

» Sarvesh Tikku, Equities Analyst

Steady Staples: XLP Ends the Week with a Minor Dip, Retains Defensive Edge

The Consumer Staples Select Sector SPDR Fund (XLP) experienced a narrow range of fluctuations this week, ending with a modest decline of approximately 0.18%. The fund opened the week at \$79.49, reached a low of \$79.10 midweek, and closed at \$79.35 on Friday, reflecting an overall loss. Despite the minor downward trend, the fund held steady due to its historically low volatility and the defensive nature of consumer staples. Within the portfolio, notable companies such as Costco and Procter & Gamble saw slight declines of 0.47% and 4.75%, respectively, contributing to the fund's decrease. However, Philip Morris International outperformed with an increase of 0.86%, helping to balance some of the losses.

Despite this pullback, trading remained within a relatively narrow range, reflecting the traditionally defensive nature of consumer staples. Among the fund's major holdings, Philip Morris International (PM) stood out, gaining 0.86% amid continued demand for its tobacco products. In contrast, Procter & Gamble (PG) saw the sharpest drop of 4.75%, as rising input costs and weaker forward guidance spurred investor unease. This sector may appeal to investors seeking stability, given its rate adjustments, and earnings releases to gauge whether consumer staples can weather broader economic uncertainties in the weeks to come.

XLP: +3.35% since 2025-01-01

