



WJ Charts of the Month

June 2025

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

Historic 1st Half for Int'l Stocks

1st Half Recap

Oil Rig Count Falling

GDP Revised Lower

What Happened

Historic 1st Half for International Stocks

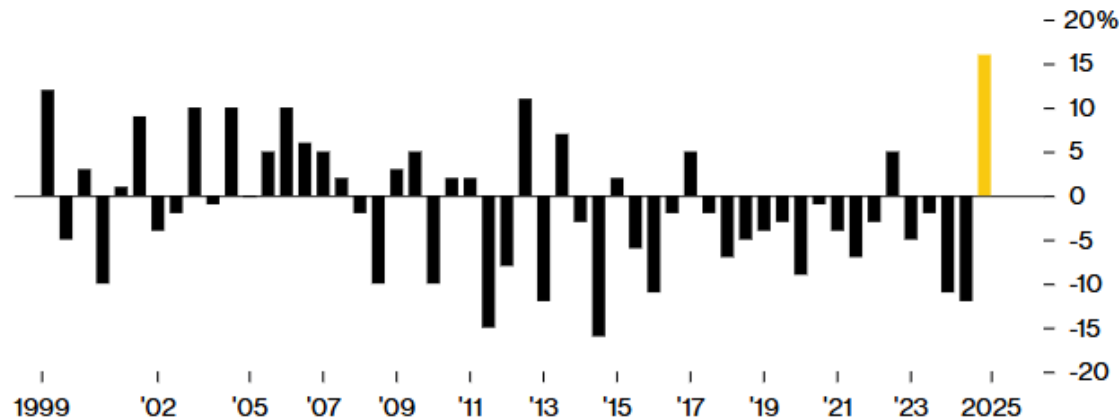
The end of the 1st half of 2025 officially marks the largest outperformance ever for European stocks, and more broadly for international stocks. A big chunk of that outperformance can be contributed to the relative weakness in the US Dollar ytd. Down over 10%, the dollar is off to its worst start since 1973 when the US left the gold standard.

To be fair, this is coming off a period of unusually high relative dollar strength. In addition, a weak dollar is not necessarily a bad thing, depending on what causes the weakness. A weaker currency can encourage exports, as our goods become more affordable to other countries.

European Stocks Outperform US Peers in First Half

Stoxx Europe 600 set for largest outperformance ever in dollar terms

■ Stoxx Europe 600 Index - S&P 500 Index semi-annual returns

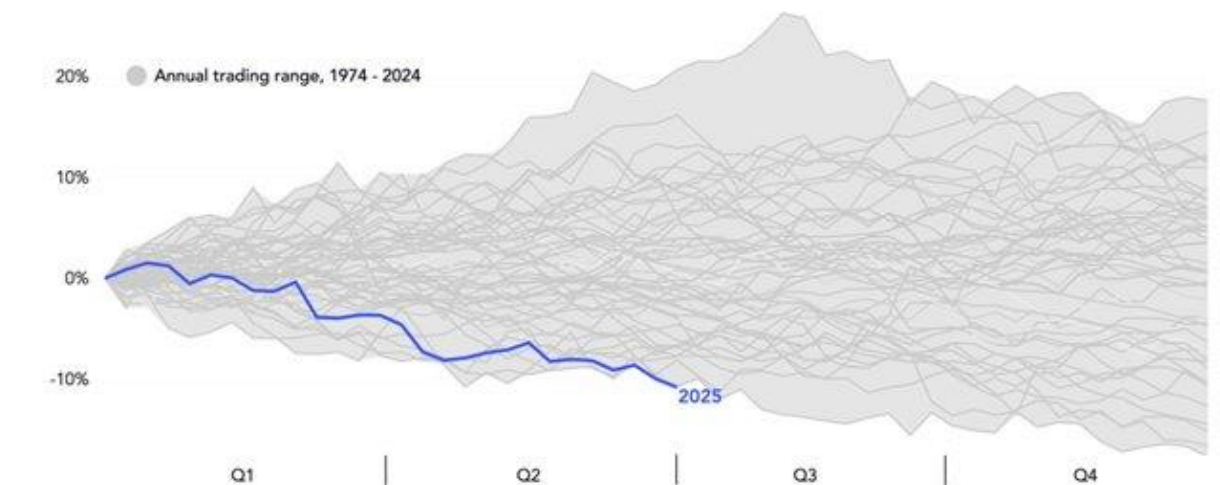


Source: Bloomberg

Note: Relative returns in percentage points. 2025 as of June 29

The dollar's headed for its worst first-half performance since 1973.

Year-to-date change in DXY dollar index, 1974 - 2025



Sources: Bloomberg
Chart: Karl Schmitt, Corpay Currency Research

Corpay[®]

Here's the 1st Half Stock Market Recap

This all-in-one graphic shows the performance of various markets for last quarter, and the first half of the year.

Things that stand out:

- **Israel grew a best 25% in Q2**
- **Spain grew a best 43% YTD**
- **US Small Caps had worst performance at -7%**
- **Nat Gas was down 25% in Q2.**
- **Gold and Silver Up 25% YTD**
- **Semiconductors and Tech grew 33% and 23%, respectively**

US Market Indices

Currencies

US Sectors

Key ETF Performance (% Total Return)

US Related

ETF	Description	Q2	YTD
SPY	S&P 500	10.43	5.72
DIA	Dow 30	4.84	3.85
QQQ	Nasdaq 100	17.35	7.80
IJH	S&P Midcap 400	7.09	0.56
RSP	S&P 500 Equalweight	5.17	4.46
IWB	Russell 1000	10.64	5.63
IWM	Russell 2000	9.07	-1.31
IWV	Russell 3000	10.53	5.31

IVW	S&P 500 Growth	18.30	8.29
IJK	Midcap 400 Growth	9.76	0.67
IJT	Smallcap 600 Growth	7.50	-0.94
IVE	S&P 500 Value	2.62	2.86
IJJ	Midcap 400 Value	4.19	0.20
IJS	Smallcap 600 Value	3.24	-7.00
DVY	DJ Dividend	-0.45	2.62
QQQE	Nasdaq 100 EW	12.51	9.35

FXB	British Pound	6.79	10.97
FXE	Euro	8.69	13.93
FXU	Yen	3.51	8.60
IBIT	Bitcoin	30.28	14.96

XLY	Cons Disc	10.45	-2.53
XLP	Cons Stap	-0.81	3.60
XLE	Energy	-8.14	0.98
XLF	Financials	4.92	8.52
XLV	Health Care	-7.25	-1.18
XLI	Industrials	12.36	12.11
XLB	Materials	2.89	5.63
XLRE	Real Estate	-0.13	3.41
XLK	Technology	22.53	9.00
XLC	Comm Services	11.54	11.45
XLU	Utilities	4.25	9.37
SMH	Semis	32.52	15.72

Global

ETF	Description	Q2	YTD
EWA	Australia	13.46	11.46
EWZ	Brazil	11.00	27.47
EWG	Canada	13.58	14.84
MCHI	China	2.63	19.15
EWQ	France	10.15	22.18
EWG	Germany	16.04	35.23
EWJ	Hong Kong	16.28	22.21
INDA	India	8.76	6.36
EWI	Italy	15.31	35.67
EWJ	Japan	10.81	13.22
EWJ	Mexico	21.33	32.04
EWJ	Spain	16.51	42.81
EIS	Israel	24.73	20.38
EWU	UK	8.56	19.99

EFA	EAFE	11.47	20.49
EEM	Emerging Mkts	11.44	16.45
IOO	Global 100	12.43	7.43
VT	All World	11.19	10.10
CWI	All World ex US	11.94	18.51

DBC	Commodities	-3.27	1.80
DBA	Agric. Commod.	-0.45	-1.38
USO	Oil	-5.33	-3.10
UNG	Nat. Gas	-24.53	-2.97
GLD	Gold	4.74	24.65
SLV	Silver	6.03	24.80

SHY	1-3 Yr Treasuries	1.08	2.66
IEF	7-10 Yr Treasuries	1.15	4.98
TLT	20+ Yr Treasuries	-2.42	2.40
AGG	Aggregate Bond	1.04	3.81
BND	Total Bond Market	0.99	3.80
TIP	T.I.P.S.	0.31	4.58

Individual Countries

International Market Indices

Commodities

Bond Indices

Recent Grads Struggling to Find Work

The employment situation as a whole has remained resilient, however there is one troubling trend growing.

Young people as a whole, but particularly college grads in their early 20s are having a difficult time find jobs.

For the first time ever, recent grads have a higher unemployment rate than the total unemployment rate, and it seems to be getting worse.

One popular explanation is AI, which is perfectly suited to take on early white collar knowledge work.

Another less dire reason may be that more grads than ever are going to graduate school for a masters or phd. Regardless, its something to keep an eye on.

The New Grad Gap

— Total Unemployment minus Recent Grad Unemployment



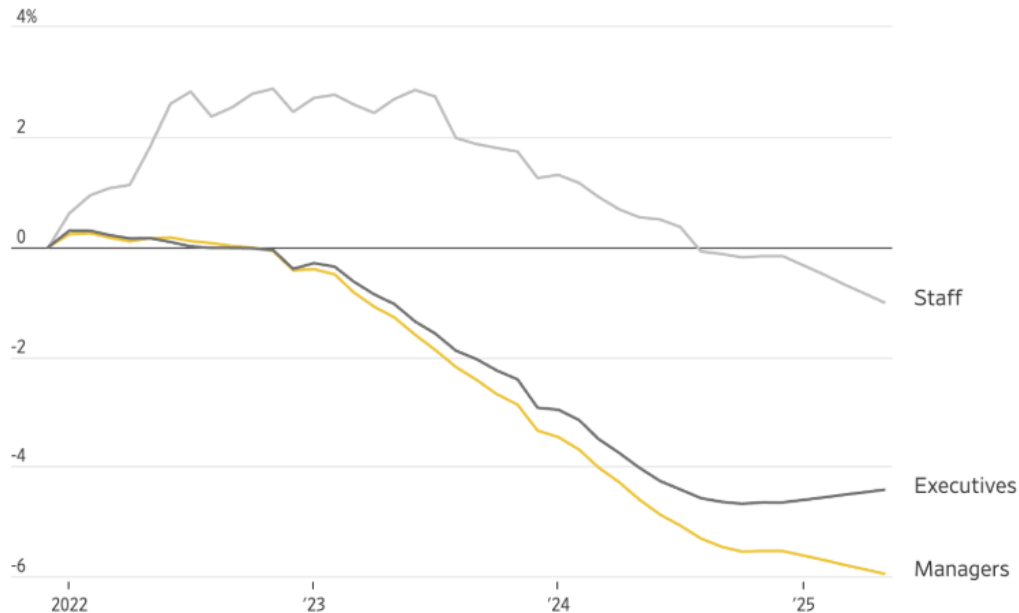
Source: U.S. Census Bureau and U.S. Bureau of Labor Statistics, Current Population Survey (IPUMS).

Work is Changing

Potentially related are the charts below. White collar employment at public companies has been falling since around 2022. This does seem to coincide with the rise of ChatGPT, but correlation is not causation. Perhaps more telling is where these cuts are coming from.

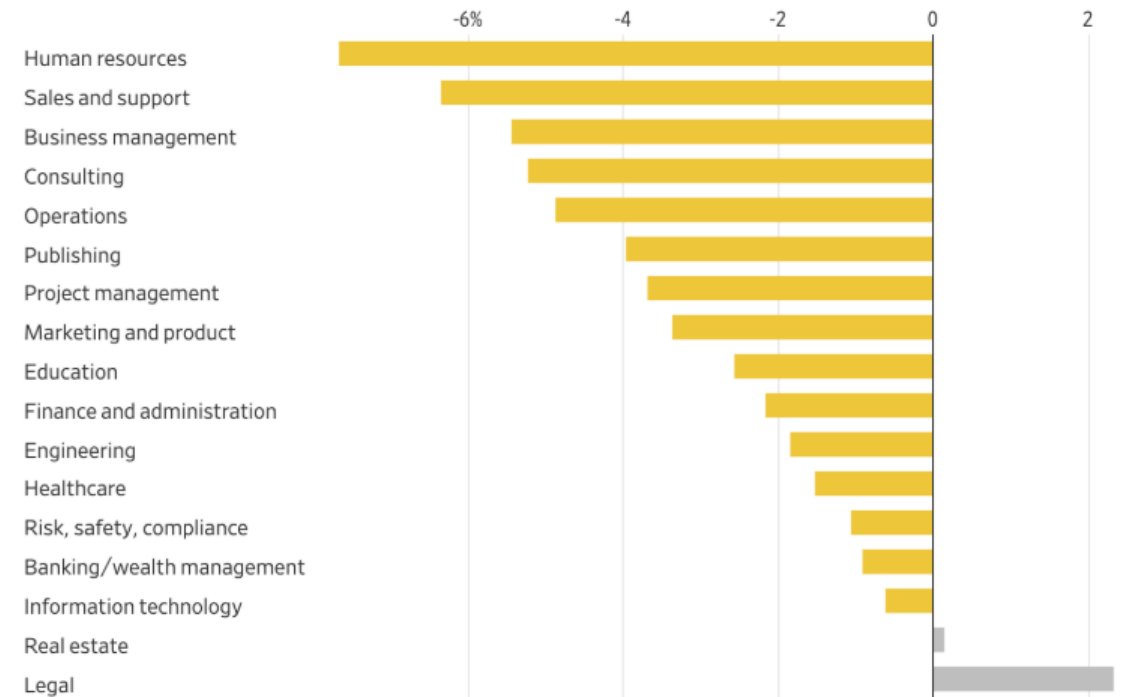
The chart on the right shows that HR employees are seeing the largest cuts. That would seem to be more of a cultural shift than an AI based one. Interesting to note the big outlier, legal. Legal employees have seen the largest jump in employment over the last 3 years.

Number of white-collar employees at U.S. public companies, change since the end of 2021



Note: Data are through May 2025.
Source: Live Data Technologies

U.S. corporate employees at public companies, three-year change



Note: Chart shows change in number of employees from May 2022 to May 2025.
Source: Live Data Technologies

Oil Rig Counts Falling

We used to track rig count pretty closely to glean insight on how much oil is likely to be produced, which of course affects oil prices. However, with the latest drilling efficiencies, and cutting of old wells, it's no longer a good indicator.

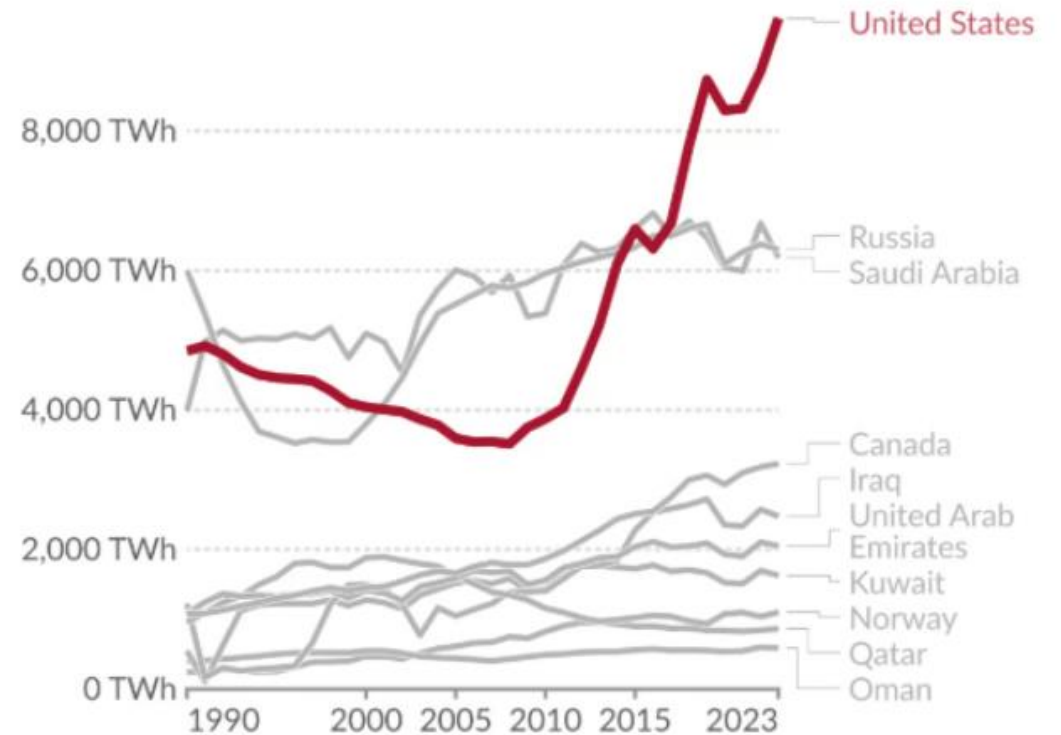
The chart below shows rig count, which has been falling for a while. The precipitous fall in the last 2 months is a bit concerning. However, despite declining rig counts, oil production is at all time highs.



Oil production in the United States is at an all-time high

Our World in Data

Oil production is measured in terawatt-hours of energy per year.



Data source: Energy Institute (2024)

OurWorldinData.org/fossil-fuels | CC BY

Note: Includes crude oil, shale oil, oil sands, condensates and natural gas liquids.

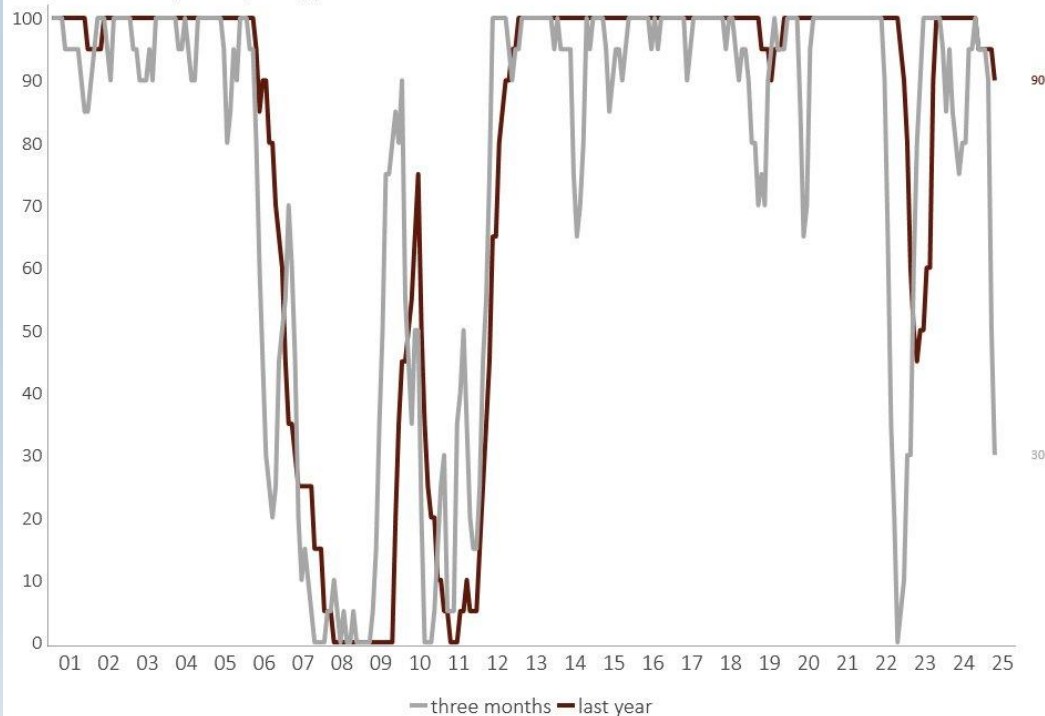
Housing Prices Weakening

Housing is currently unaffordable. The combination of historically high prices with high mortgage rates blocks a lot of people out of the market. But that may be changing. For the 1st time since 2022, housing prices are starting to fall a little. Its nothing severe but may be indicative of a change in the housing market.

The first chart shows the % of cities with home prices rising. In the last 3 months, only 30% of homes are rising. Typically is closer to 100% rising. The other chart shows this year in purple declining, while all other years since 2013 are increasing.

Home prices cooling across the country

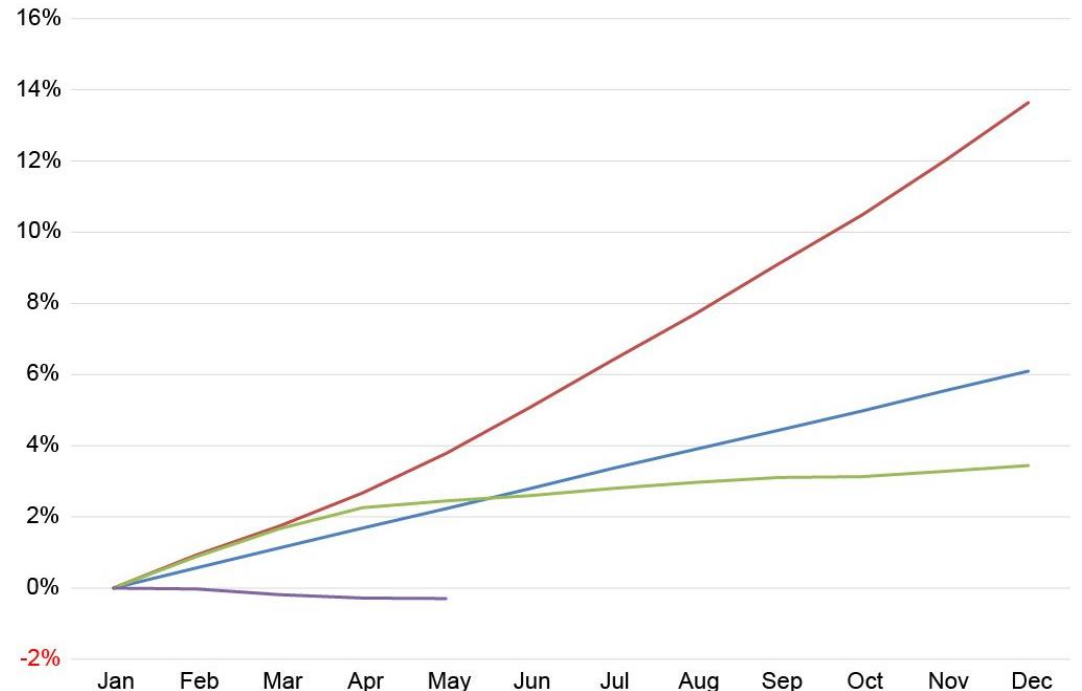
% of cities showing home price appreciation



Source: Renaissance Macro Research, Macrobond

National Resale Home Price Appreciation YTD Trend

— 2013–2019 — 2020–2021 — 2022–2024 — 2025

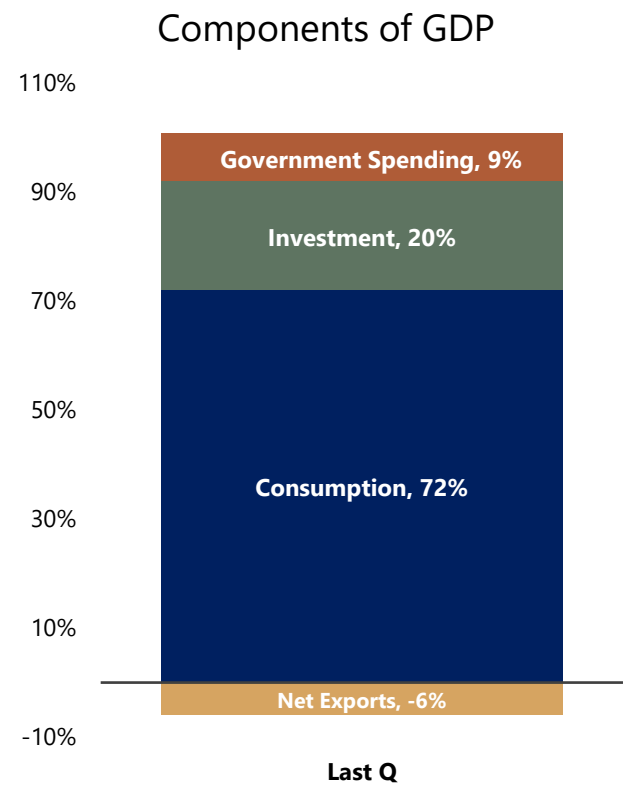
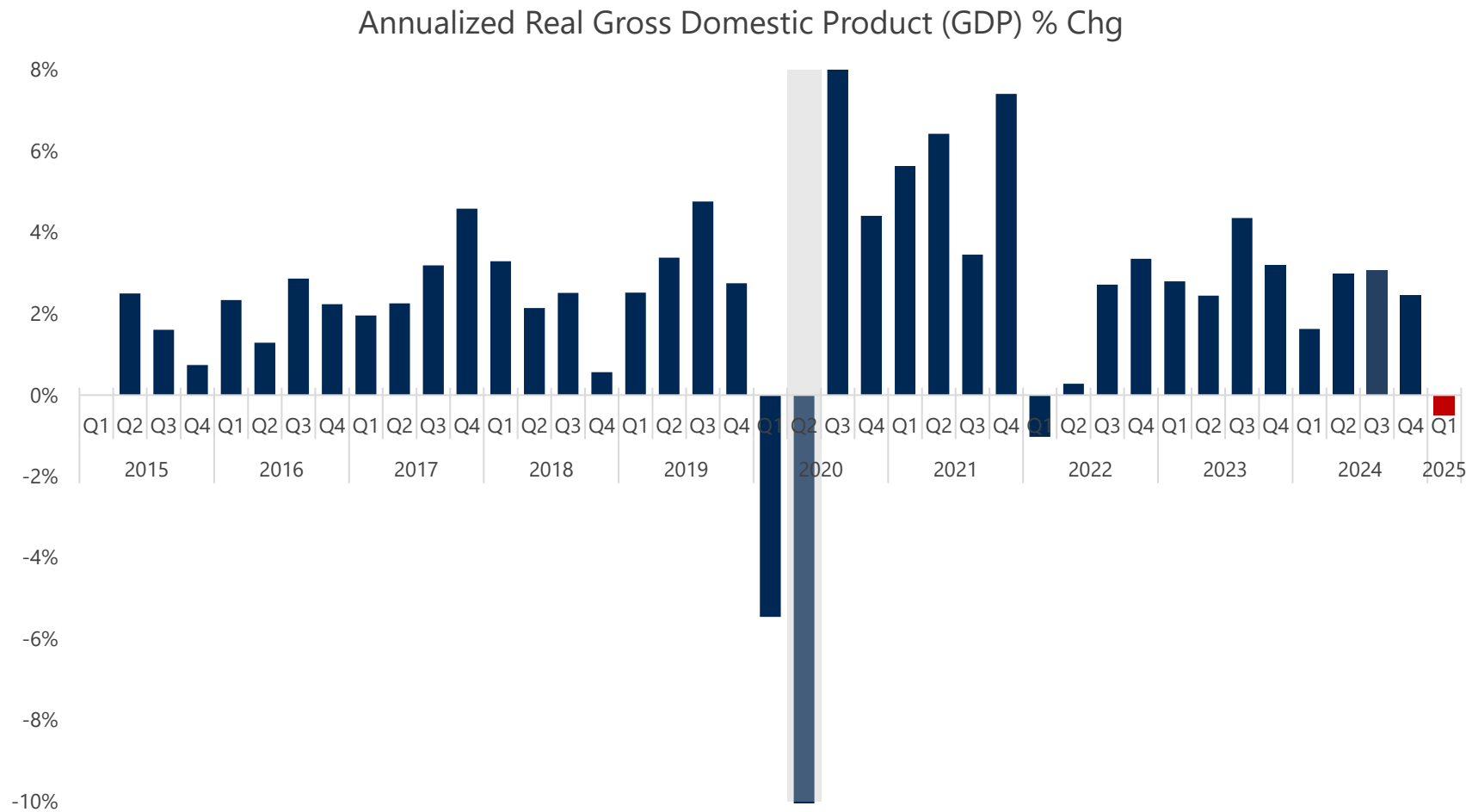


Source: John Burns Research and Consulting, LLC (Data: May-25, Pub: Jun-25)

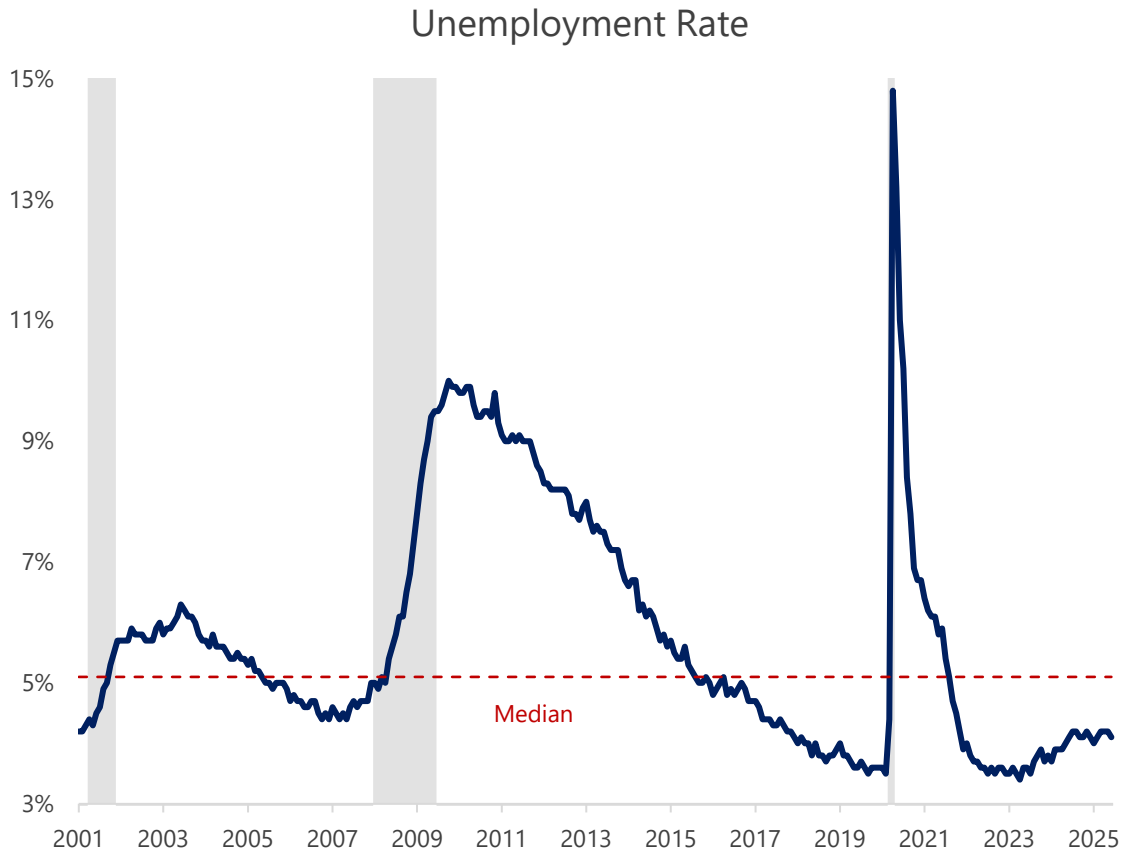


WJ State of the Economy

Q1 GDP Revised Lower, -0.5%

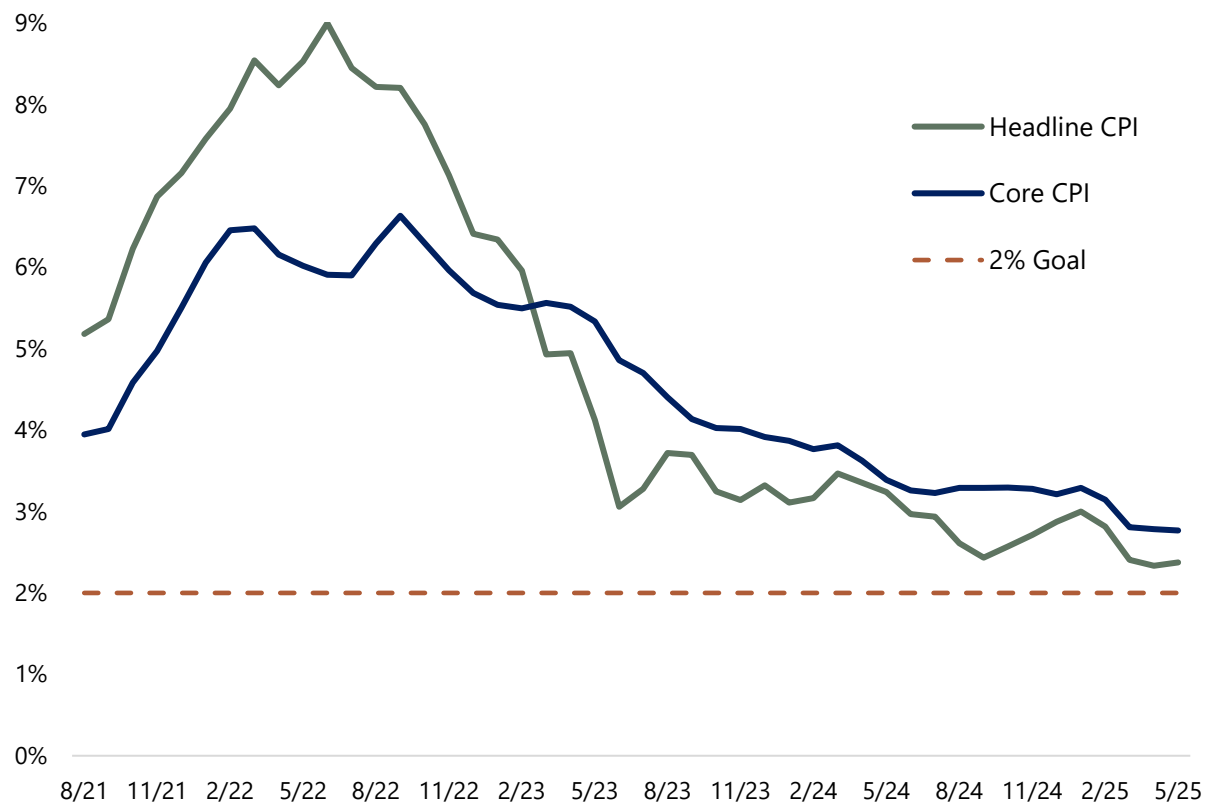


Employment Situation Still Solid

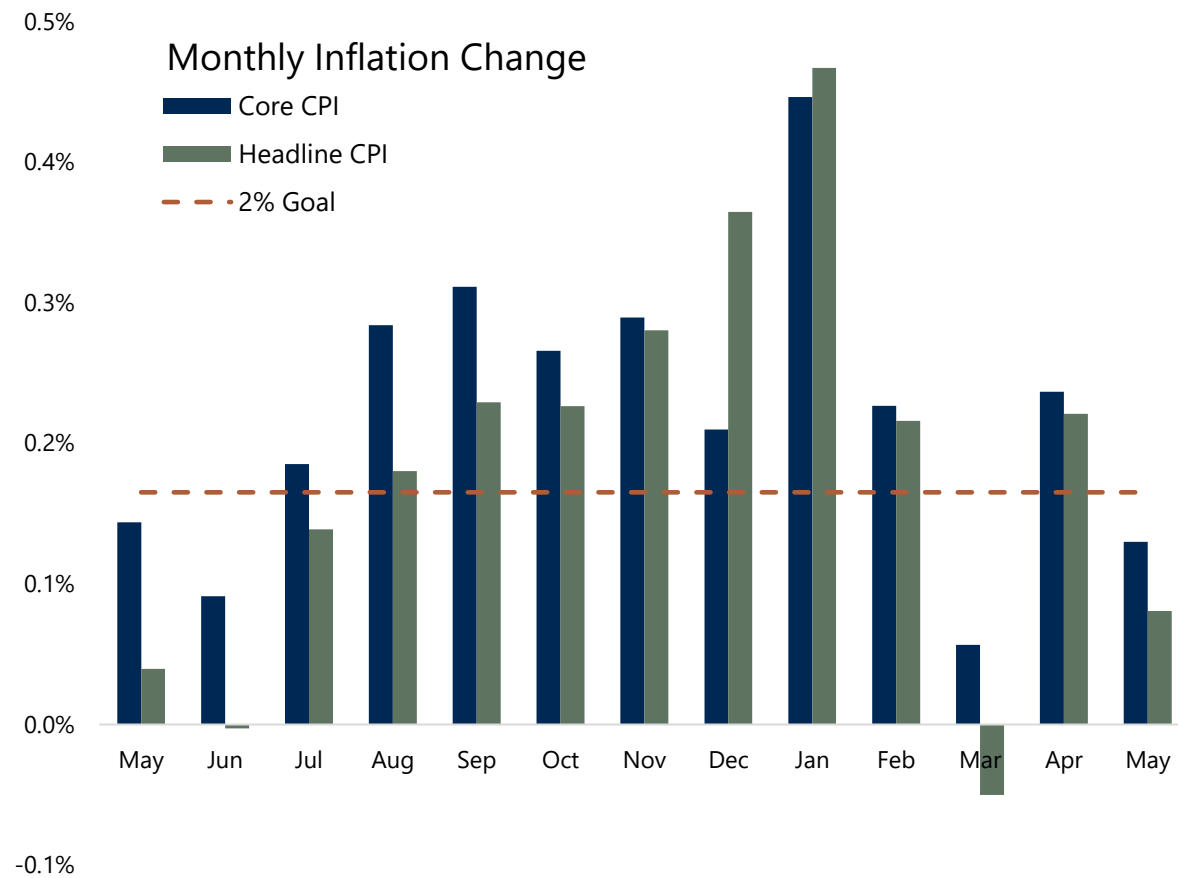


Inflation Continues It's Path Downward

Annual Inflation Change



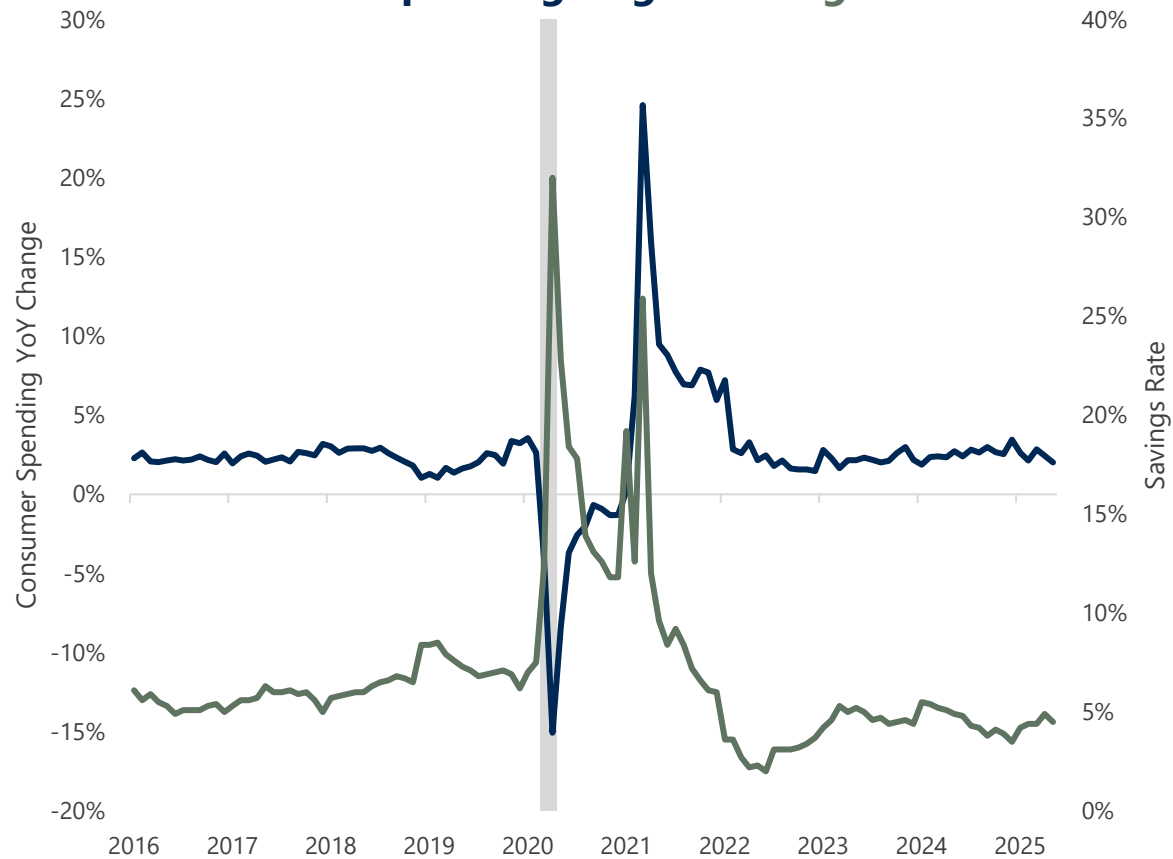
Monthly Inflation Change



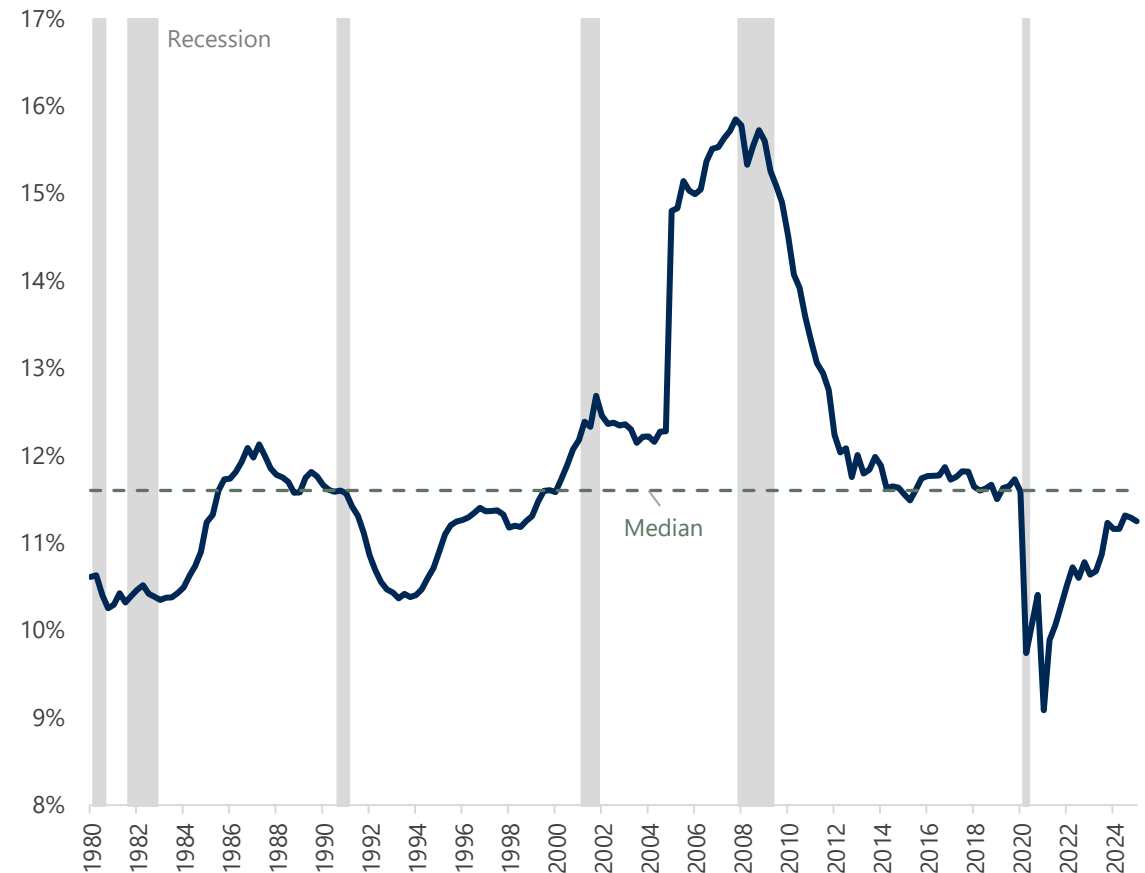
Source: Federal Reserve Economic Database (FRED). Consumer Price Index. Annual CPI Forecasts are made by WJ using past month over month CPI data and extrapolating forward with different growth rates.

Consumer is Still Strong

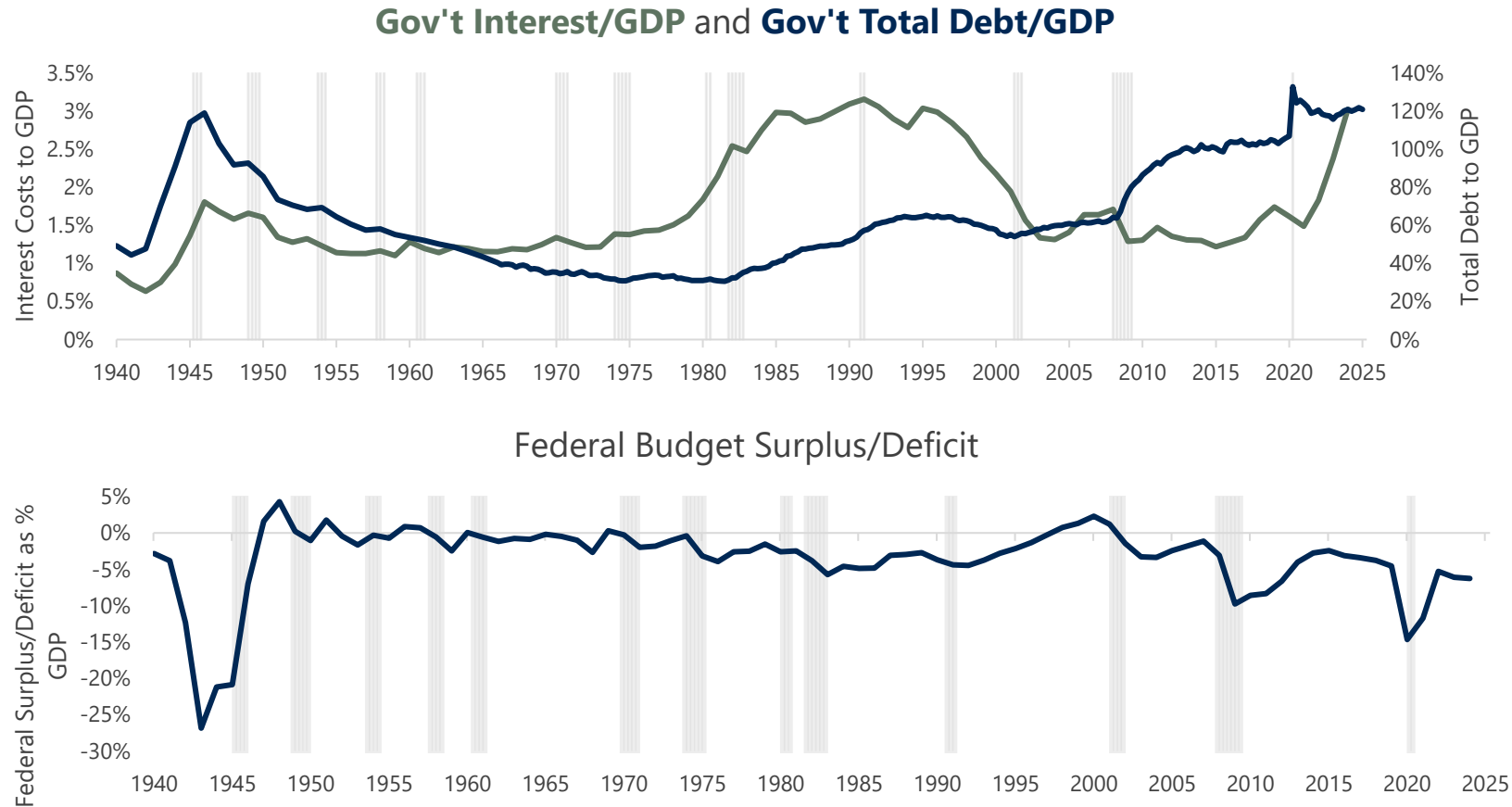
Consumer Spending Chg vs Savings Rate



Household Debt Service Payments as % of Income



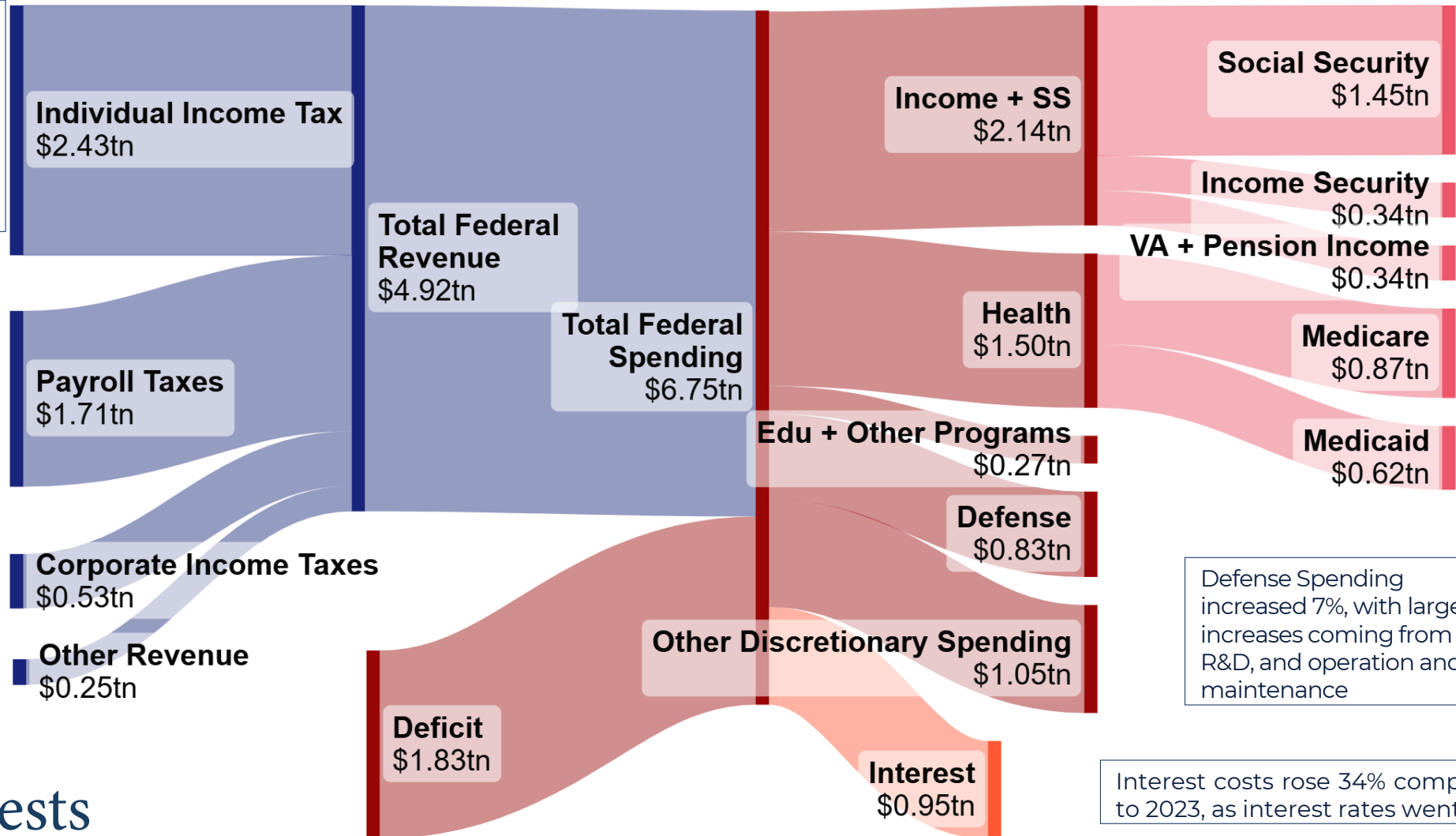
Interest Costs and the Deficit Rising



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

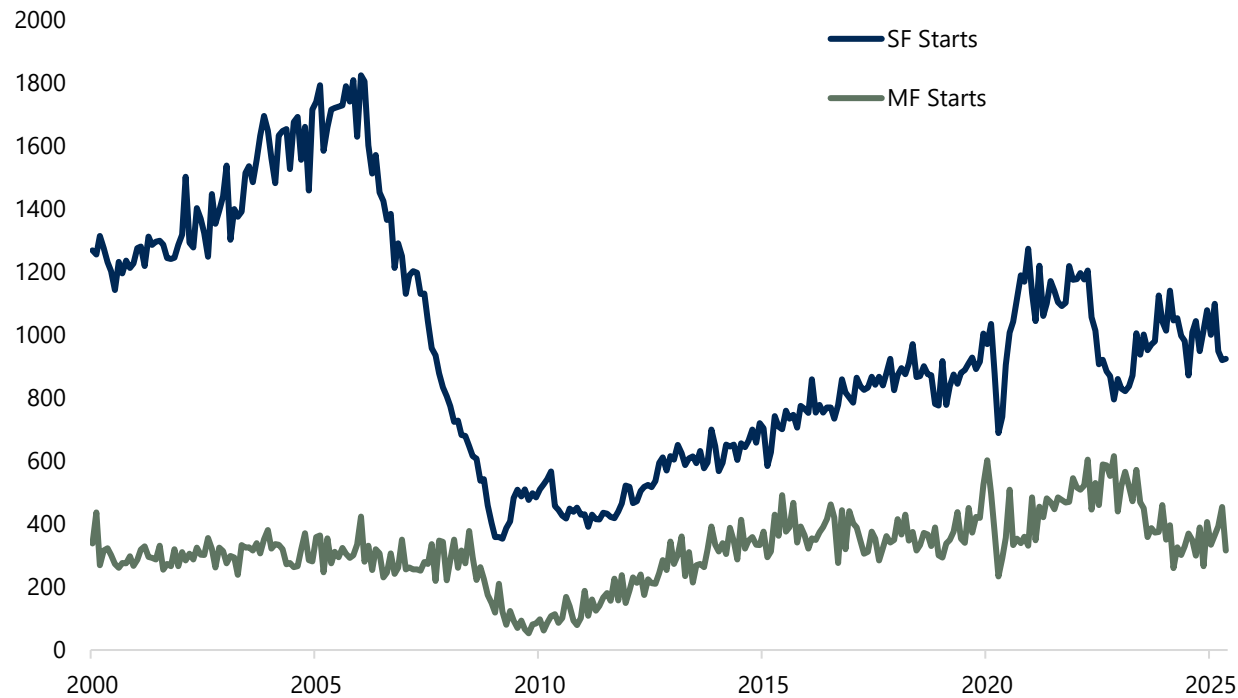
SS and Medicare rose 8% and 9% respectively, due to cost of living adjustments and more beneficiaries.

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

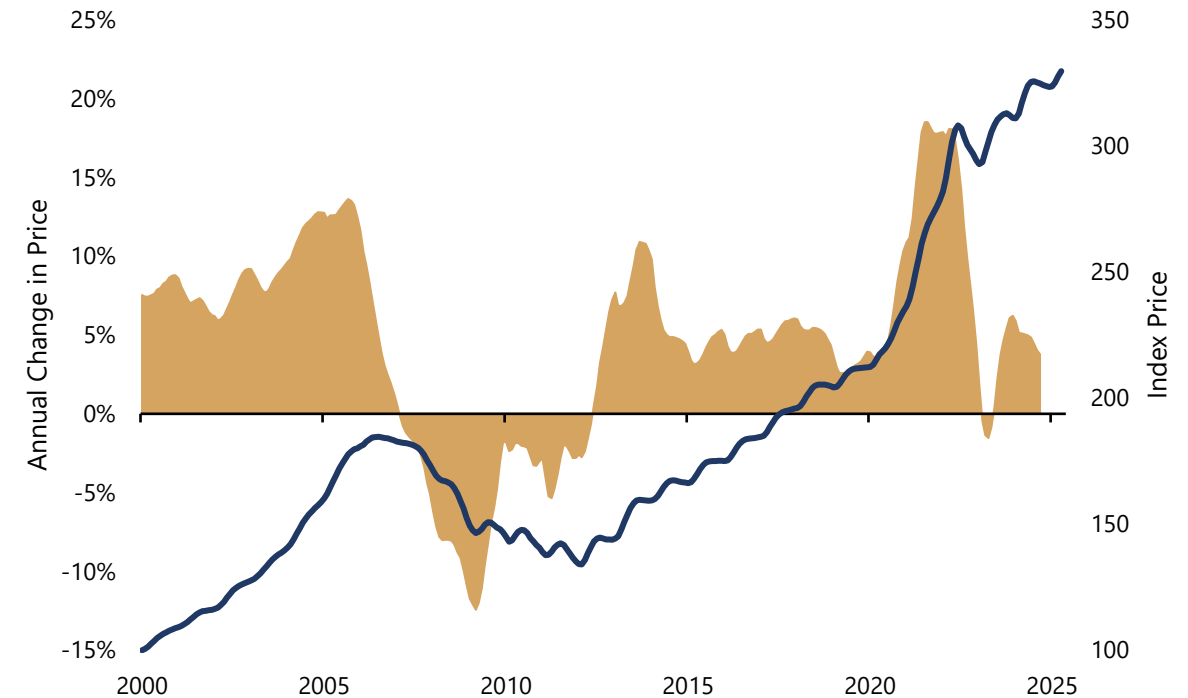
Interest costs rose 34% compared to 2023, as interest rates went up.

SF and MF Starts Drop

Housing Starts and Completes



Home Prices



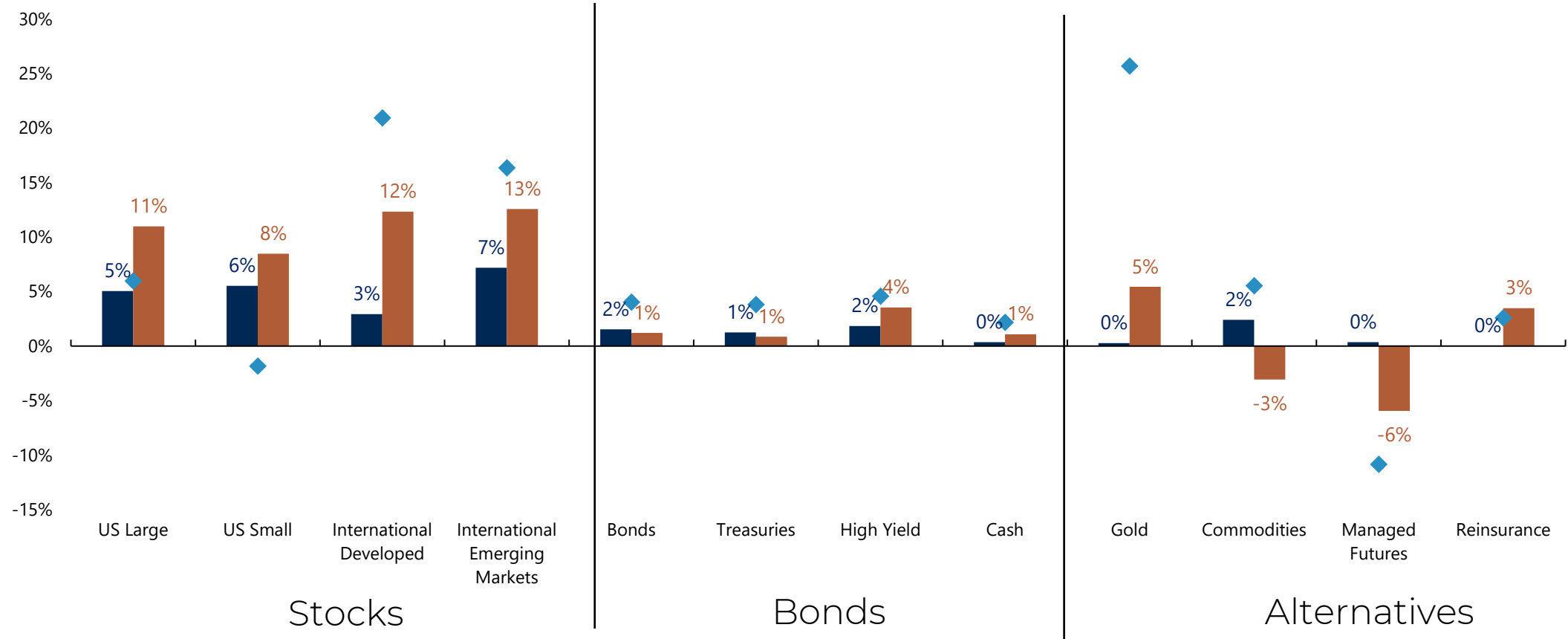
A housing start is the beginning of construction on a new residential housing unit and indicates how much new housing supply is on the horizon. On the right we show home prices over time, as well as the annual rate of change. Prices surged in 2021-2022 but have stopped growing altogether. What they do 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

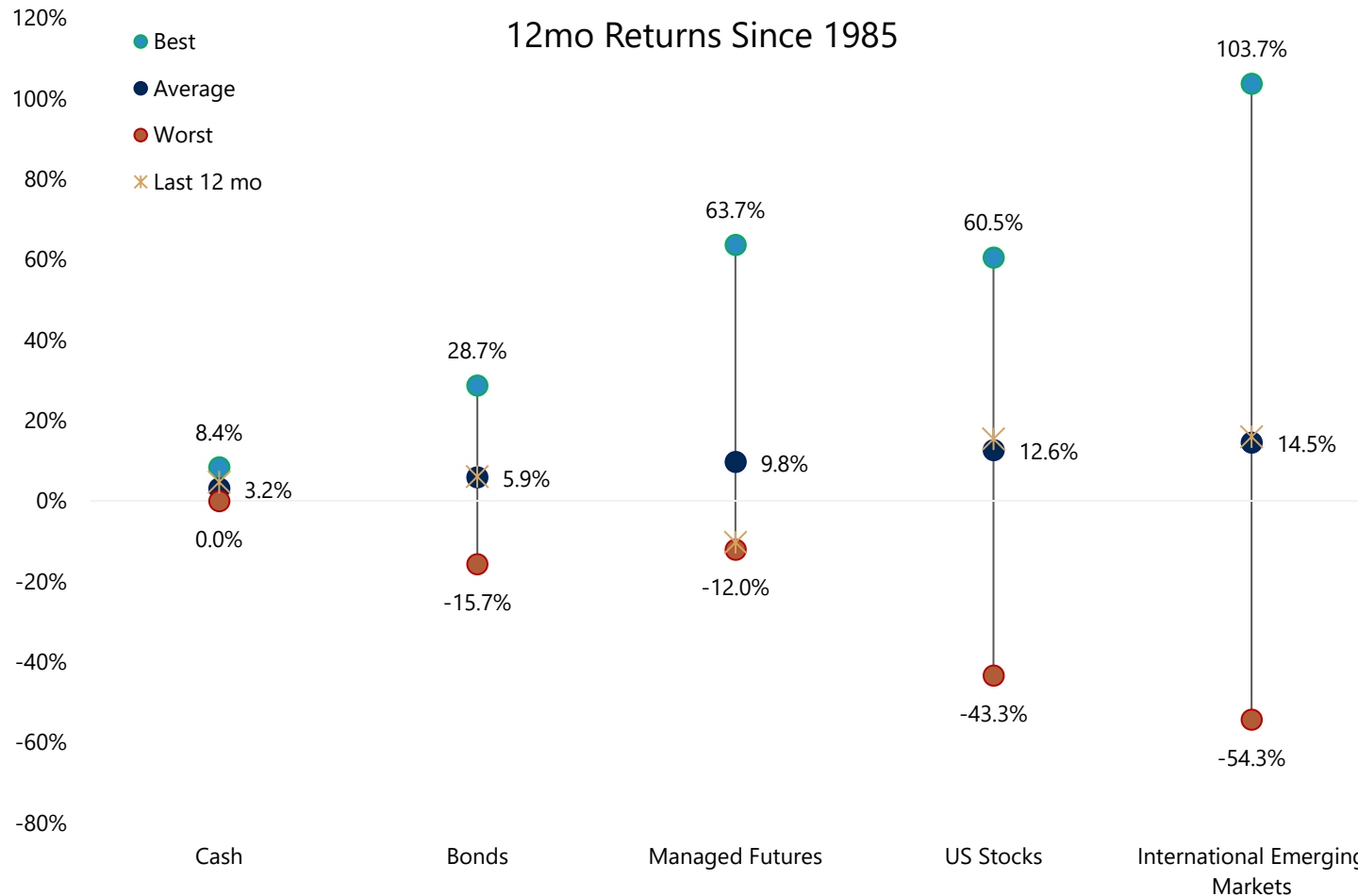
Great Month For Stocks

Major Asset Class Performance

■ Last Month ■ Trailing 3 Month ◆ YTD



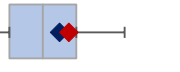
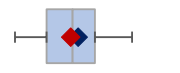
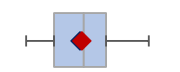
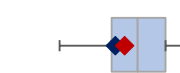
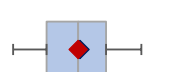
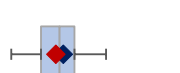
Historical Asset Class Return Range

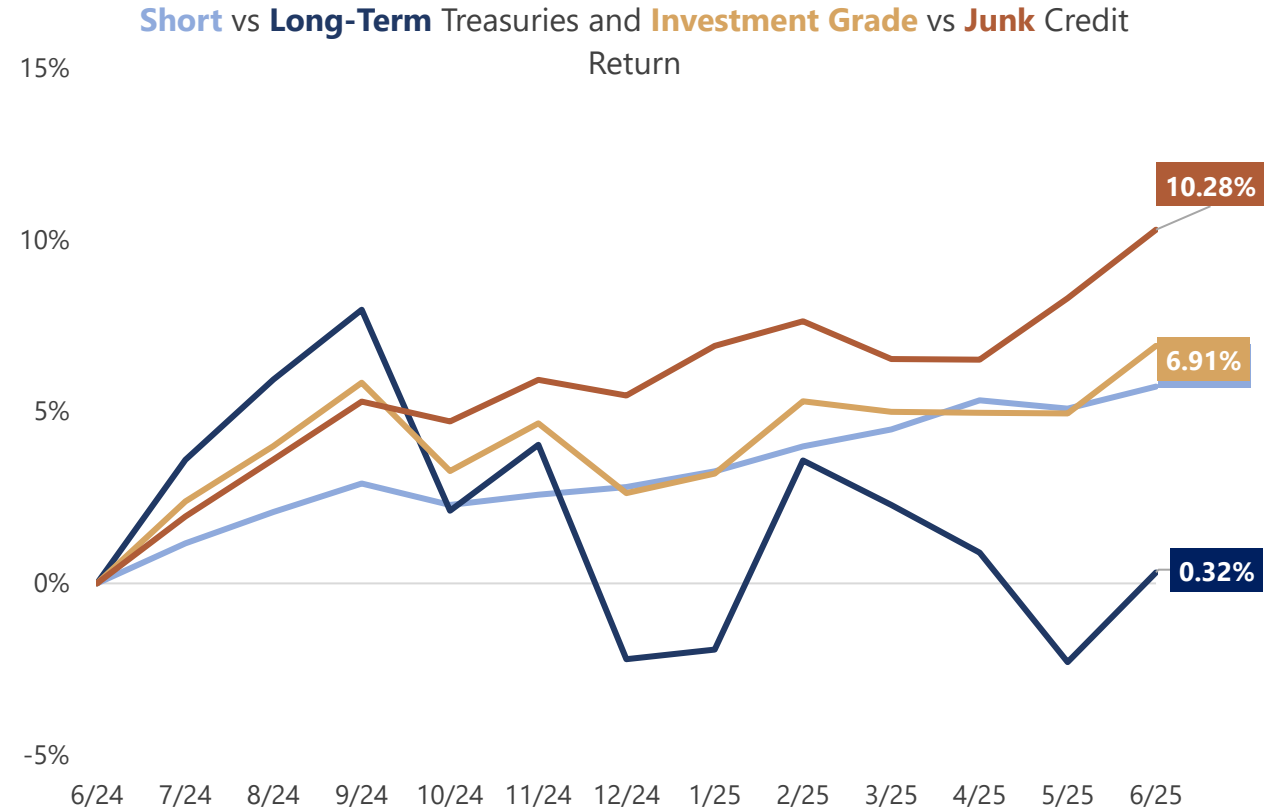


This chart shows the range of 12 month returns historically, by asset class. As you'd expect, the riskier investment leads to a greater potential gain, as well as loss.

The X on the line represents the last 12 months.

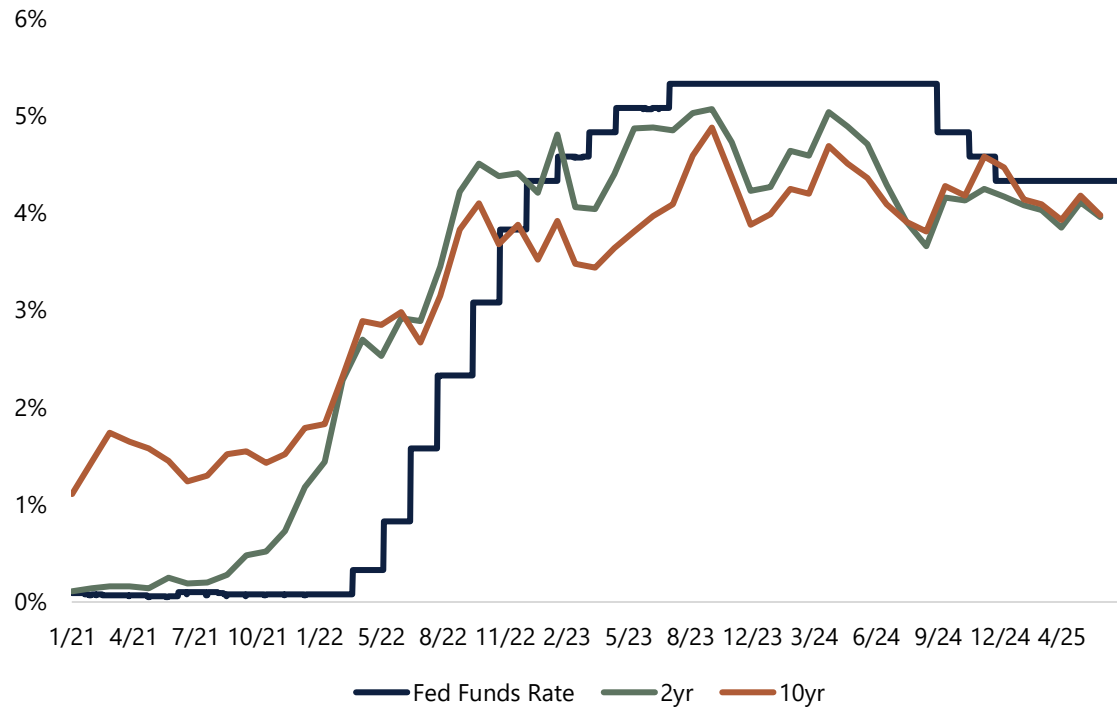
Long Bonds Continue to Struggle

Bond Type	Yield (%)			Yield History
	Last Month	Last Year	Change	
ST Treasury	3.78	4.33	-0.55	
LT Treasury	4.85	4.42	0.43	
Investment Grade	4.99	5.14	-0.15	
High-Yield	7.06	7.59	-0.53	
Mortgage-Backed	4.93	4.88	0.05	
Municipal Bonds	3.96	3.58	0.38	

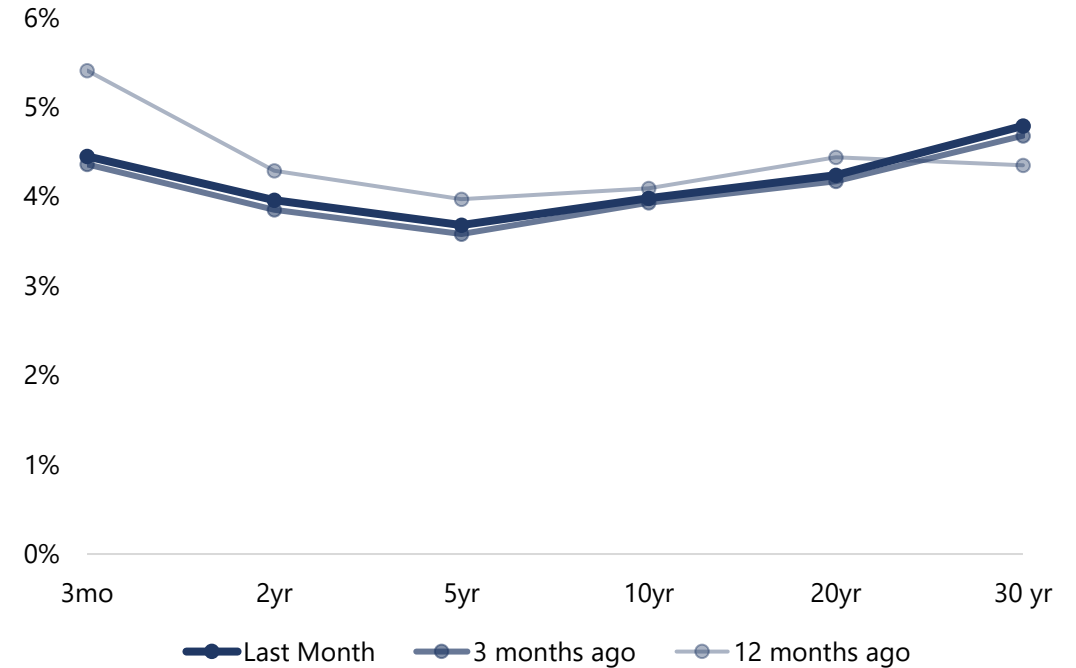


Fed continues to Pause, Longer Rates Steady

Key Treasury Yields



Treasury Yield Curve

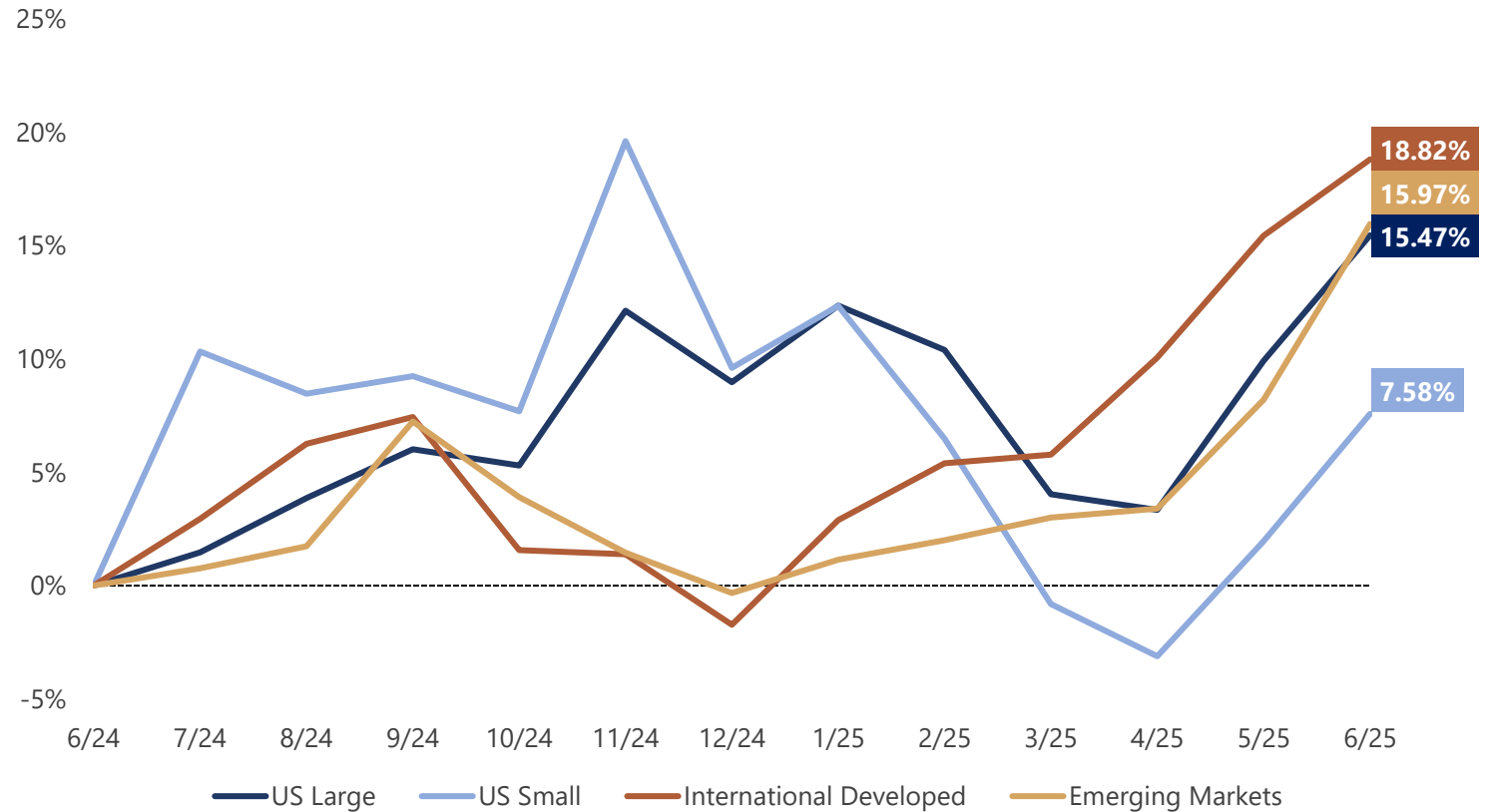


	3mo	2yr	5yr	10yr	20yr	30 yr
Last Month	4.5%	4.0%	3.7%	4.0%	4.2%	4.8%
3 months ago	4.4%	3.9%	3.6%	3.9%	4.2%	4.7%
12 months ago	5.4%	4.3%	4.0%	4.1%	4.4%	4.4%

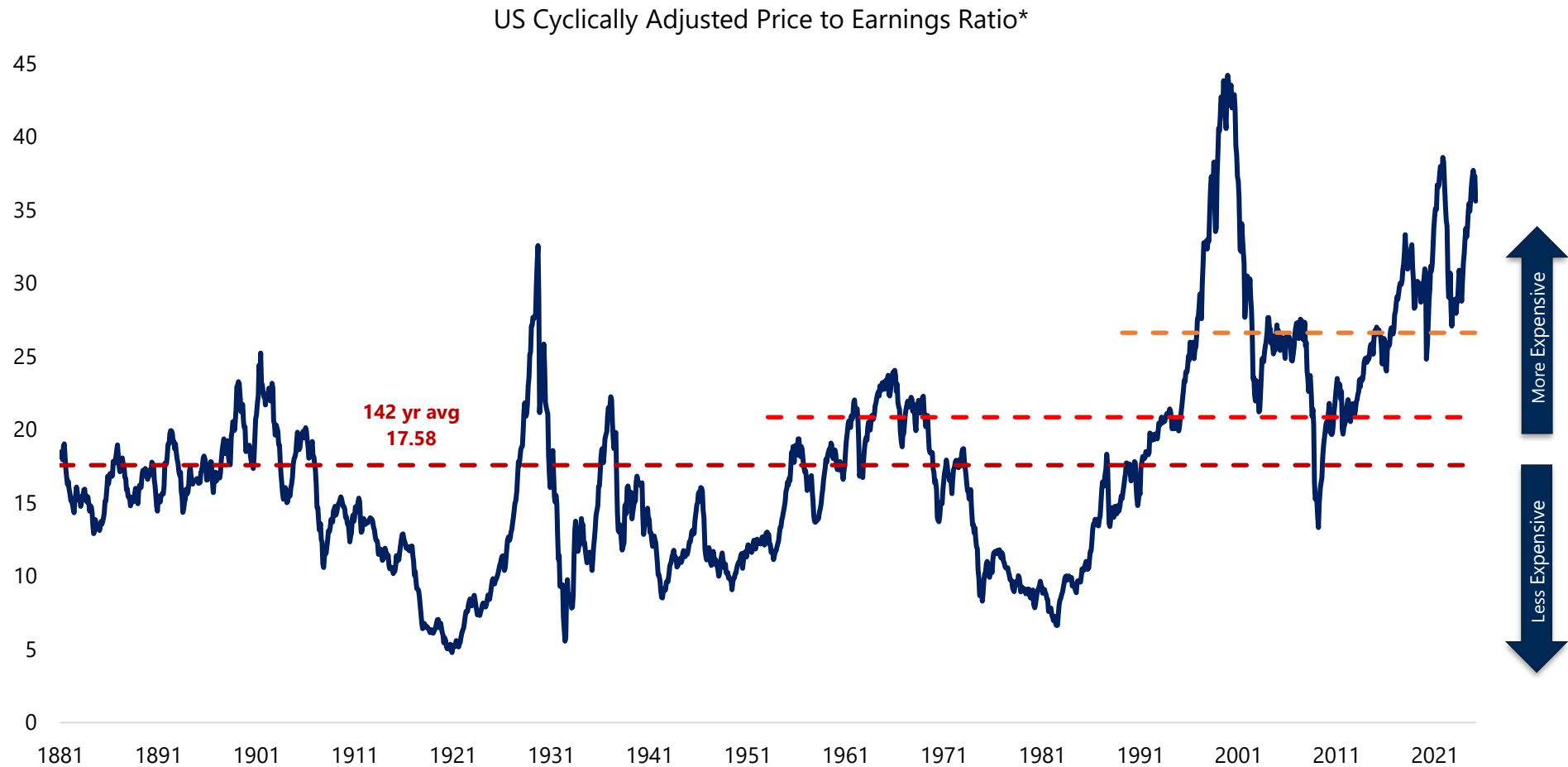
Developed and Emerging Int'l Stocks Outperform

	Stock Type	Last Month	Last 3 Months	Last 12 Months
Core	US Large	5.0%	11.0%	15.5%
	US Small	5.5%	8.5%	7.6%
	International Developed	2.9%	12.3%	18.8%
	International Emerging	7.2%	12.6%	16.0%
Other	US Value	3.4%	3.7%	13.5%
	US Growth	6.4%	17.8%	17.0%
	Nasdaq	6.3%	17.8%	15.9%

US vs International Stock Performance



US Stock Valuations Remain High



Commodities Remain Stable

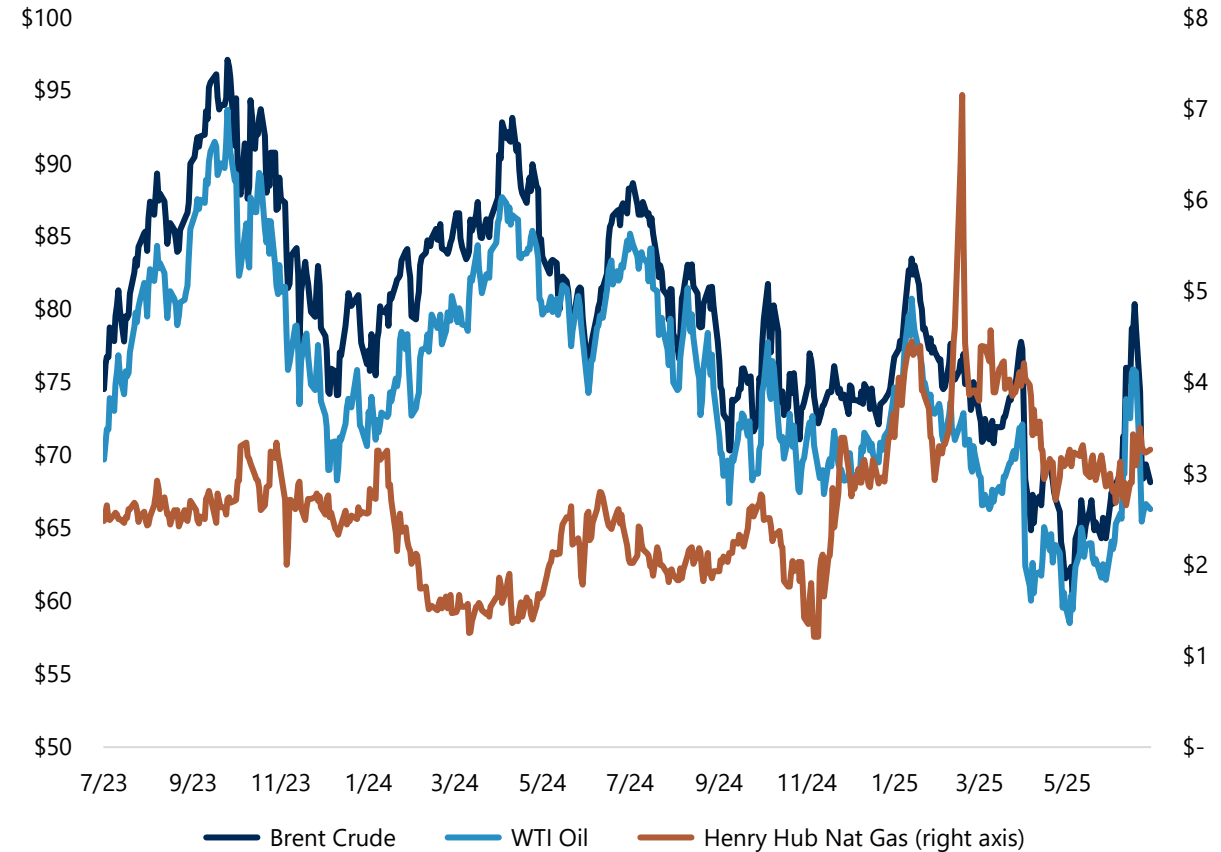
Bloomberg Commodity Index



Oil and Natural Gas prices are falling quickly on a combination of things. First, oil prices tend to fall as expected demand weakens, as is the case during a recession.

In addition, OPEC+ has also announced they are increasing production for the second month in a row. The combination of weak demand and increased supply could mean low energy prices for the foreseeable future. This is of course good for the consumer, but bad for energy companies.

Energy Prices



Periodic Table of Asset Class Returns



2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025 YTD
Reinsurance 8%	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 Developed Stk 21%
Bonds 2%	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 Emerging Stk 16%
US Large Stock 1%	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%	Moderate Blended Port 8%
Cash 0%	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%	US Large Stock 6%
Intl Developed Stk 0%	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%	TAA 5%
Trend Following 0%	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%	Bonds 4%
Moderate Blended Port 0%	Intl Developed Stk 2%	Bonds 5%	US Small Stock -11%	Bonds 8%	Bonds 7%	Cash 0%	Intl Developed Stk -15%	TAA 12%	Cash 5%	Reinsurance 3%
TAA -4%	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%	Cash 2%
US Small Stock -4%	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%	US Small Stock -2%
Intl Emerging Stk -14%	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 -11%

Through Last Month End 6/30/2025	
5 Yr	10 Yr
US Large Stock 16%	US Large Stock 13%
Reinsurance 15%	Moderate Blended Port 7.13%
Intl Developed Stk 11%	US Small Stock 7.06%
US Small Stock 10%	Intl Developed Stk 6.75%
Moderate Blended Port 9%	Reinsurance 6.55%
Intl Emerging Stk 8%	TAA 5.25%
TAA 8%	Intl Emerging Stk 5.05%
Trend Following 4%	Bonds 2.05%
Cash 3%	Cash 1.99%
Bonds 0%	Trend Following 0%

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.