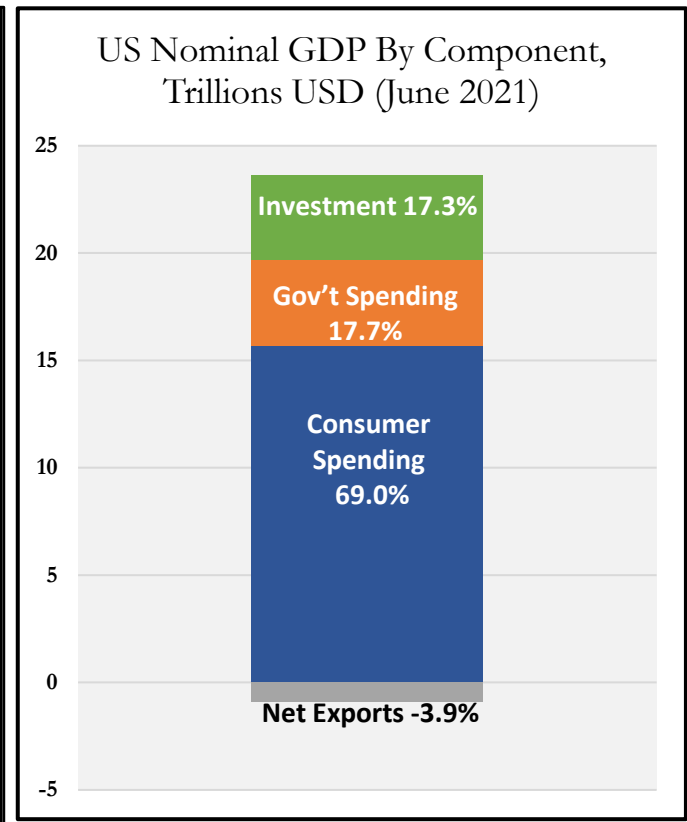
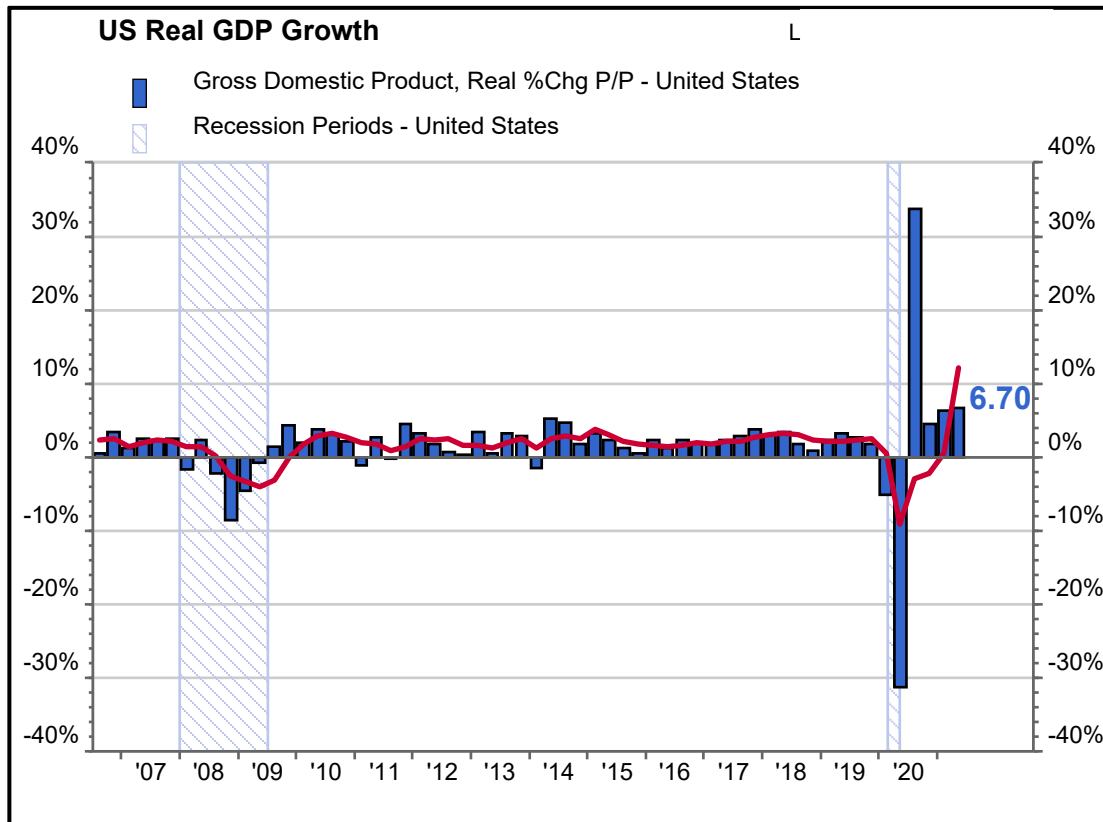


# JULEX MACRO CHART BOOK

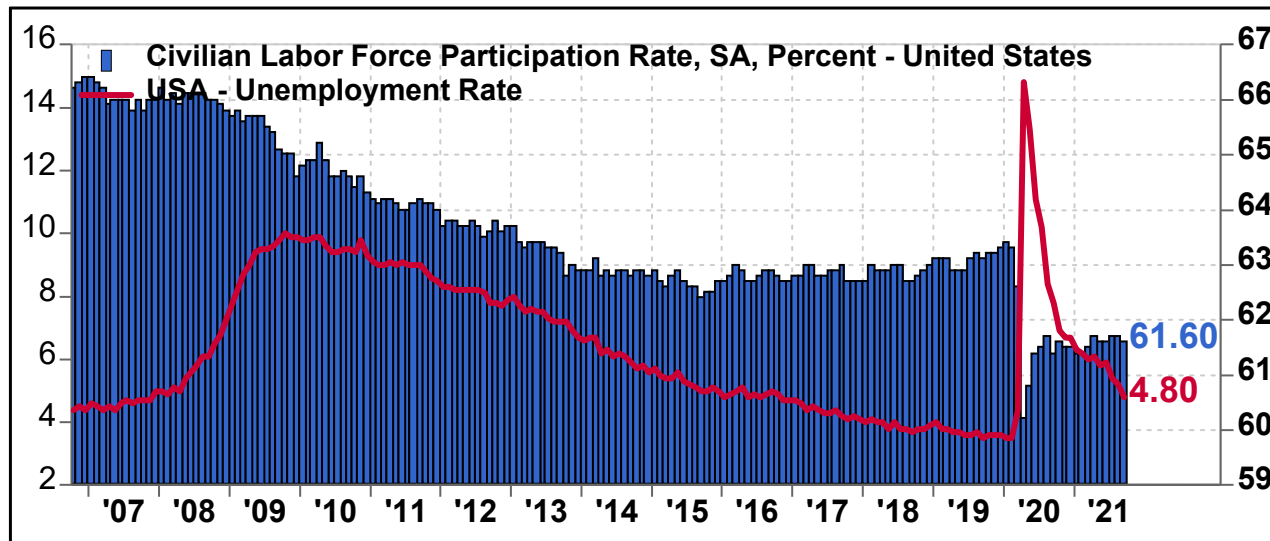
September 2021

For Institutions and Investment Advisers Only.  
All Data From FactSet Unless Otherwise Noted.

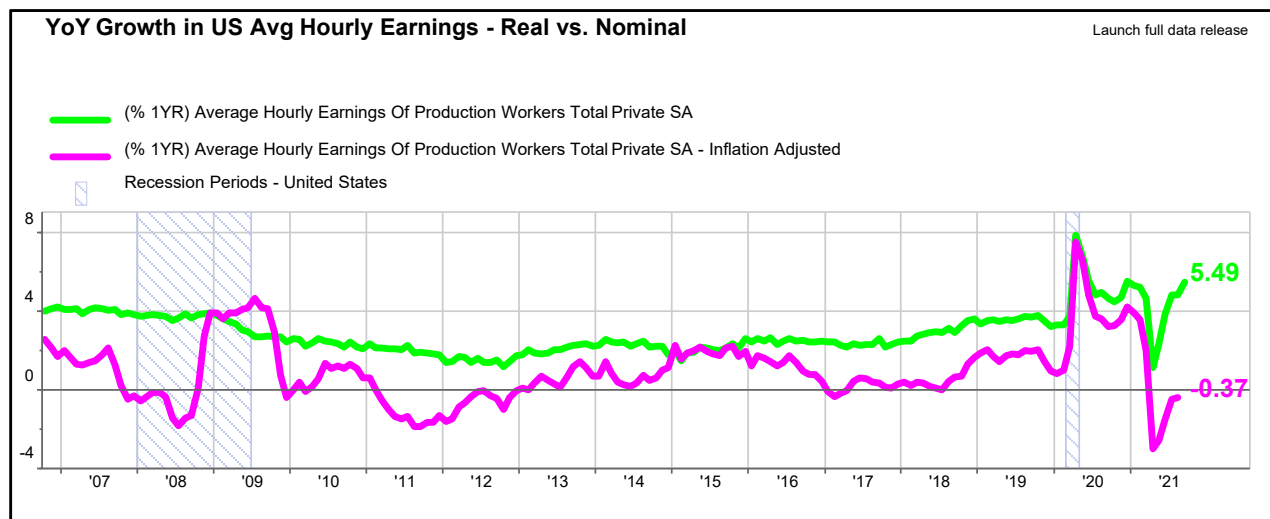
[www.julexcapital.com](http://www.julexcapital.com)

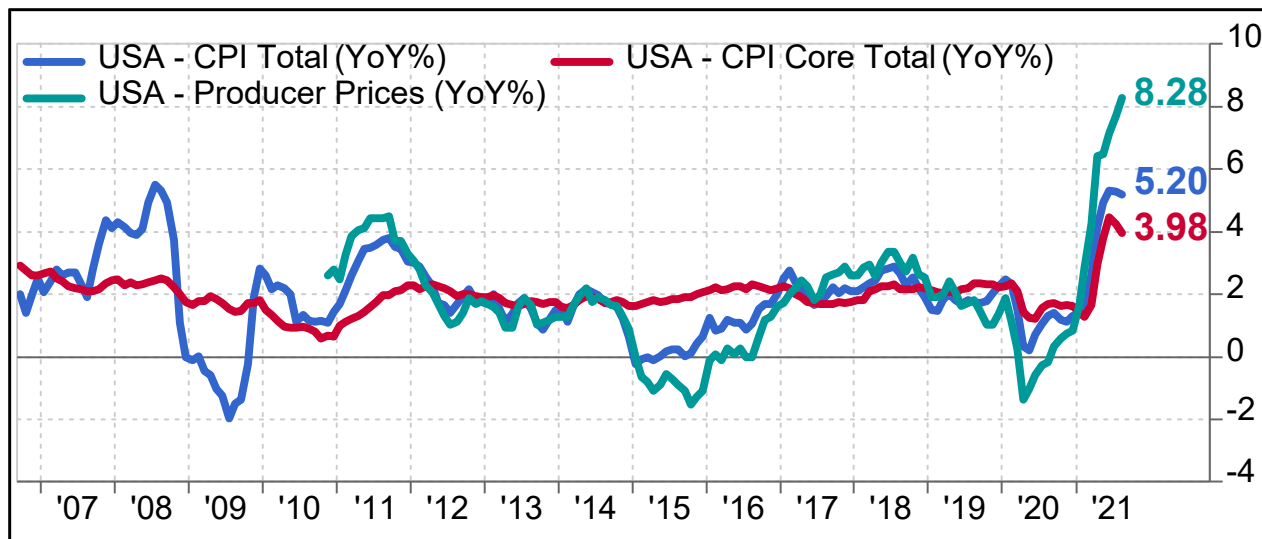


- The US economy grew at an adjusted 6.7% annualized rate in Q2 2021, missing the 8.4% Dow Jones estimate.

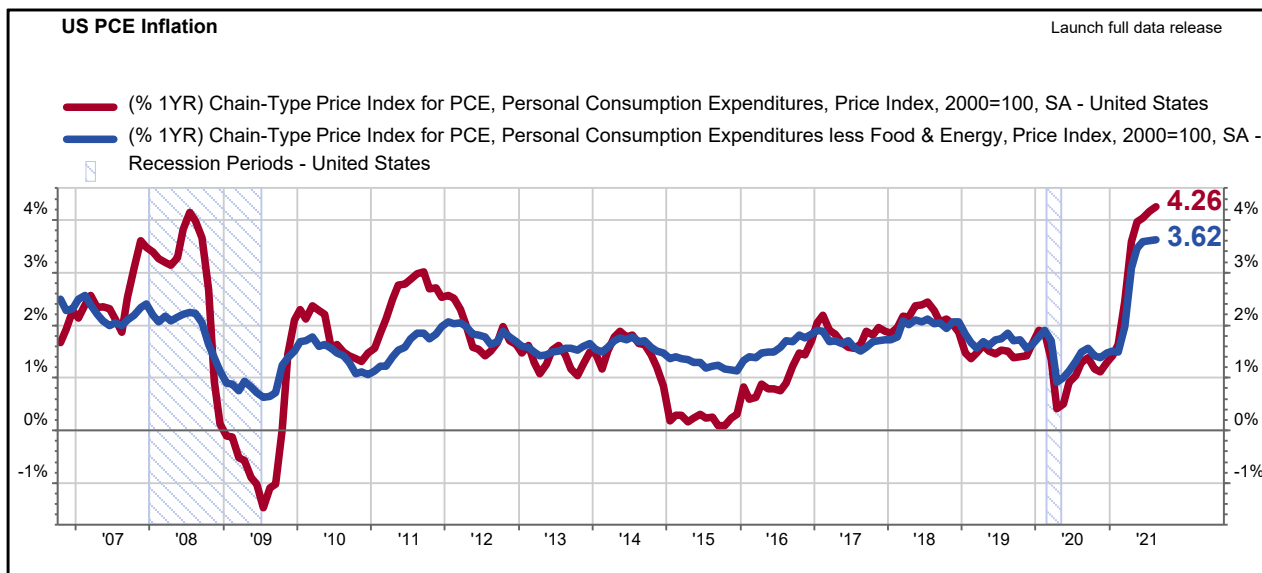


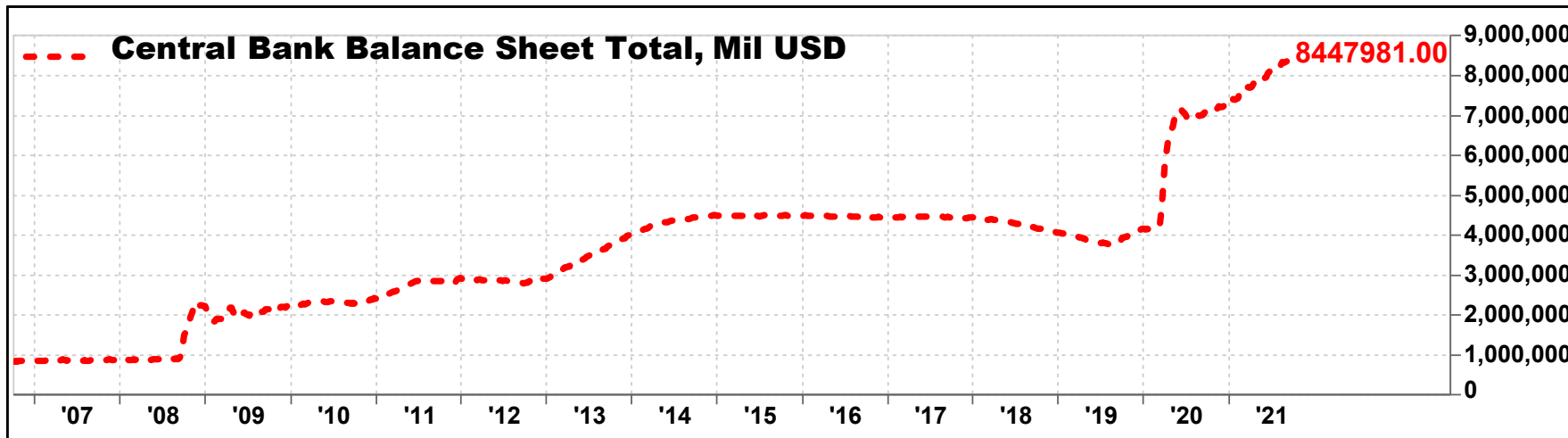
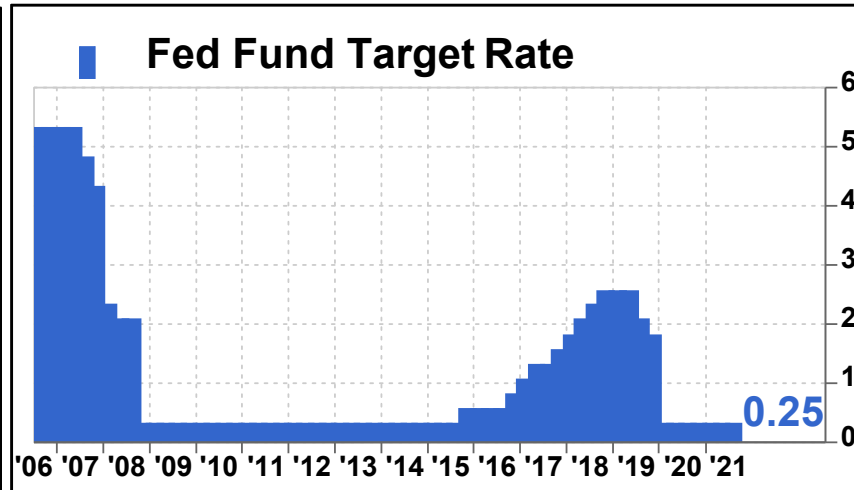
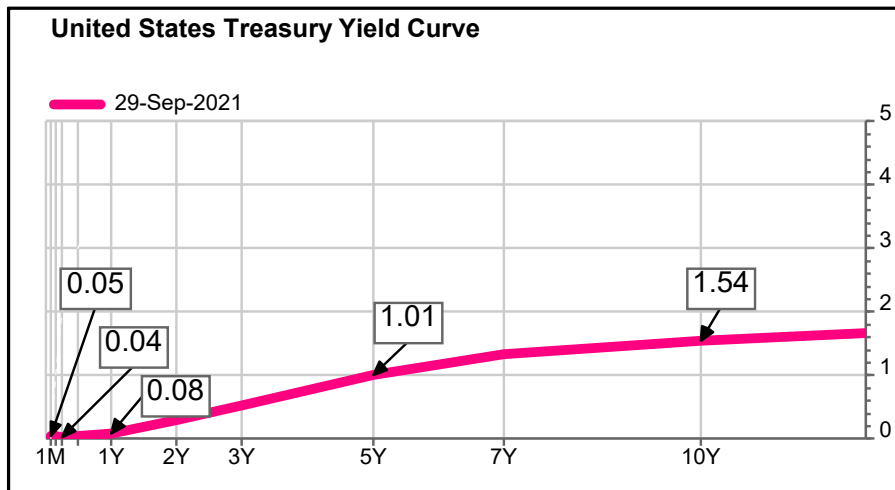
- The September jobs report saw the addition of 194,000 jobs, falling well short of estimates. Unemployment decreased slightly thanks to a drop in the labor force.
- Real wage growth remains negative.





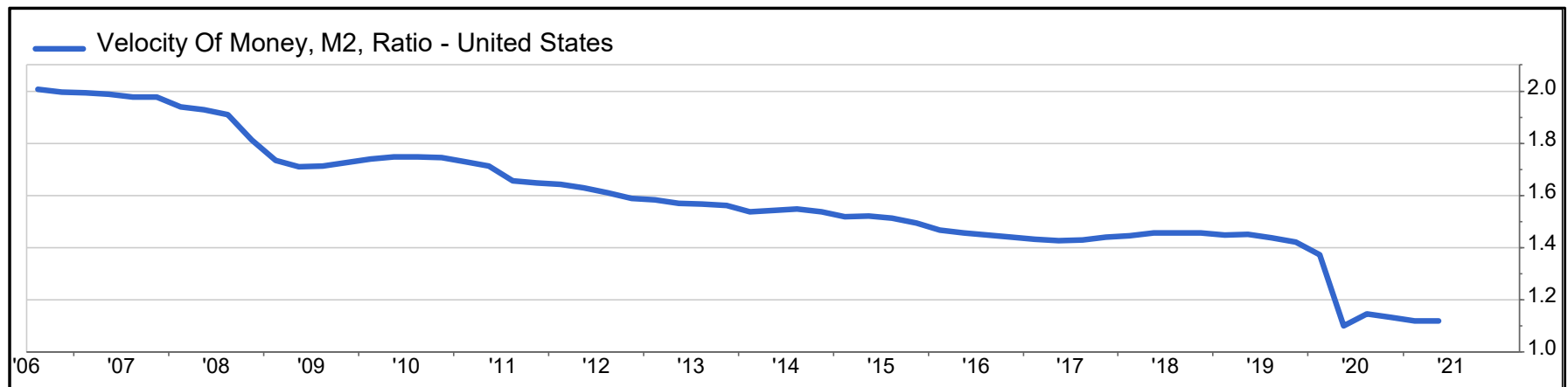
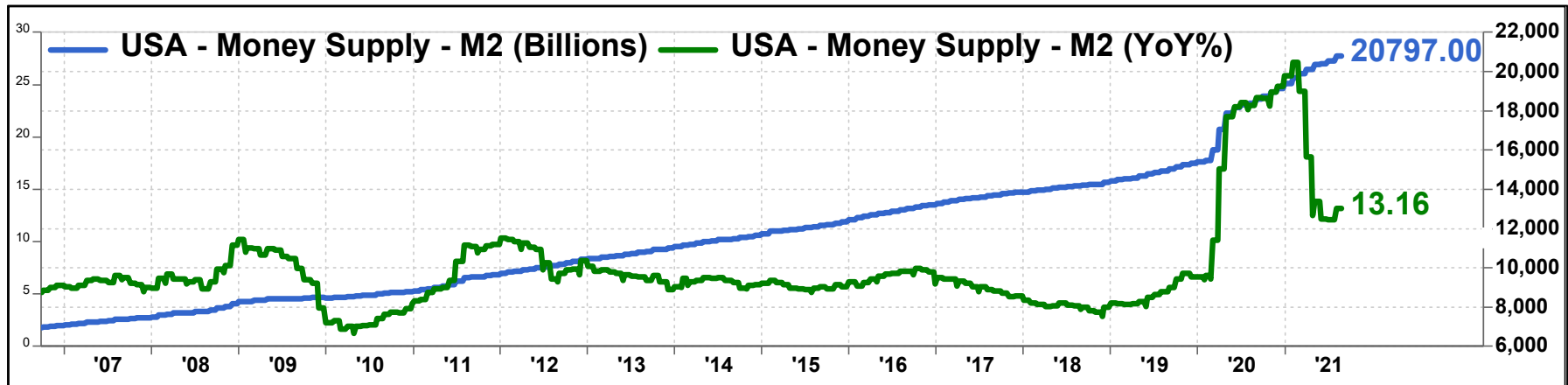
- Producer prices have increased by over 8% in the past year.
- PCE inflation is trending toward 4% after just recently eclipsing 3% for the first time in a decade.





- The yield curve steepened slightly in September.
- The Fed Balance Sheet continues to grow by over \$100 Billion every month, though balance sheet runoff is planned to start in November.

# US Economy - Monetary Policies (Cont.)



- As the money supply has increased, the velocity of money has decreased substantially, both as a natural result of high debt loads, and a byproduct of the economic shutdown.

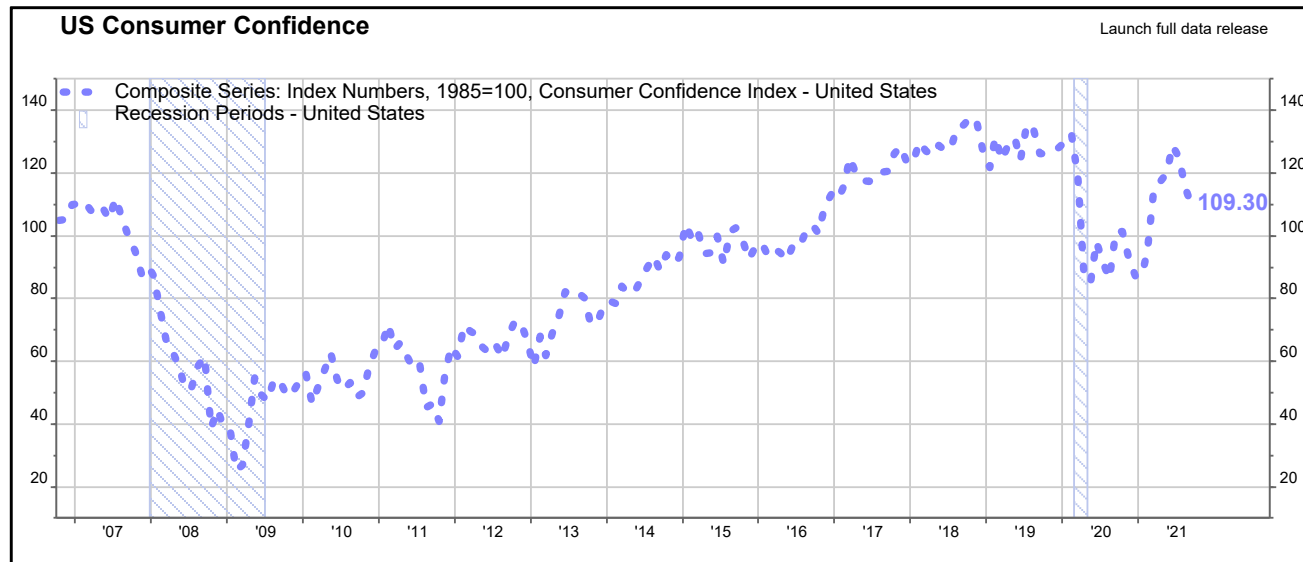
# US Economy - Fiscal Policies

	2021 (Projected)	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
<b>Gouvernement Revenues (Billions):</b>												
Individual Income Taxes	1,951.7	1,608.7	1,717.9	1,683.5	1,587.1	1,546.1	1,540.8	1,394.6	1,316.4	1,132.2	1,091.5	898.5
Payroll Taxes	1,345.5	1,310.0	1,243.1	1,170.7	1,161.9	1,115.1	1,065.3	1,023.5	947.8	845.3	818.8	864.8
Corporate Income Taxes	238.4	211.8	230.2	204.7	297.0	299.6	343.8	320.7	273.5	242.3	181.1	191.4
Excise Taxes	86.8	86.8	98.9	95.0	83.8	95.0	98.3	93.4	84.0	79.1	72.4	66.9
Estate and Gift Taxes	17.6	17.6	16.7	23.0	22.8	21.4	19.2	19.3	18.9	14.0	7.4	18.9
Customs Duties	68.6	68.6	70.8	41.3	34.6	34.8	35.0	33.9	31.8	30.3	29.5	25.3
Miscellaneous	145.5	116.5	84.6	110.5	129.0	156.0	147.5	136.1	102.6	106.8	102.8	96.8
<b>Total Revenue</b>	<b>3,854.1</b>	<b>3,420.0</b>	<b>3,462.2</b>	<b>3,328.7</b>	<b>3,316.2</b>	<b>3,268.0</b>	<b>3,249.9</b>	<b>3,021.5</b>	<b>2,775.1</b>	<b>2,450.0</b>	<b>2,303.5</b>	<b>2,162.7</b>
<b>Mandatory Spending (Billions):</b>												
Social Security	1,129.0	1,089.8	1,038.5	982.2	939.2	910.3	881.9	844.9	807.8	767.7	724.9	700.8
Medicare	831.5	916.9	775.3	704.3	702.3	692.5	634.1	599.8	585.2	551.2	559.6	520.5
Medicaid	519.2	458.5	409.4	389.2	374.7	368.3	349.8	301.5	265.4	250.5	275.0	272.8
Income Security	1,351.5	1,052.1	303.1	285.3	293.8	303.8	301.0	310.9	339.5	353.6	404.0	437.3
Federal Retirement	177.2	171.2	170.0	163.1	162.6	163.8	161.5	157.5	152.5	143.5	144.2	138.4
Veterans' Programs	130.2	121.7	115.3	101.3	105.0	106.5	92.4	86.8	80.4	68.0	71.0	58.3
Other Programs	940.9	976.7	198.3	153.2	194.7	119.8	134.2	74.5	105.5	124.2	56.1	-17.8
Offsetting Receipts	-148.9	-231.5	-275.4	-259.0	-253.4	-237.6	-258.4	-277.3	-304.7	-228.3	-208.9	-196.5
<b>Total Mandatory Spending</b>	<b>4,930.4</b>	<b>4,555.5</b>	<b>2,734.5</b>	<b>2,519.7</b>	<b>2,518.8</b>	<b>2,427.3</b>	<b>2,296.5</b>	<b>2,098.5</b>	<b>2,031.6</b>	<b>2,030.5</b>	<b>2,026.0</b>	<b>1,913.7</b>
<b>Discretionary Spending (Billions):</b>												
Defense	756.6	756.6	676.4	621.7	590.2	584.8	583.4	596.4	625.8	670.5	699.4	688.9
Nondefense	1,142.2	1,139.3	660.0	641.7	610.0	600.4	585.3	582.2	576.4	615.6	647.7	658.3
<b>Total Discretionary Spending</b>	<b>1,898.8</b>	<b>1,895.9</b>	<b>1,336.4</b>	<b>1,263.4</b>	<b>1,200.2</b>	<b>1,185.2</b>	<b>1,168.7</b>	<b>1,178.7</b>	<b>1,202.1</b>	<b>1,286.1</b>	<b>1,347.1</b>	<b>1,347.2</b>
<b>Interest on Debt (Billions):</b>	<b>330.8</b>	<b>344.7</b>	<b>375.6</b>	<b>324.7</b>	<b>262.6</b>	<b>240.0</b>	<b>223.2</b>	<b>229.0</b>	<b>220.9</b>	<b>220.4</b>	<b>230.0</b>	<b>196.2</b>
<b>Total Spending:</b>	<b>7,160.0</b>	<b>6,796.2</b>	<b>4,446.6</b>	<b>4,107.8</b>	<b>3,981.6</b>	<b>3,852.6</b>	<b>3,688.4</b>	<b>3,506.1</b>	<b>3,454.6</b>	<b>3,536.9</b>	<b>3,603.1</b>	<b>3,457.1</b>
<b>Defecit:</b>	<b>3,305.9</b>	<b>3,376.2</b>	<b>984.4</b>	<b>779.0</b>	<b>665.4</b>	<b>584.7</b>	<b>438.5</b>	<b>484.6</b>	<b>679.5</b>	<b>1,087.0</b>	<b>1,299.6</b>	<b>1,294.4</b>

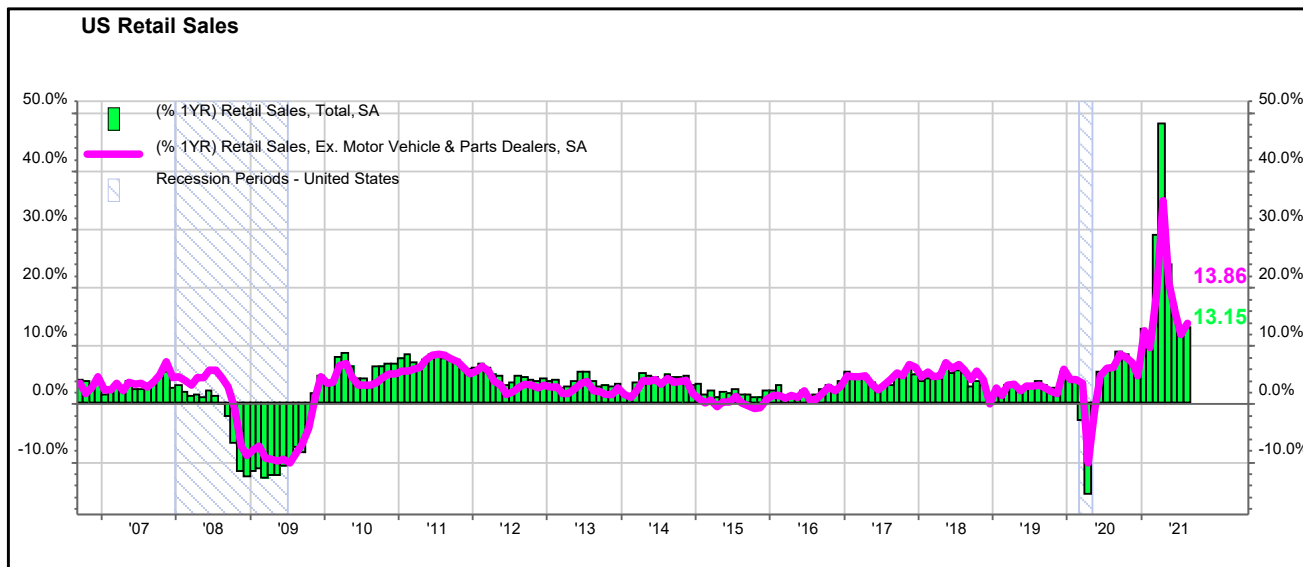
- Democrats and Republicans have until about October 18<sup>th</sup> to agree on a debt ceiling increase to avoid likely default.
- Treasury Secretary Yellen has advocated removing the debt ceiling altogether.



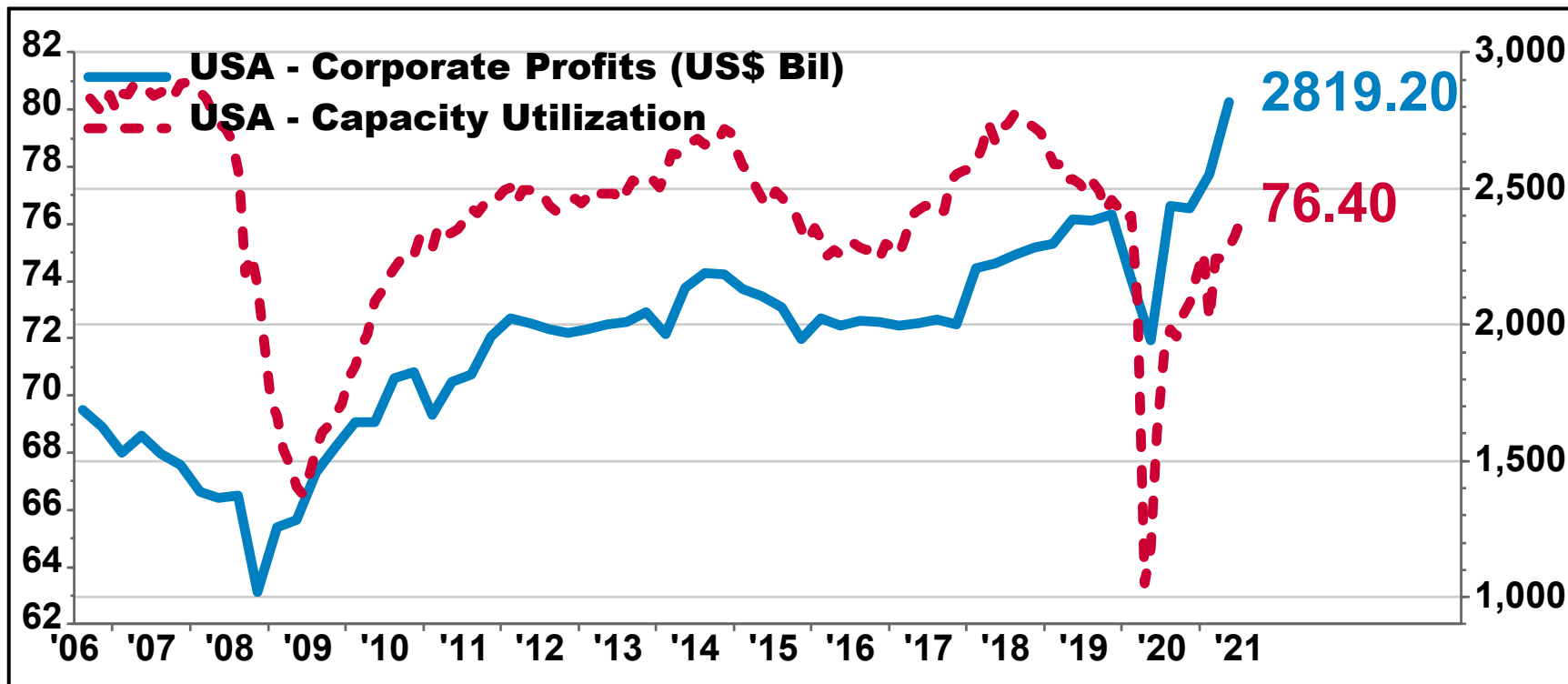
# US Economy - Consumption



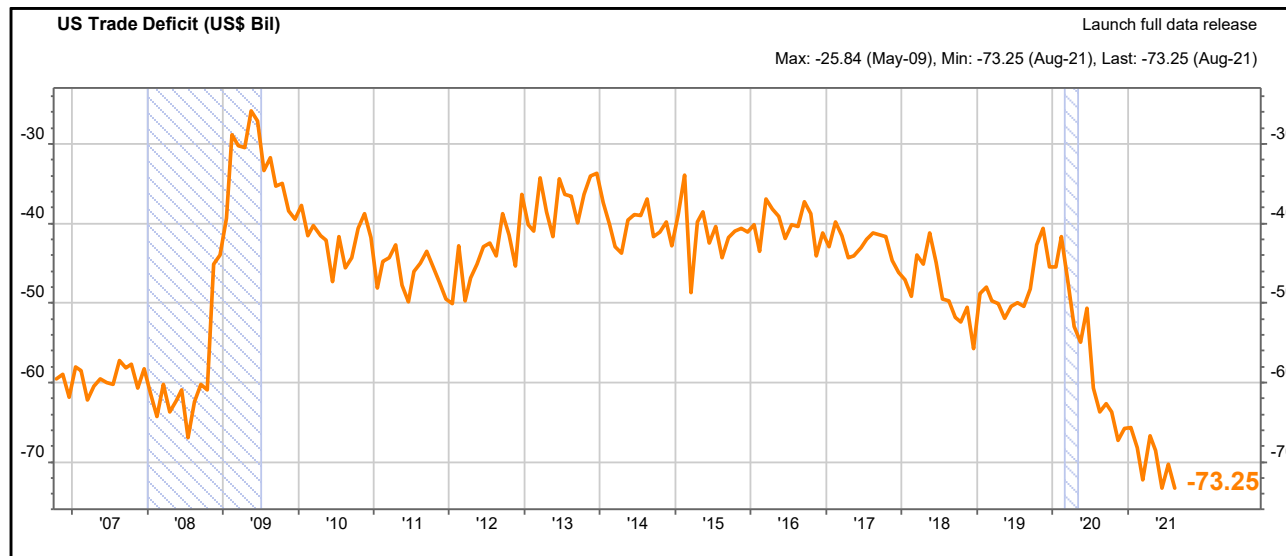
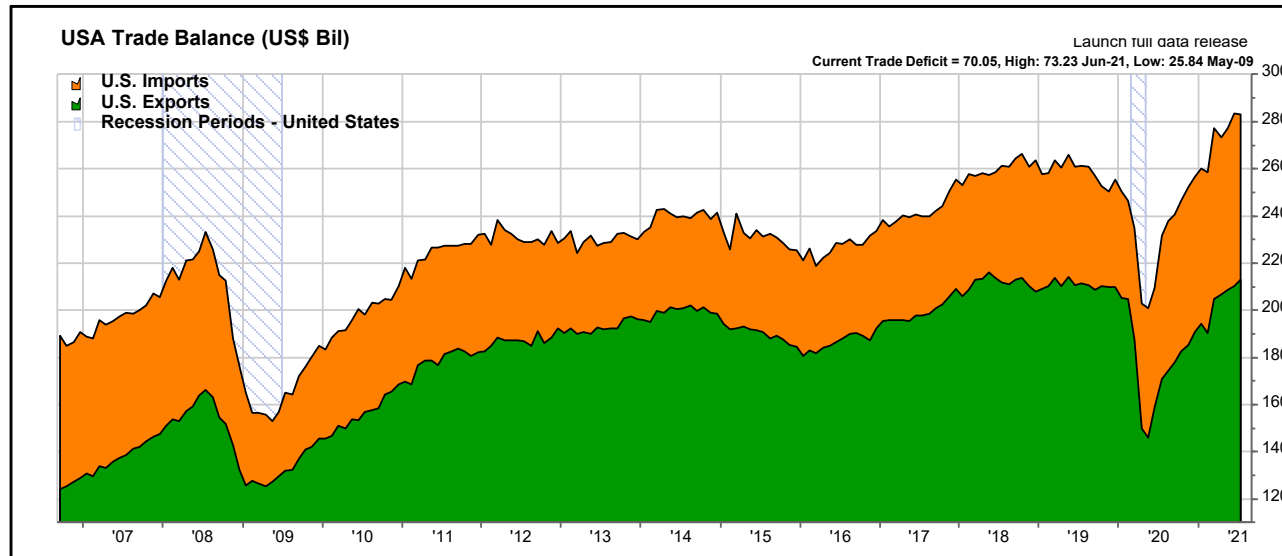
- Consumer confidence fell on inflationary concerns.
- U.S. retail sales have seen substantial YoY increases since this time last year.





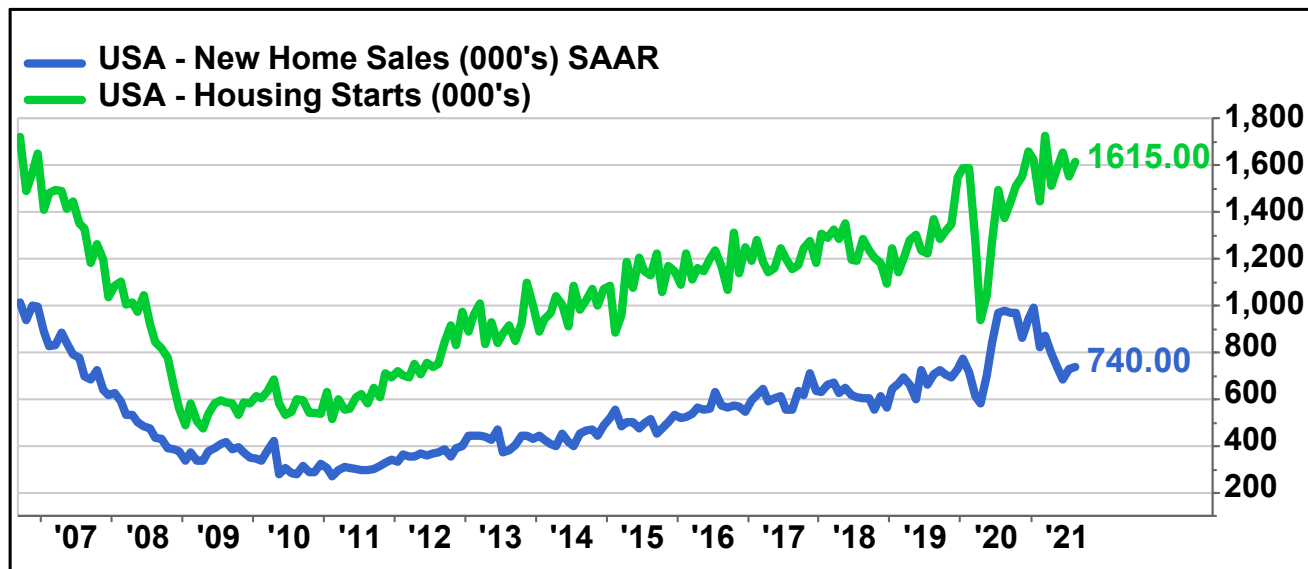


- The estimate earnings growth rate for Q3 2021 is 27.6% according to FactSet
- For Q3, 47 S&P 500 companies have issued negative EPS guidance, while 56 have issued positive guidance.

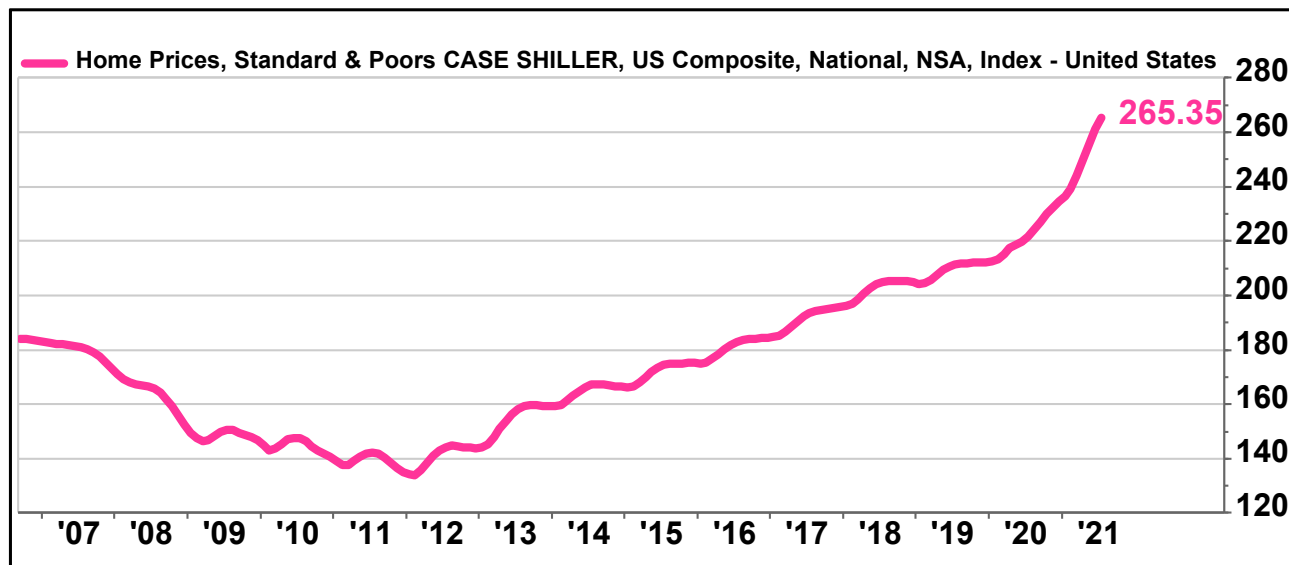


- The monthly trade deficit remained over \$70B monthly. The trade deficit is likely to be a 4% drag on GDP growth this year.

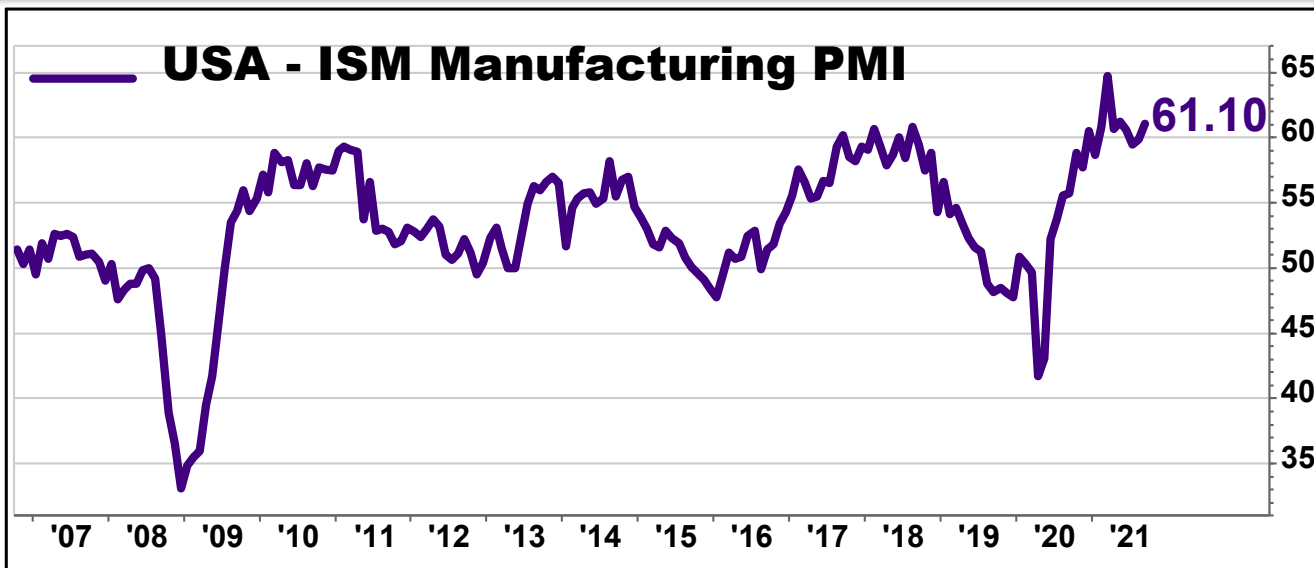
# US Economy – Housing Market



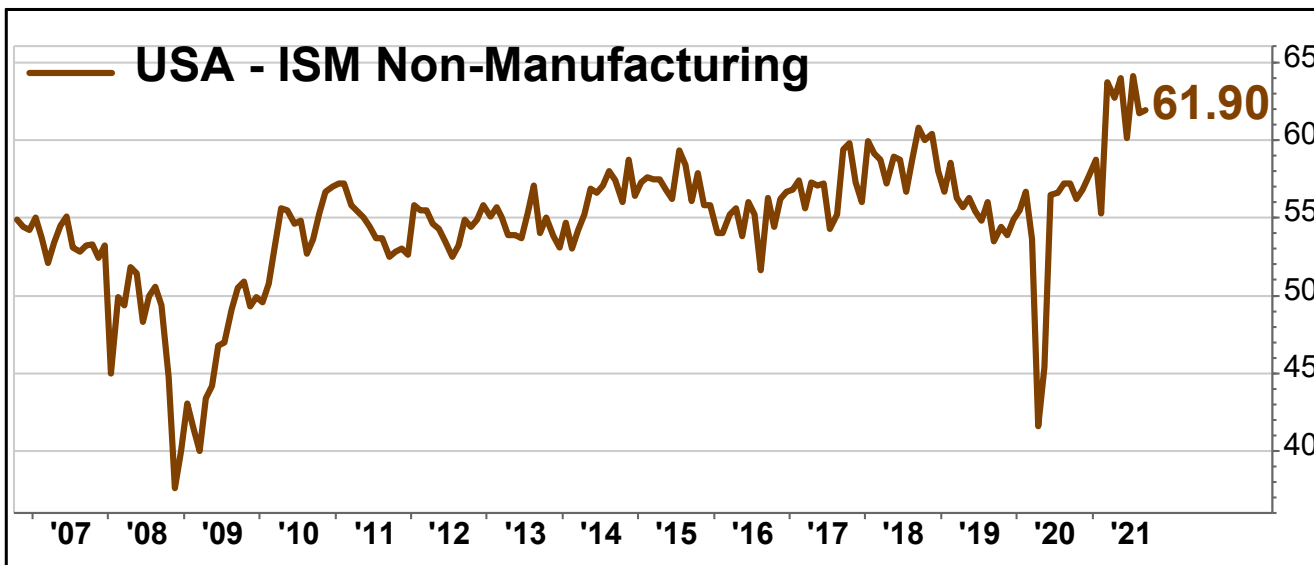
- Home prices have risen 19% over the last year, far out-pacing the mid single digit growth of the previous 5 years.



# US Economy – Leading Indicators and Surveys



- PMI numbers continued to show expansion in August.



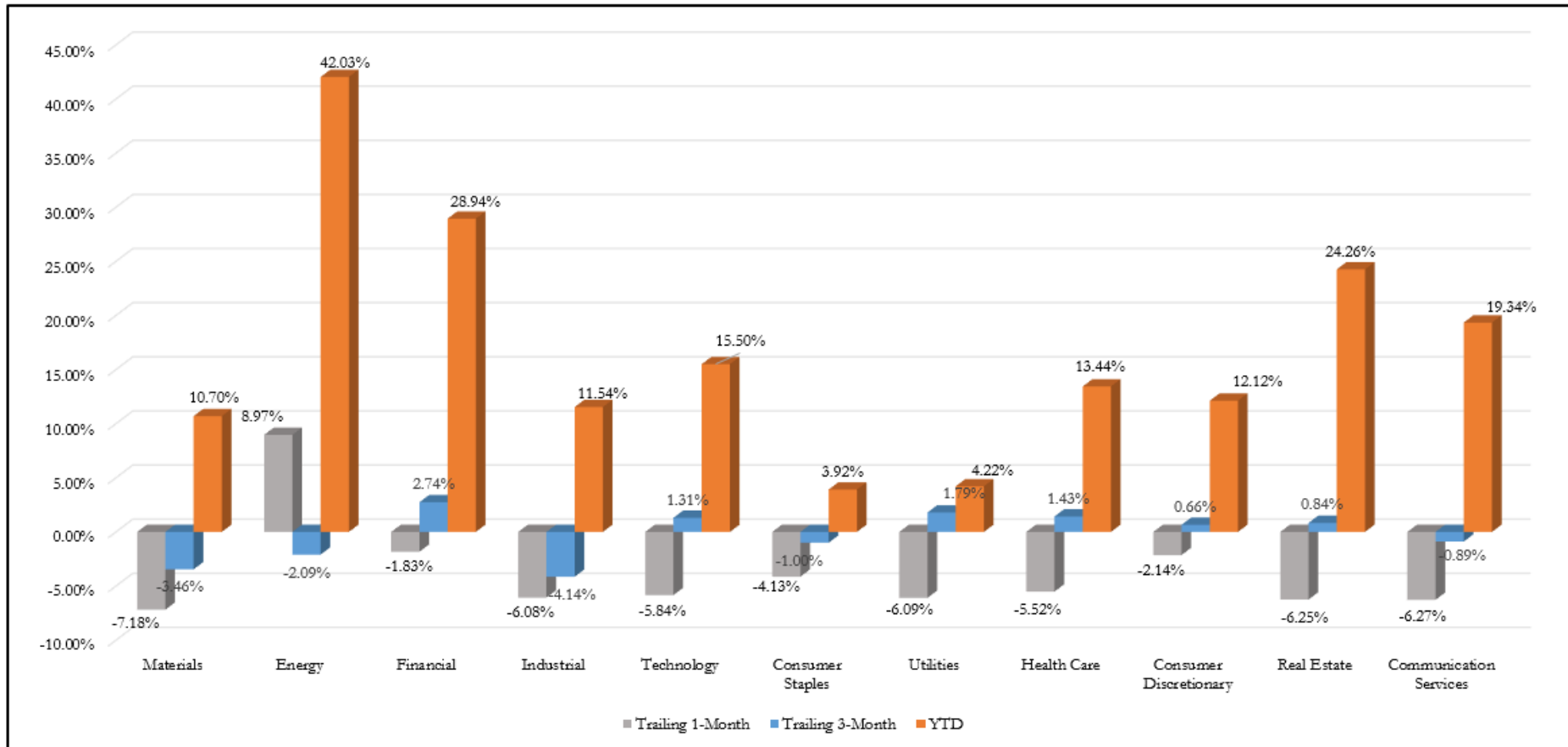
# Asset Class Performance

Sector/Asset Class	ETF	2016	2017	2018	2019	2020	YTD	Trailing 3-month	Trailing 1-month
US Large Cap	SPY	12.00%	21.70%	-4.56%	31.22%	18.37%	15.91%	0.58%	-4.66%
US Small Cap	IWM	21.60%	14.59%	-11.11%	25.39%	20.03%	12.29%	-4.34%	-2.88%
Large Cap Value	IVE	17.31%	15.25%	-9.19%	31.63%	1.21%	15.21%	-0.94%	-3.30%
Large Cap Growth	IVW	6.82%	27.22%	-0.19%	30.77%	33.19%	16.30%	1.77%	-5.82%
Mid Cap Value	IWS	19.79%	13.15%	-12.41%	26.74%	4.80%	18.03%	-1.07%	-3.73%
Mid Cap Growth	IWP	7.22%	24.94%	-4.87%	35.04%	35.24%	9.41%	-0.89%	-4.95%
Small Cap Value	IWN	31.98%	7.69%	-12.99%	22.01%	4.66%	22.79%	-2.88%	-1.83%
Small Cap Growth	IWO	11.68%	22.25%	-9.42%	28.48%	34.68%	2.63%	-5.71%	-3.84%
International Equity	EFA	1.37%	25.10%	-13.81%	22.03%	7.59%	8.38%	-1.10%	-3.26%
Emerging Markets Equity	VWO	12.21%	31.48%	-14.77%	20.76%	15.19%	1.41%	-7.04%	-3.34%
US REITs	VNQ	8.60%	4.91%	-6.02%	28.87%	-4.68%	22.15%	0.62%	-5.68%
Infrastructure MLP	AML	14.84%	-7.92%	-12.62%	5.98%	-32.19%	38.50%	-6.59%	3.00%
Gold	GLD	8.03%	12.81%	-1.94%	17.86%	24.81%	-7.93%	-0.85%	-3.22%
Commodity	DJP	12.86%	0.74%	-13.07%	7.63%	-4.12%	33.56%	7.54%	5.98%
High Yield Bond	JNK	14.43%	6.48%	-3.27%	14.88%	4.95%	3.27%	0.49%	-0.24%
Broad Bond	AGG	2.41%	3.55%	0.10%	8.46%	7.48%	-1.67%	-0.01%	-0.92%
TIPs	TIP	4.68%	2.92%	-1.42%	8.35%	10.84%	3.20%	1.71%	-0.78%
Treasuries	IEF	1.01%	2.55%	0.99%	8.03%	10.01%	-3.44%	-0.03%	-1.60%
Long Term Treasuries	TLT	1.18%	9.18%	-1.61%	14.12%	18.15%	-7.55%	0.36%	-2.91%
Short Term Treasuries	SHV	0.41%	0.67%	1.72%	2.36%	0.81%	-0.05%	-0.02%	0.00%

Note: As of September 30<sup>th</sup>, 2021.

- Small Cap outperformed Large Cap and Value outperformed Growth in September.

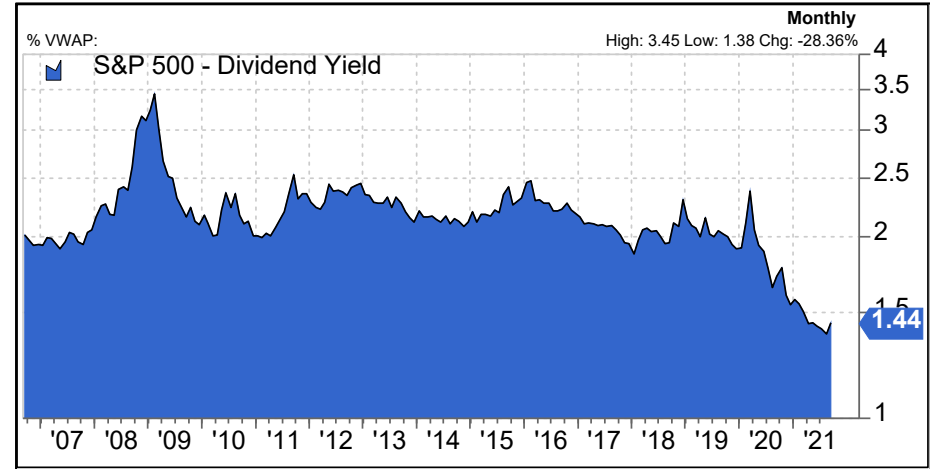
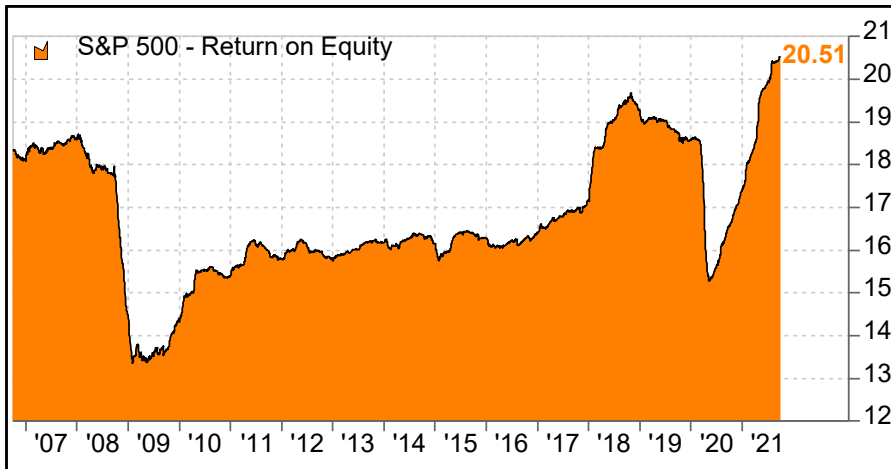
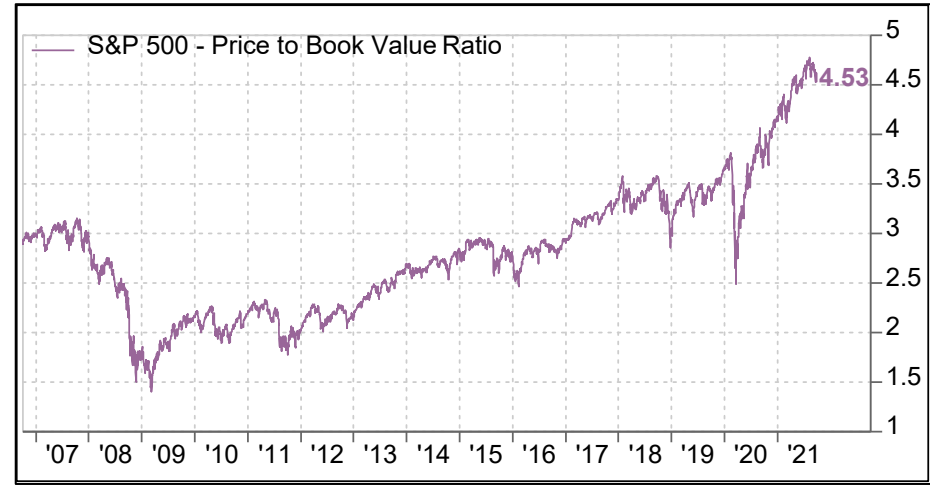
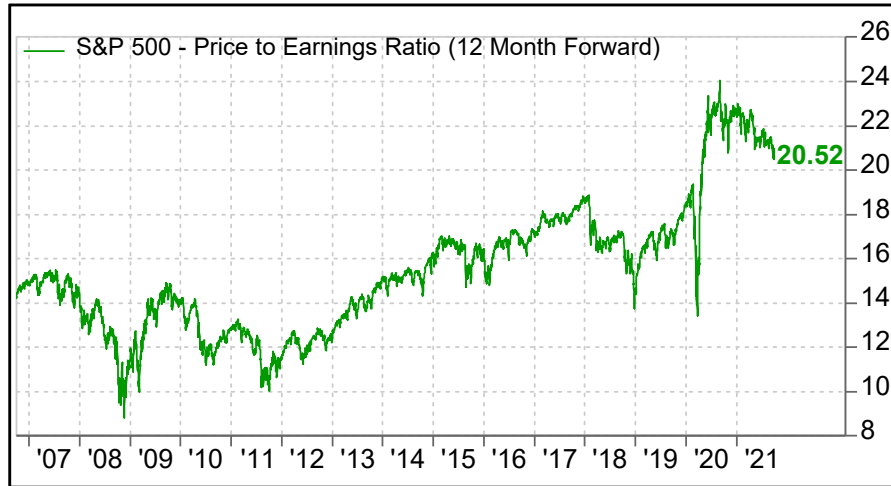
# US Sector Performance



Note: As of September 30<sup>th</sup>, 2021.

- Besides energy companies, every sector was negative in September.

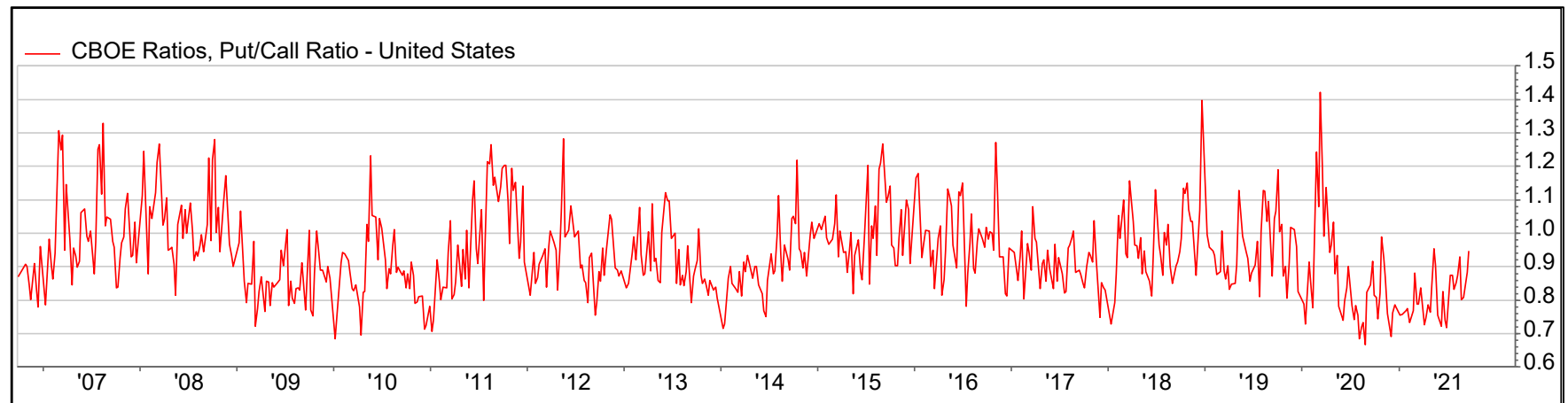
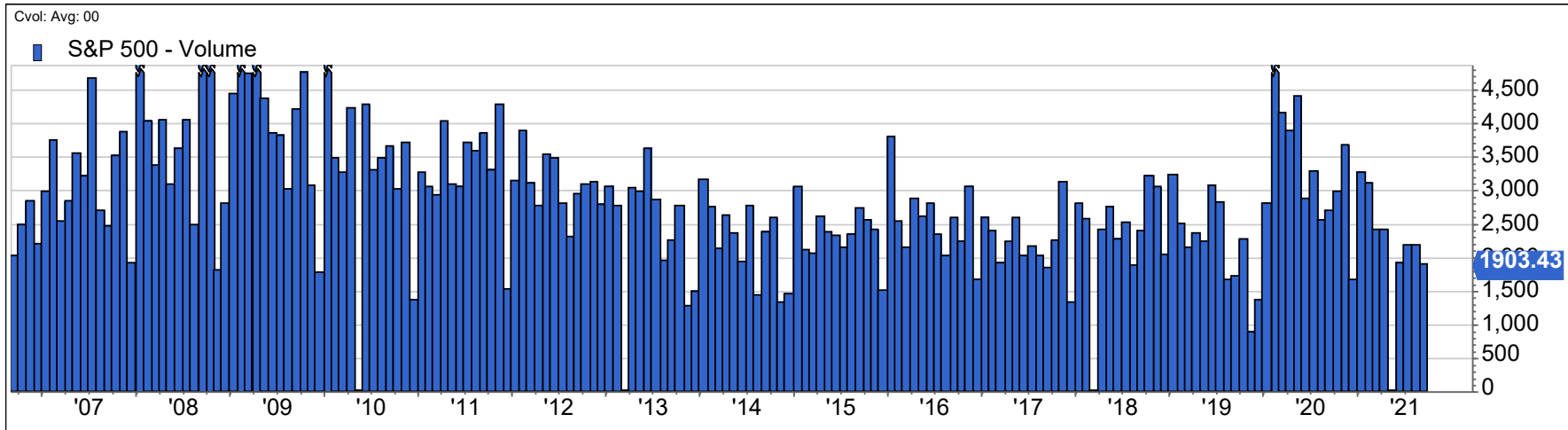
# US Equity Market Fundamentals



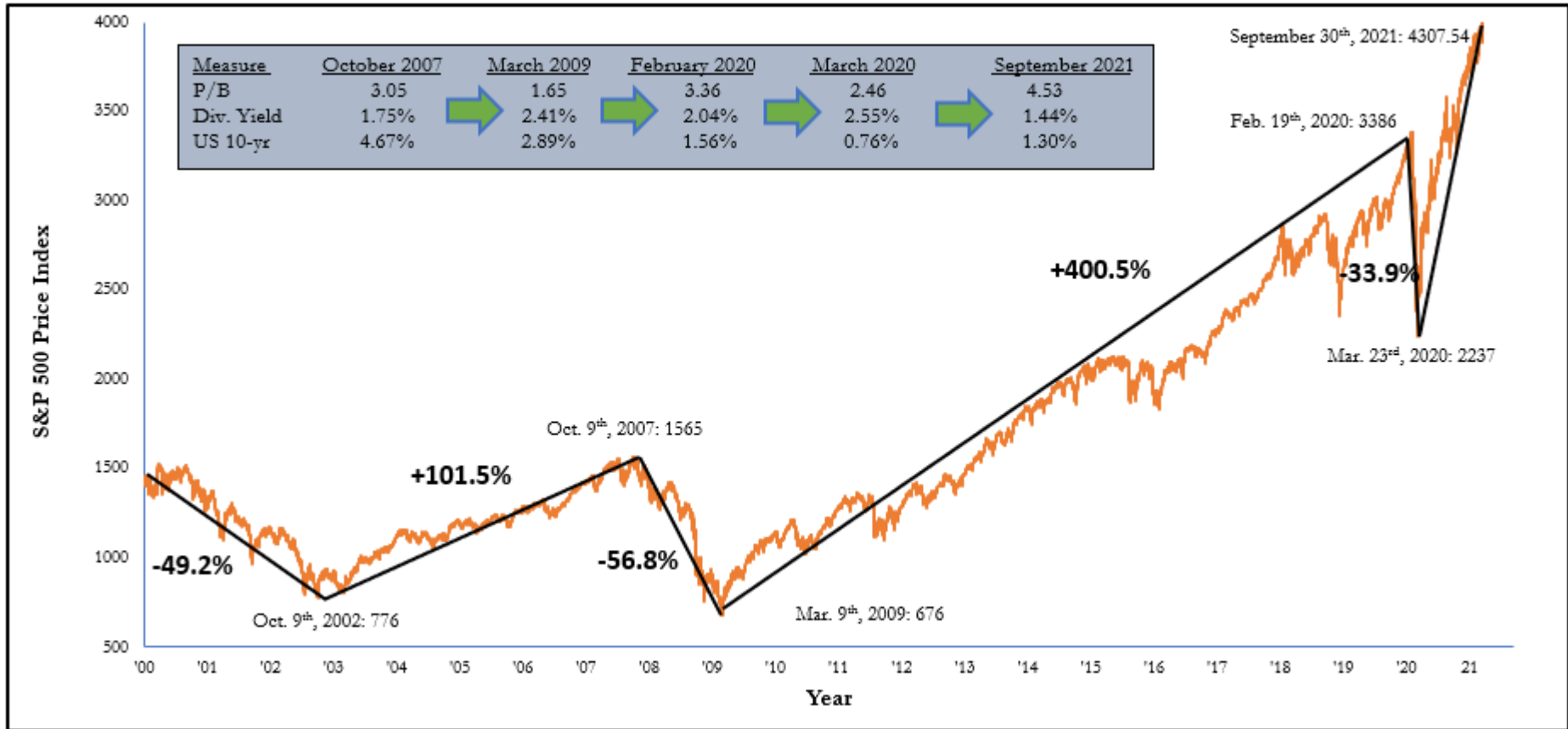
- Valuations continued to decrease after a strong earnings season and a moderate pullback in the market.



# US Equity Market Technicals



- S&P 500 volume is less than half it's peak volume during the pandemic.
- Put/Call Ratio is below historical averages, indicating strong bullish sentiment among investors.



Note: As of September 30<sup>th</sup>, 2021.

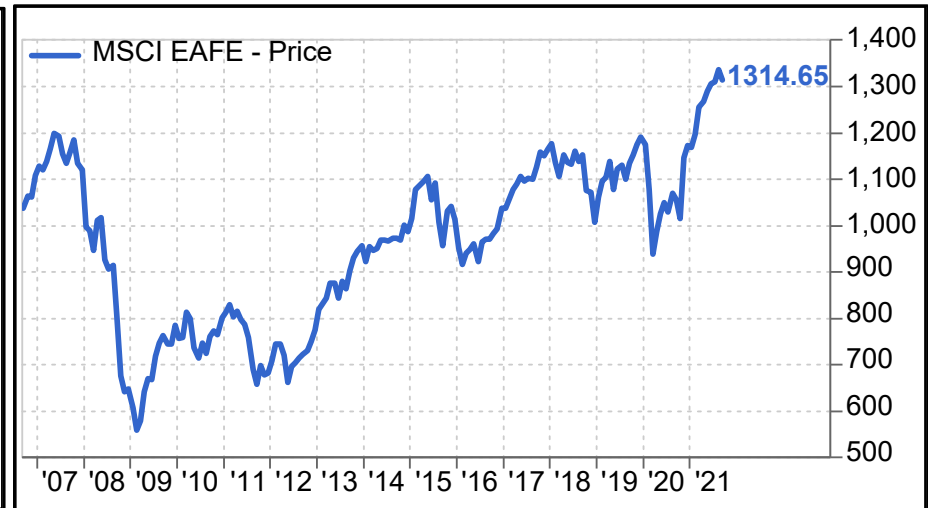
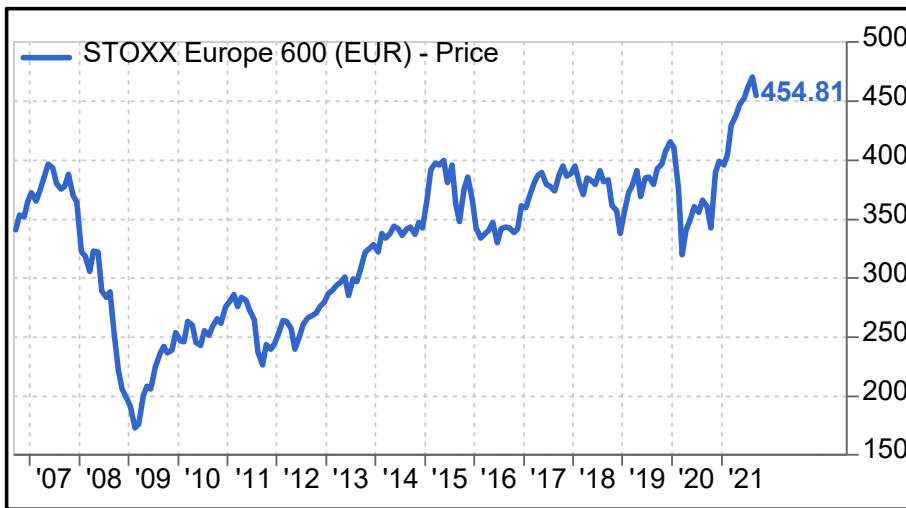
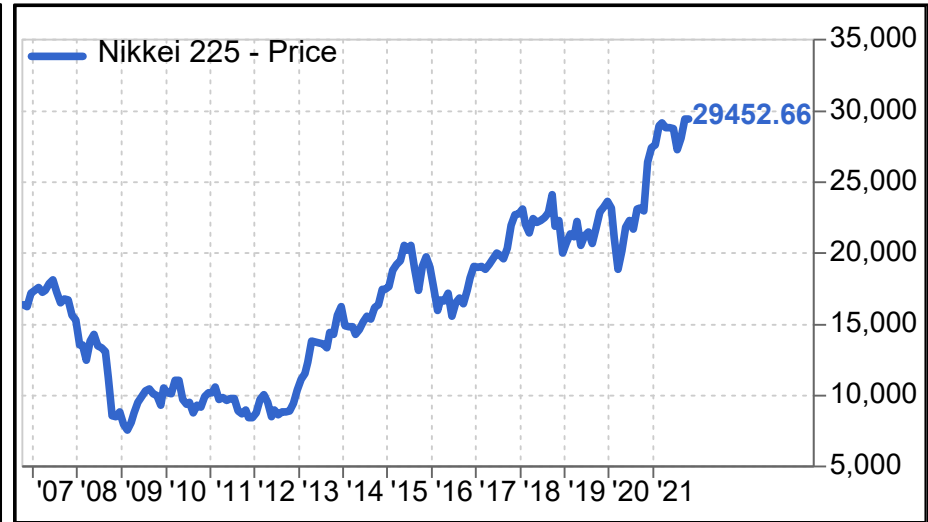
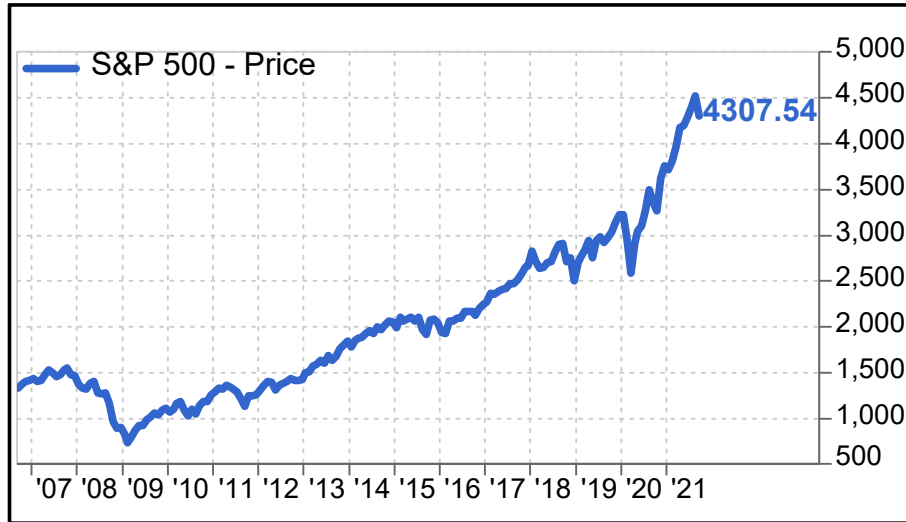
Data Source: FactSet, Yahoo Finance, and [www.treasury.gov](http://www.treasury.gov)

# Global Equity Performance - Country Comparison

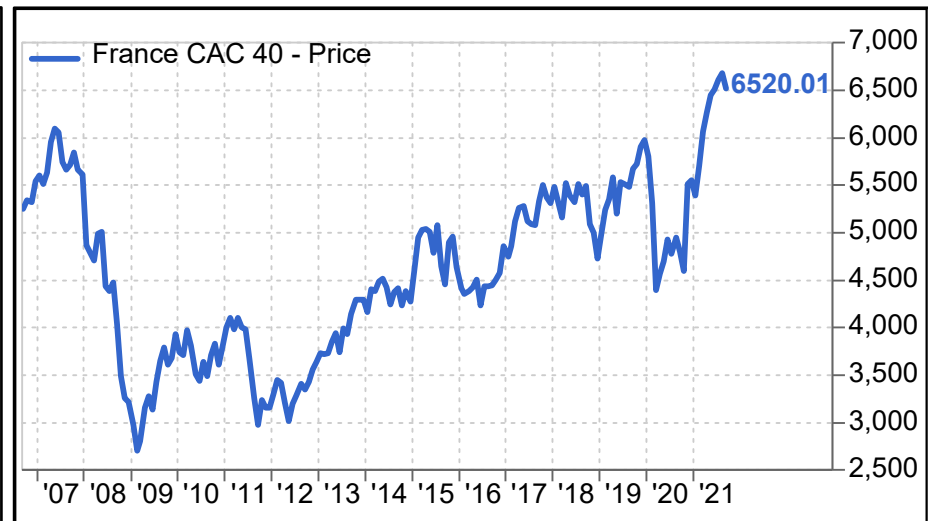
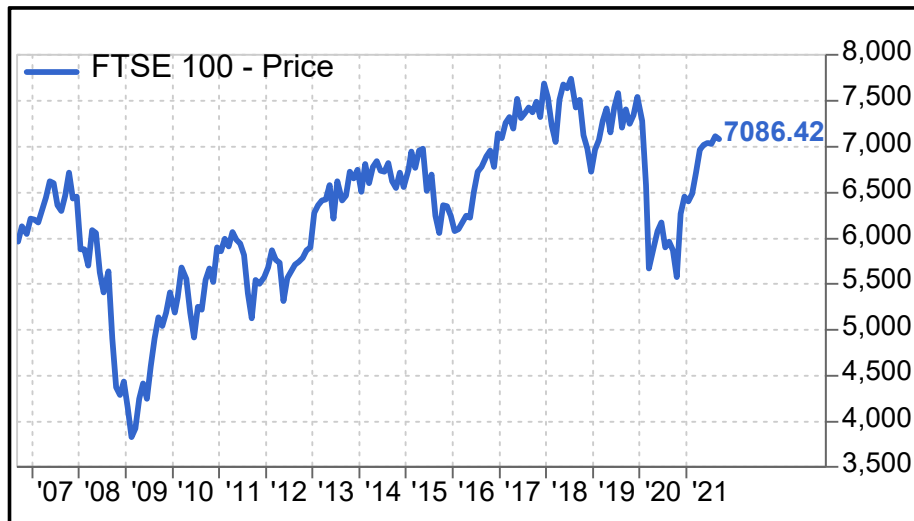
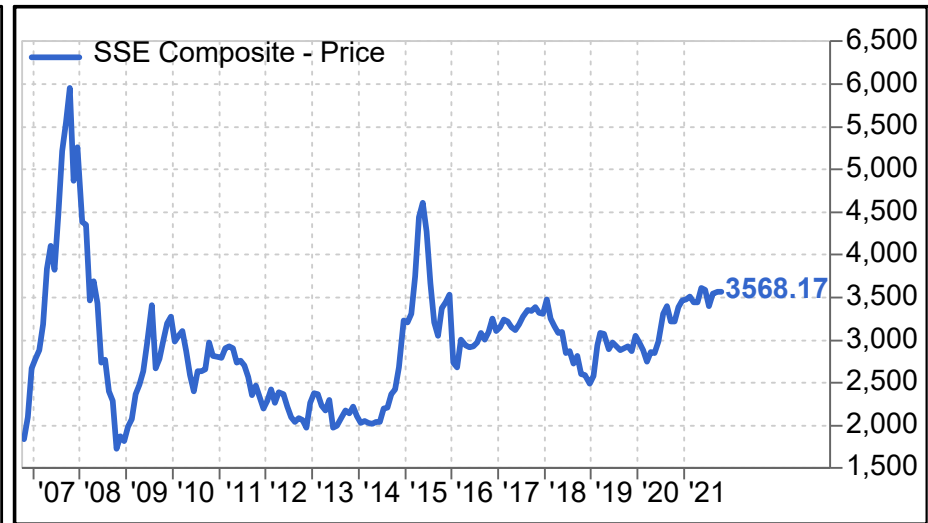
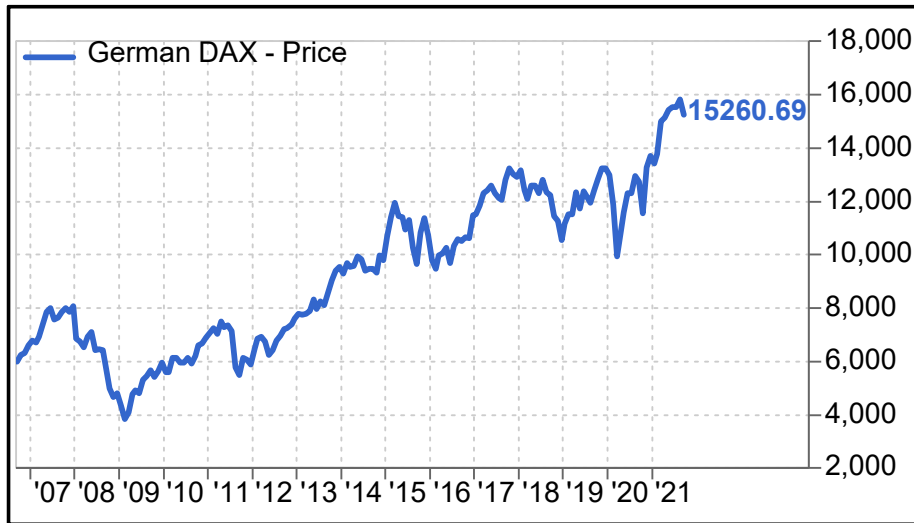
2016	2017	2018	2019	2020	YTD	Trailing 3-month	Trailing 1-month
Brazil 64.47%	China 54.68%	Brazil -2.56%	United States 31.22%	China 27.78%	India 21.58%	India 10.38%	Japan 2.7%
Canada 23.82%	India 36.15%	India -4.29%	Brazil 27.65%	United States 18.37%	Canada 18.43%	Japan 4.01%	India 0.7%
United States 12%	France 29.13%	United States -4.56%	Canada 27.56%	Japan 15.41%	United States 15.91%	United States 0.58%	England -2.3%
France 1.90%	Italy 28.73%	France -12.88%	Italy 26.97%	Germany 10.56%	France 13.22%	England -1.31%	Canada -2.79%
Germany 31.0%	Germany 27.45%	Japan -14.09%	France 26.67%	India 10.01%	England 11.97%	France -1.61%	France -3.7%
Japan 2.78%	Spain 26.99%	England -14.28%	China 23.7%	Canada 5.52%	Italy 8.82%	Italy -2.28%	Italy -3.95%
India 1.03%	Japan 24.27%	Spain -15.32%	England 21.25%	France 2.85%	Germany 5.38%	Canada -2.6%	Spain -4.06%
China -0.32%	Brazil 23.36%	Canada -17.16%	Japan 19.33%	Italy 1.67%	Japan 4.74%	Germany -4.86%	China -4.61%
England -1.23%	United States 21.70%	Italy -17.19%	Germany 19.15%	Spain -3.96%	Spain 1.17%	Spain -5.1%	United States -4.66%
Spain -1.81%	England 21.59%	China -19.77%	Spain 11.91%	England -11.8%	Brazil -12%	China -18.09%	Germany -5.81%
Italy -8.55%	Canada 15.74%	Germany -21.37%	India 9.99%	Brazil -20.33%	China -16.42%	Brazil -20.74%	Brazil -11.73%
Emerging Markets 10.29%	Emerging Markets 37.40%	Developed Markets -13.81%	Developed Markets 22.03%	Emerging Markets 17.88%	Developed Markets 8.38%	Developed Markets -1.1%	Developed Markets -3.26%
Developed Markets 1.37%	Developed Markets 25.10%	Emerging Markets -14.93%	Emerging Markets 17.79%	Developed Markets 7.59%	Emerging Markets 0.24%	Emerging Markets -7.81%	Emerging Markets -3.64%

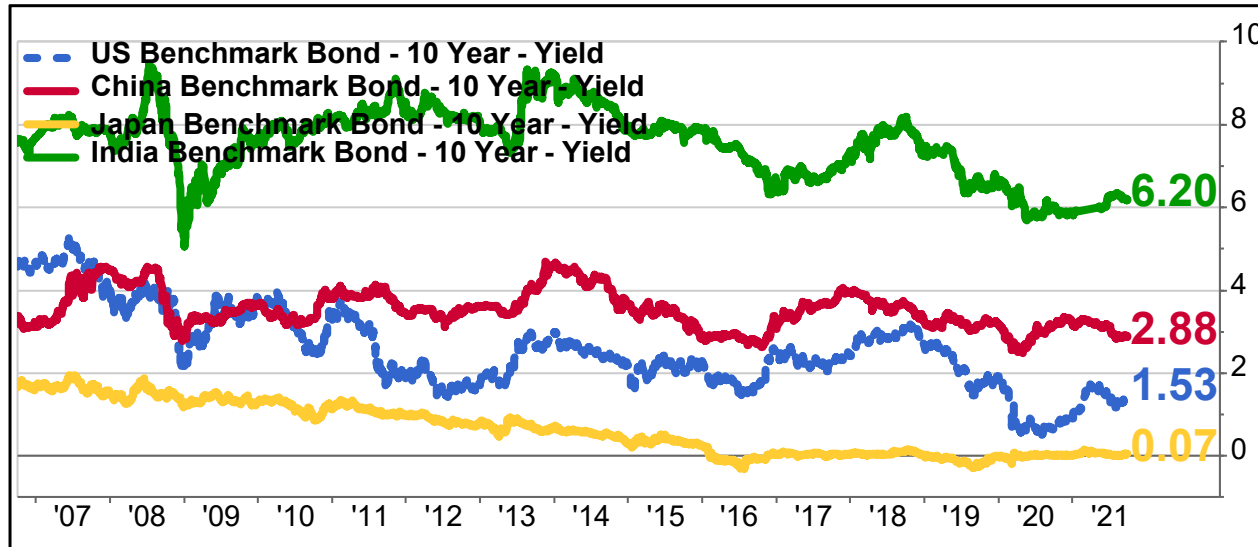
Note: As of September 30<sup>th</sup>, 2021. Numbers reflective of ETF performance.

# Global Equity- Major Indices

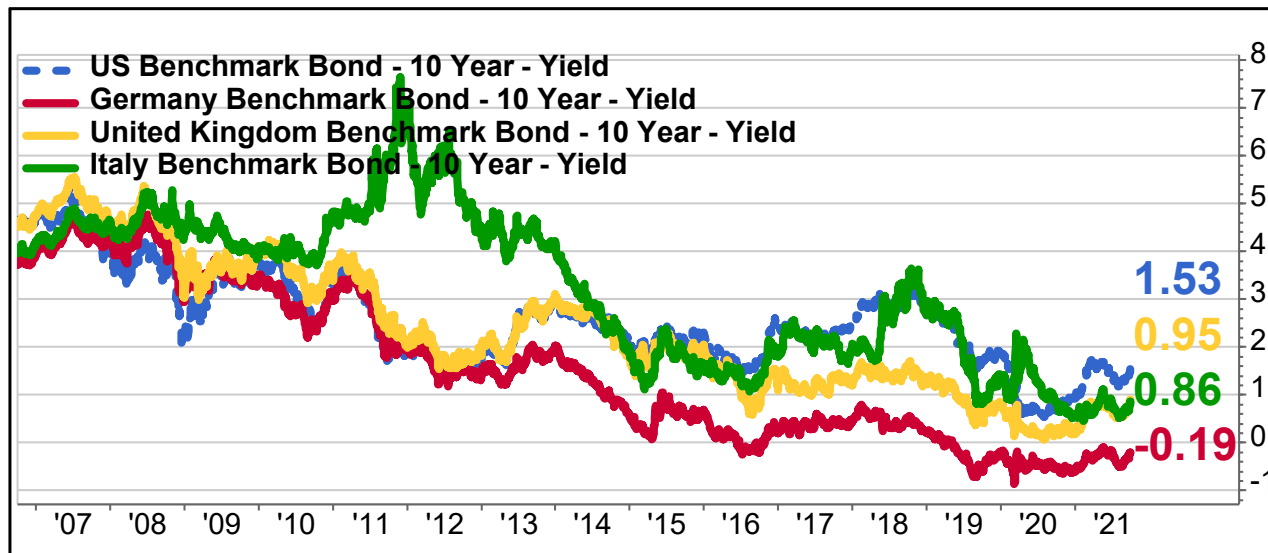


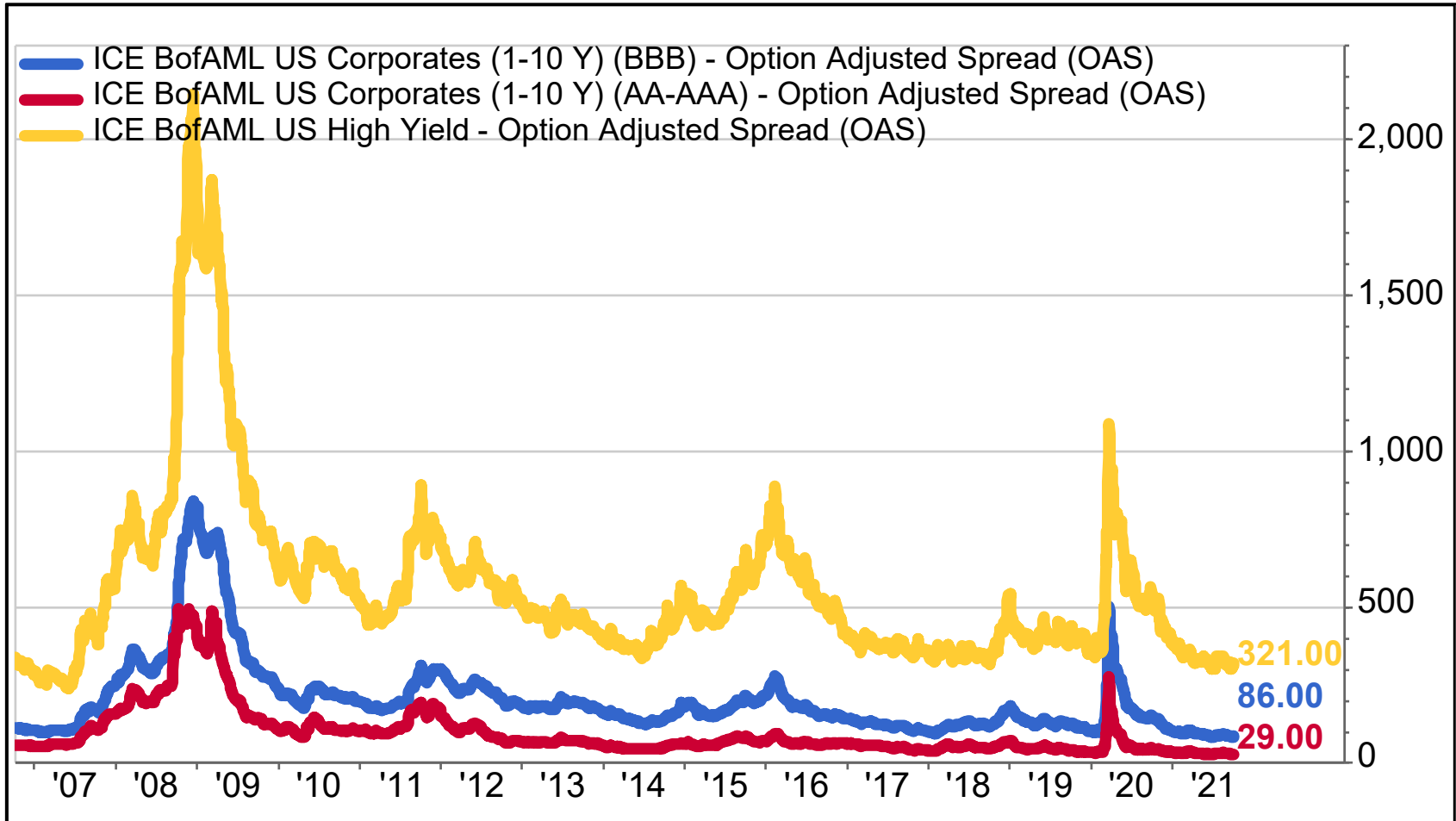
# Global Equity- Major Indices





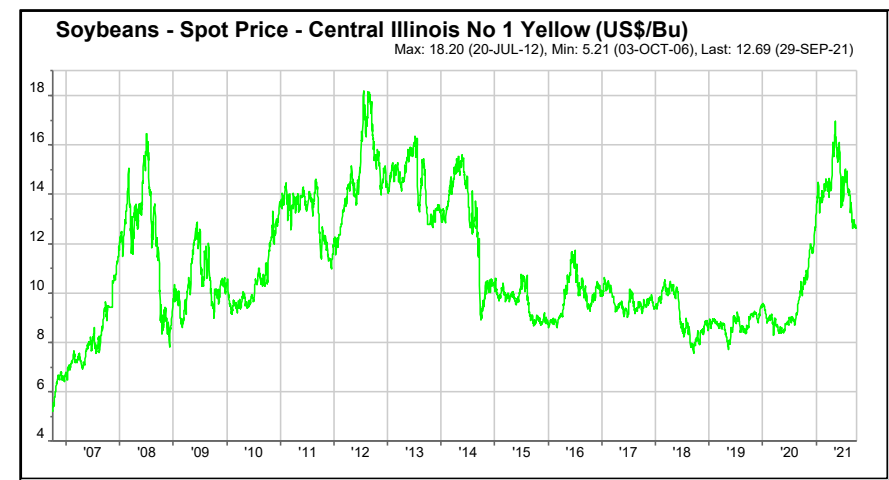
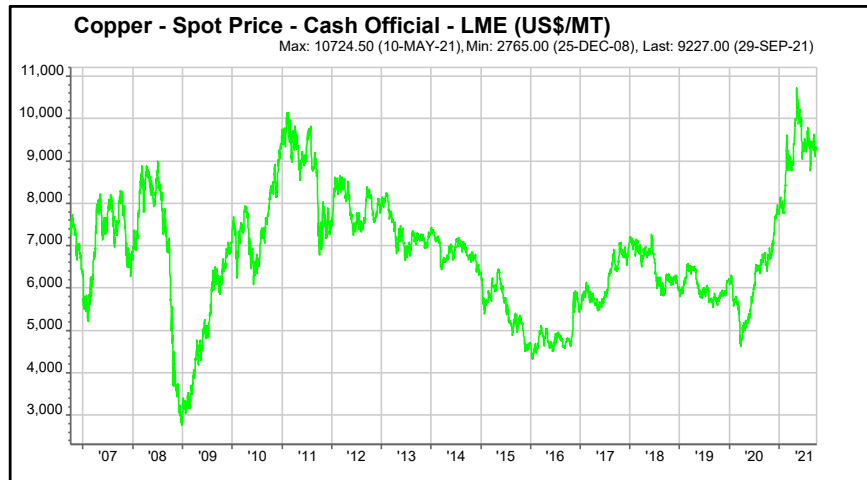
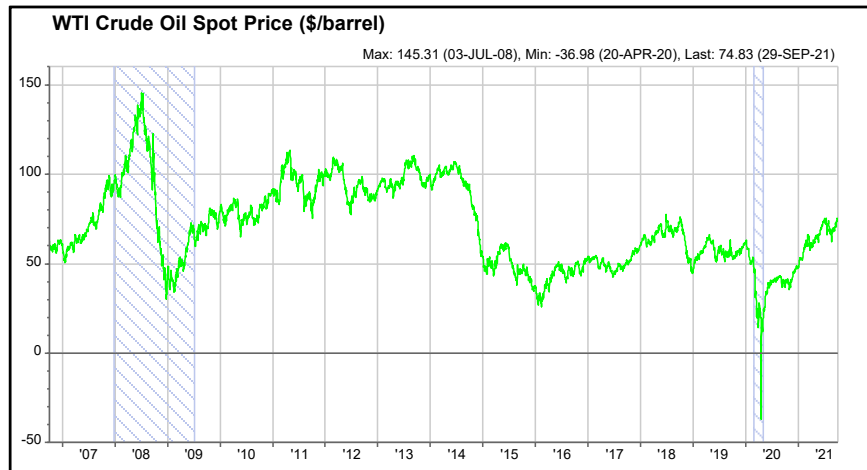
- Bond yields increased in the United States and in the United Kingdom.



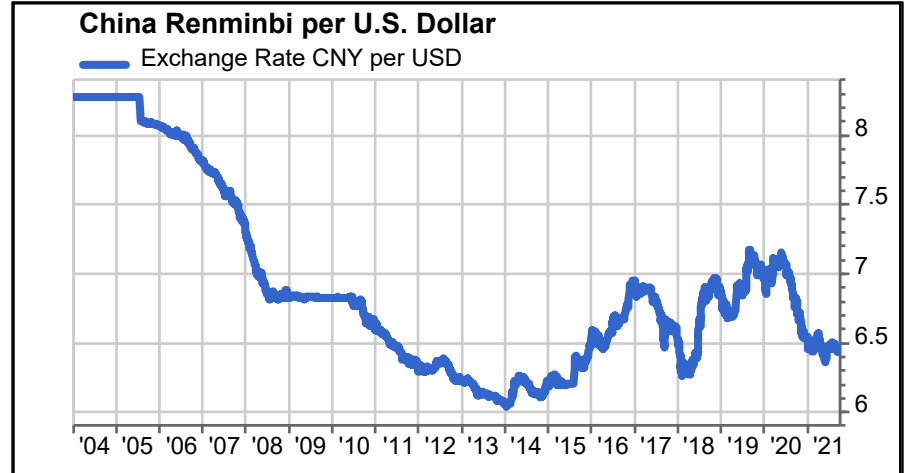
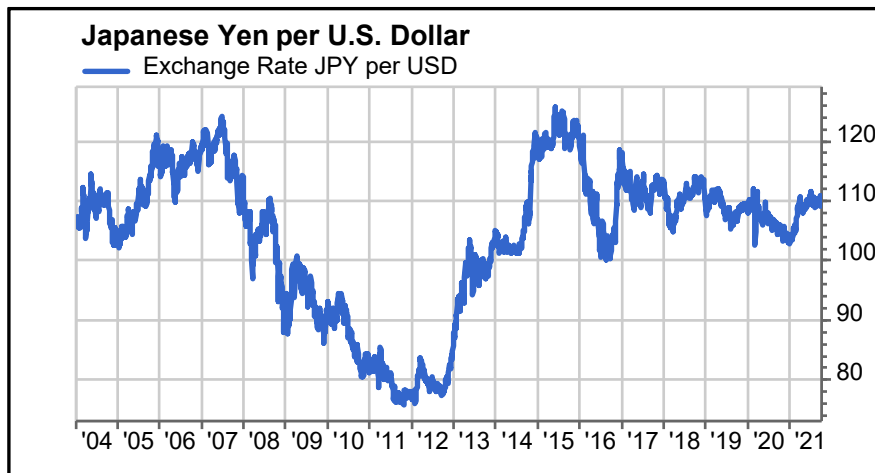
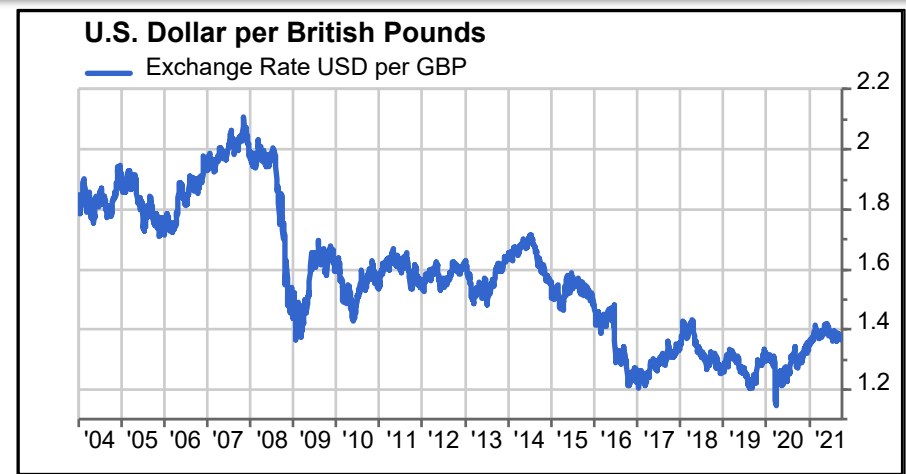
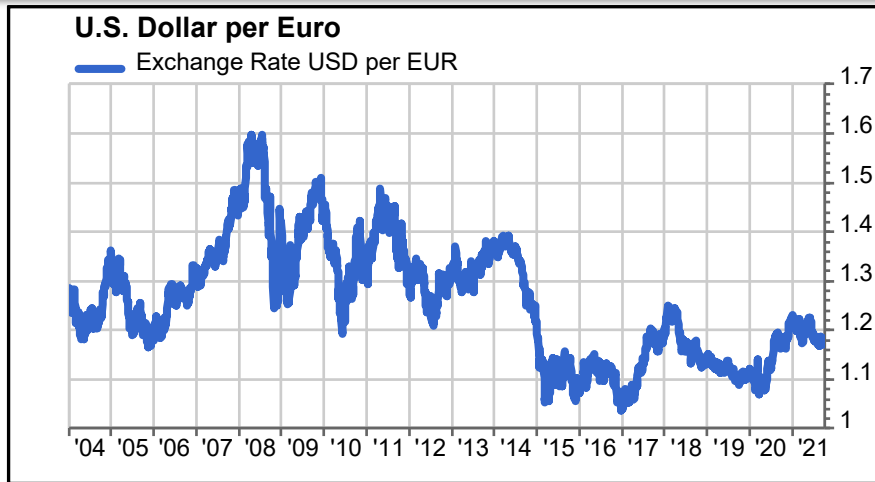


- Spreads expanded marginally in September.





- As of 9/30/2021, WTI Crude: \$74.83/Barrel; Gold: \$1737.15/Troy Oz; Copper: \$9227/MT; Soybean: \$12.69/Bu.



- As of 8/31/2021, FX rates are: 1.16 USD/EUR, 1.34 USD/GBP, 111.91 JPY/USD, 6.47 CNY/USD.

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