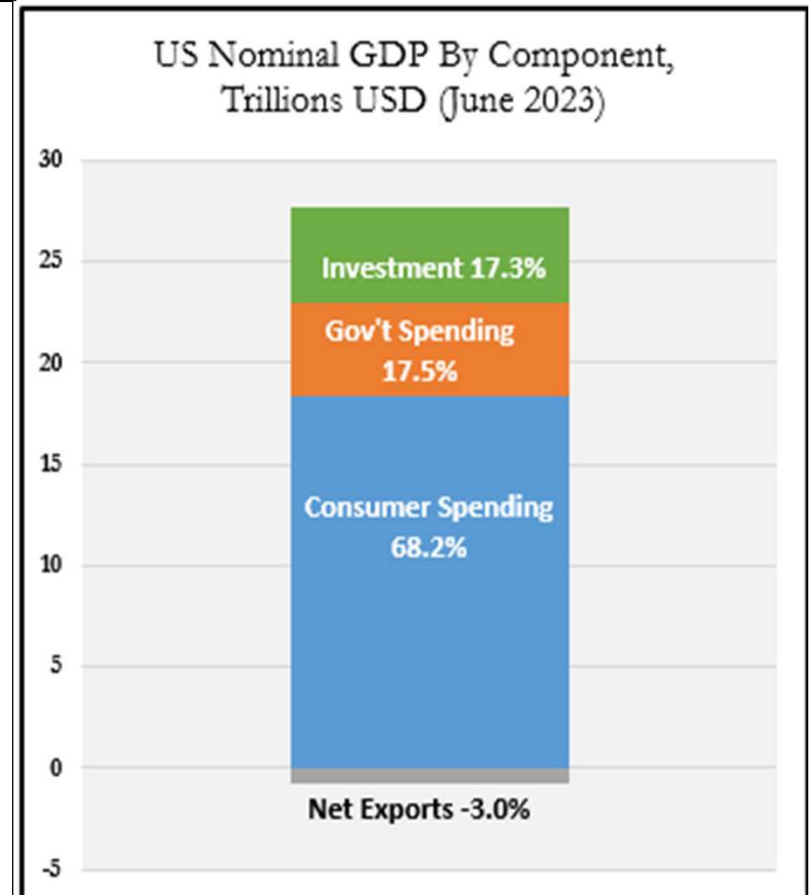
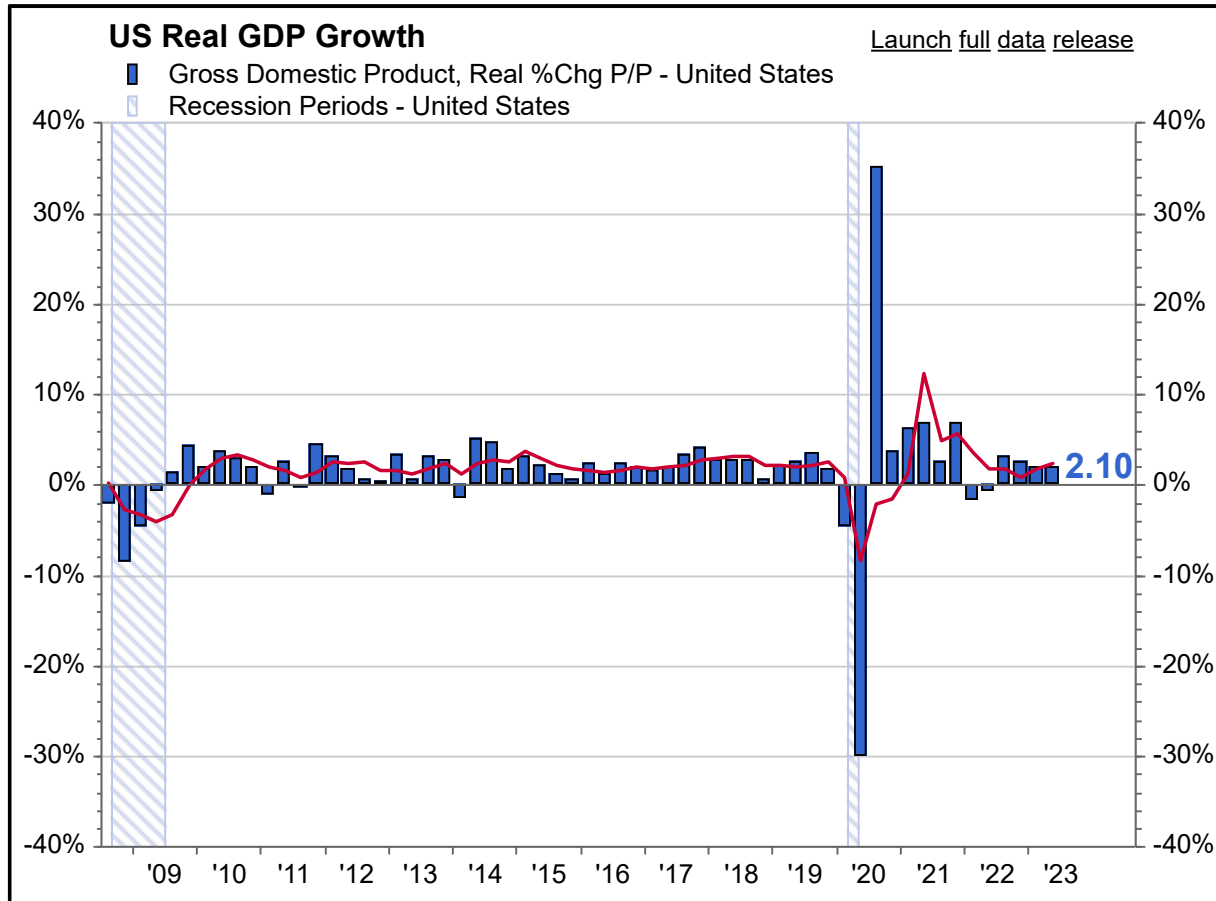


# JULEX MACRO CHART BOOK

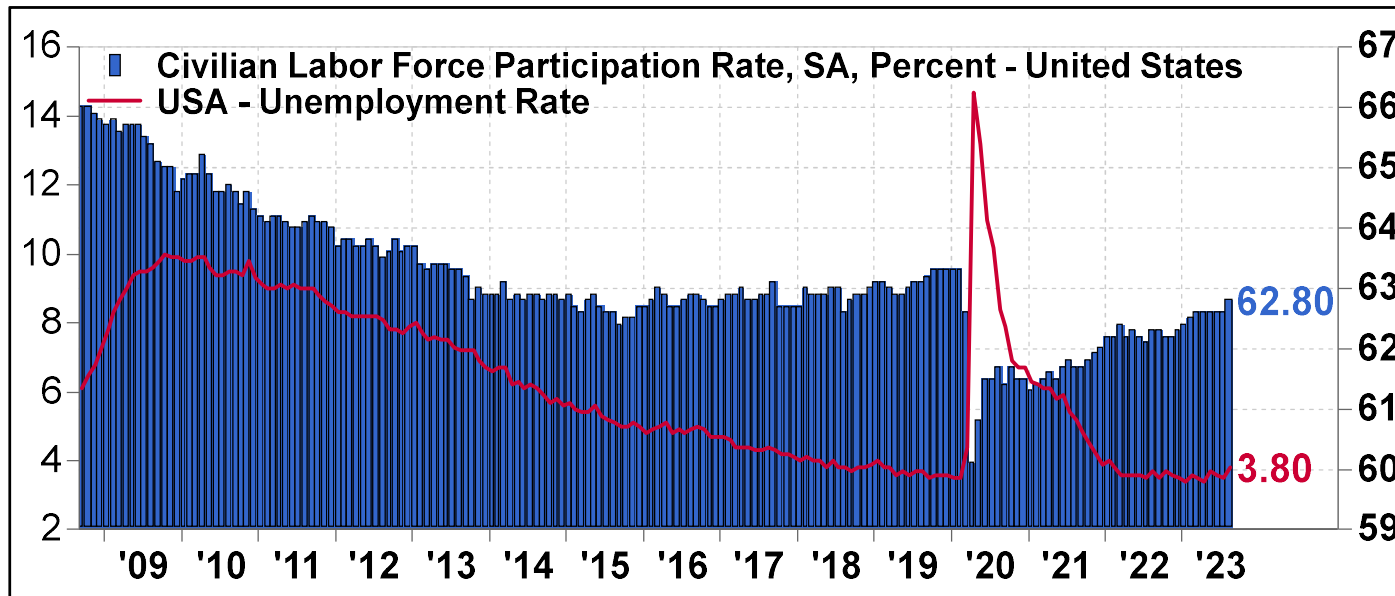
August 2023

For Institutions and Investment Advisers Only.  
All Data From FactSet Unless Otherwise Noted.  
[www.julexcapital.com](http://www.julexcapital.com)

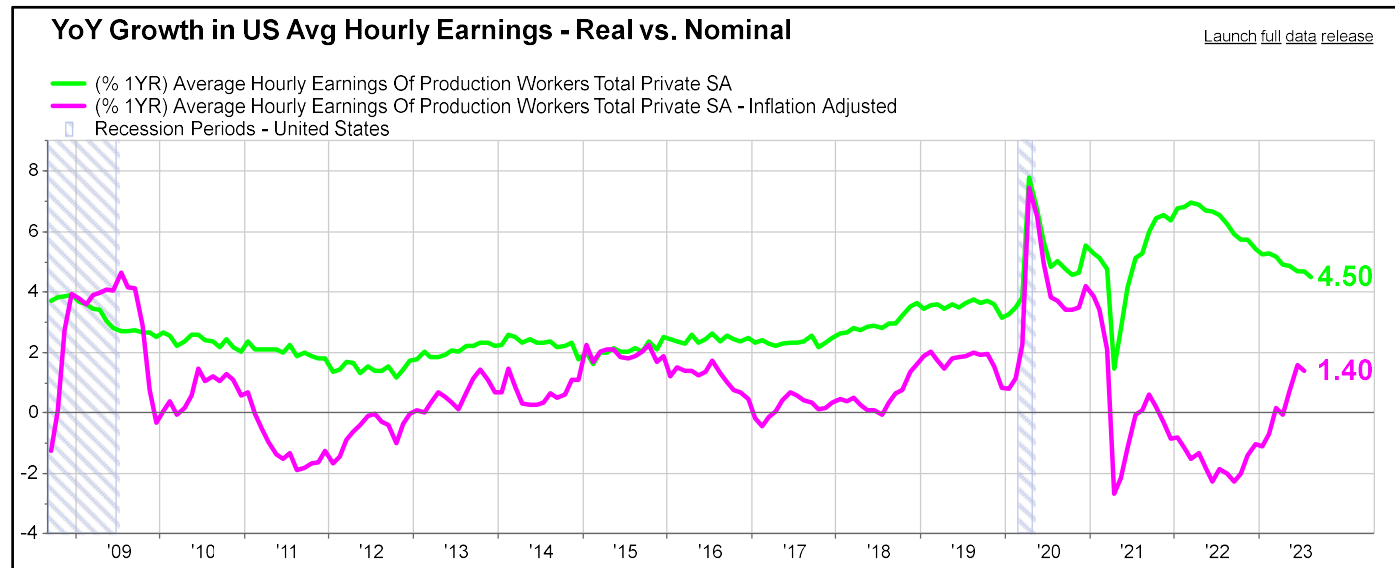


- The US economy grew by 2.4% in Q2 2023.

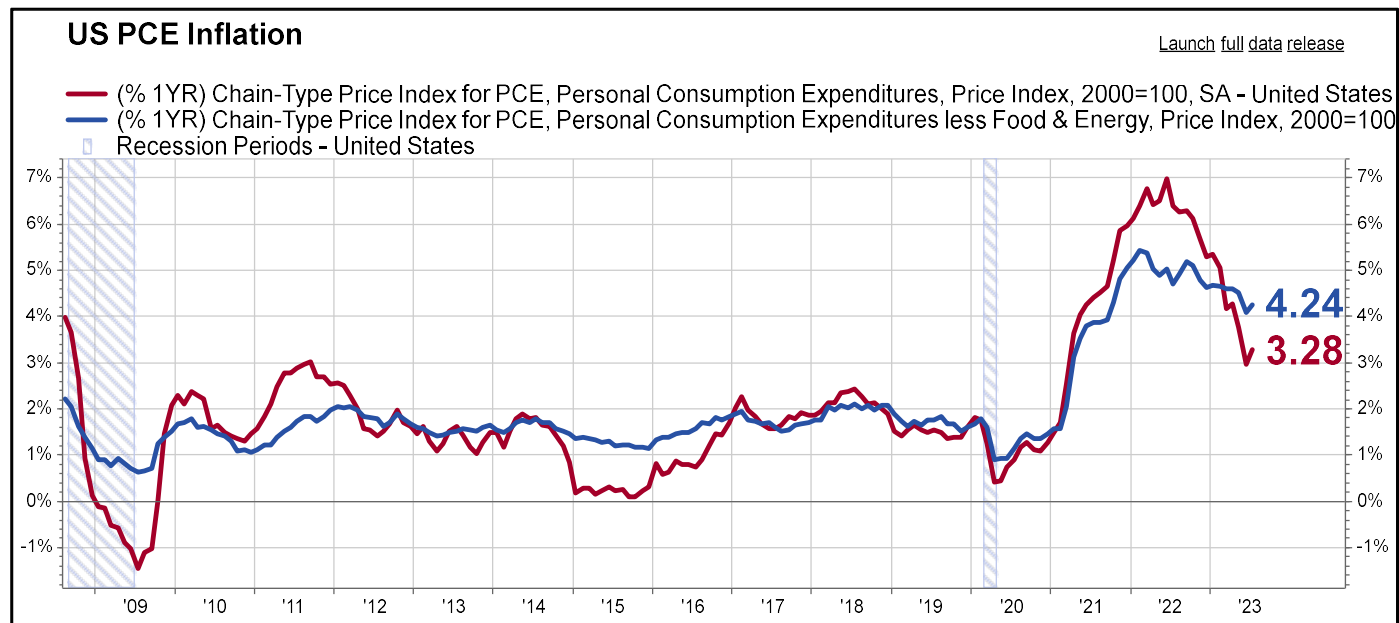
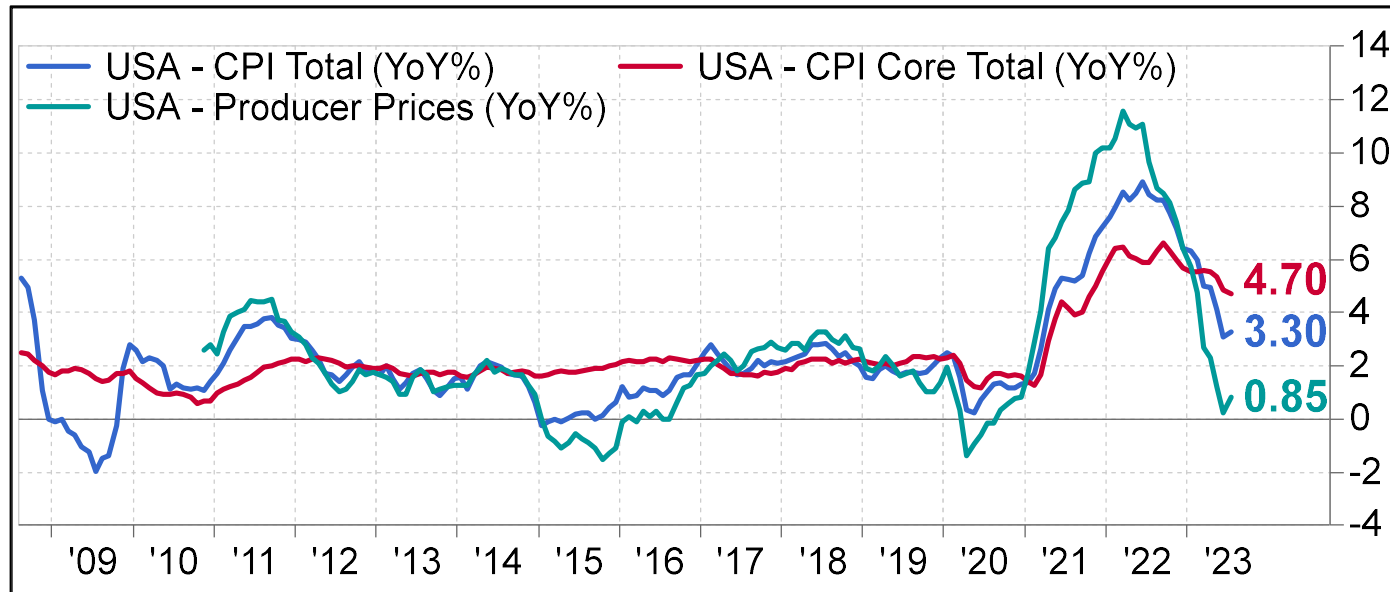
# US Economy - Labor Market



- The August jobs report saw the addition of some 187,000 jobs but the unemployment rate rose to 3.8%.
- Real wage growth has trended up after being negative for a year and a half.

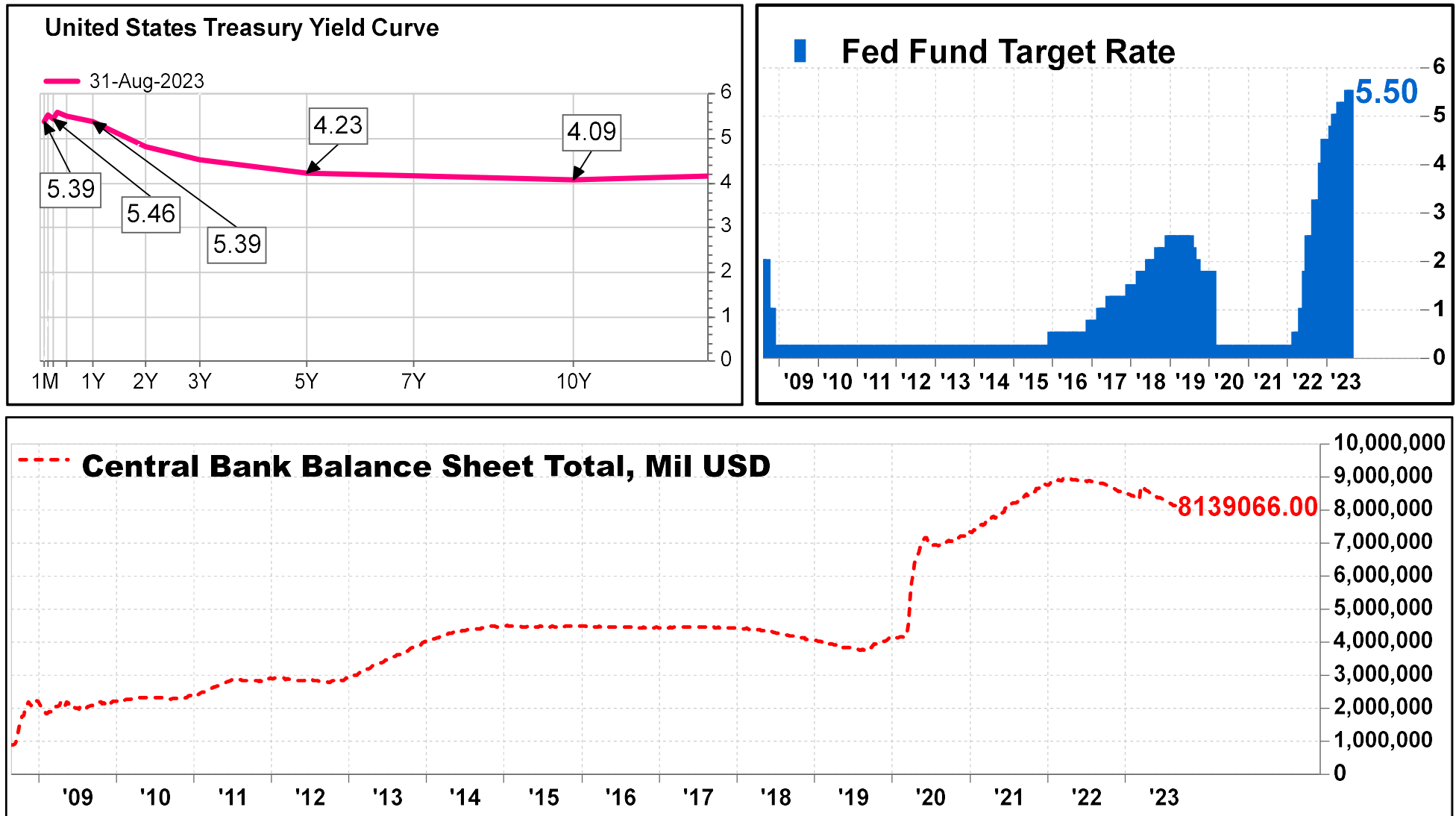


# US Economy - Inflation



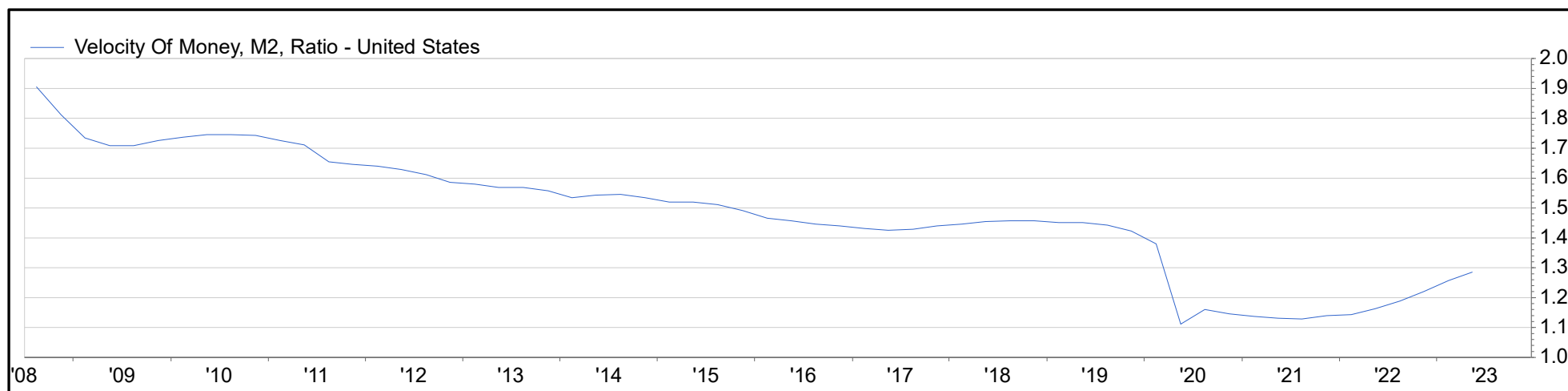
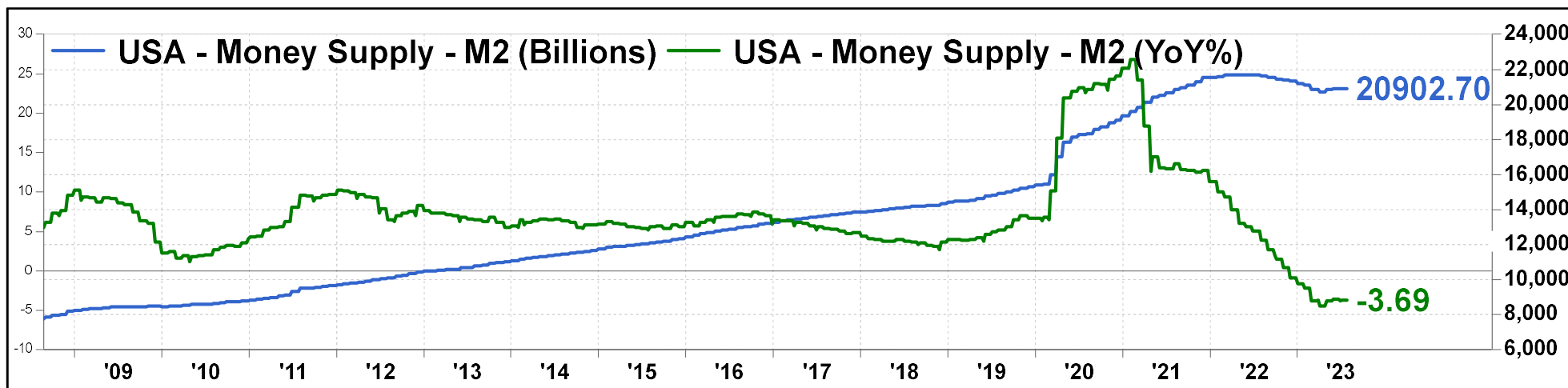
- Inflation continues to be a dominant concern, but even as it ticked up in August, the overall growth has significantly slowed.
- Powell and the Fed have repeatedly telegraphed their willingness to raise rates as much as necessary in order to bring inflation back to 2% growth, though there are growing expectations that some Fed governors believe the long-term inflation rate better belongs at 3% annually.

# US Economy - Monetary Policies



- The yield curve is heavily inverted.
- The market expects another 25-bps rate hike by the end of 2023

# US Economy - Monetary Policies (Cont.)



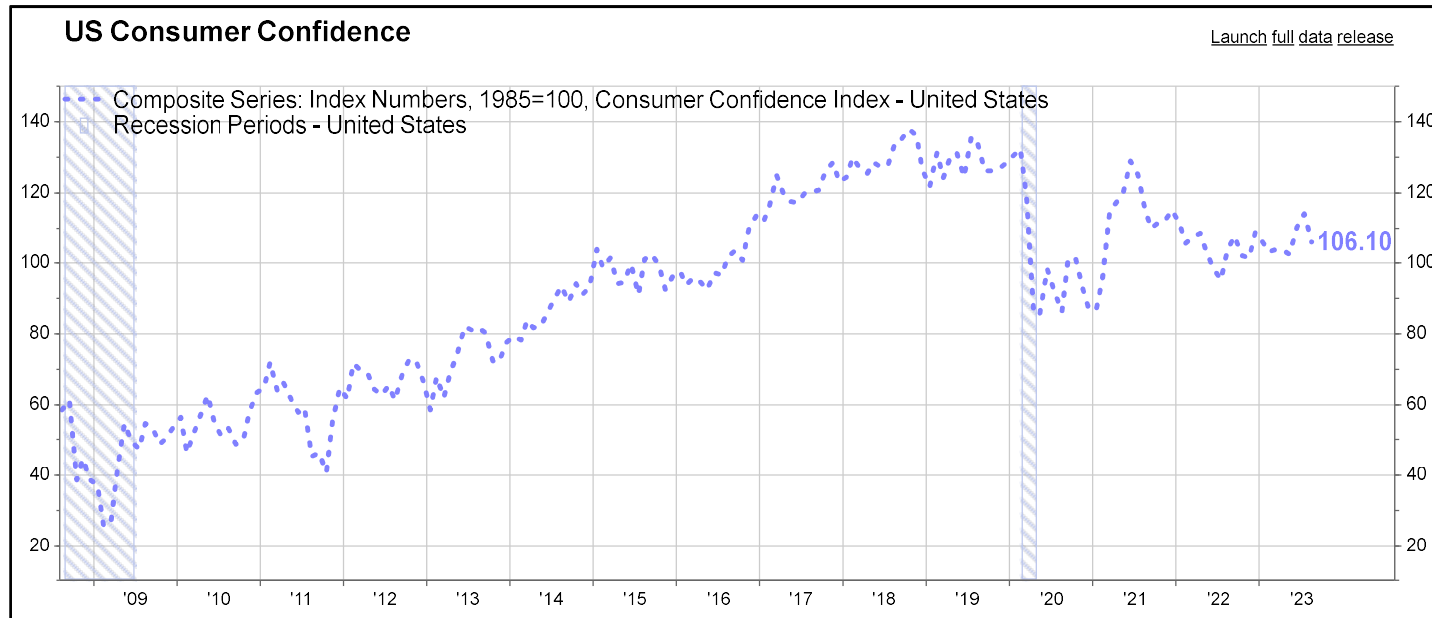
- Money supply has contracted since the start of tightening cycle in 2022, but has showed signs of stability.

# US Economy - Fiscal Policies

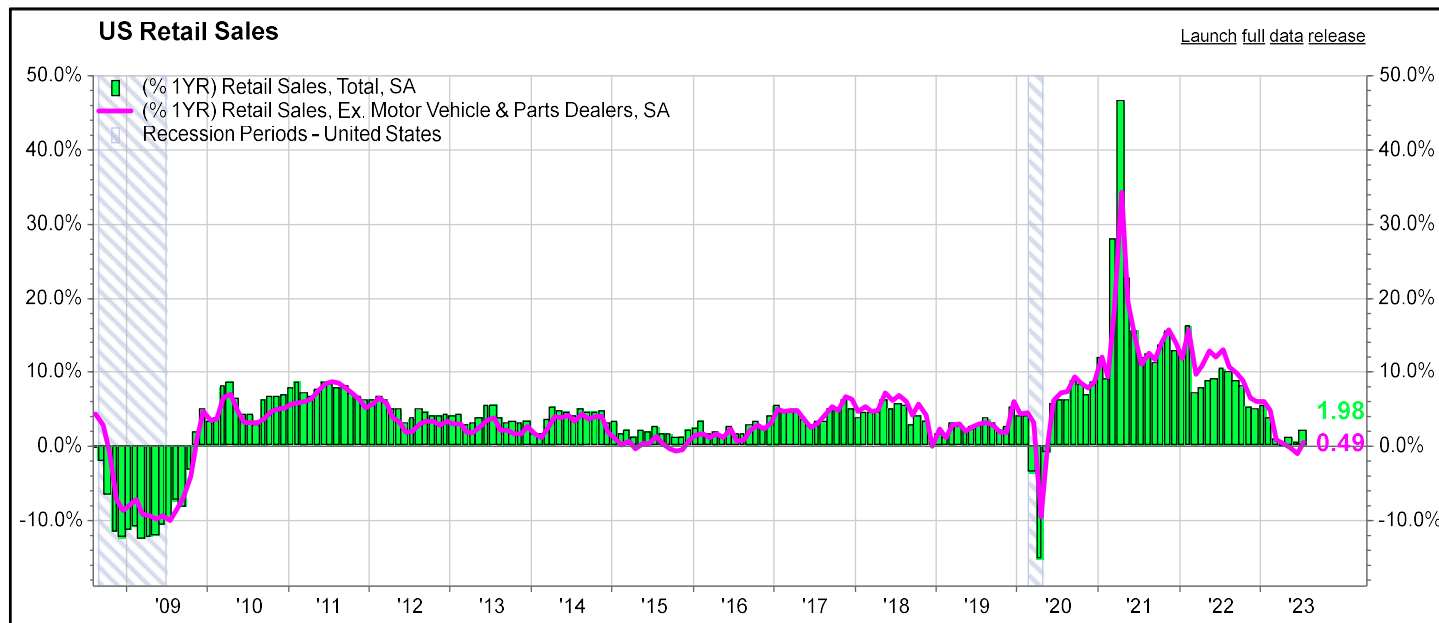
	2023 (Projected)	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>Gouvernement Revenues (Billions):</b>											
Individual Income Taxes	2,524.9	2,632.1	2,044.4	1,608.7	1,717.9	1,683.5	1,587.1	1,546.1	1,540.8	1,394.6	1,316.4
Payroll Taxes	1,562.3	1,483.5	1,314.1	1,310.0	1,243.1	1,170.7	1,161.9	1,115.1	1,065.3	1,023.5	947.8
Corporate Income Taxes	475.4	424.9	371.8	211.8	230.2	204.7	297.0	299.6	343.8	320.7	273.5
Excise Taxes	90.5	87.7	75.3	86.8	98.9	95.0	83.8	95.0	98.3	93.4	84.0
Estate and Gift Taxes	26.5	32.6	27.1	17.6	16.7	23.0	22.8	21.4	19.2	19.3	18.9
Customs Duties	98.7	99.9	80.0	68.6	70.8	41.3	34.6	34.8	35.0	33.9	31.8
Miscellaneous Receipts	36.4	135.4	134.4	117.7	85.8	111.7	129.0	156.0	147.5	136.1	102.6
<b>Total Revenue</b>	<b>4,814.7</b>	<b>4,896.1</b>	<b>4,047.1</b>	<b>3,421.2</b>	<b>3,463.4</b>	<b>3,329.9</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>Mandatory Spending (Billions):</b>											
Social Security	1,344.8	1,212.6	1,128.8	1,089.9	1,038.5	982.0	939.2	910.3	881.9	844.9	807.8
Medicare	1,001.3	974.8	867.7	912.1	775.4	704.5	702.3	692.5	634.1	599.8	585.2
Medicaid	594.3	592.0	520.6	458.5	409.4	389.2	374.7	368.3	349.8	301.5	265.4
Income Security	429.6	580.9	1,376.5	1,051.0	302.6	285.3	293.8	303.8	301.0	310.9	339.5
Federal Retirement	195.3	187.5	179.2	171.3	170.0	163.1	162.6	163.8	161.5	157.5	152.5
Veterans' Programs	169.7	161.4	125.1	121.8	115.0	101.4	105.0	106.5	92.4	86.7	80.4
Other Programs	585.5	930.3	969.2	1,053.2	198.7	156.7	194.7	119.8	134.2	74.5	105.5
Offsetting Receipts	-350.7	-504.7	-333.3	-277.5	-275.6	-259.6	-253.4	-237.6	-258.4	-277.3	-304.7
<b>Total Mandatory Spending</b>	<b>3,969.8</b>	<b>4,134.7</b>	<b>4,833.7</b>	<b>4,580.3</b>	<b>2,734.1</b>	<b>2,522.4</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>Discretionary Spending (Billions):</b>											
Defense	792.5	751.3	741.6	713.8	676.4	622.7	590.2	584.8	583.4	596.4	625.8
Nondefense	919.1	910.4	894.8	914.0	661.3	638.9	610.1	600.4	588.8	582.4	576.6
<b>Total Discretionary Spending</b>	<b>1,711.6</b>	<b>1,661.7</b>	<b>1,636.4</b>	<b>1,627.8</b>	<b>1,337.7</b>	<b>1,261.6</b>	<b>1,200.3</b>	<b>1,185.3</b>	<b>1,172.1</b>	<b>1,178.9</b>	<b>1,202.4</b>
<b>Interest on Debt (Billions):</b>	<b>663.0</b>	<b>475.1</b>	<b>352.3</b>	<b>345.5</b>	<b>375.2</b>	<b>325.0</b>	<b>262.6</b>	<b>240.0</b>	<b>223.2</b>	<b>229.0</b>	<b>220.9</b>
<b>Total Spending:</b>	<b>6,344.4</b>	<b>6,271.5</b>	<b>6,822.4</b>	<b>6,553.6</b>	<b>4,447.0</b>	<b>4,109.0</b>	<b>3,981.6</b>	<b>3,852.6</b>	<b>3,691.9</b>	<b>3,506.3</b>	<b>3,454.9</b>
<b>Defecit:</b>	<b>1,529.7</b>	<b>1,375.4</b>	<b>2,775.3</b>	<b>3,132.4</b>	<b>983.6</b>	<b>779.1</b>	<b>665.4</b>	<b>584.7</b>	<b>442.0</b>	<b>484.8</b>	<b>679.8</b>

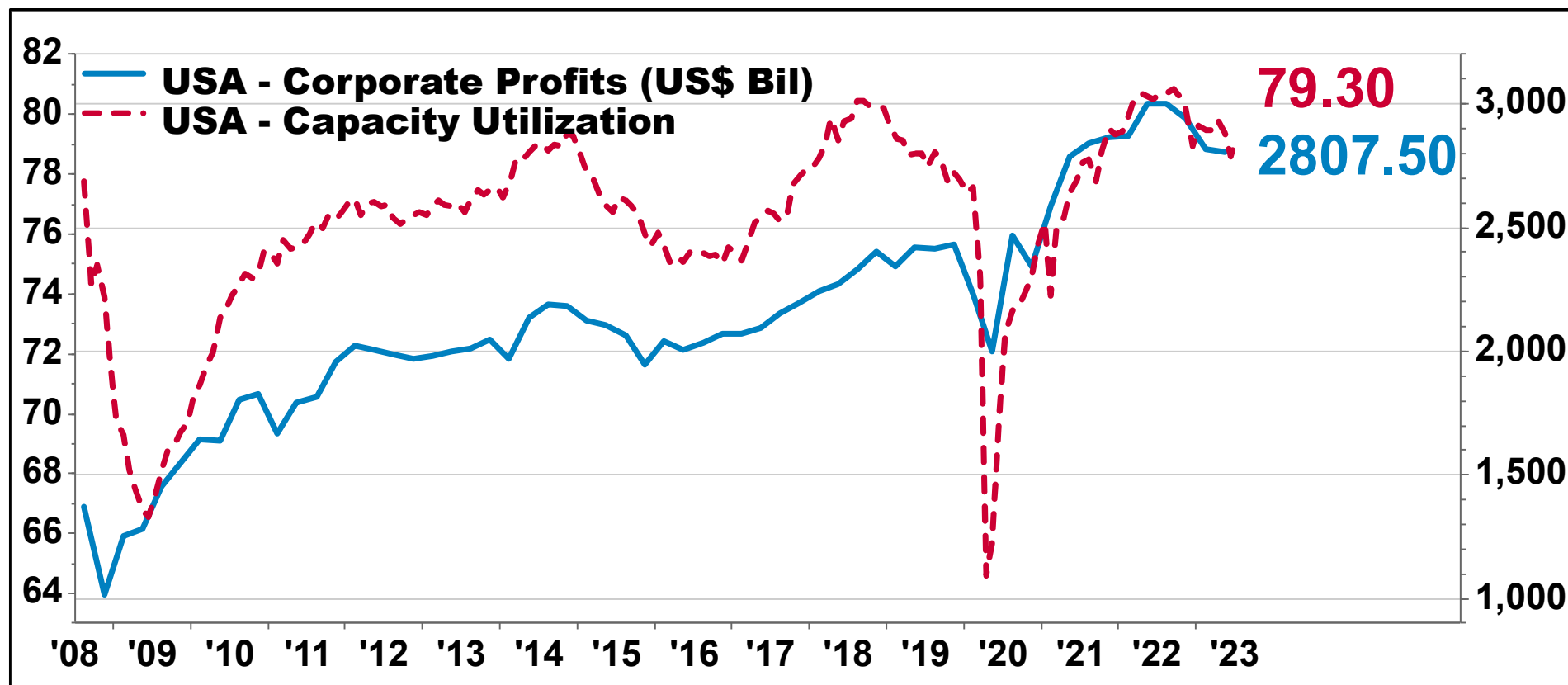
- As interest rates continue to increase, the interest expense on federal debt is expected to top \$1 Trillion in the near future.

# US Economy - Consumption



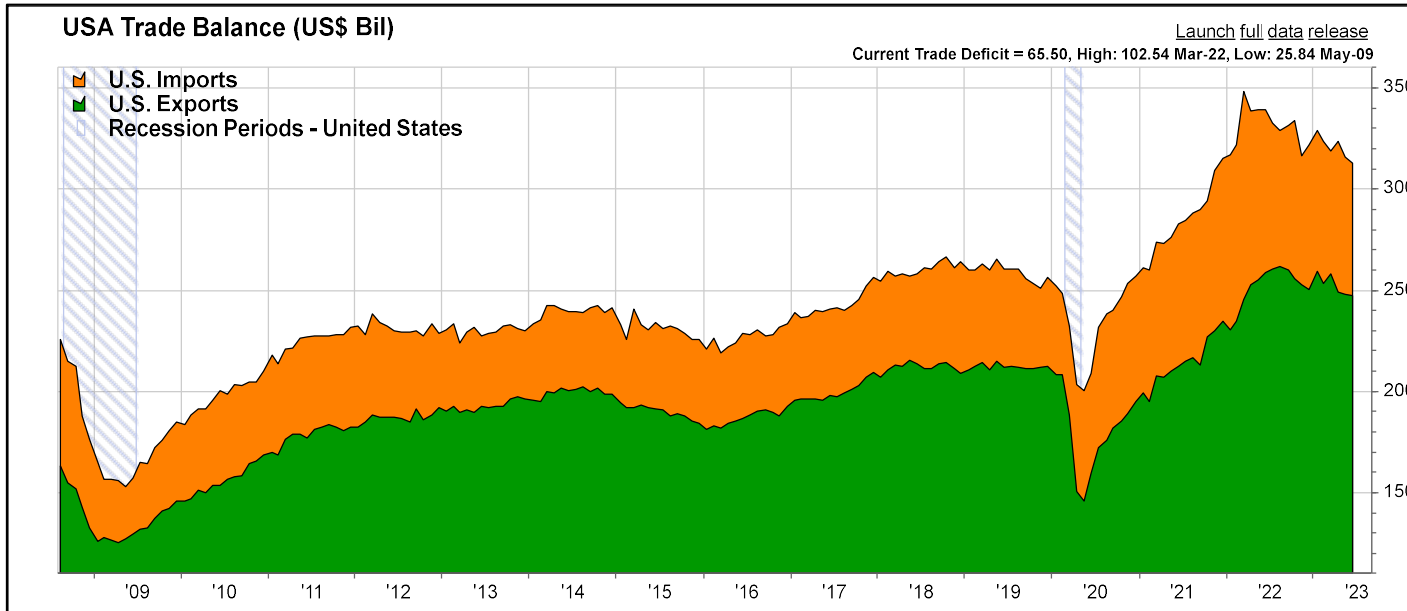
- The YOY retail sales growth has turned negative after the denominator-effects of COVID have worn off. Despite this, consumer confidence remains resilient.





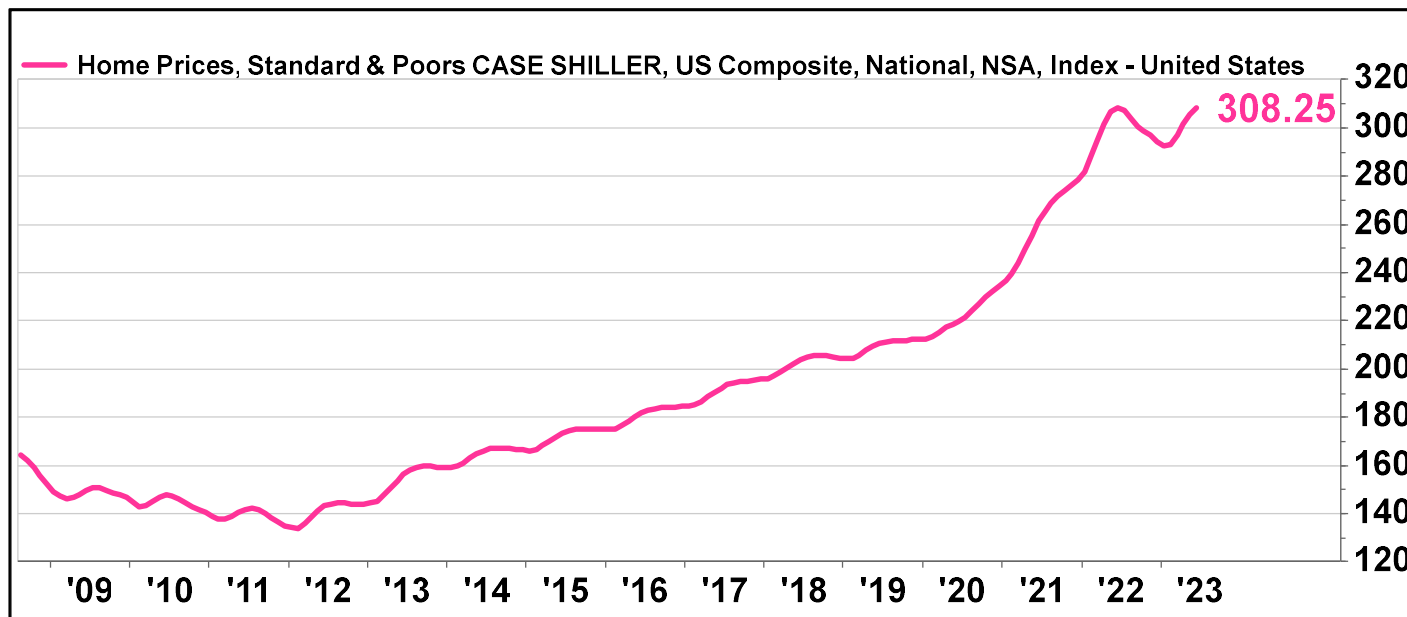
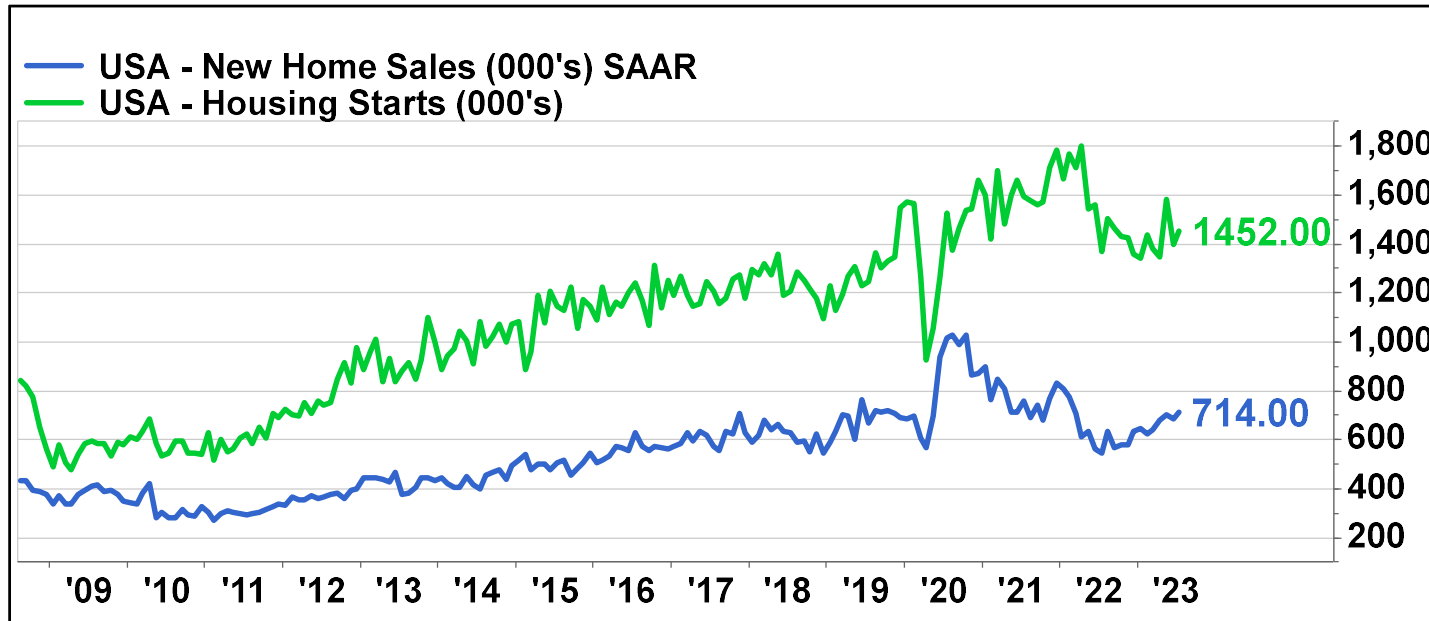
- The estimated earnings growth rate for S&P 500 companies is -4.1% in Q2 2023.
- The capacity utilization rate is among its highest level over the last decade.

# US Economy – International Trade



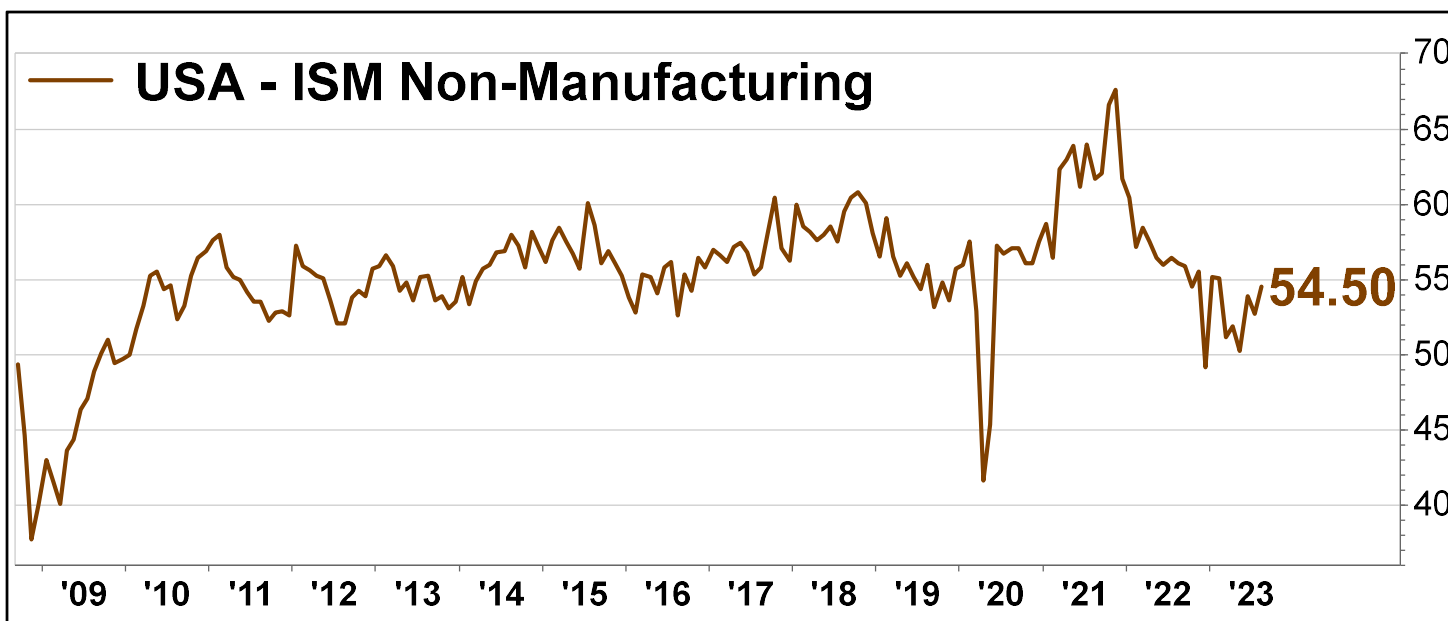
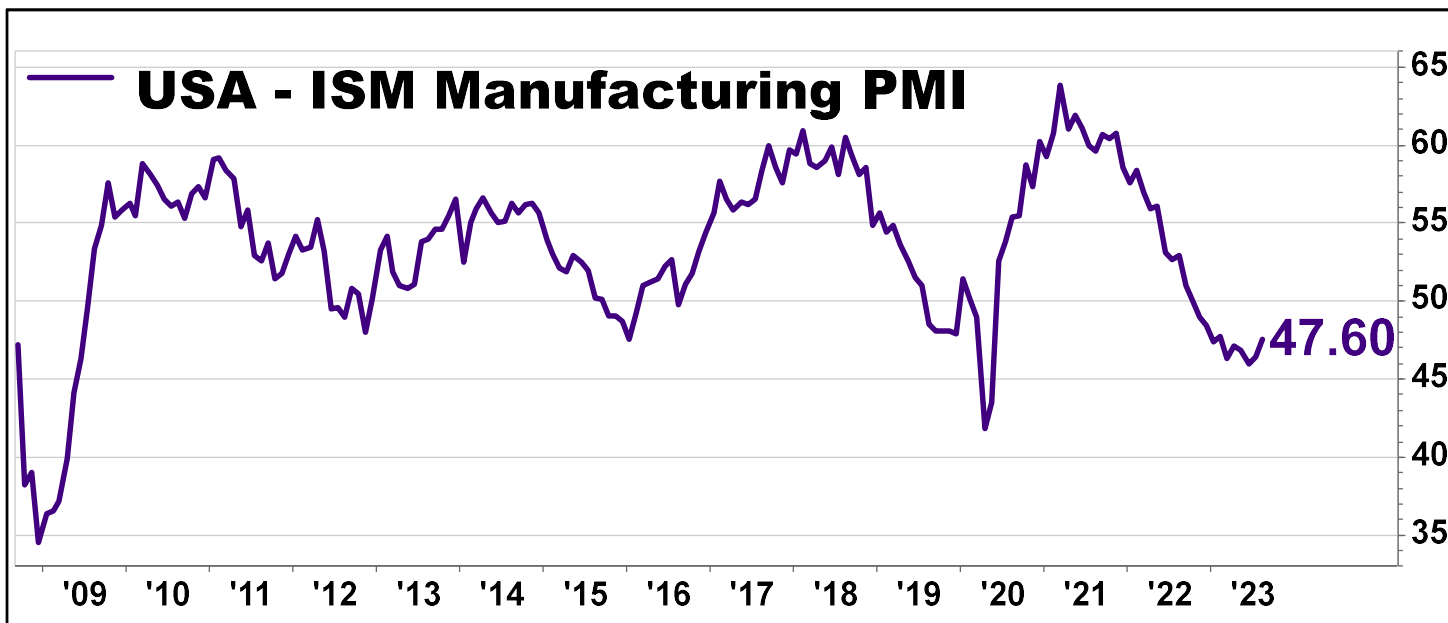
- The most recently available May data showed a decrease in the trade deficit

# US Economy – Housing Market



- The median sales price of homes in the United States was \$416,100 in Q2 according to the St. Louis Fed. While below recent highs, this number is trending back upward even as it faces headwinds from recent highs in mortgage rates.

# US Economy – Leading Indicators and Surveys



- US manufacturing activities are still below expansion level while the service sectors continue to be resilient

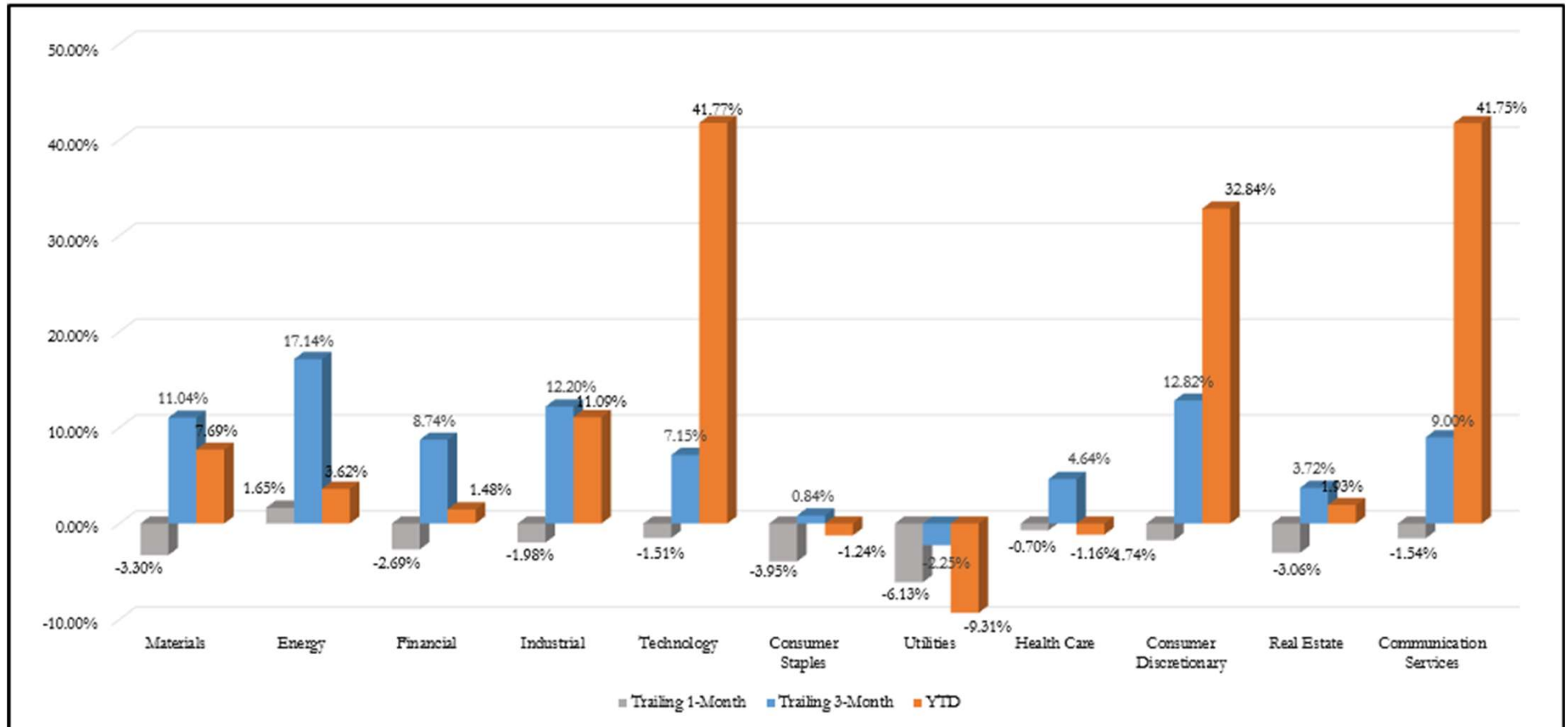
# Asset Class Performance

Sector/Asset Class	ETF	2018	2019	2020	2021	2022	YTD	Trailing 3-month	Trailing 1-month
US Large Cap	SPY	-4.56%	31.22%	18.37%	28.75%	-18.17%	18.66%	8.18%	-1.63%
US Small Cap	IWM	-11.11%	25.39%	20.03%	14.54%	-20.48%	8.87%	8.83%	-5.08%
Large Cap Value	IVE	-9.19%	31.63%	1.21%	24.72%	-5.40%	12.66%	7.37%	-2.79%
Large Cap Growth	IVW	-0.19%	30.77%	33.19%	31.80%	-29.52%	24.03%	8.81%	-0.66%
Mid Cap Value	IWS	-12.41%	26.74%	4.80%	28.10%	-12.28%	5.82%	9.29%	-3.62%
Mid Cap Growth	IWP	-4.87%	35.04%	35.24%	12.60%	-26.90%	15.38%	7.21%	-3.34%
Small Cap Value	IWN	-12.99%	22.01%	4.66%	27.96%	-14.75%	4.87%	10.31%	-4.77%
Small Cap Growth	IWO	-9.42%	28.48%	34.68%	2.54%	-26.26%	12.59%	7.32%	-5.26%
International Equity	EFA	-13.81%	22.03%	7.59%	11.46%	-14.35%	10.99%	3.09%	-3.93%
Emerging Markets Equity	VWO	-14.77%	20.76%	15.19%	1.30%	-17.99%	4.63%	4.36%	-5.90%
US REITs	VNQ	-6.02%	28.87%	-4.68%	40.52%	-26.24%	1.98%	4.12%	-3.38%
Infrastructure MLP	AMLPL	-12.62%	5.98%	-32.19%	39.03%	25.53%	15.00%	12.00%	0.62%
Gold	GLD	-1.94%	17.86%	24.81%	-4.15%	-0.77%	6.12%	-1.26%	-1.28%
Commodity	DJP	-13.07%	7.63%	-4.12%	31.05%	17.46%	-3.68%	10.97%	-0.98%
High Yield Bond	JNK	-3.27%	14.88%	4.95%	3.99%	-12.20%	6.69%	3.51%	0.25%
Broad Bond	AGG	0.10%	8.46%	7.48%	-1.77%	-13.02%	1.60%	-1.01%	-0.63%
TIPs	TIP	-1.42%	8.35%	10.84%	5.67%	-12.24%	1.26%	-1.11%	-0.81%
Treasuries	IEF	0.99%	8.03%	10.01%	-3.33%	-15.16%	0.56%	-2.61%	-0.73%
Long Term Treasuries	TLT	-1.61%	14.12%	18.15%	-4.60%	-31.24%	-1.14%	-5.40%	-3.14%
Short Term Treasuries	SHV	1.72%	2.36%	0.81%	-0.10%	0.94%	3.14%	1.34%	0.48%

Note: As of August 31<sup>st</sup>, 2023.

- Most asset classes were negative in August.

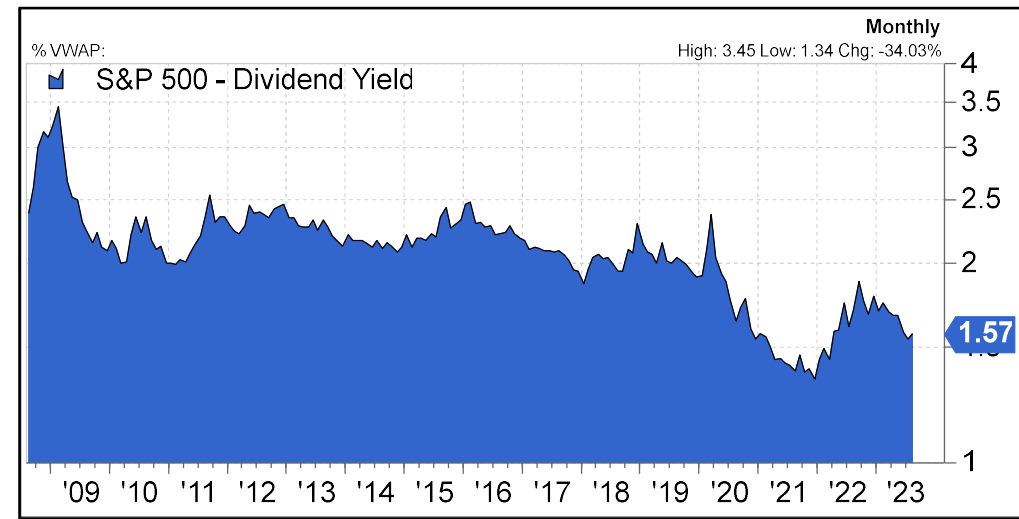
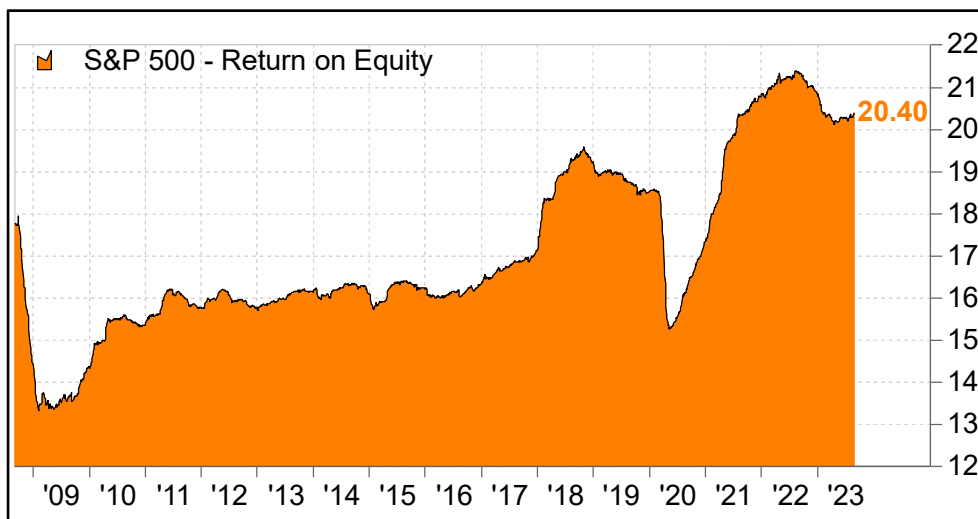
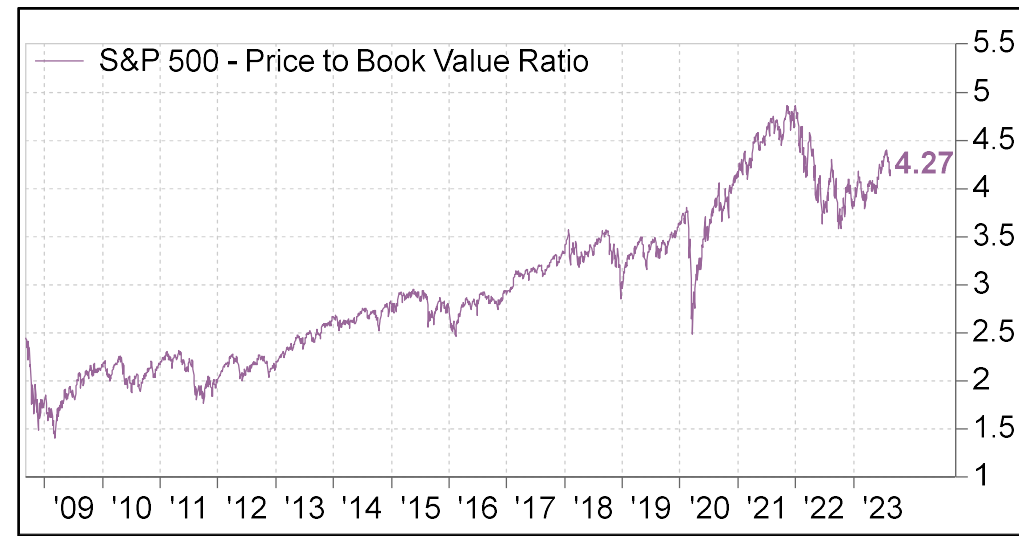
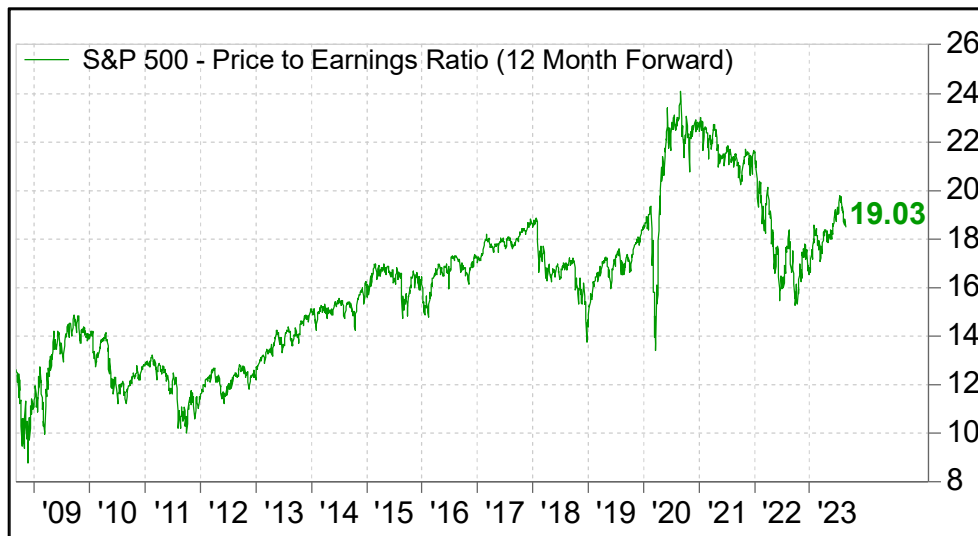
# US Sector Performance



Note: As of August 31<sup>st</sup>, 2023.

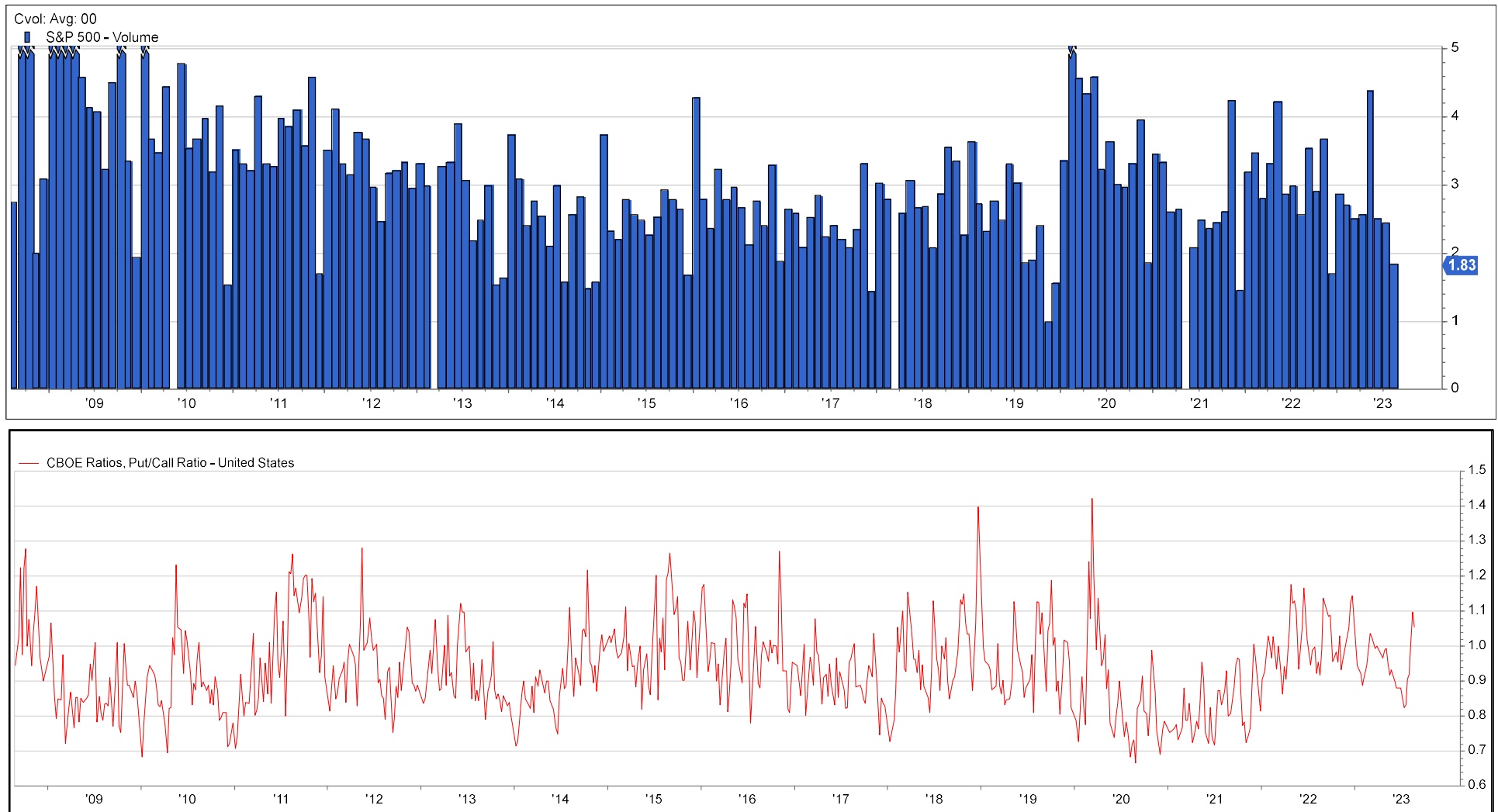
- All sectors were negative in August except for energy stocks.

# US Equity Market Fundamentals



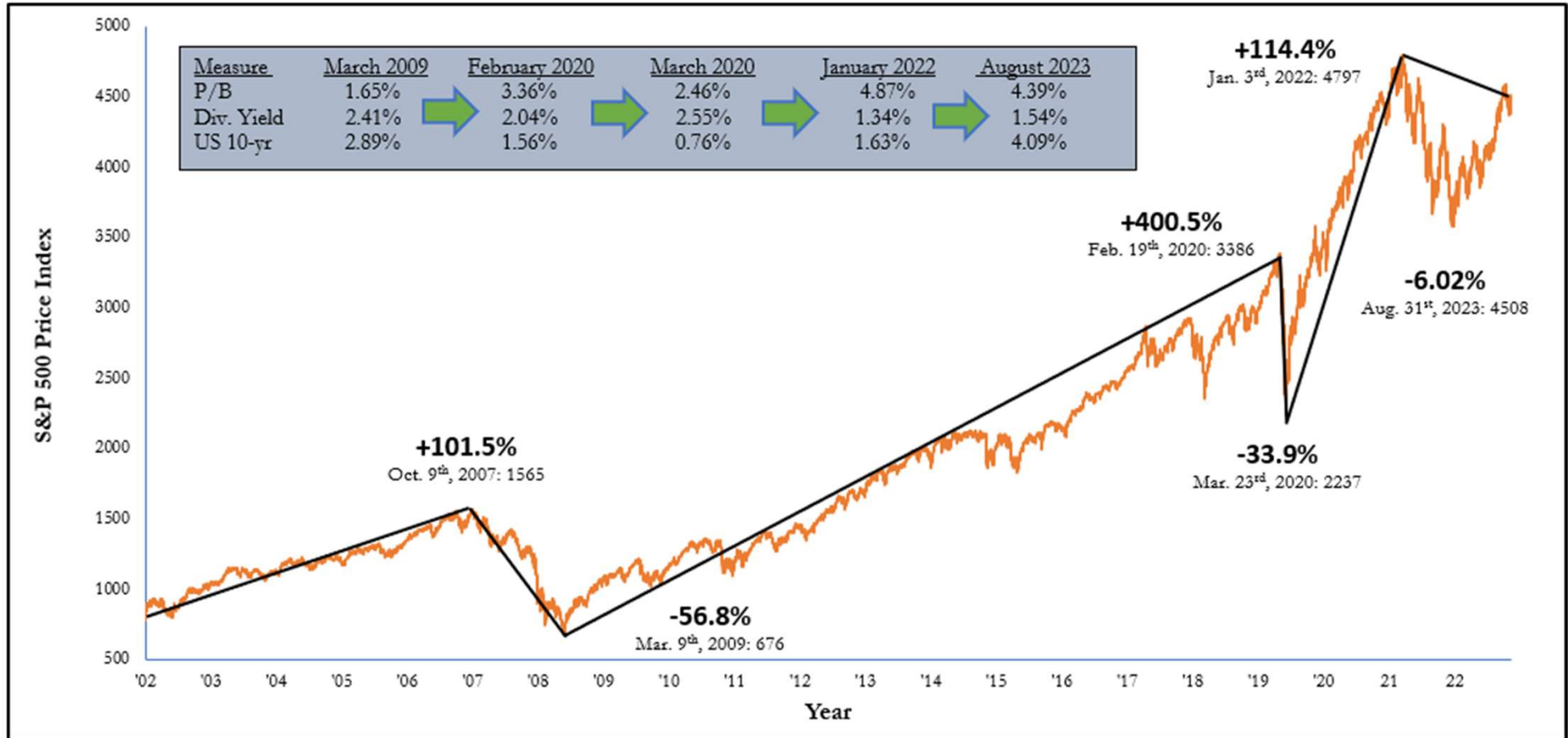
- Valuations became slightly more attractive in August largely because of market movements.

# US Equity Market Technicals



- Volume has fallen throughout the summer.

# US Equity Trends



Note: As of August 31<sup>st</sup>, 2023.

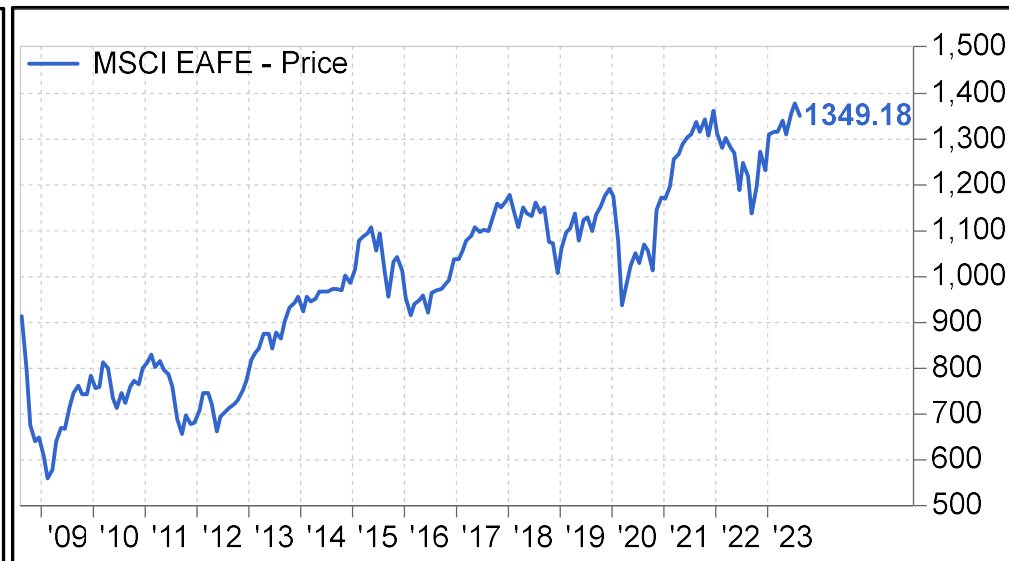
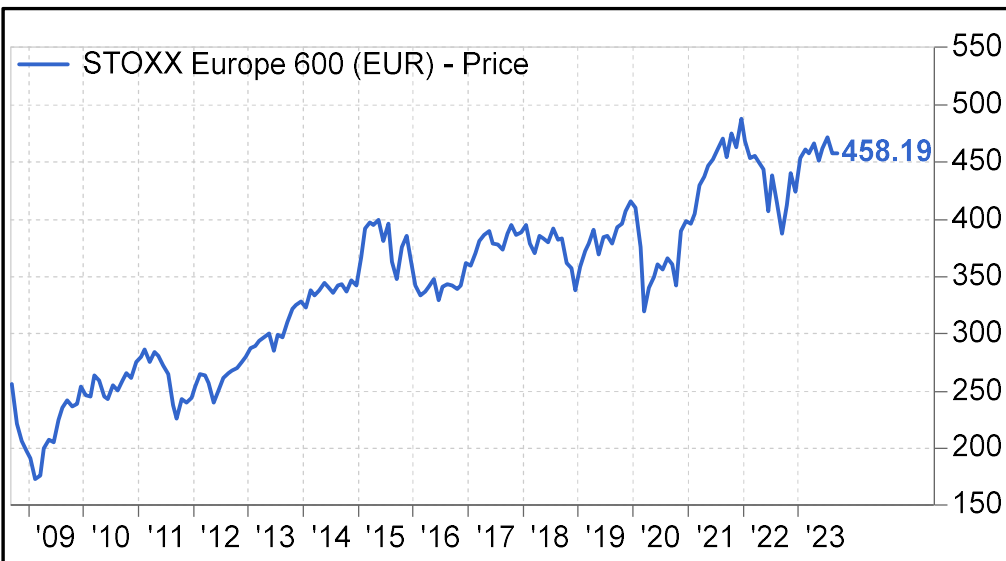
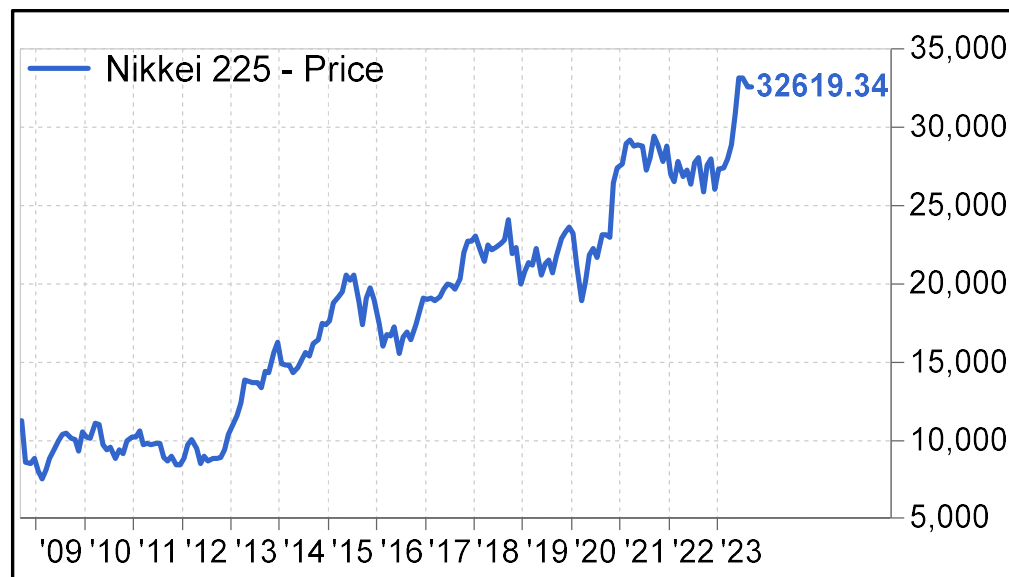
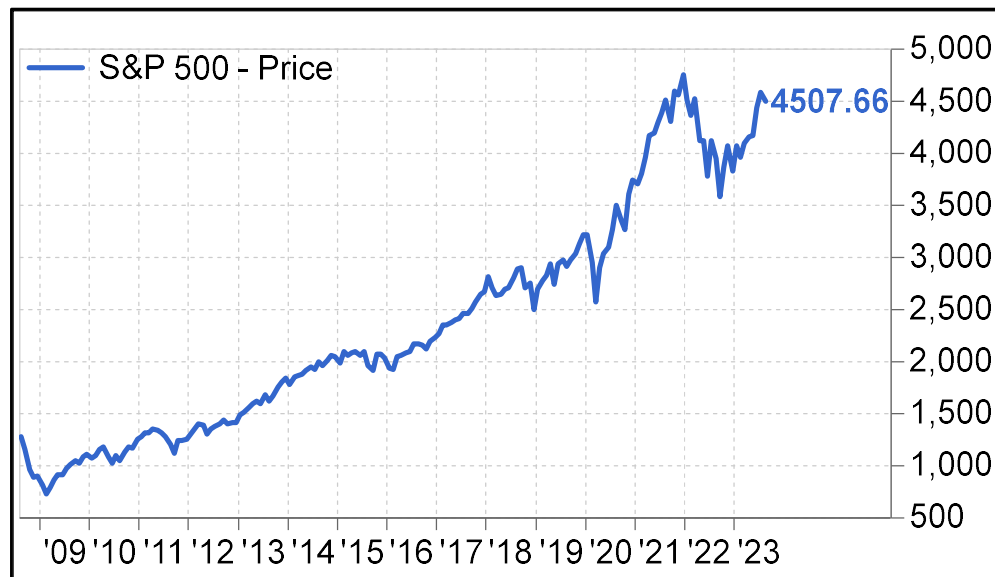
Data Source: FactSet, Yahoo Finance, and www.treasury.gov

# Global Equity Performance - Country Comparison

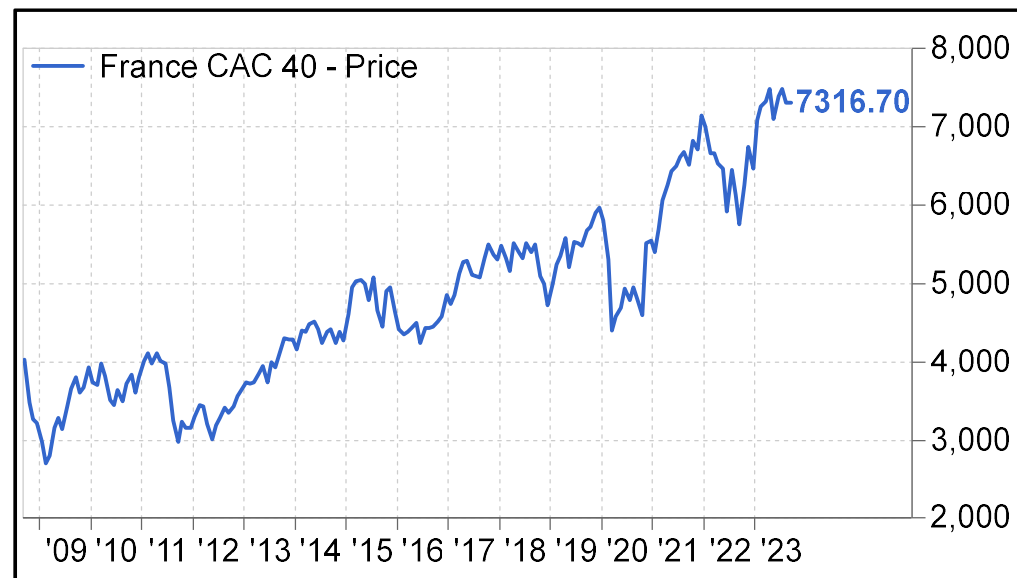
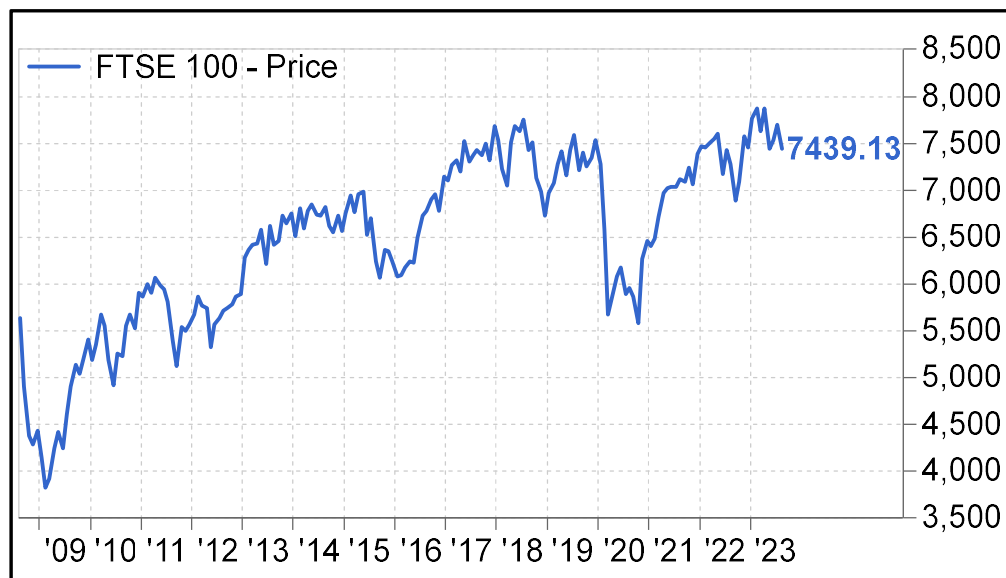
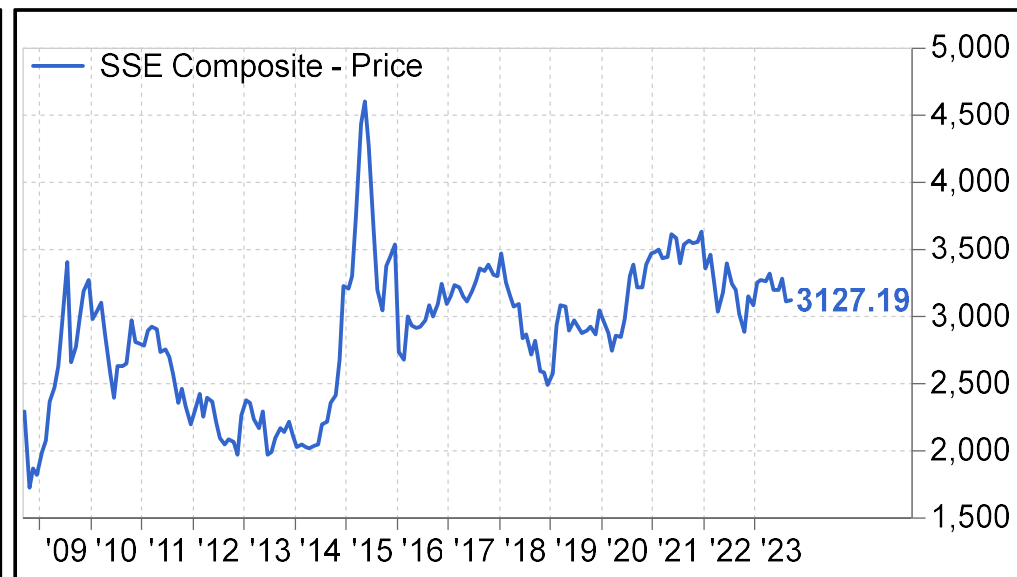
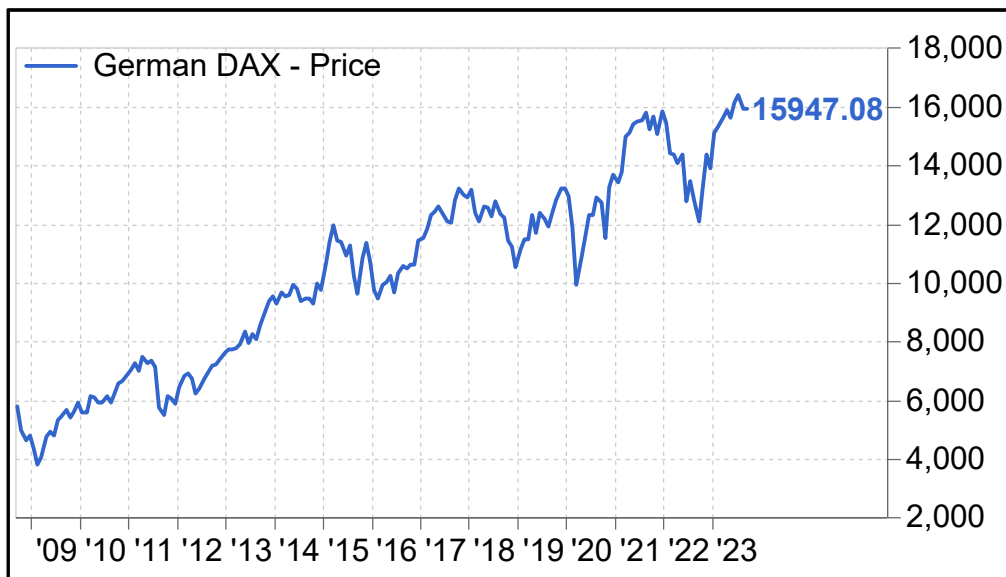
2018	2019	2020	2021	2022	YTD	Trailing 3-month	Trailing 1-month
Brazil -2.56%	United States 21.22%	China 27.78%	United States 28.15%	Brazil 12.35%	Italy 22.08%	Italy 10.81%	United States 11.63%
India -4.29%	Brazil 27.65%	United States 18.37%	Canada 27%	England -4.38%	Spain 19.3%	Brazil 9.67%	India -2.34%
United States -4.56%	Canada 27.56%	Japan 15.41%	France 21.47%	Spain -5.15%	United States 18.66%	United States 8.18%	Japan -2.81%
France -12.88%	Italy 26.97%	Germany 10.56%	India 19.55%	India -7.33%	France 16.25%	Spain 6.76%	Spain -2.93%
Japan -14.09%	France 26.67%	India 10.01%	England 18.22%	France -11.99%	Germany 16%	Canada 5.36%	France -3.81%
England -14.28%	China 23.7%	Canada 5.52%	Italy 14.41%	Canada -12.95%	Japan 14.02%	India 4.9%	Canada -3.85%
Spain -15.32%	England 21.25%	France 2.85%	Germany 5.84%	Italy -14.1%	Brazil 13%	China 4.85%	England -3.9%
Canada -17.16%	Japan 19.33%	Italy 1.67%	Japan 1.17%	Japan -17.12%	Canada 7.06%	Japan 4.61%	Italy -4.18%
Italy -17.19%	Germany 19.15%	Spain -3.96%	Spain 0.27%	United States -18.17%	India 6.56%	France 4.06%	Germany -4.77%
China -19.77%	Spain 11.91%	England -11.8%	Brazil -17.28%	Germany -22.2%	England 6.4%	Germany 2.53%	Brazil -8.92%
Germany -21.37%	India 9.99%	Brazil -20.33%	China -21.73%	China -22.76%	China -4.55%	England 2.26%	China -9.82%
Developed Markets -13.81%	Developed Markets 22.03%	Emerging Markets 17.88%	Developed Markets 11.46%	Developed Markets -14.35%	Developed Markets 10.99%	Emerging Markets 4.13%	Developed Markets -3.93%
Emerging Markets -14.93%	Emerging Markets 17.79%	Developed Markets 7.59%	Emerging Markets -0.61%	Emerging Markets -19.97%	Emerging Markets 6.09%	Developed Markets 3.09%	Emerging Markets -6.07%

Note: As of August 31<sup>st</sup>, 2023. Numbers reflective of ETF performance.

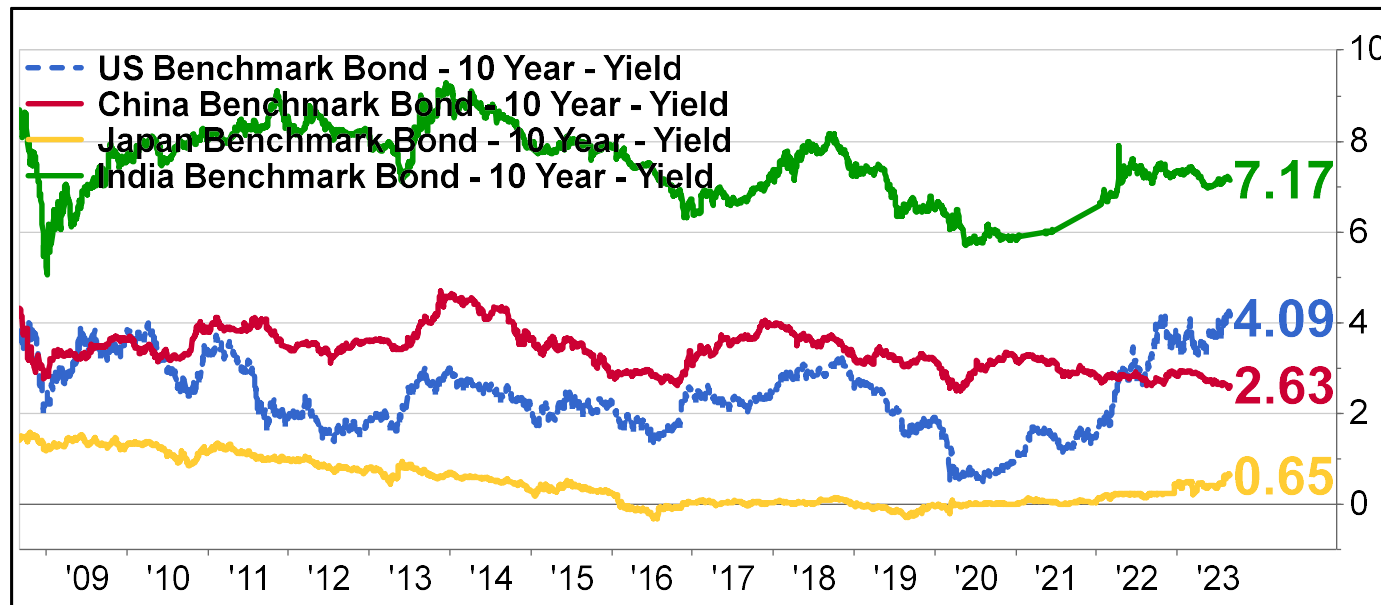
# Global Equity- Major Indices



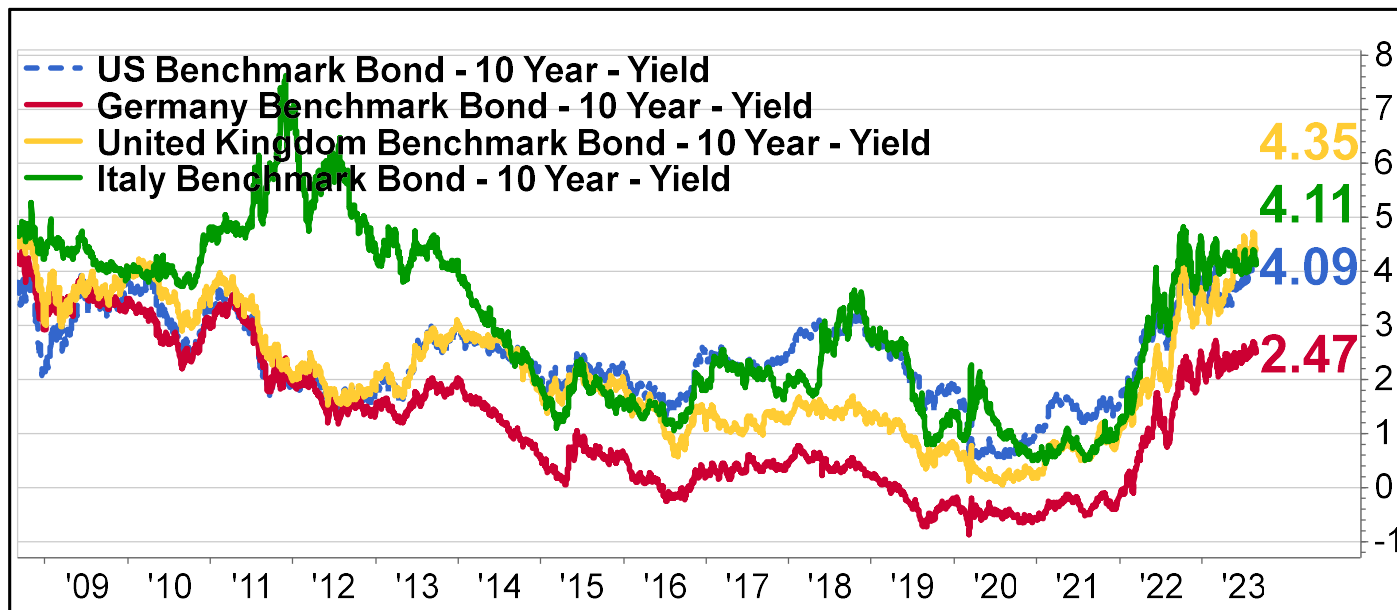
# Global Equity- Major Indices

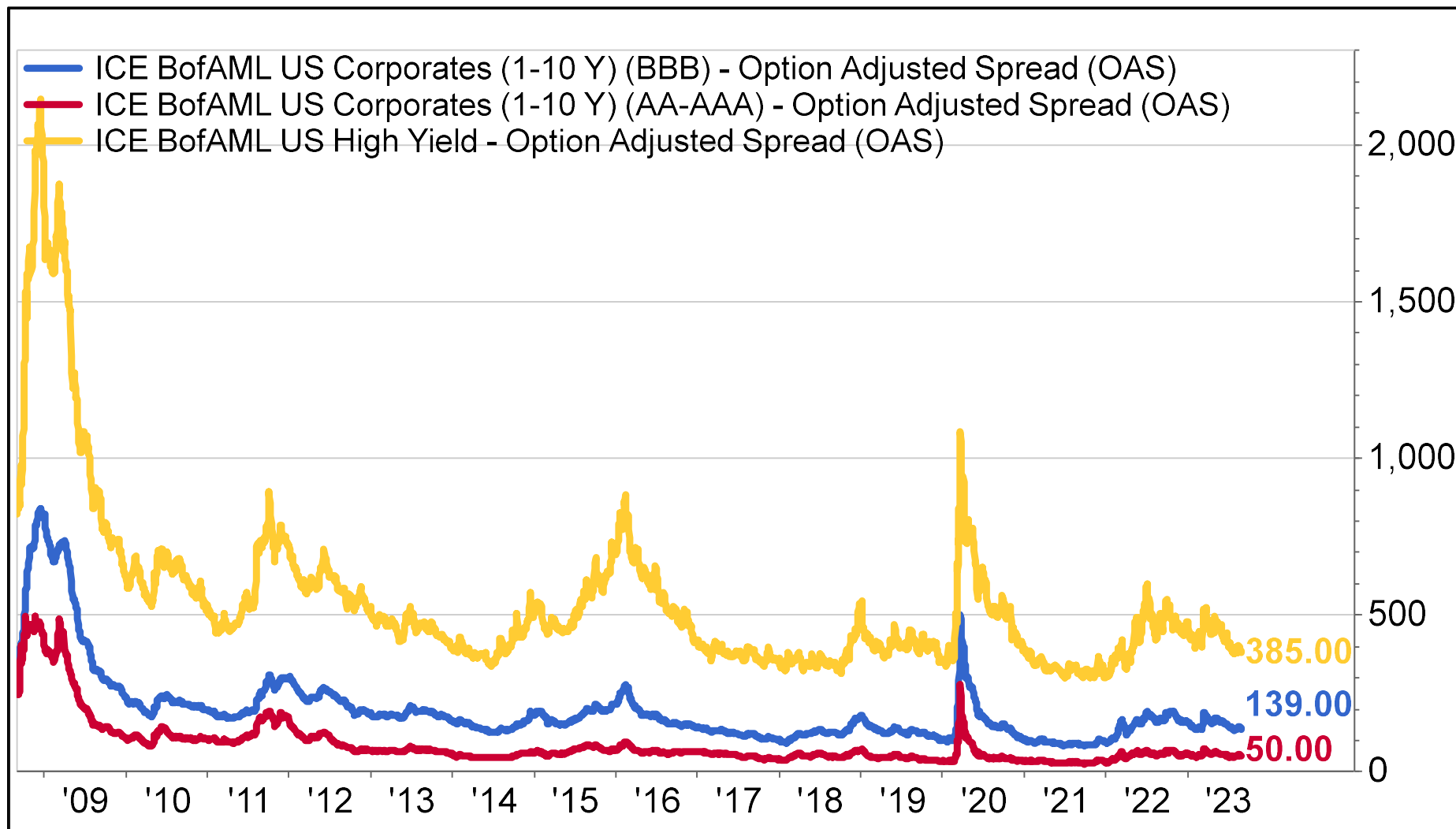


# Global Fixed Income- Government Yields

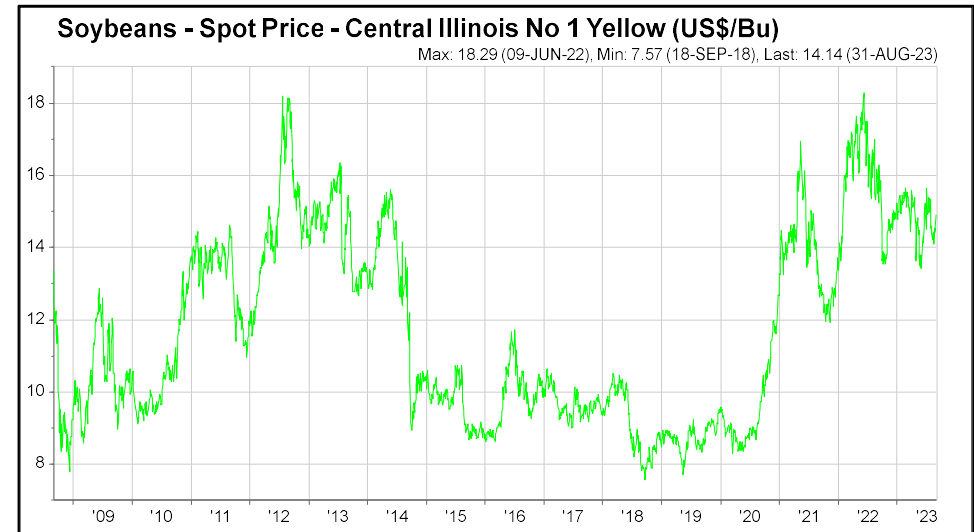
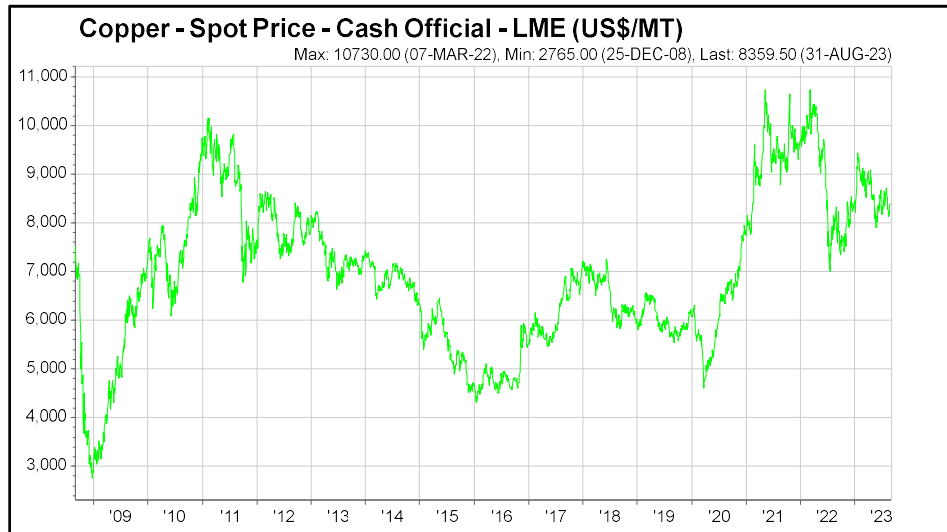
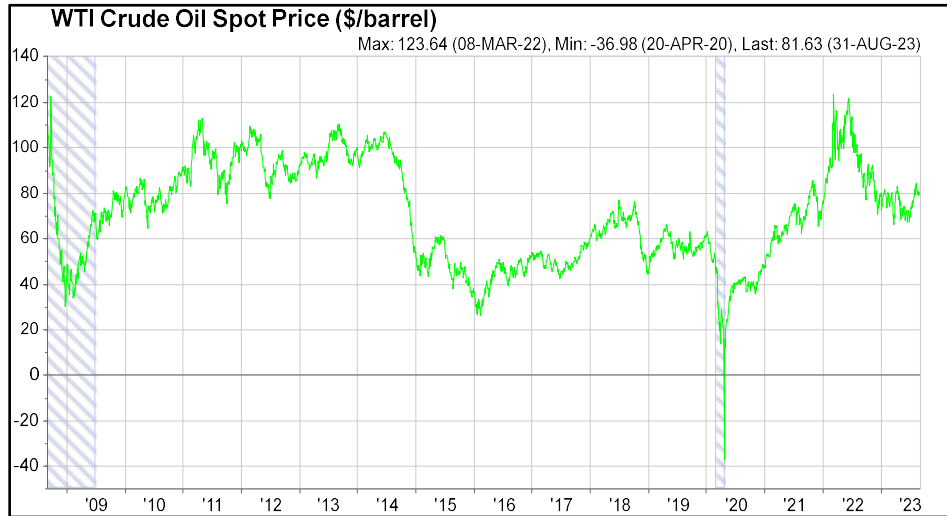


- Yields on sovereign debt were stable in August.





- Spreads were stable in August.



- As of 8/31/2023, WTI Crude: \$81.63/Barrel; Gold: \$1942.30 Troy Oz; Copper: \$8359.50/MT; Soybean: \$14.14/Bu.

**U.S. Dollar per Euro**

— Exchange Rate USD per EUR



**U.S. Dollar per British Pounds**

— Exchange Rate USD per GBP



**Japanese Yen per U.S. Dollar**

— Exchange Rate JPY per USD



**China Renminbi per U.S. Dollar**

— Exchange Rate CNY per USD



- As of 8/31/2023, FX rates are: 1.09 USD/EUR, 1.27 USD/GBP, 145.59 JPY/USD, 7.29 CNY/USD.

The information in this presentation is for the purpose of information exchange. This is not a solicitation or offer to buy or sell any security. You must do your own due diligence and consult a professional investment advisor before making any investment decisions. All information posted is believed to come from reliable sources. We do not warrant the accuracy or completeness of information made available and therefore will not be liable for any losses incurred. All sources from FactSet unless otherwise noted.