”ⁱⁱⁱ.

Debating whether we are in a classic bubble or not may be missing the whole point for an asset allocation practitioner. The capital spending cycle by the AI hyperscalers has exceeded expectations massively and it has led to concentration risk and valuation risk. The euphoria could be creating misallocation opportunities for investors outside of the popular AI trade.

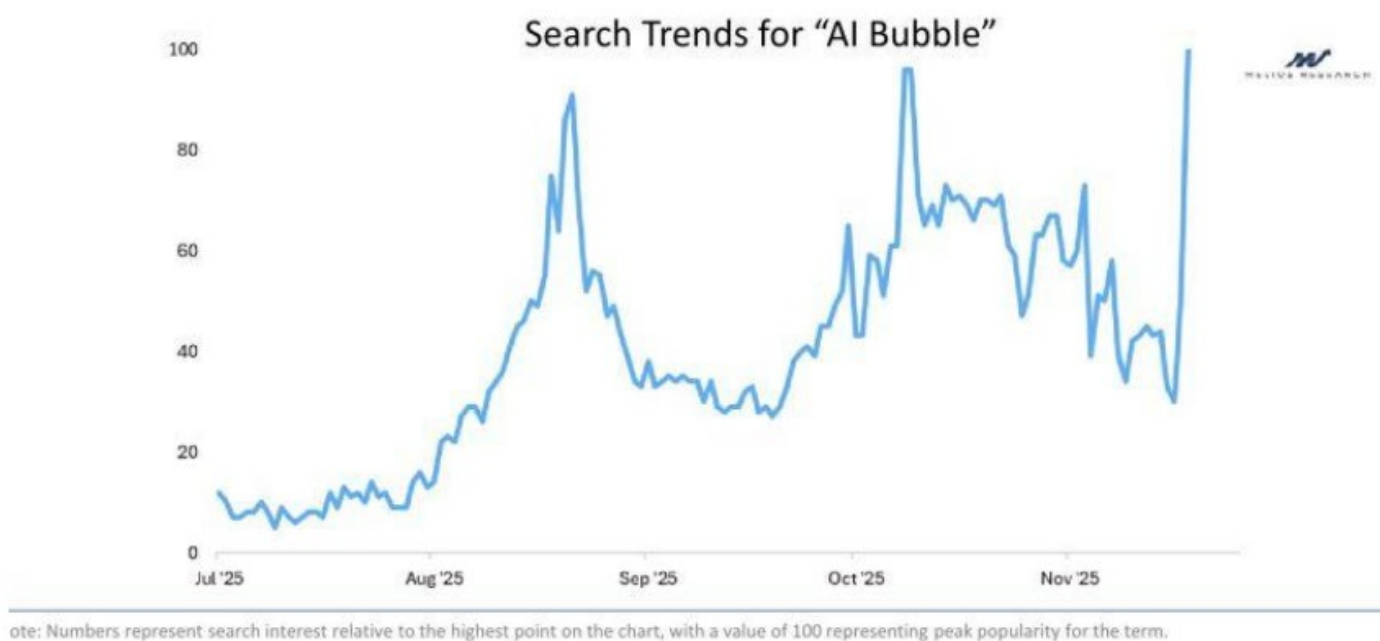
According to recent research from Goldman Sachs, capex for the major hyperscalers is up by 68% this year and is projected to grow by 34% in 2026^{iv}.



While this forecast indicates a significant deceleration in the rate of growth, the capital spending cycle should continue to grow at a very high rate and continue to support economic growth both domestically and internationally.

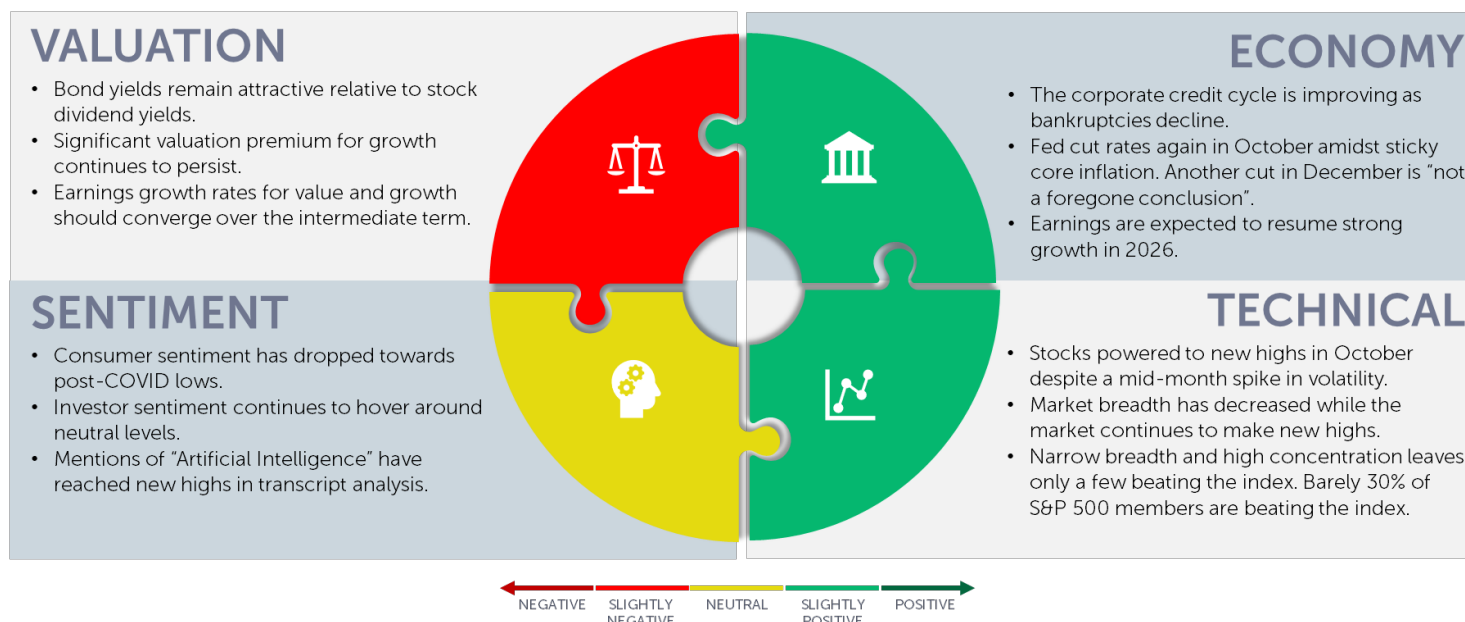
Many AI related stocks are likely discounting an unsustainable future, but some stocks from sectors outside of technology and throughout the capitalization spectrum are more reasonably priced, provided the overall economy remains healthy. With the public investor seemingly so fascinated with “AI Bubble” concerns as the chart below from Melius Research indicates, we continue to believe that a well-diversified multi-asset approach should serve investors well whenever the inevitable deceleration in the AI buildout weighs on the valuations of growth stocks.

AI Bubble Worries Likely to Remain a Feature for the Foreseeable Future



Source: Syz Private Banking and Melius Research^Y.

OneAscent Navigator Outlook: November 2025



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ⁱ Source: Bloomberg – "Williams Sees Room for 'Near-Term' Rate Cut" reprinted from Wall Street Journal, 11/21/2025.

ⁱⁱ Source: Select Sector SPDRs Sector Tracker data.

ⁱⁱⁱ Source: Ray Dalio paper from Linked-In: "The Big Danger of Big Bubbles with Big Wealth Gaps". GMO Newsletter published by Grantham, Mayo and Van Otterloo: "It's Probably a Bubble, but There Is Plenty to Invest In".

^{iv} Source: Goldman Sachs Research, "The Trajectory of AI capex and the next beneficiaries of corporate AI adoption", 11/18/2025.

^v Source: Syz Private Banking and Melius Research as depicted in Linked-In, 11-22/2025.

^{vi} Market Returns reference the following indices: Large Cap – S&P 500, Mid Cap Growth – Russell Midcap growth, Mid Cap Value – Russell Midcap Value, Small Cap – Russell 2000, Developed – MSCI EAFE, Emerging – MSCI Emerging Markets, Aggregate – Bloomberg US Aggregate, High Yield – Bloomberg High Yield