

The background features a dark teal color with a grid pattern. Overlaid on this are various financial data visualizations: a series of white candlesticks with black outlines, some with white fill, and a series of blue 3D-style bar charts. Several percentage values are scattered across the image, including +2,53%, -0,35%, +0,66%, -0,44%, -0,61%, and 0,77%. Some numbers like 432434, 433411, 343343, 234223, 343223, and 23332 are also visible, appearing to be stock prices or indices.

WJ Charts of the Month

July 2026

WJ Interests
WEALTH ADVISORS

WJ Charts of the Month Intro

"WJ Charts of the Month" is a comprehensive monthly slide deck designed to showcase recent significant financial events and data. The presentation is organized into four sections, beginning with a "Highlights" slide that sets the stage for the subsequent content.

1. What Happened Last Month: This section features a curated collection of charts and images from various publications, offering a visual summary of the previous month's key events.

2. WJ State of the Economy: Our team at WJ has created an array of charts to emphasize crucial economic factors and trends.

3. WJ State of the Markets: Similarly, this section comprises a series of charts crafted by WJ to provide an overview of the core markets we monitor.

We strive to maintain consistency across the charts to facilitate easy comparison month-over-month. However, we may adjust or emphasize specific charts if their relevance shifts over time.

Our objective with this publication is to establish a "One-Stop Shop" for the most vital financial information, presented in a concise and easily digestible format. **We value your feedback to help us achieve this goal.** If you have suggestions regarding the format, or if there's particular information you'd like to see in future editions, please don't hesitate to let us know.

Highlights

Oil Avoids Doomsday Scenario
Chip Stocks Dominate the Market
The “Not So” Magnificent Seven
SpaceX Goes Public
Huge Quarter For Stocks

What Happened

Oil Avoids the “Doomsday” Scenario

Recently, the war was officially declared to be “over” as both the US and Iran signed a Memorandum of Understanding with terms on how to move forward. Though attacks have continued from both sides and negotiations are still being hashed out, the market seems to have completely put the war in the rear-view mirror.

Nowhere is this more obvious than in oil. The closure of the Strait of Hormuz was thought to be the worst-case scenario by experts in trade and energy. Despite its long-term closure and uncertainty going forward, oil has completely come back to levels from before the war started.

The primary error in the doomsday “\$200 oil” forecast may have been in underestimating how large China’s energy reserves were, and how willing they were to deplete them (along with several other countries including the US). China typically imports a lot of its oil from the Strait of Hormuz but drastically curtailed those imports while the war was ongoing, essentially allowing time for a resolution.

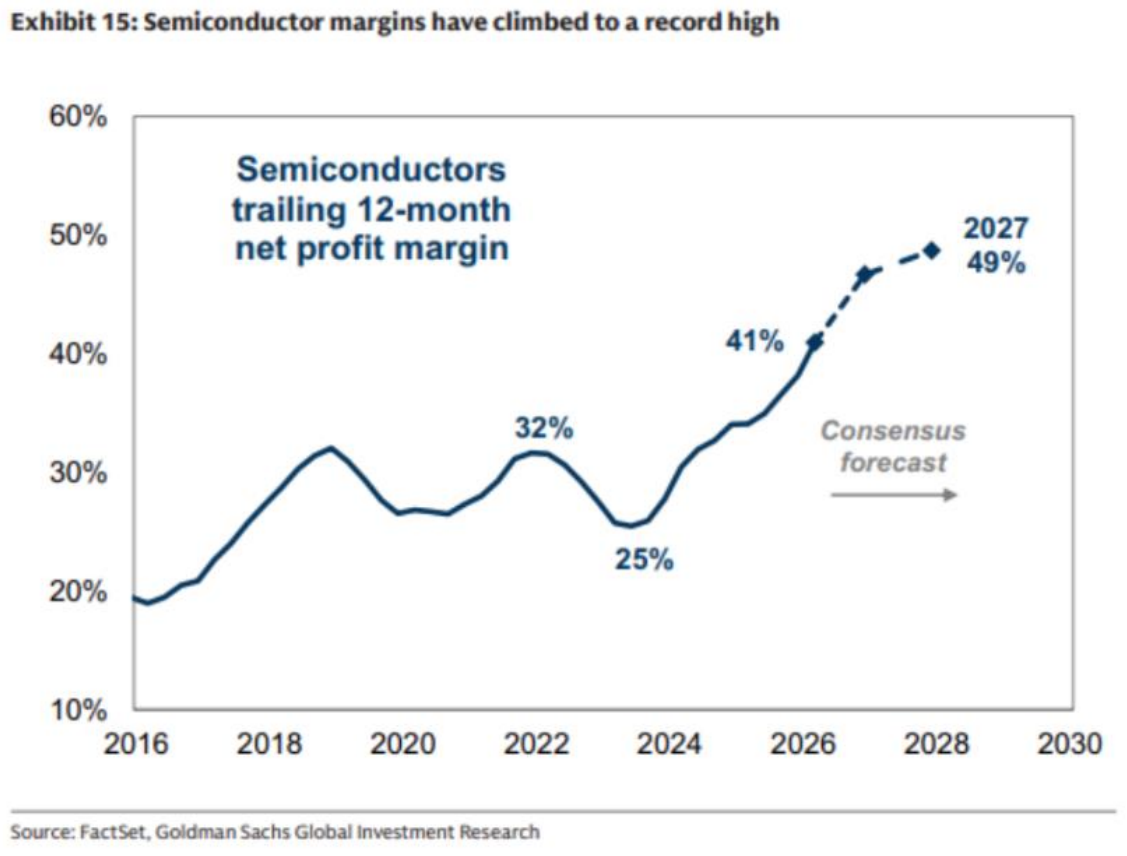
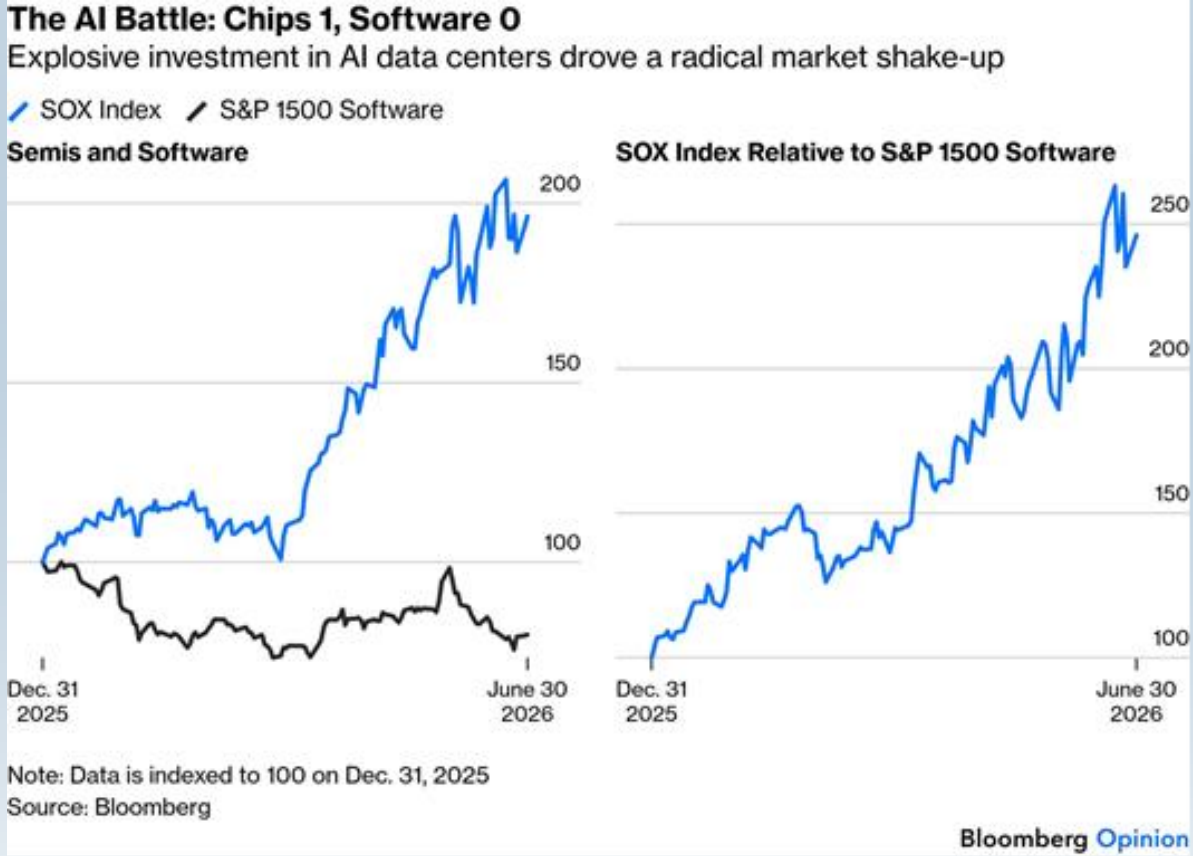
This strategy appears to have worked, although we were likely mere months from that doomsday scenario becoming true, as several countries have depleted the majority of their strategic reserves.



Semiconductors Take Over the Market

AI continues to be the most important theme in markets, and so far it seems the greatest beneficiaries of AI are the companies selling the chips. The biggest loser appears to be the software companies, who are at risk of becoming irrelevant if anyone can make custom software for their business. The first chart shows the drastic dispersion in performance between the Semiconductor index (SOX) and the Software Index. These two sectors are about 250% apart in YTD performance.

The second chart shows some of why. With the insatiable demand for chips, prices are going up and boosting chip makers profitability. Current profit margins for companies in the SOX index are forecasted to be near 50%!



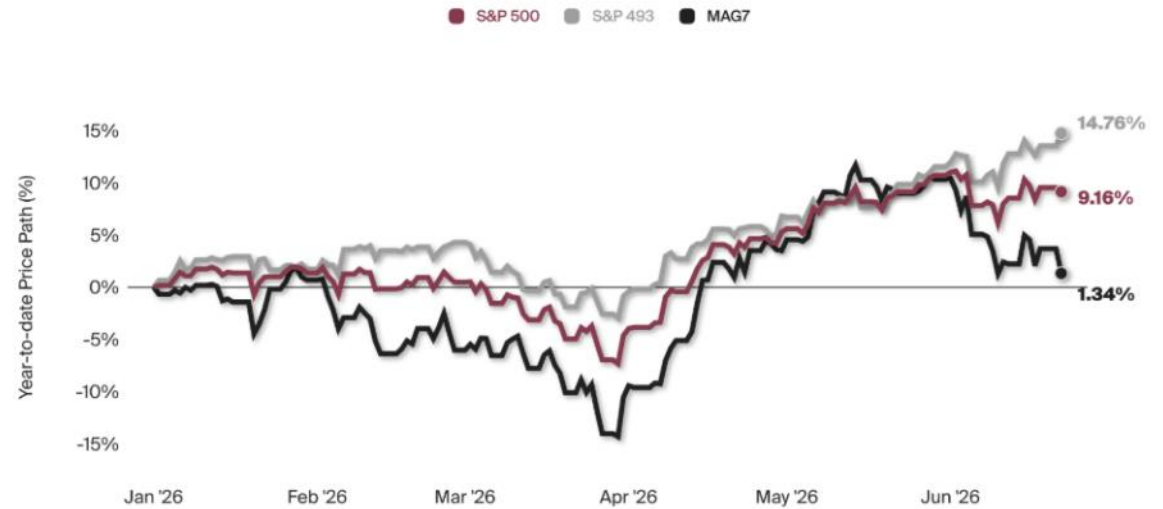
The “Not so” Magnificent 7

The “Mag 7” (Google, Apple, Microsoft, Amazon, Meta, Tesla, Nvidia), have dominated market performance for years now (decades for some). 2026 has been a different story. The chart on the right shows how those 7 giants have trailed the rest of the stocks in the S&P 500 by about 13% YTD.

Much of the reason comes from the fact that these large businesses are spending all of their free cash flow on building up infrastructure for AI. This is an expensive endeavor with no guarantee of return on all that invested capital.

S&P 500 vs S&P 493 vs Mag7 in 2026

Year-to-date (YTD) Price Path of the S&P 500, S&P 493, and the Mag7
YTD 2026

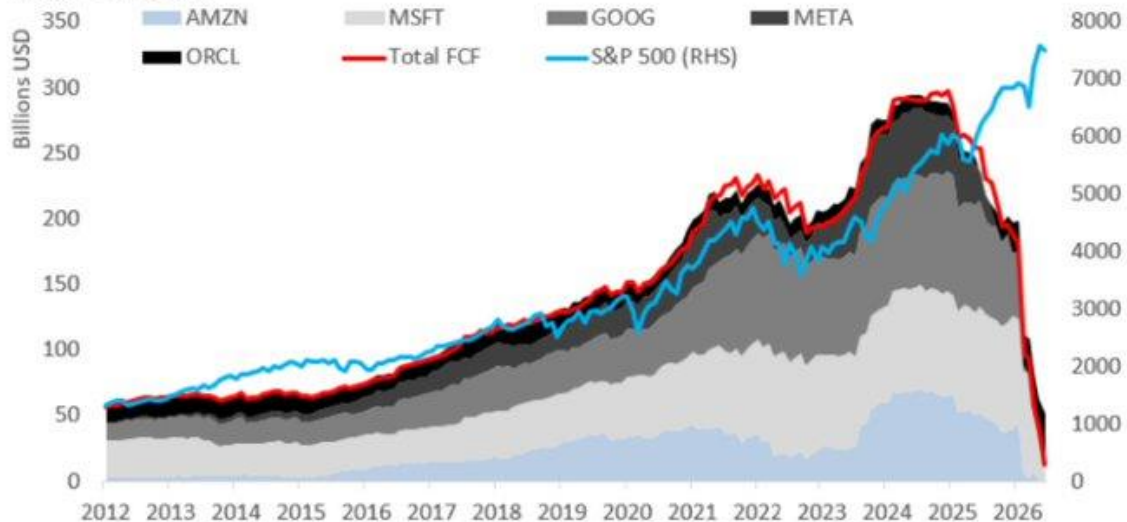


Source: © Exhibit A, FactSet Research Systems Inc., Standard & Poor's | Latest: 2026-06-22

This slide is for informational and illustrative purposes only. The data provided is believed to be accurate, but there is no guarantee of its accuracy, completeness, or timeliness. This is not a recommendation or offer of any financial product. **Past performance is not indicative of future results, and investors should consider their own objectives and risk tolerance.** Indices, if presented, do not include fees, are unmanaged, and not available for direct investment. Definitions & Methodology: The S&P 500 tracks the performance of 500 large-cap U.S. companies, serving as a benchmark for the U.S. stock market. The index is weighted by market capitalization. The chart displays year-to-date price returns of the S&P 500, S&P 493, and Mag7. The Mag7 refers to Apple, Microsoft, Amazon, NVIDIA, Meta Platforms, Alphabet, and Tesla—seven large-cap stocks often cited for their market leadership. The S&P 493 represents the remaining constituents of the S&P 500 after excluding the Mag7. This breakdown highlights the performance gap between the index's largest names and the broader market.

A WEALTH OF
COMMON
SENSE

Hyperscaler Free Cash Flow Projection Next 12 Month

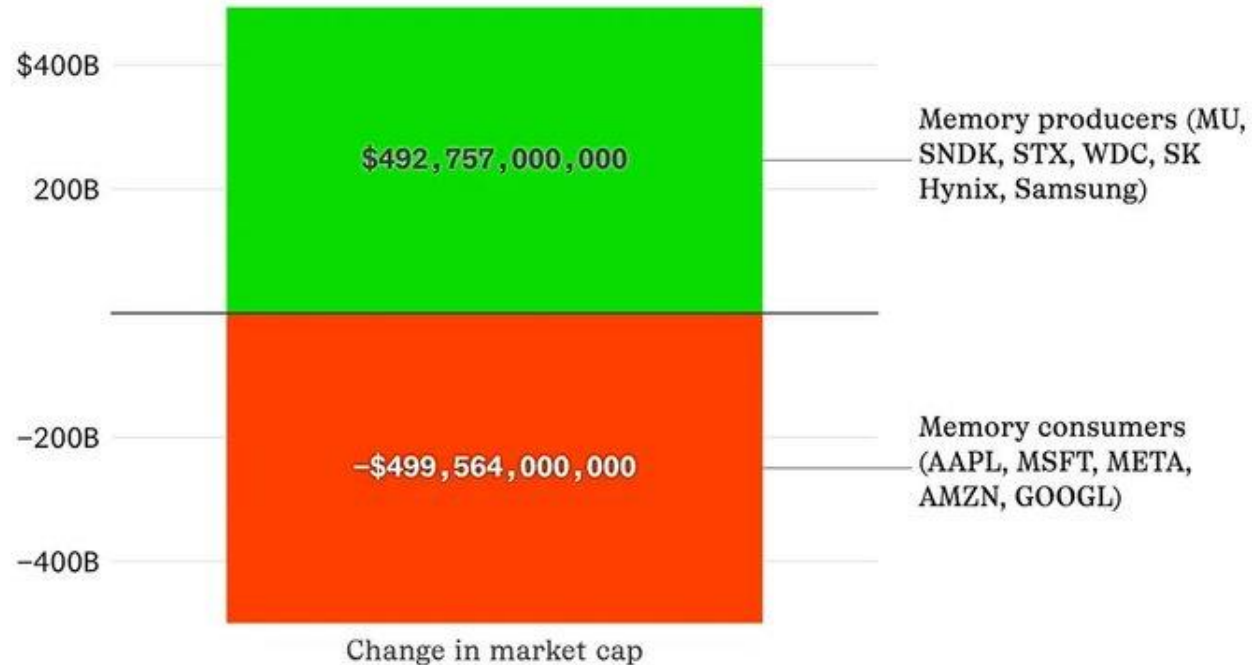


One Company's Spending is Another's Income

On the other end of all that spending are the biggest winners of 2026, companies that sell the infrastructure for the future of AI. Nowhere is this more pronounced than in the memory chip business, highlighted by firms like Micron, SK Hynic, SanDisk, etc. The left chart shows how all of the reduction in market cap from the mag 7 basically went straight to these businesses. The right chart shows a big part of why.

Memory chips, which have been around forever but are vital for Agentic AI, is in a shortage. As a result, prices for a standard memory chip have gone from just over \$2 to \$12 today. Micron recently reported around 85% profit margins as a result of the increase. Unfortunately, someone has to pay that. Apple has been in the headlines recently because they've raised the prices of all their products by roughly 20% due to the increase in chip prices.

Micron's big win a zero-sum event for megacap tech

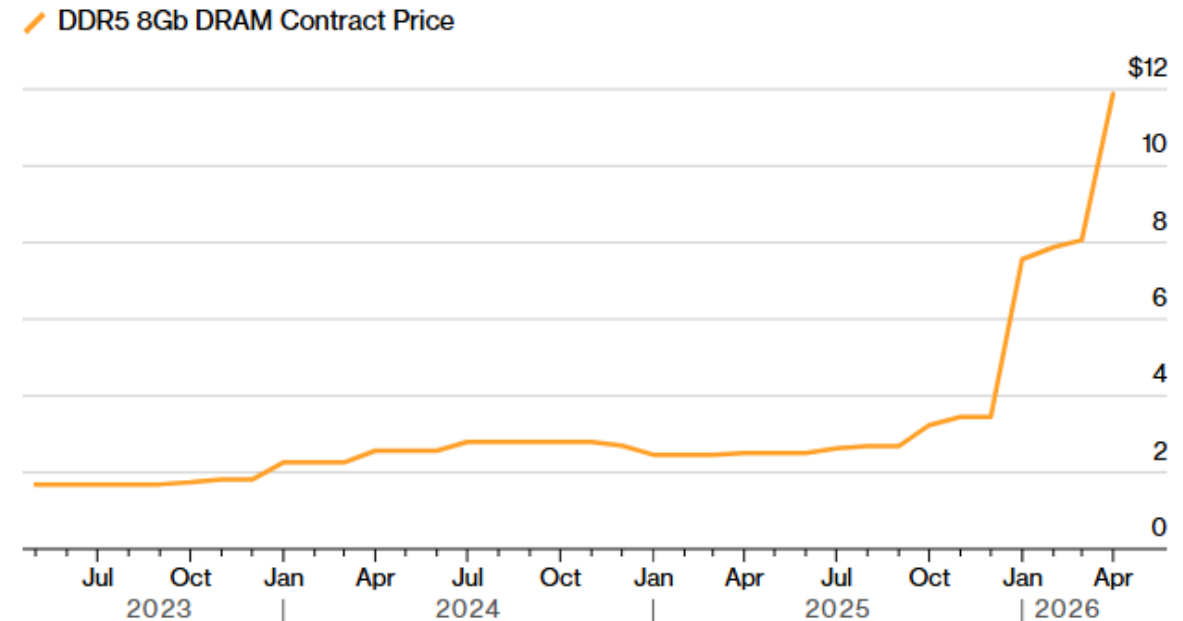


Source: Bloomberg

Sherwood

Memory Chip Cost Surge

Chip prices, which usually decline over time, have jumped due to a shortage



Source: inSpectrum Tech Inc.

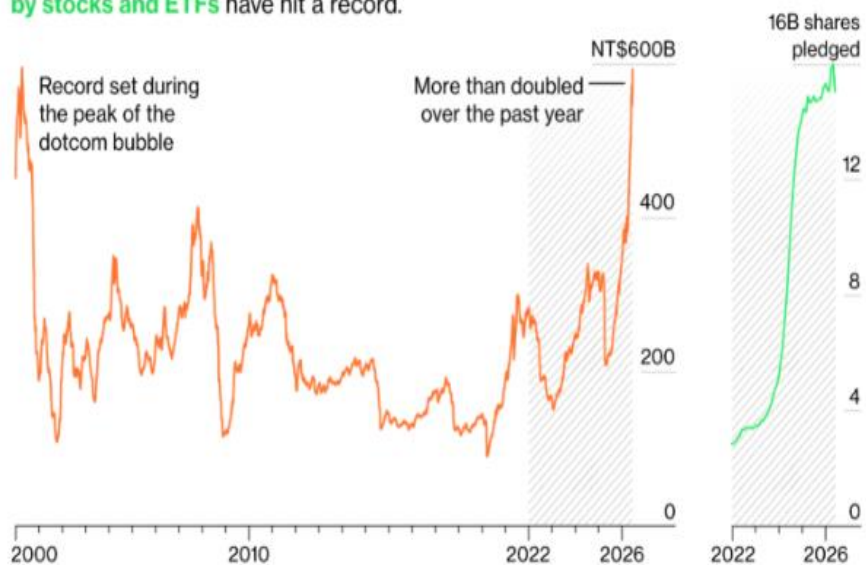
Animal Spirits are Alive and Well

A culture of betting big in financial markets is gaining momentum around the world. Last month's Charts of the Month highlighted South Korea, where two dominant chip companies and an army of young retail traders helped propel the country past India in total market capitalization. Taiwan has become another example of this trend. Fueled by enthusiasm for AI, semiconductors, and rising stock prices, investors there have increasingly turned to leverage to amplify their exposure. The first chart shows the rapid growth in margin loans, as well as the growing use of stocks as collateral to borrow more.

The second chart shows the percentage of stock trading volume coming from retail, or non-institutional, traders. That share has roughly doubled over the past 15 years, rising from about 10% to nearly 20%.

Taiwan Stock Leverage Has Surged

Taiwan's **margin loans** are near all-time high while **borrowings backed by stocks and ETFs** have hit a record.

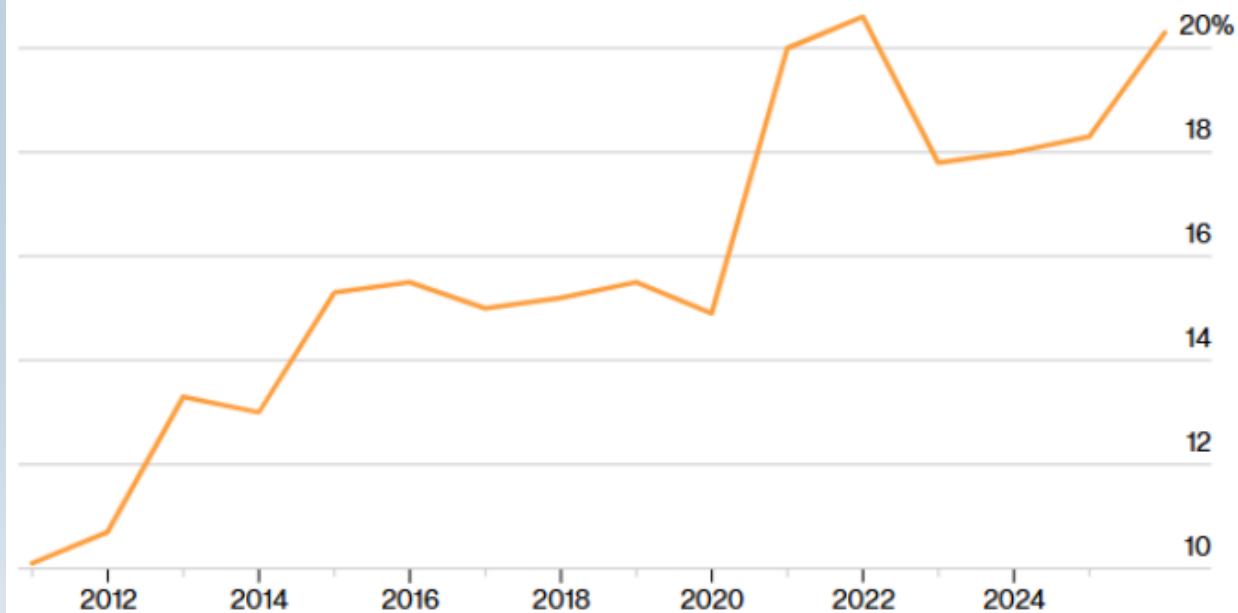


Note: Brokers' margin loan data as of June 18, 2026. Borrowings backed by stocks and ETFs refer to brokers' non-restricted loans, data as of end May, 2026.
Sources: Taiwan Stock Exchange, Bloomberg

Retail Trading Boom

Individual investors' share in stock trading has doubled since 2010

Retail trading as % of equity market's total volume

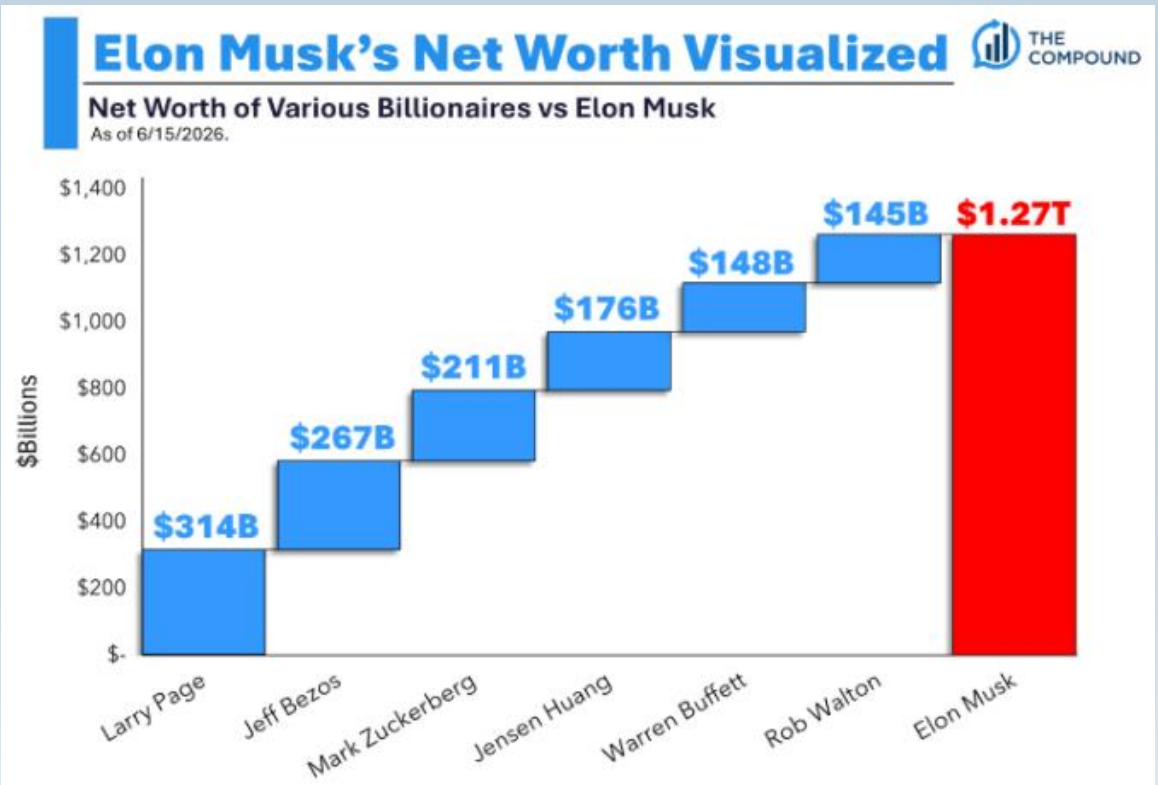


Source: Bloomberg Intelligence

SpaceX Goes Public

On June 12, SpaceX went public as arguably the most hyped IPO of all time. The tweet on the right shows that the IPO marked the single largest trading day ever for retail investors, by a decent margin.

The stock's first week was a success, quickly rising about 25% and establishing Elon Musk as the first ever Trillionaire! The chart below shows how that compares with several other prominent billionaires for context. Since then, the stock has returned back to Earth (down about 21%), and trades just below the initial trading price.



Source: Chartkiddmatt.com The Compound Media, data via Bloomberg Finance L.P.



Frank Chaparro @fintechfrank · Follow



NEW: Retail investors are pouring into U.S. stocks at a record pace.

According to Citadel Securities, the day of SpaceX's blockbuster IPO marked the largest single day of net retail stock buying ever recorded by the firm, which handles roughly 35% of U.S. retail trading volume. [Show more](#)

Retail Cash – May and June Trading is Record Breaking
Monthly Gross Notional, Indexed to Average Since 2020



10:25 AM · Jun 17, 2026

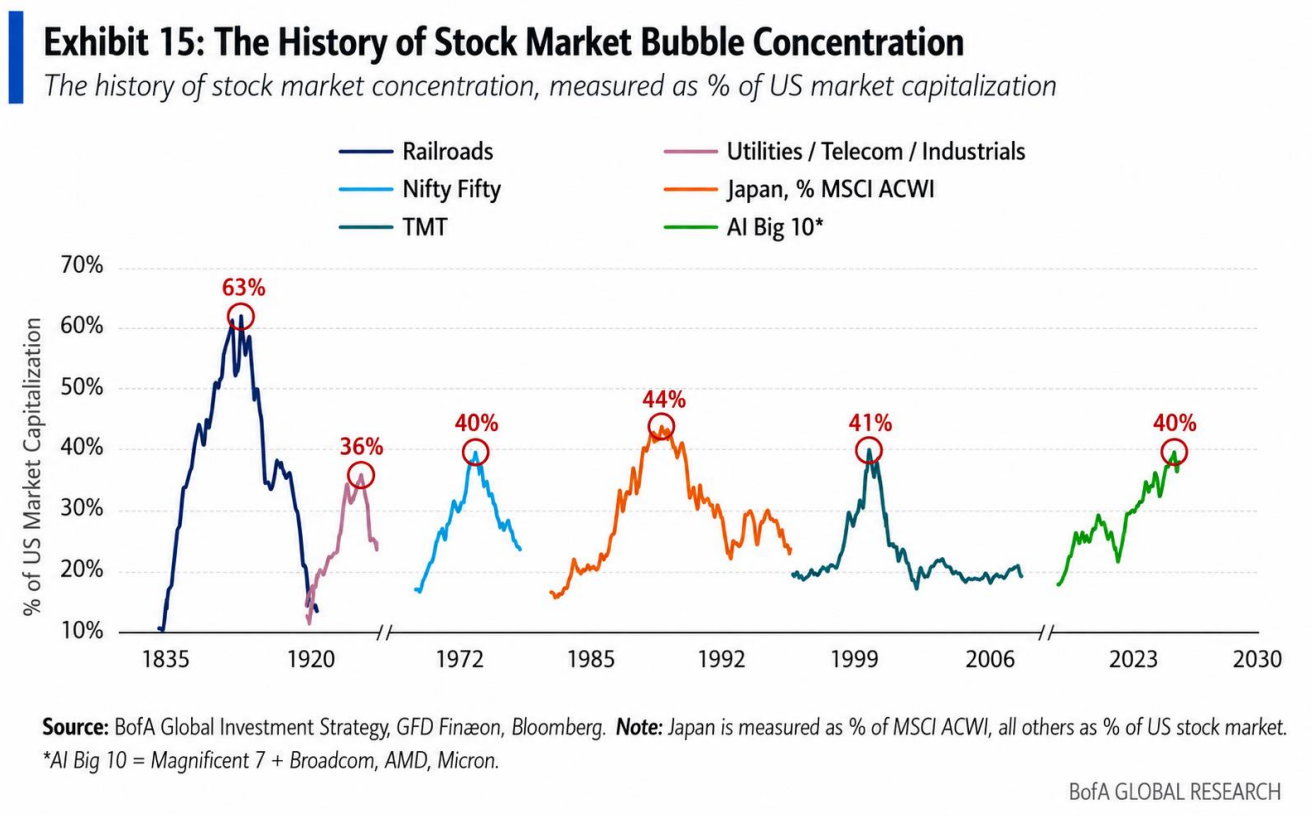
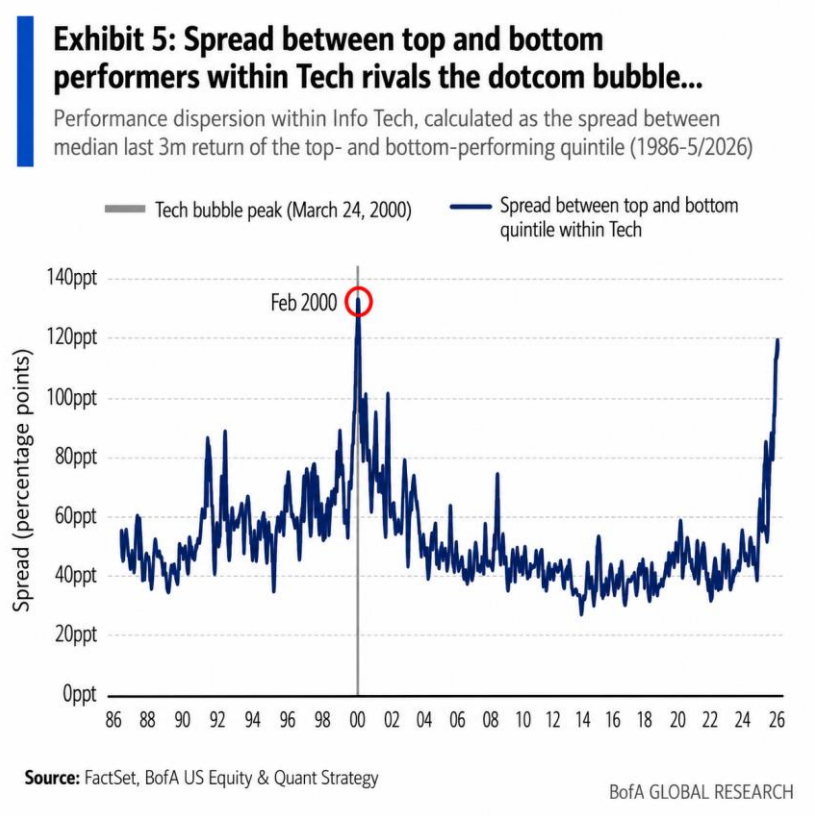
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AI Bubble?

With all this investor excitement, rapidly growing profit margins, stock prices going up triple digits for chip companies, record breaking IPOs, etc. it would be fair to question if this all seems a bit excessive. Said another way, are we in an AI bubble? These things are always hard to gauge in real time, because every true bubble has a great story behind it. It is true that AI may be the most consequential technology of our time, yet even assuming that, stock prices can get out of touch with reality. The first chart shows that stocks are trading very similarly to how they did in the tech bubble, as a narrow set of “AI-themed” winners are vastly outperforming everything else (just as the “dot-coms” did in the late 90s).

Another measure of excess concentration is shown in the next chart, as just 10 “AI” names make up 40% of the market. As you can see, such periods of rapid concentration have tended to happen in past bubbles. Railroads are a great example, because though they turned out to be as transformative as anyone could imagine, yet their stock prices were not able to keep up with the hype, and ultimately the bubble “popped”.

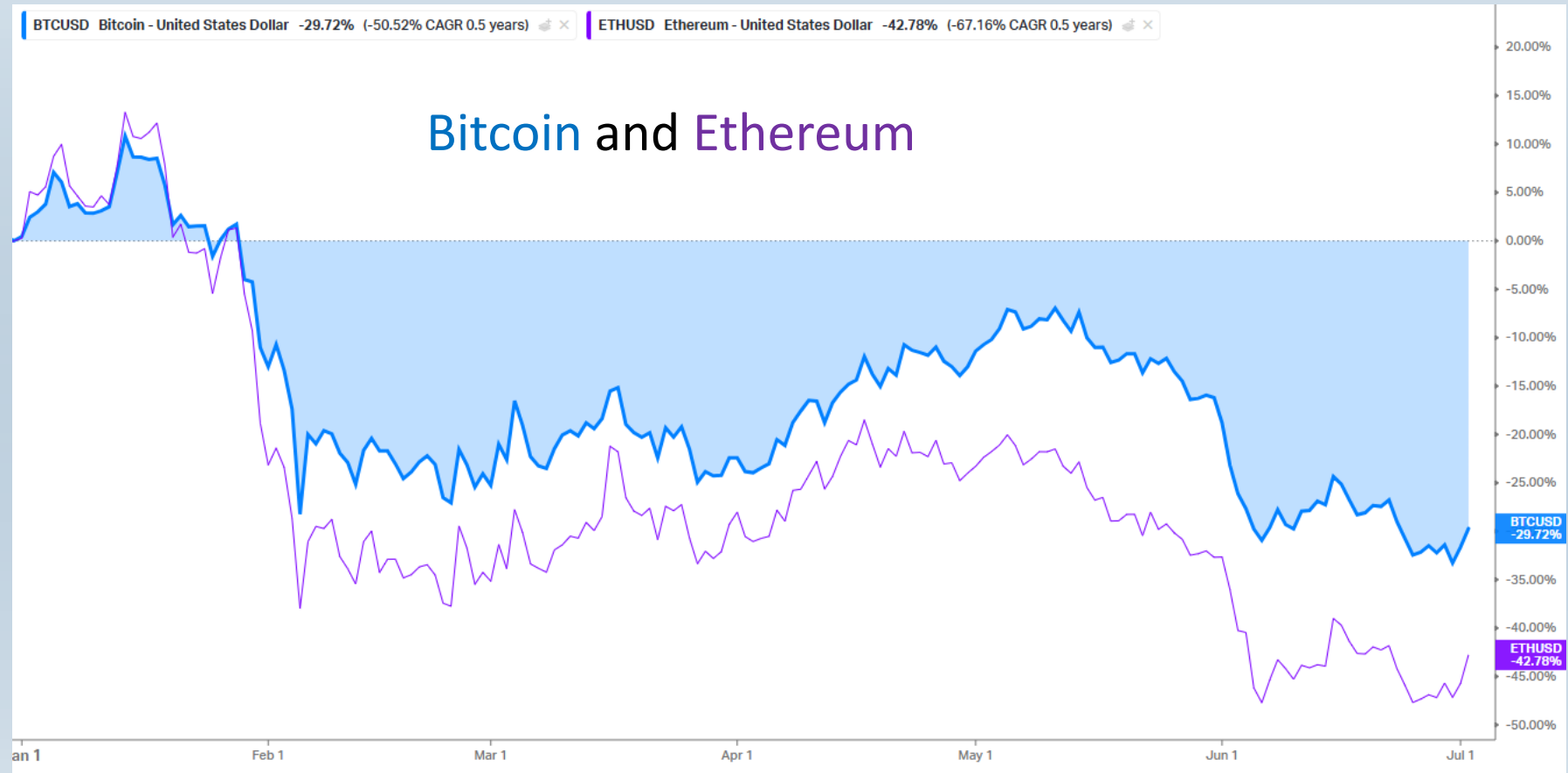


A Difficult Month for Crypto

It was a difficult June in what has already been a difficult year for Bitcoin and Ethereum, the largest crypto currencies. Both currencies were down about 21% for the month and are currently down about 30% and 43% for the year.

Many speculative investors have turned their attention away from crypto for a new, perhaps more useful technology, Artificial Intelligence.

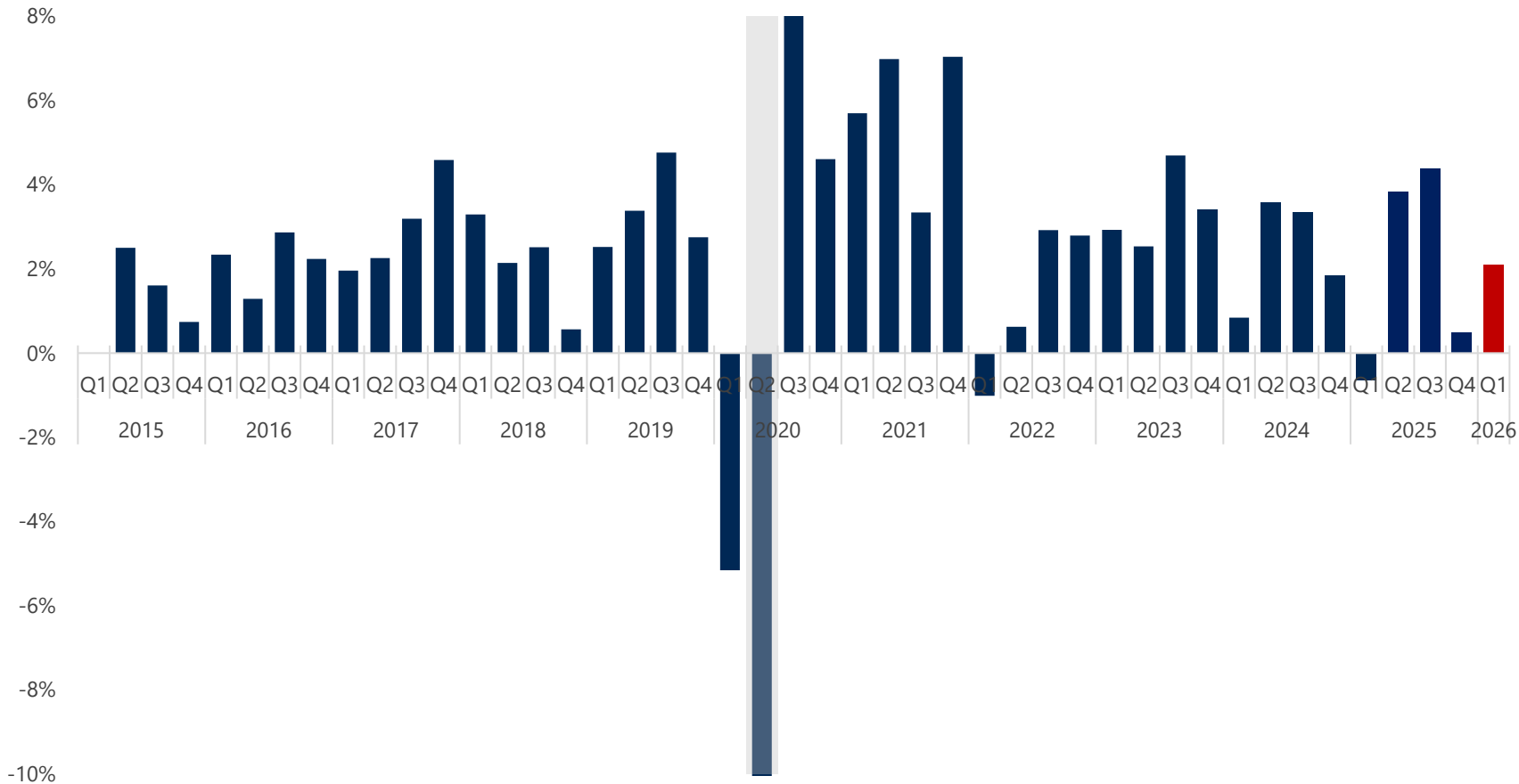
In addition, some of Bitcoin's most ardent supporters, like Michael Saylor at Strategy, have been forced to sell bitcoin for liquidity needs. Without those supporters continued buying pressure, crypto remains vulnerable to continued losses.



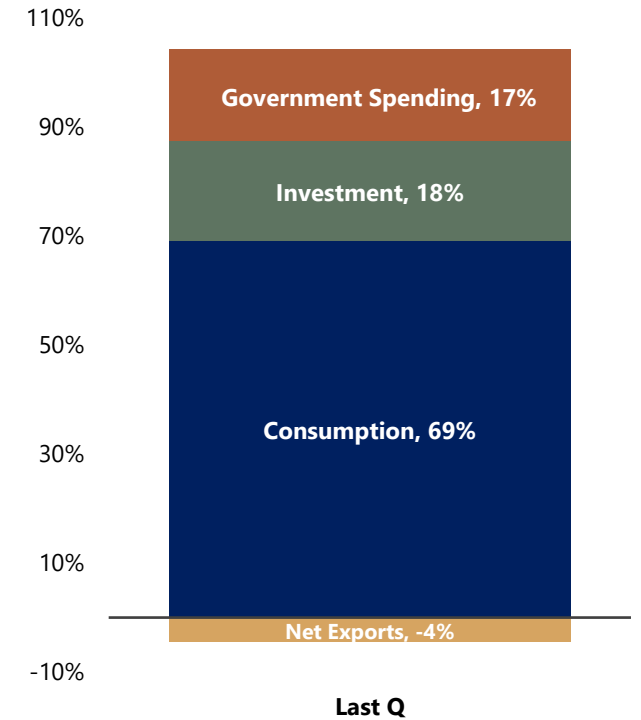
WJ State of the Economy

Q1 GDP Revised Down to 1.6%

Annualized Real Gross Domestic Product (GDP) % Chg

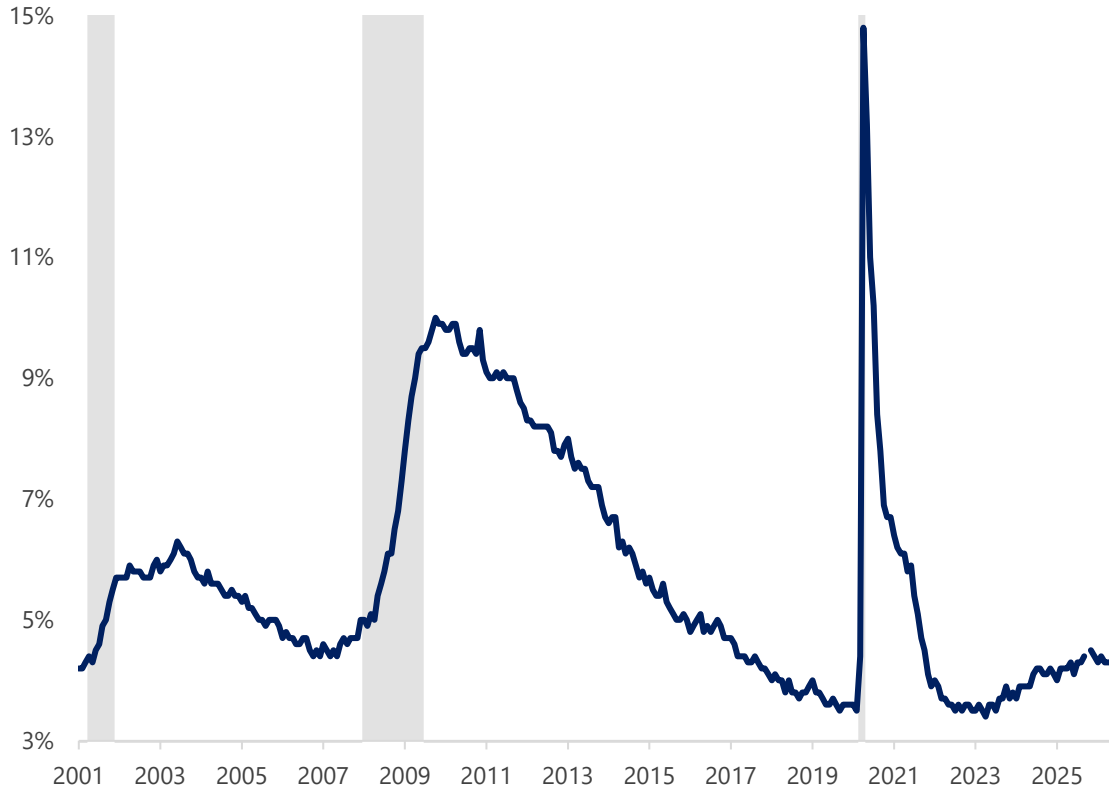


Components of GDP

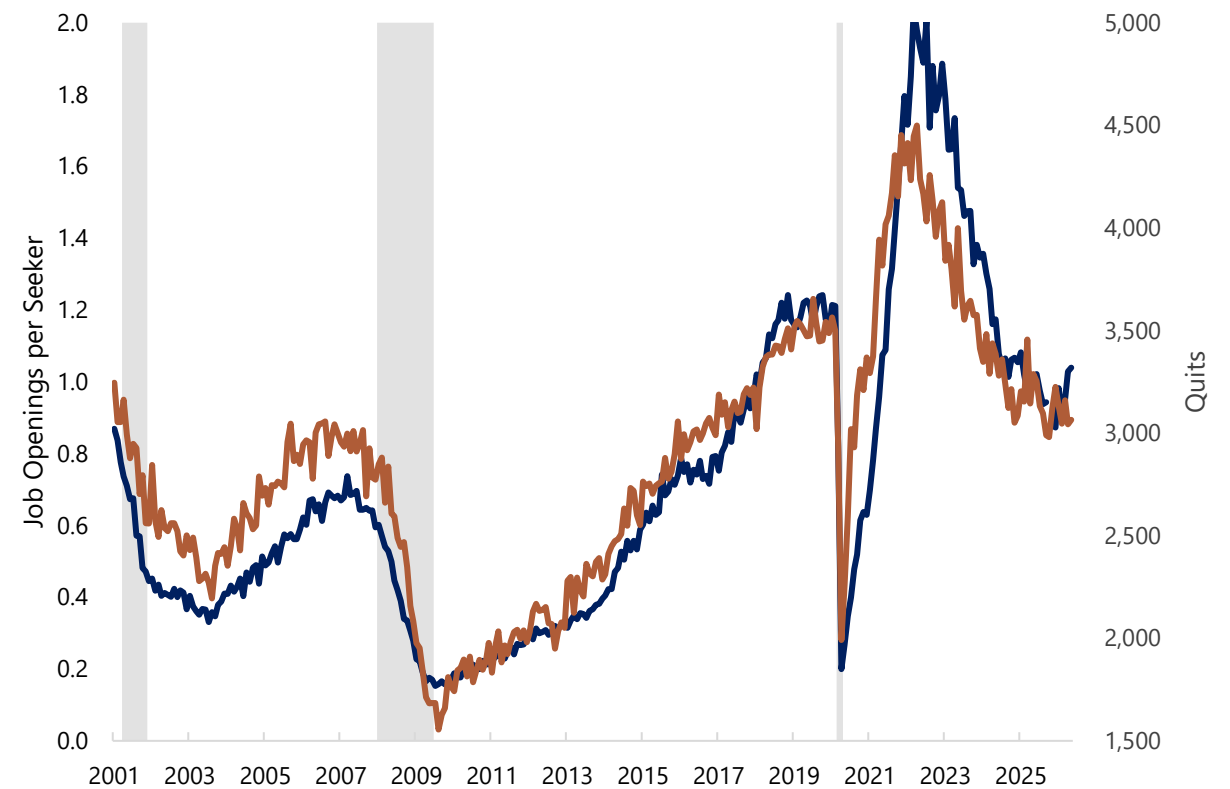


Employment Slow But Stable

Unemployment Rate

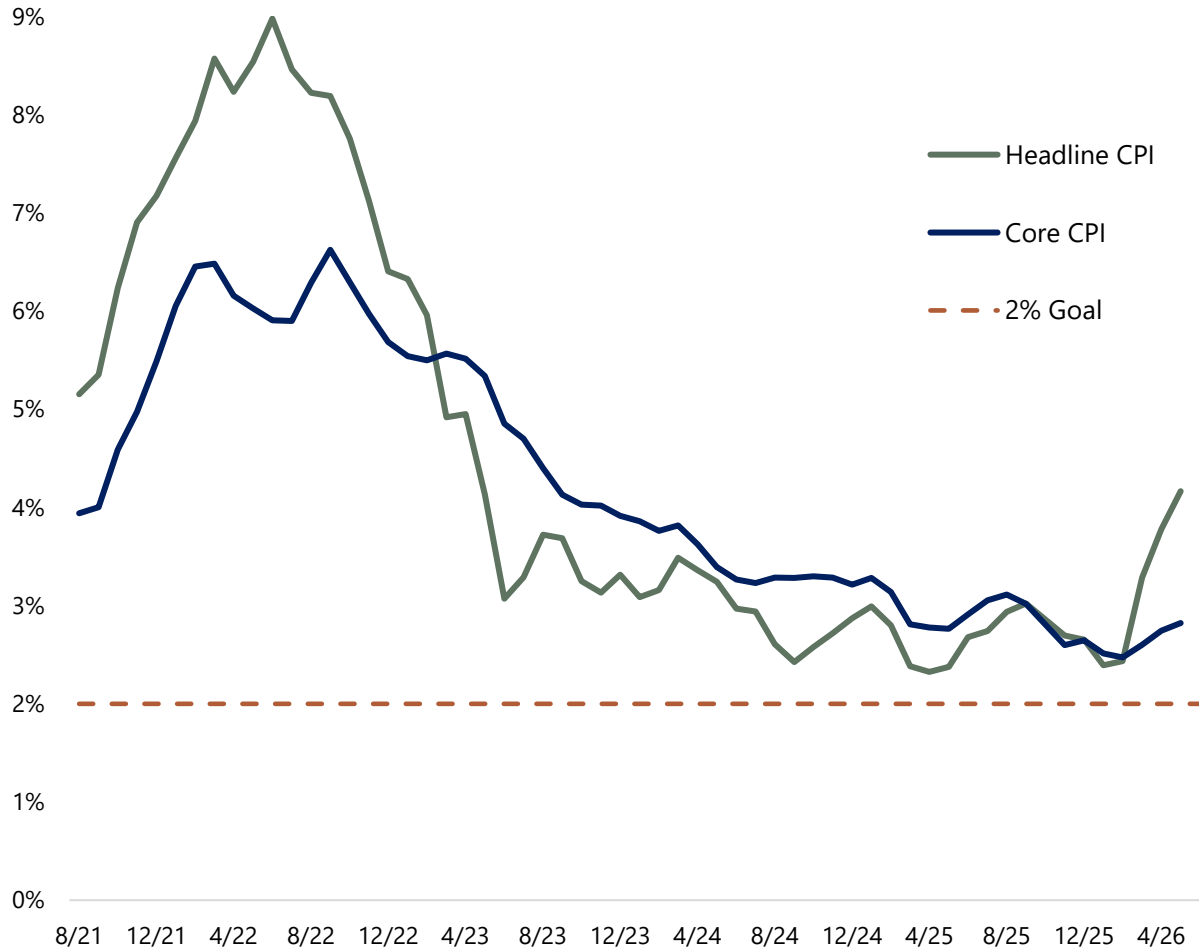


Job Opening per Seeker and Quits

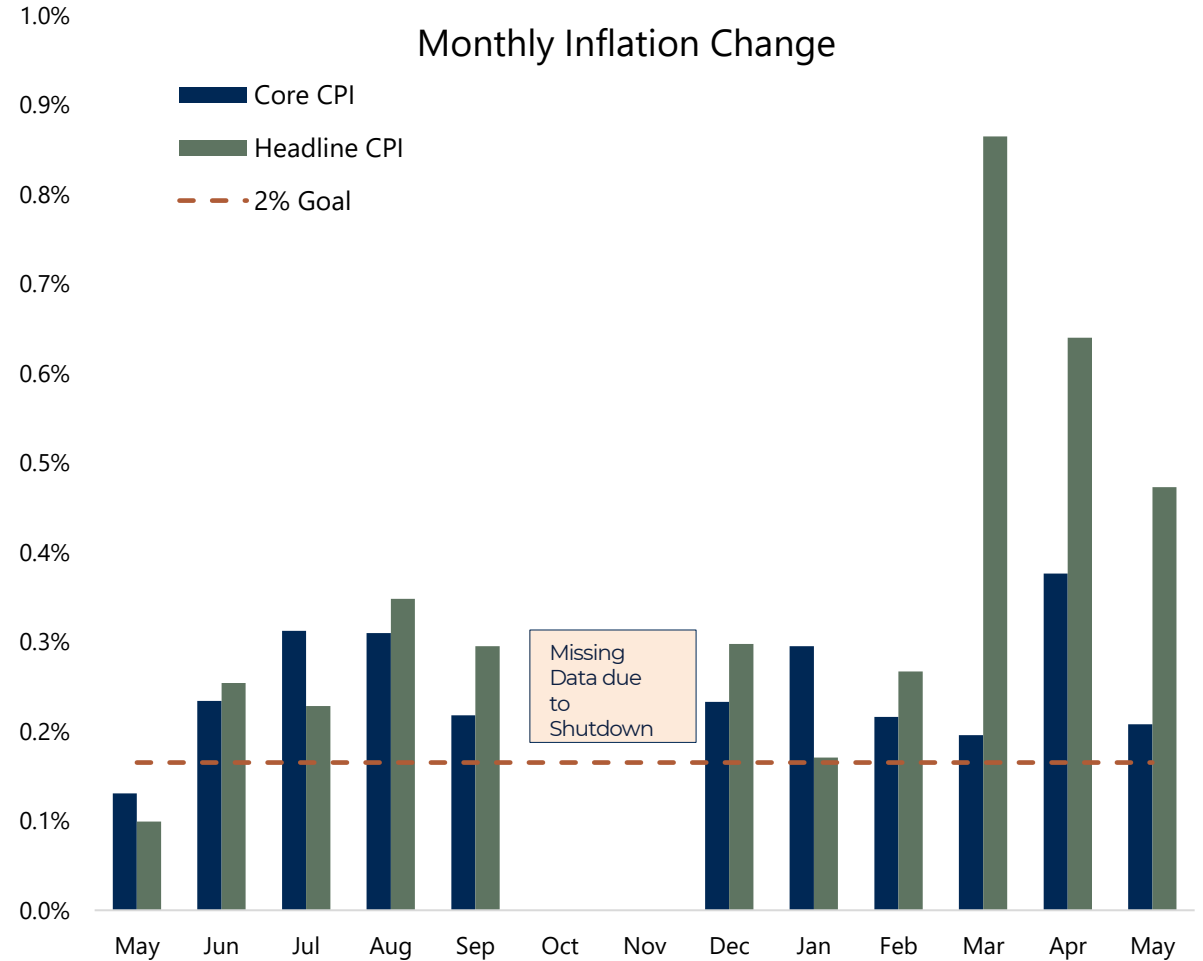


Inflation is Reaccelerating

Annual Inflation Change



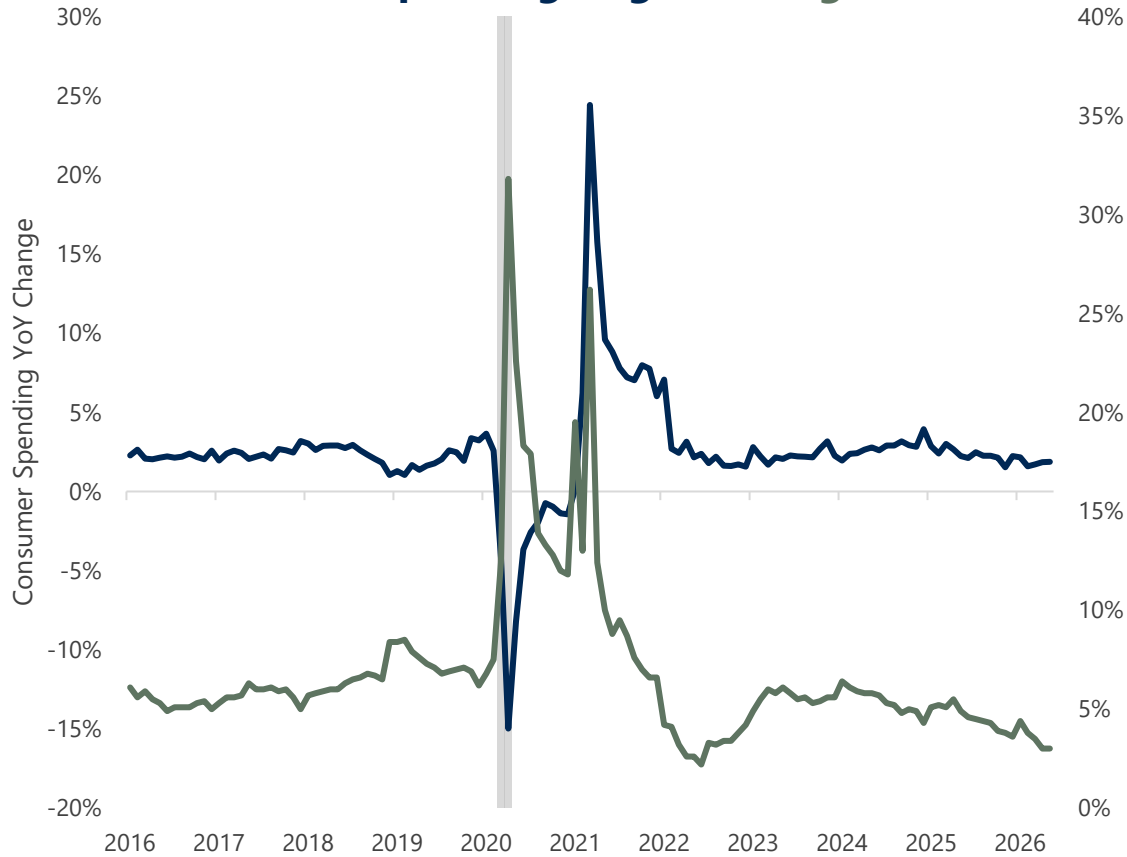
Monthly Inflation Change



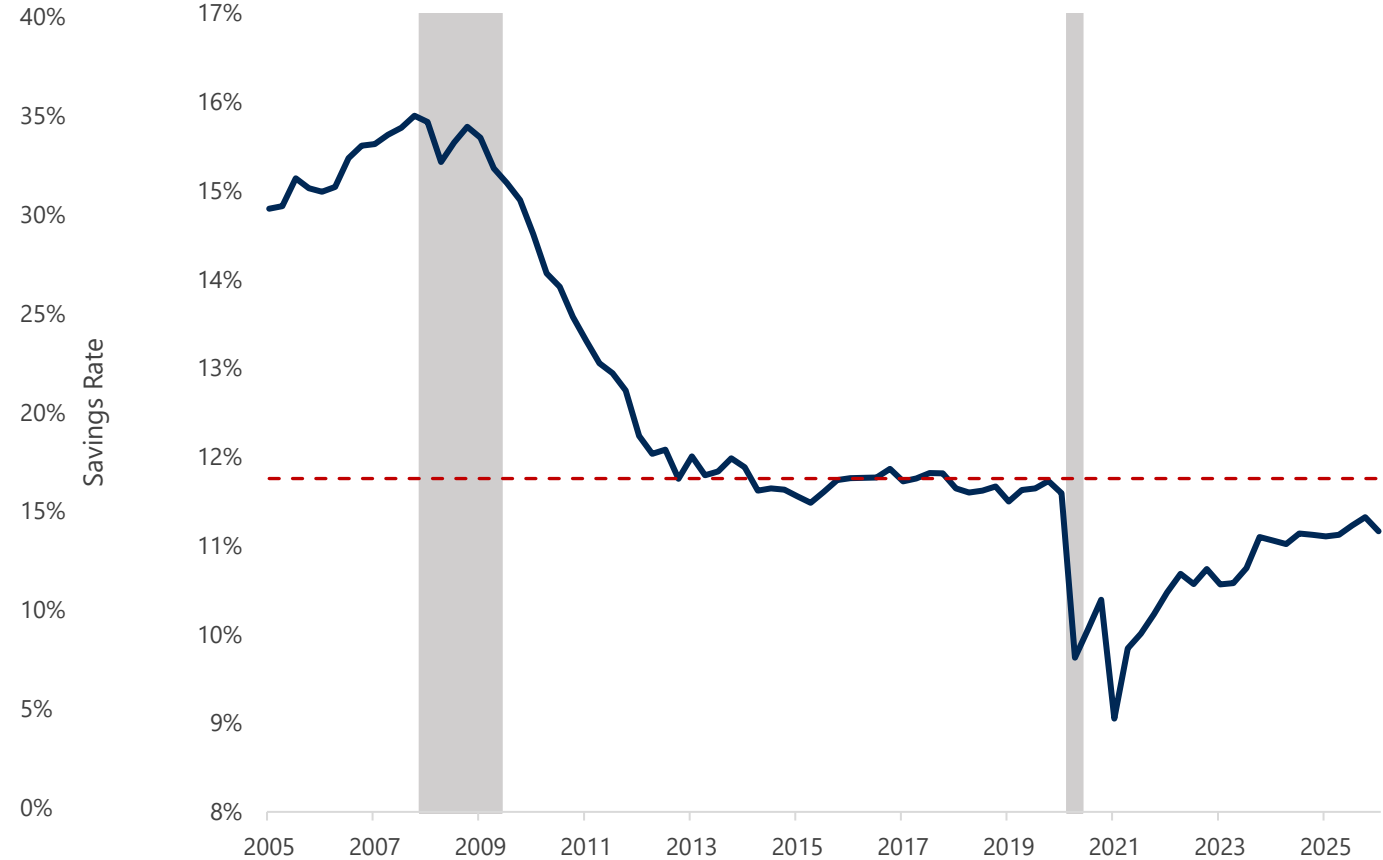
Source: Federal Reserve Economic Database (FRED). Consumer Price Index. Annual CPI Forecasts are made by WJ using past month over month CPI data and extrapolating forward with different growth rates.

Savings Rate Starting to Fall

Consumer Spending Chg vs Savings Rate

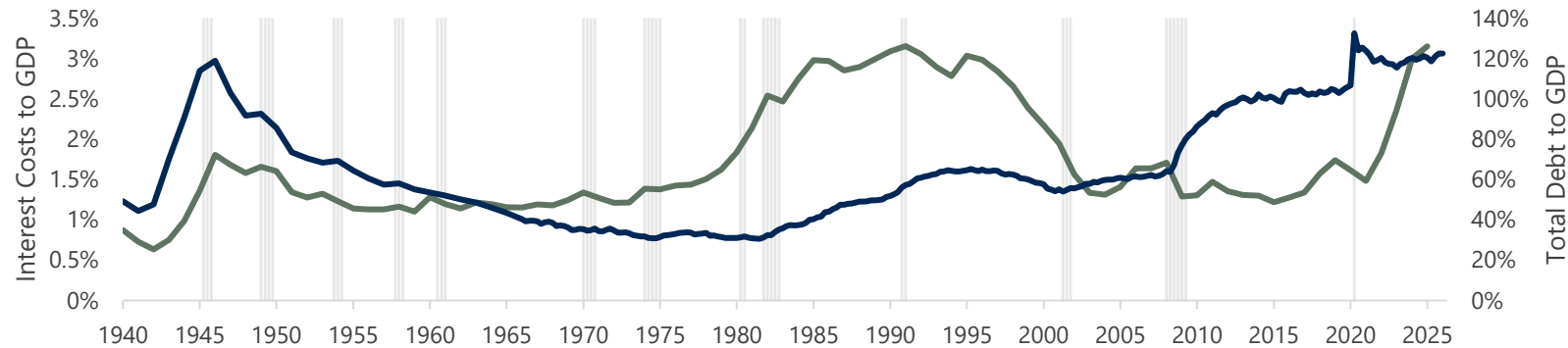


Household Debt Service Payments as % of Income

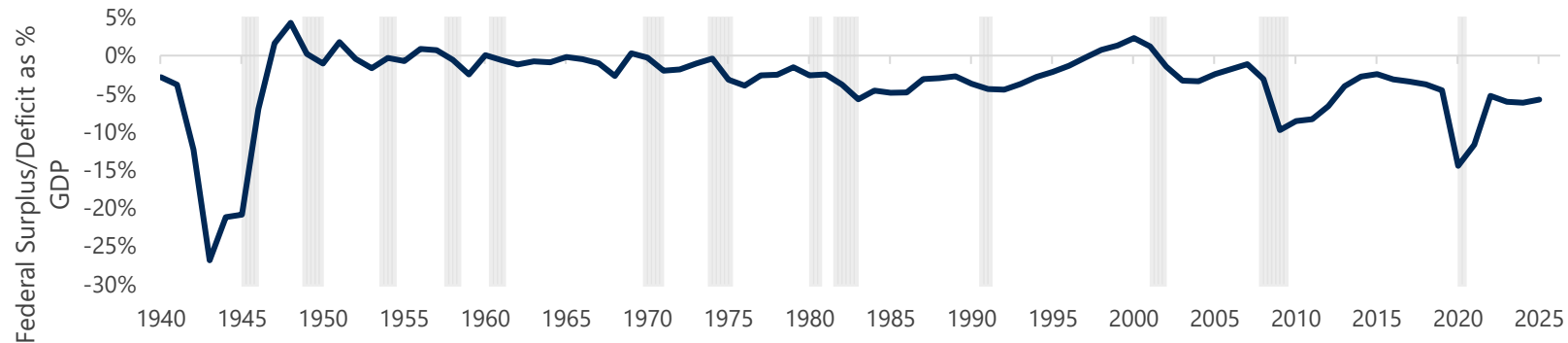


Interest Costs and the Deficit Rising

Gov't Interest/GDP and Gov't Total Debt/GDP



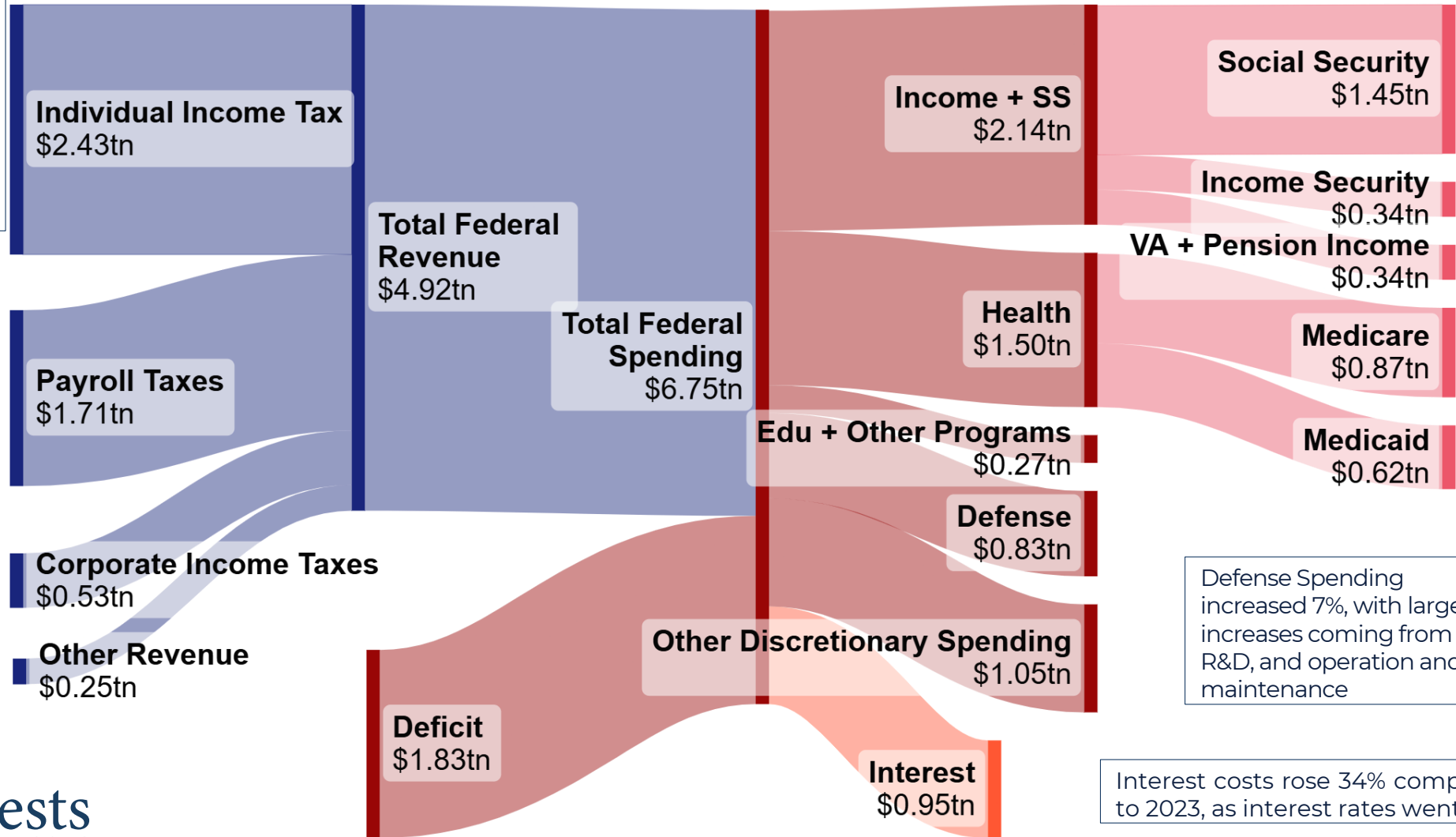
Federal Budget Surplus/Deficit



Government Expenditures 2024

This is an in depth look at how the US makes and spends money. On the spending side, the top 3 categories are known as “mandatory spending” and are unable to change without major reform. That leaves “Defense” and “Other Discretionary Spending” as the two categories congress can change on any year.

Total Receipts were up 11% in fiscal year 2024 compared to 2023. Most of these came from higher income tax receipts, and deferrals from 2023 that were paid in 2024.



Total Outlays were up 10% in fiscal year 2024 compared to 2023

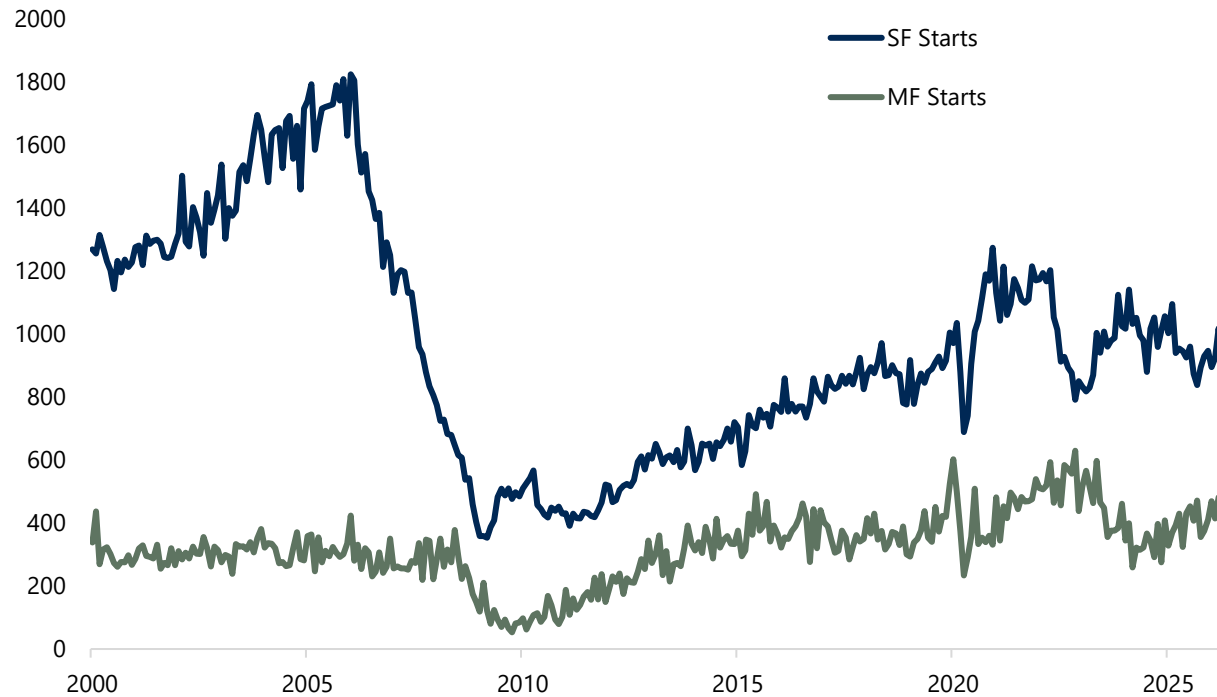
SS and Medicare rose 8% and 9% respectively, due to cost of living adjustments and more beneficiaries.

Defense Spending increased 7%, with largest increases coming from R&D, and operation and maintenance

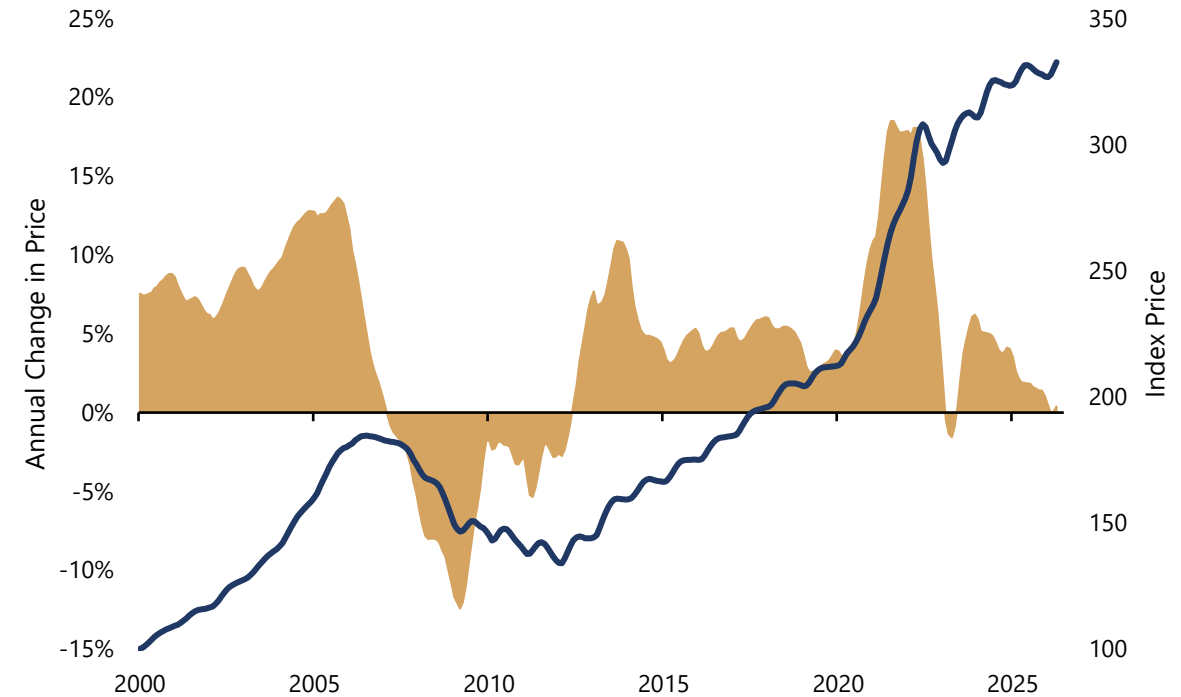
Interest costs rose 34% compared to 2023, as interest rates went up.

Housing Prices Have Stalled

Housing Starts and Completes



Home Prices

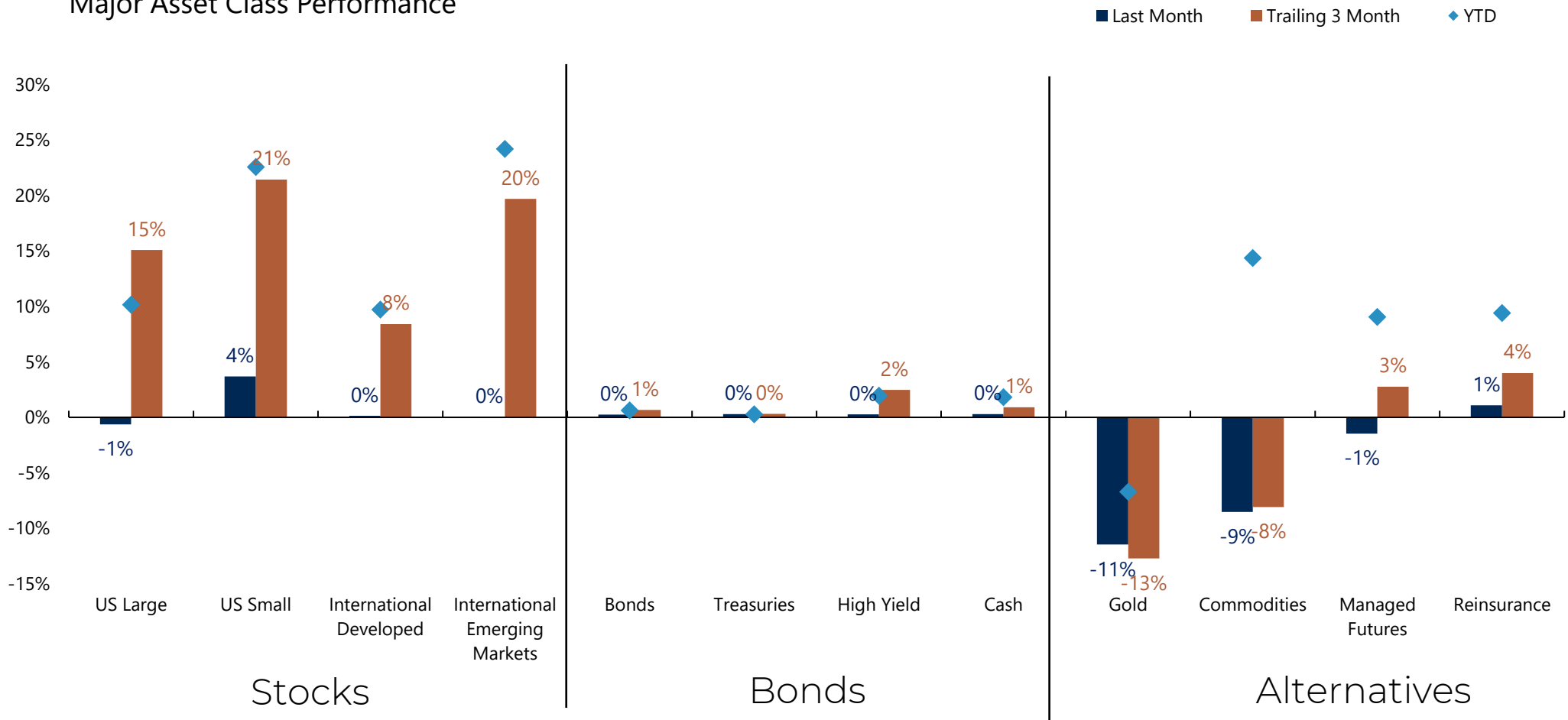


A housing start is the beginning of construction on a new residential housing unit and indicates how much new housing supply is on the horizon. On the right we show home prices over time, as well as the annual rate of change. Prices surged in 2021-2022 but have stopped growing altogether. What they do next will depend on how much pent-up demand there is, and how much housing we build going forward. Note of how significantly starts dropped after the 2008 crisis, and led to the undersupply we have today.

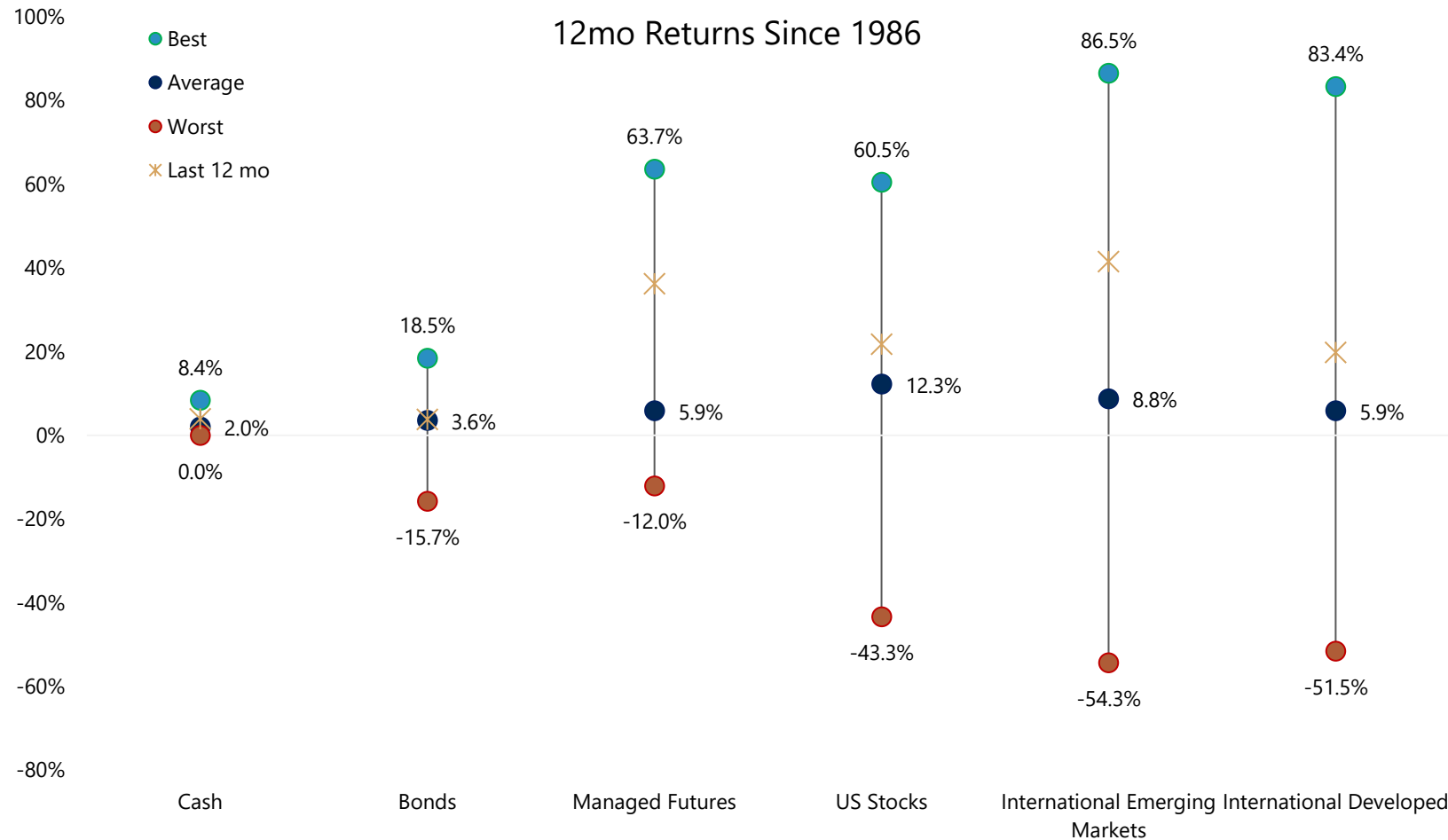
WJ State of the Markets

Very Strong Quarter for Stocks

Major Asset Class Performance





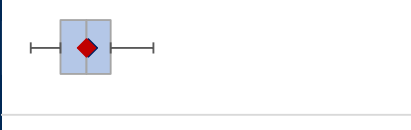

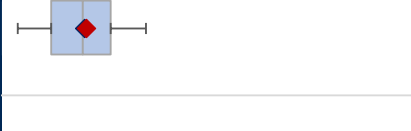

Historical Asset Class Return Range

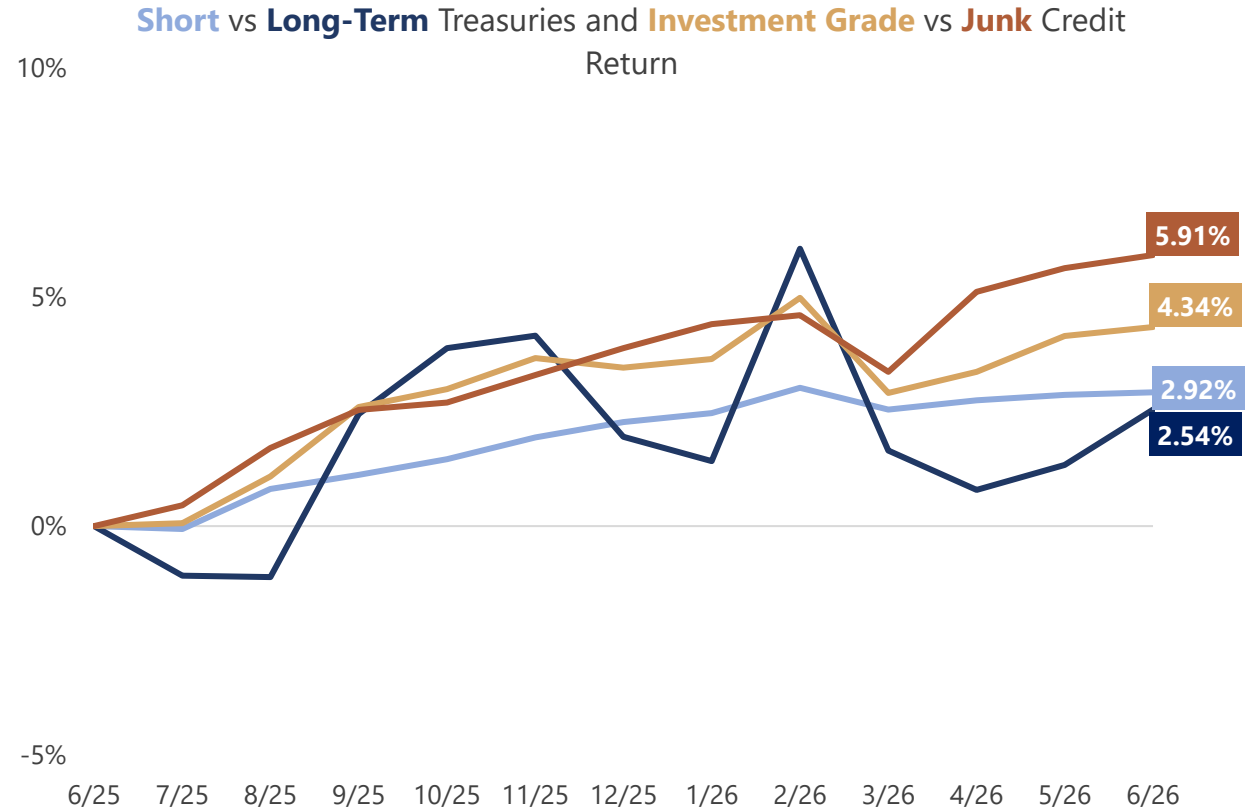


This chart shows the range of 12 month returns historically, by asset class. As you'd expect, the riskier investment leads to a greater potential gain, as well as loss.

The X on the line represents the last 12 months.

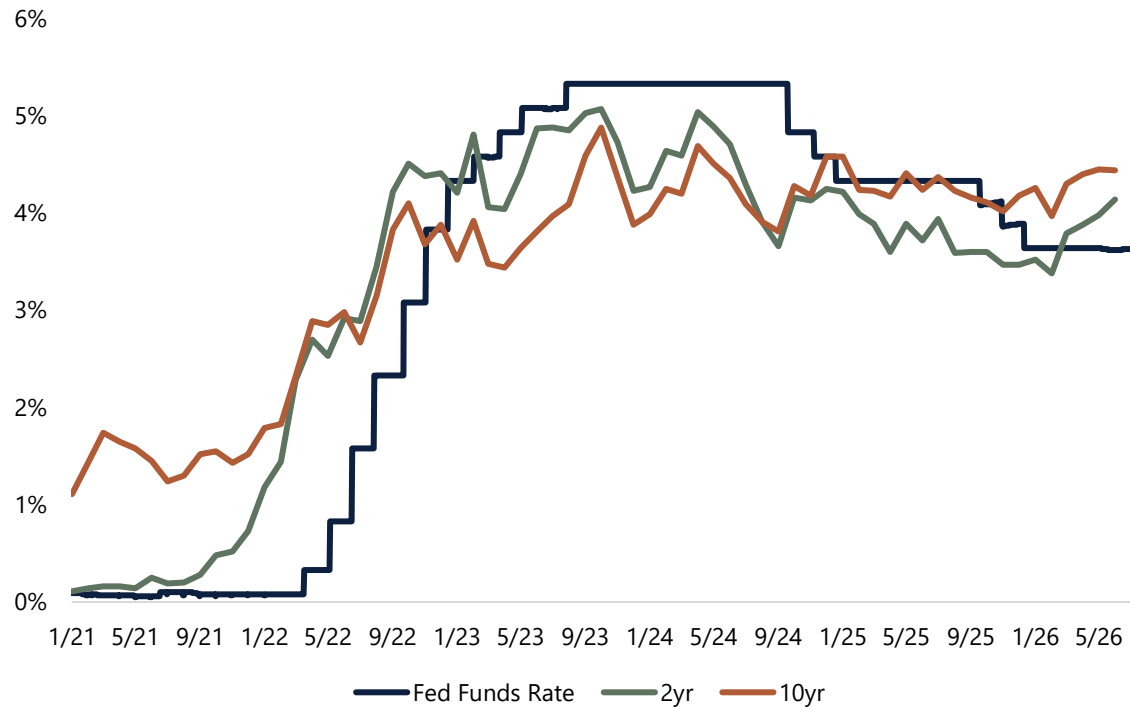
Credit Continues to Outperform

Bond Type	Yield (%)			Yield History
	Last Month	Last Year	Change	
ST Treasury	4.16	3.98	0.18	
LT Treasury	4.99	4.95	0.04	
Investment Grade	5.2	5.07	0.13	
High-Yield	7.16	7.08	0.08	
Mortgage-Backed	4.97	5.07	-0.1	
Municipal Bonds	3.58	3.98	-0.4	

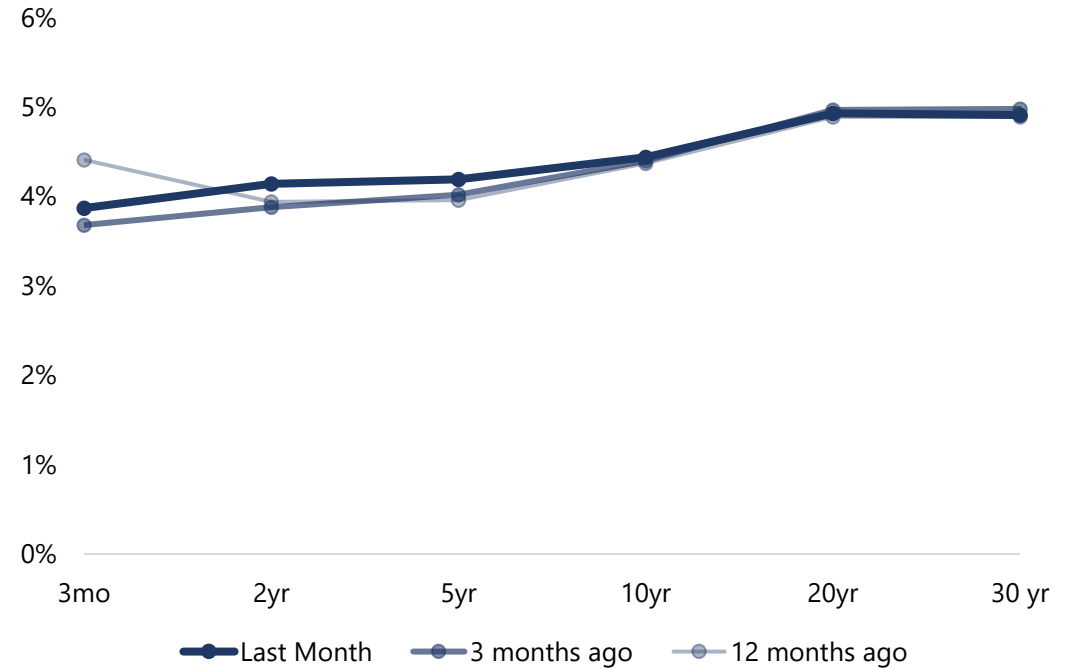


Rates Starting to Pick Up

Key Treasury Yields



Treasury Yield Curve

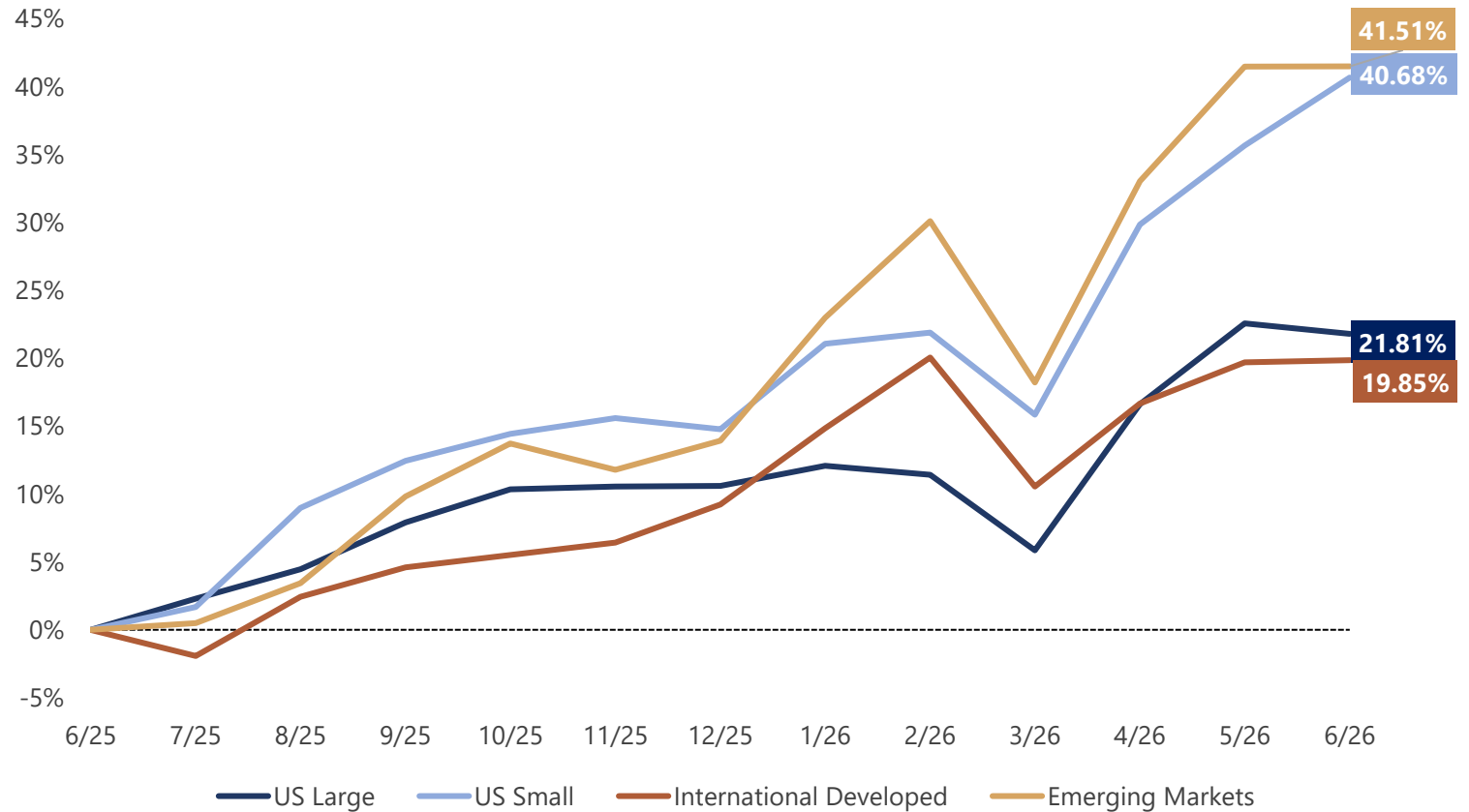


	3mo	2yr	5yr	10yr	20yr	30 yr
Last Month	3.9%	4.1%	4.2%	4.4%	4.9%	4.9%
3 months ago	3.7%	3.9%	4.0%	4.4%	5.0%	5.0%
12 months ago	4.4%	3.9%	4.0%	4.4%	4.9%	4.9%

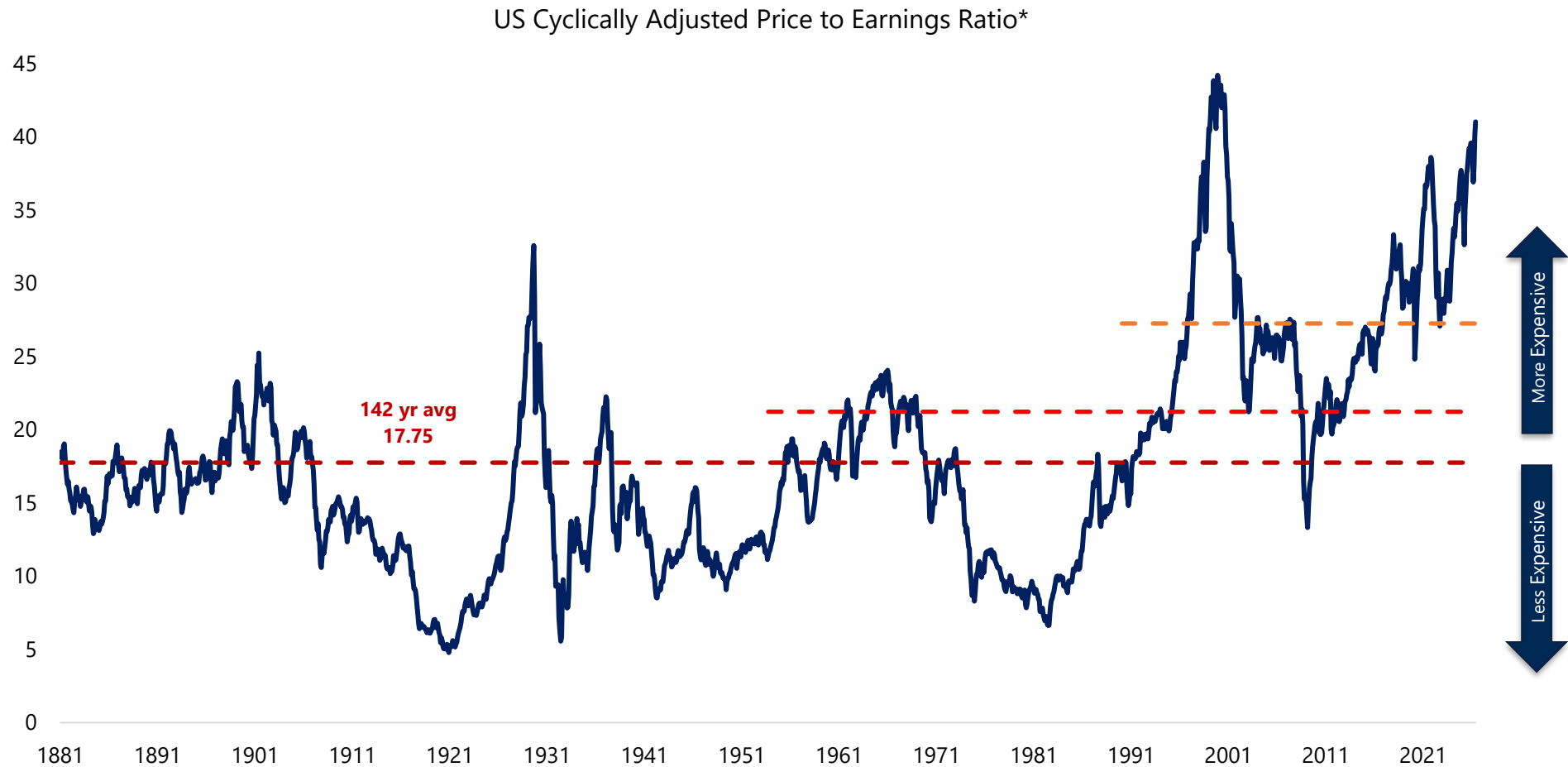
Small Caps and Emerging Markets Dominate

	Stock Type	Last Month	Last 3 Months	Last 12 Months
Core	US Large	-0.6%	15.1%	21.8%
	US Small	3.7%	21.4%	40.7%
	International Developed	0.1%	8.4%	19.9%
	International Emerging	0.0%	19.7%	41.5%
Other	US Value	2.2%	13.8%	26.9%
	US Growth	-2.7%	16.7%	17.5%
	Nasdaq	-0.1%	27.7%	34.1%

US vs International Stock Performance



US Stock Valuations Near Tech Bubble Highs

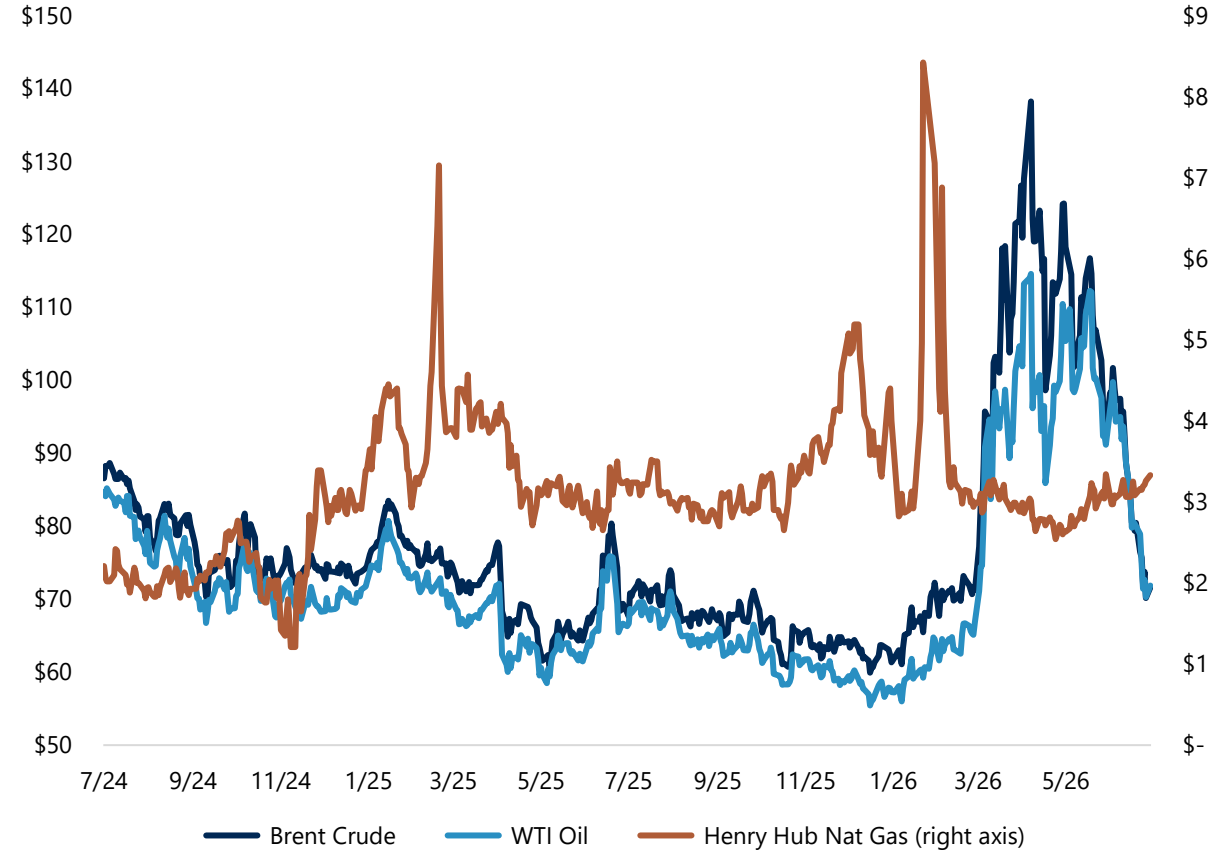


Huge Selloff in Oil

Bloomberg Commodity Index



Energy Prices



Periodic Table of Asset Class Returns



											Through Last Month End 6/30/2026	
2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	5 Yr	10 Yr
US Small Stock 22%	Intl Emerging Stk 37%	Cash 2%	US Large Stock 31%	US Large Stock 21%	US Large Stock 26%	Trend Following 22%	Reinsurance 44%	Reinsurance 31%	Intl Emerging Stk 33%	Intl Emerging Stk 24%	Reinsurance 22%	US Large Stock 15%
US Large Stock 12%	Intl Developed Stk 27%	Bonds 0%	US Small Stock 25%	US Small Stock 20%	US Small Stock 15%	Reinsurance 3%	US Large Stock 26%	US Large Stock 24%	Intl Developed Stk 32%	US Small Stock 23%	US Large Stock 12%	US Small Stock 12%
Intl Emerging Stk 10%	US Large Stock 22%	US Large Stock -5%	Intl Developed Stk 23%	Intl Emerging Stk 18%	Intl Developed Stk 12%	Cash 2%	Intl Developed Stk 18%	TAA 12%	Reinsurance 30%	US Large Stock 10%	Intl Developed Stk 9%	Intl Emerging Stk 10%
Reinsurance 6%	TAA 19%	Reinsurance -6%	TAA 20%	Moderate Blended Port 13%	Moderate Blended Port 11%	Bonds -12%	US Small Stock 17%	US Small Stock 11%	Moderate Blended Port 18%	Intl Developed Stk 10%	Intl Emerging Stk 7%	Intl Developed Stk 10%
Moderate Blended Port 6%	Moderate Blended Port 17%	Moderate Blended Port -7%	Moderate Blended Port 20%	Intl Developed Stk 8%	TAA 10%	TAA -12%	Moderate Blended Port 17%	Moderate Blended Port 10%	US Large Stock 17%	Reinsurance 9%	Moderate Blended Port 7%	Reinsurance 9%
TAA 5%	US Small Stock 15%	TAA -8%	Intl Emerging Stk 18%	Reinsurance 7%	Trend Following 5%	Moderate Blended Port -15%	Intl Emerging Stk 12%	Intl Emerging Stk 7%	TAA 16%	Moderate Blended Port 9%	TAA 7%	Moderate Blended Port 9%
Intl Developed Stk 2%	Bonds 5%	US Small Stock -11%	Bonds 8%	Bonds 7%	Cash 0%	Intl Developed Stk -15%	TAA 12%	Cash 5%	US Small Stock 13%	TAA 8%	US Small Stock 7%	TAA 7%
Bonds 1%	Trend Following 2%	Trend Following -13%	Trend Following 4%	Trend Following 3%	Bonds -1%	US Large Stock -19%	Bonds 6%	Intl Developed Stk 3%	Bonds 7%	Trend Following 7%	Cash 4%	Cash 2%
Cash 0%	Cash 1%	Intl Developed Stk -14%	Cash 2%	Cash 0%	Intl Emerging Stk -1%	Intl Emerging Stk -20%	Cash 5%	Trend Following 3%	Cash 4%	Cash 2%	Trend Following 4%	Bonds 2%
Trend Following -6%	Reinsurance -11%	Intl Emerging Stk -15%	Reinsurance -4%	TAA -2%	Reinsurance -5%	US Small Stock -20%	Trend Following -3%	Bonds 1%	Trend Following -4%	Bonds 1%	Bonds 0%	Trend Following 1%

Disclaimer

PAST PERFORMANCE IS NOT A GUARANTEE OF CURRENT OR FUTURE RESULTS. Examples of historical information included in this presentation do not, nor are they intended to, constitute a promise of similar future results. Specific client portfolio allocations, risks and returns can and may deviate from these examples depending on accounts and types of investments available through each account. Future market views by WJ Interests, LLC may vary significantly from the historical examples presented herein and no one receiving this summary should assume that WJ Interests, LLC will be able to replicate successful views in the future.

Moderate Blended Portfolio is for illustrative purposes only. It is calculated by taking a weighted average of the following asset classes and represents a moderate risk portfolio incorporating leverage and the asset classes in the table:

27%	US Large Stock: iShares Russell 1000 (IWB)
6%	US Small Stock: iShares Russell 2000 (IWM)
21%	Intl Developed Stock: iShares Core MSCI EAFE (IEFA)
6%	Intl Emerging Stock: iShares Core MSCI Emerging Markets (IEMG)
40%	Bonds: Vanguard Total Bond Market (BND)
-15%	Cash: Morningstar USD 1M Cash TR USD
5%	Reinsurance: Stone Ridge Reinsurance Fund (SRRIX)
5%	Managed Futures: SG Trend Index, PIMCO Trends (PQTIX), Virtus Alphasimplex (ASFYX), Standpoint (BLNDX)
5%	TAA: GMO Benchmark Free (GBMIX) and Strategy Shares Nwfd/Rslv Rbt ETF (ROMO)

Assumes annual rebalancing. All data represents total return for stated period.