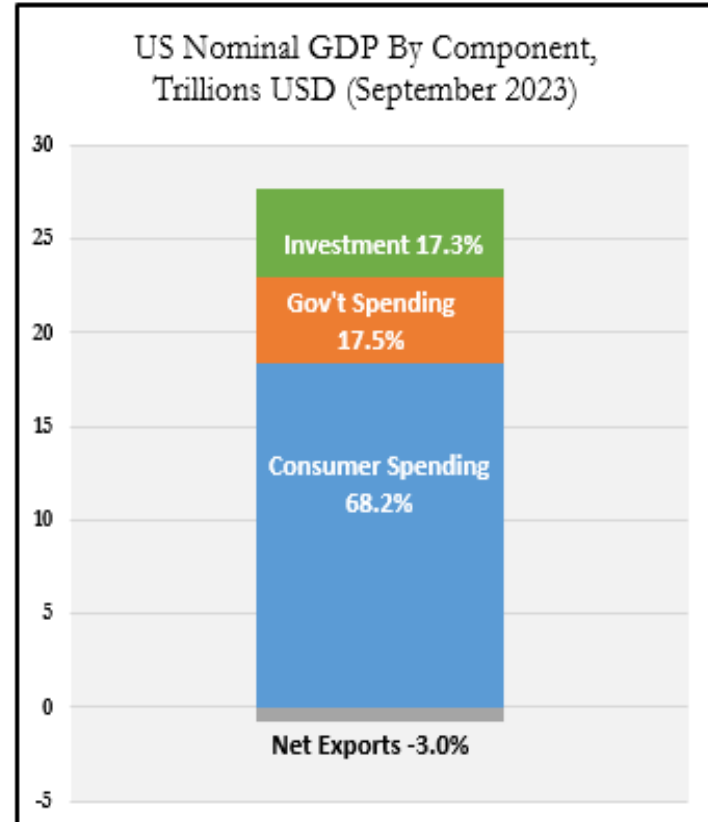
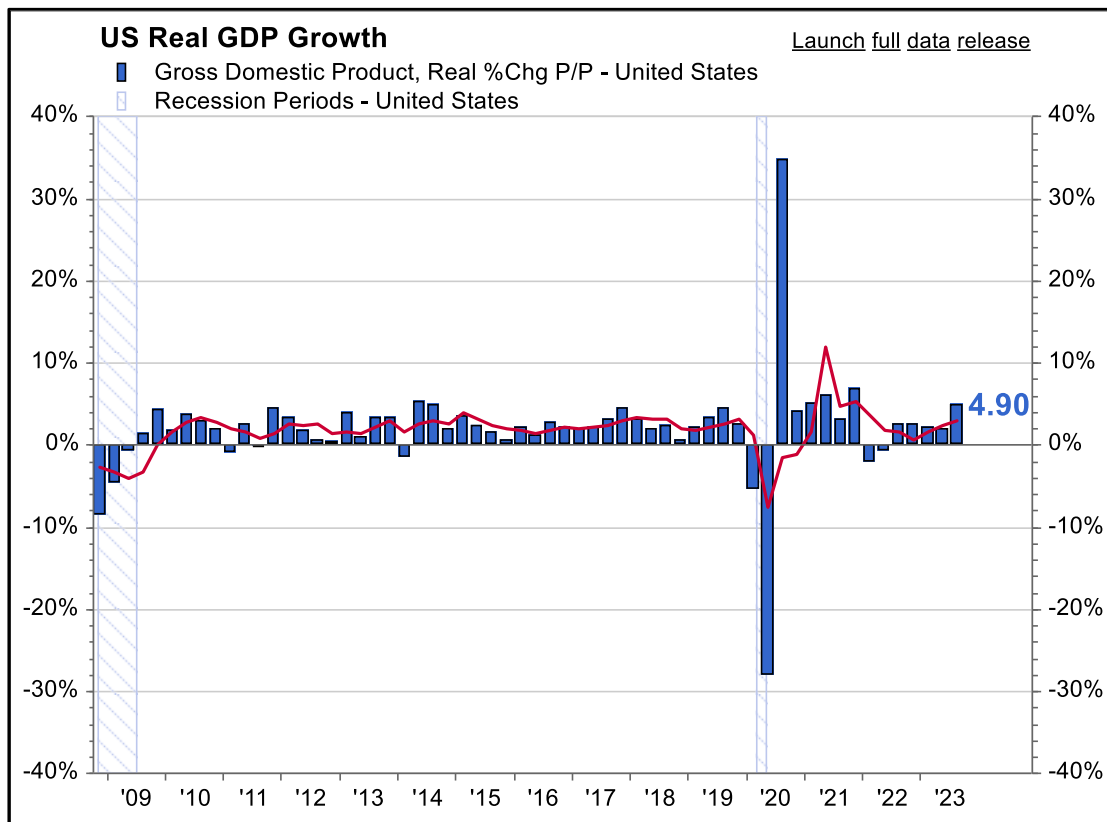


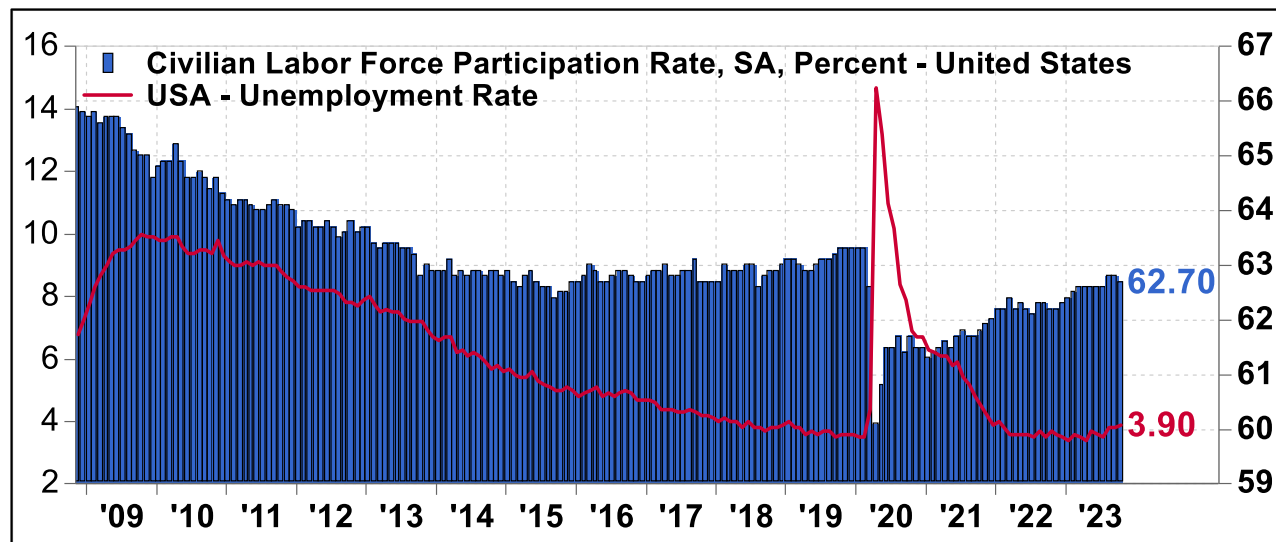
# JULEX MACRO CHART BOOK

October 2023

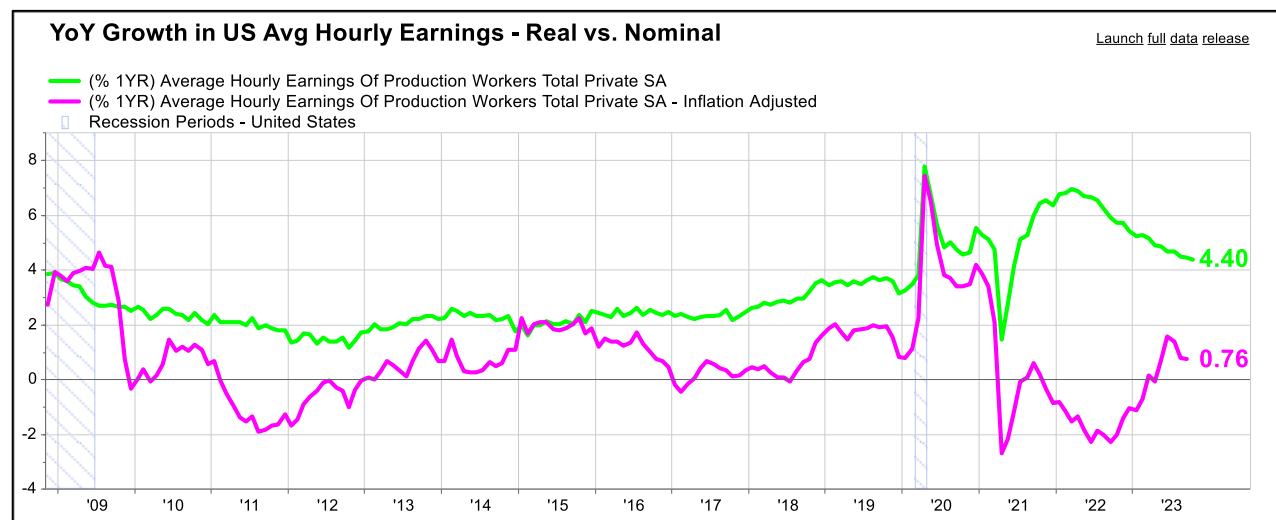
For Institutions and Investment Advisers Only.  
All Data From FactSet Unless Otherwise Noted.  
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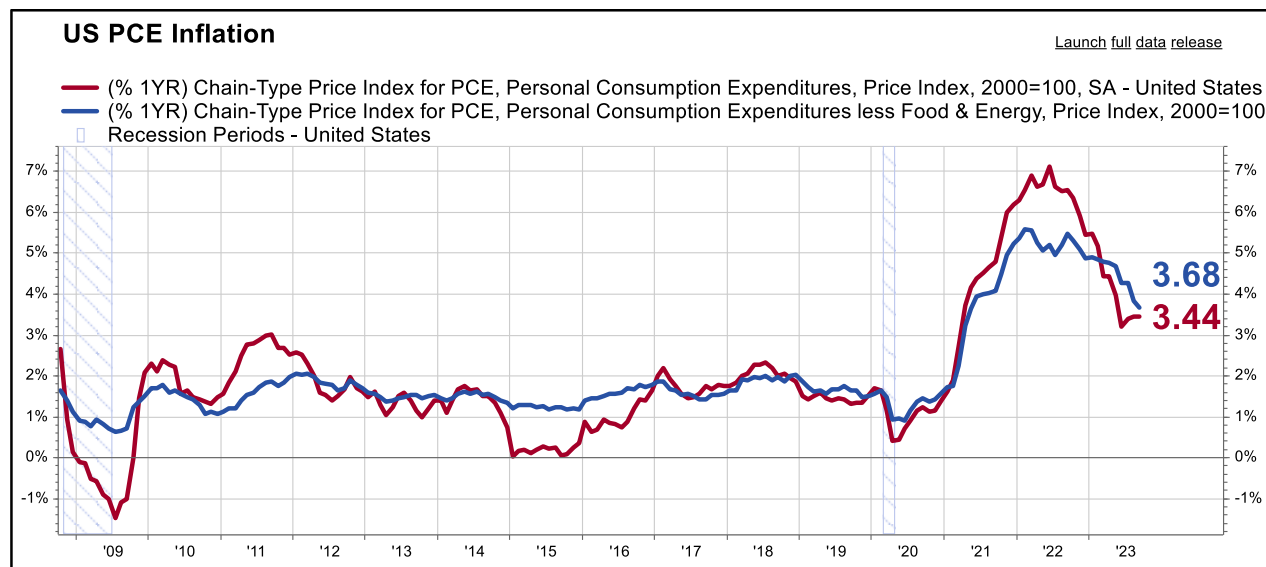
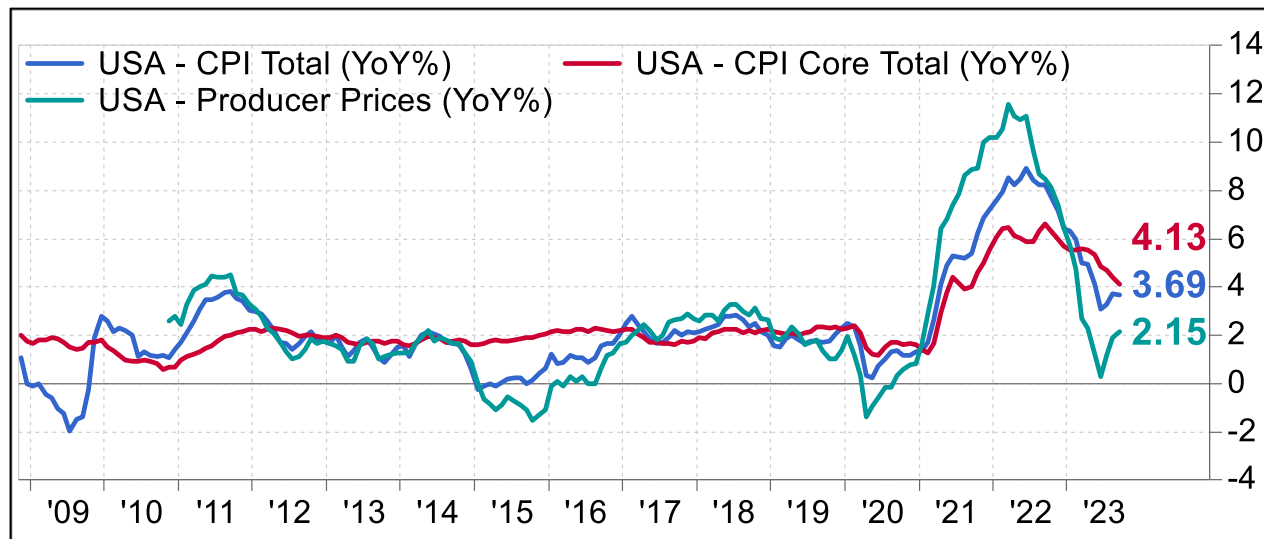
- The US economy grew by 4.9% in Q3 2023, higher than expected.



- The October jobs report saw the addition of 150,000 jobs as the unemployment rate ticked up and labor force participation ticked down.
- Real hourly earnings have remained positive as inflation trends down.

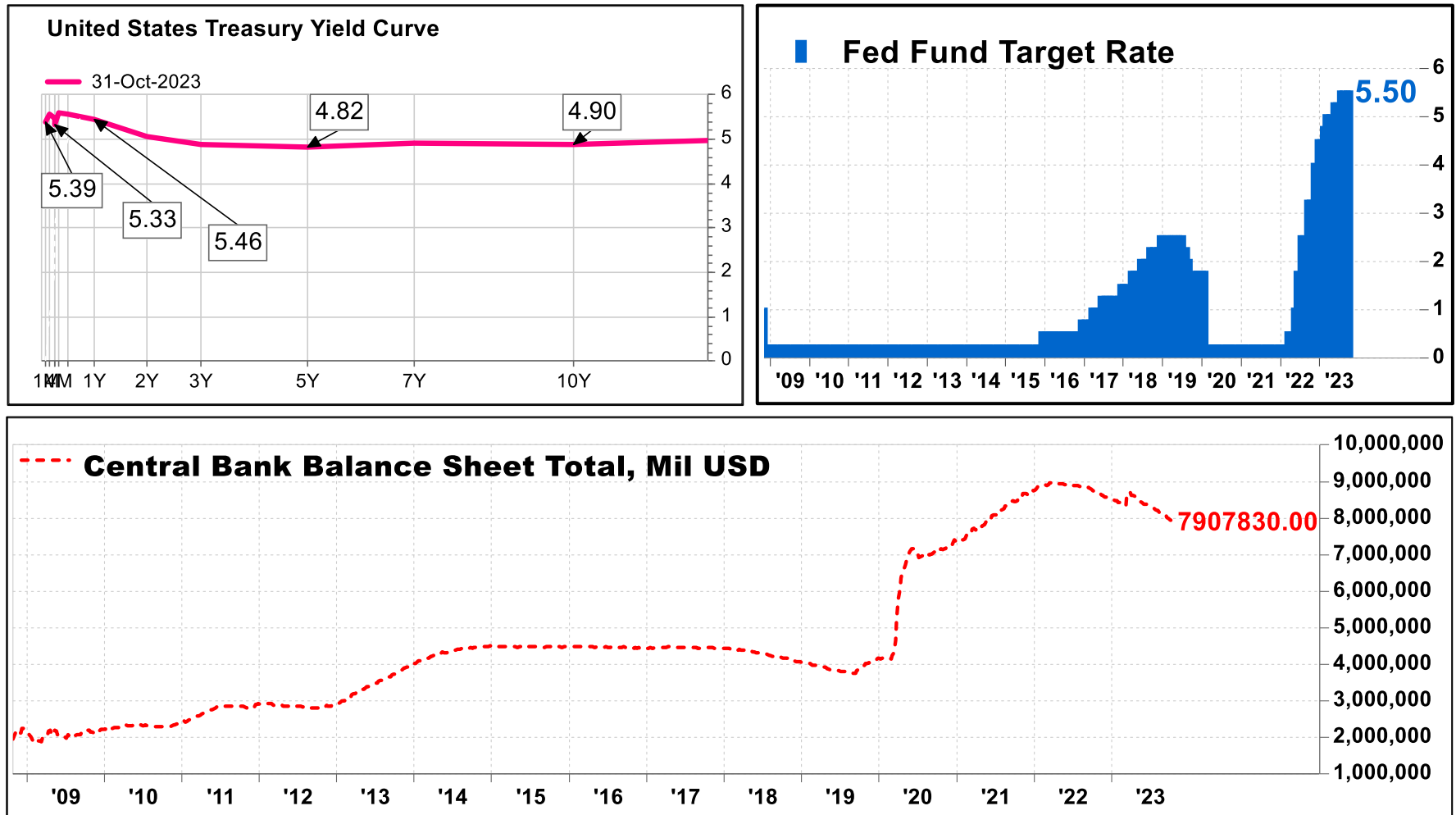


# US Economy - Inflation



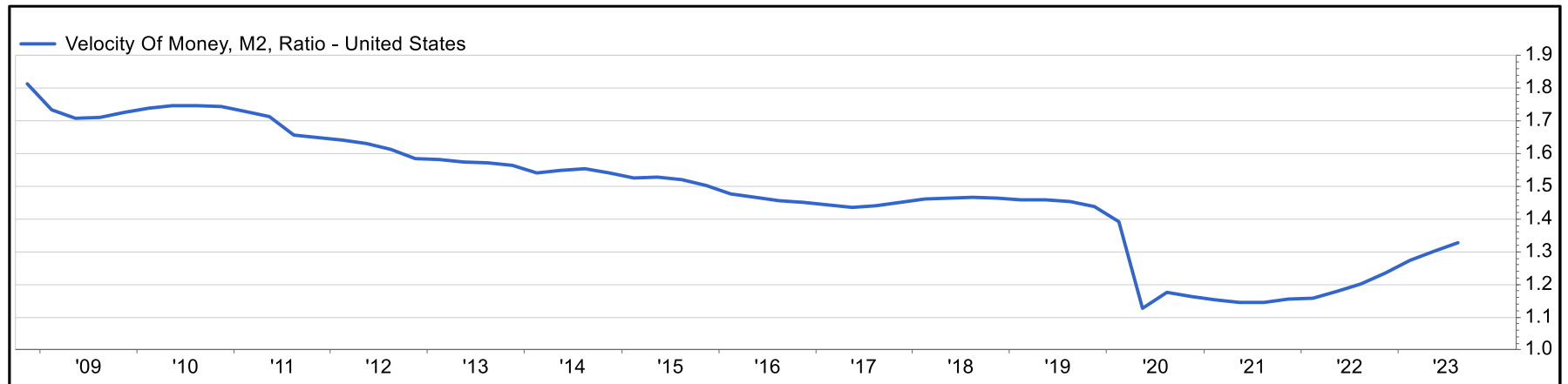
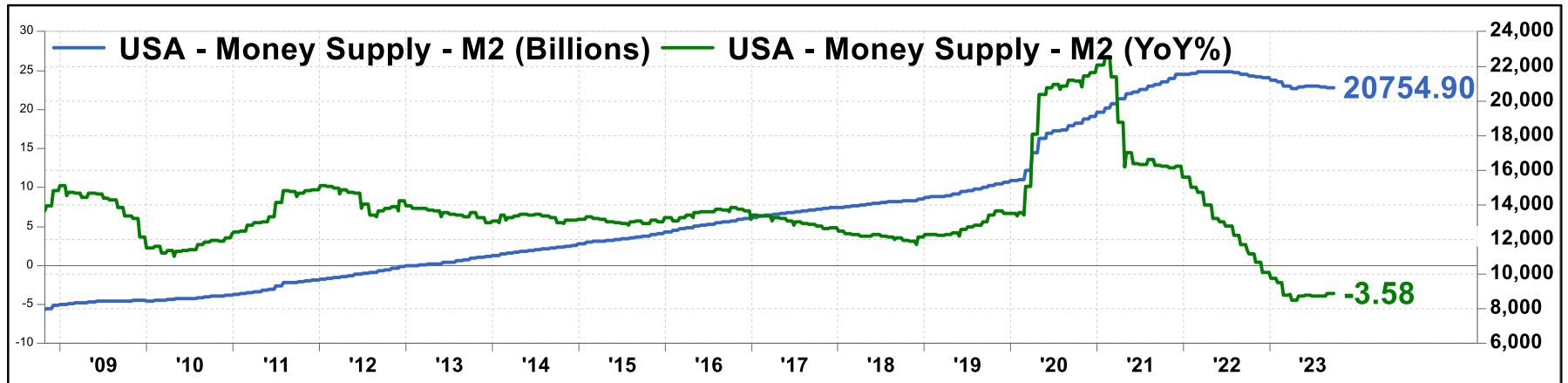
- Inflation continues to be a dominant concern, though the growth has slowed substantially.
- Powell and the Fed have repeatedly telegraphed their willingness to raise rates as much as necessary in order to bring inflation back to 2% growth, though there are growing expectations that some Fed governors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

# US Economy - Monetary Policies



- The yield curve is heavily inverted.
- The market no longer expects rate hikes before 2024 following the latest Fed meeting.

# US Economy - Monetary Policies (Cont.)



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

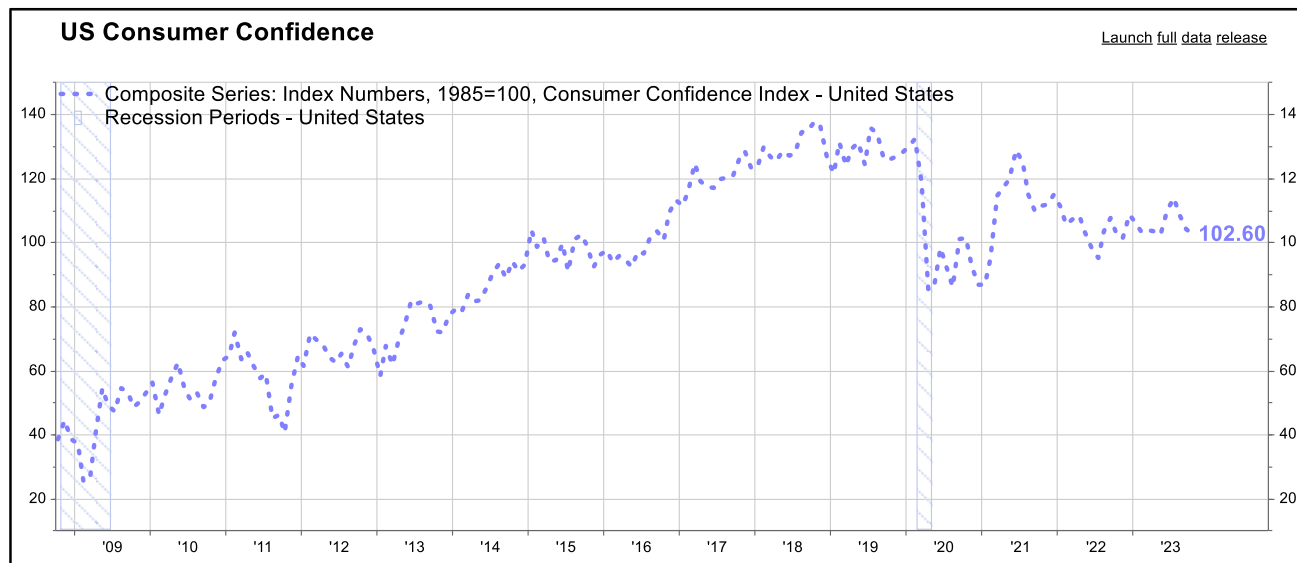
# US Economy - Fiscal Policies

	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
Total Revenue	4,814.7	4,896.1	4,047.1	3,421.2	3,463.4	3,329.9	3,316.2	3,268.0	3,249.9	3,021.5	2,775.1
<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
Total Mandatory Spending	3,969.8	4,134.7	4,833.7	4,580.3	2,734.1	2,522.4	2,518.8	2,427.3	2,296.5	2,098.5	2,031.6
<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
Total Discretionary Spending	1,711.6	1,661.7	1,636.4	1,627.8	1,337.7	1,261.6	1,200.3	1,185.3	1,172.1	1,178.9	1,202.4
<b>Interest on Debt (Billions):</b>	663.0	475.1	352.3	345.5	375.2	325.0	262.6	240.0	223.2	229.0	220.9
<b>Total Spending:</b>	6,344.4	6,271.5	6,822.4	6,553.6	4,447.0	4,109.0	3,981.6	3,852.6	3,691.9	3,506.3	3,454.9
<b>Defecit:</b>	1,529.7	1,375.4	2,775.3	3,132.4	983.6	779.1	665.4	584.7	442.0	484.8	679.8

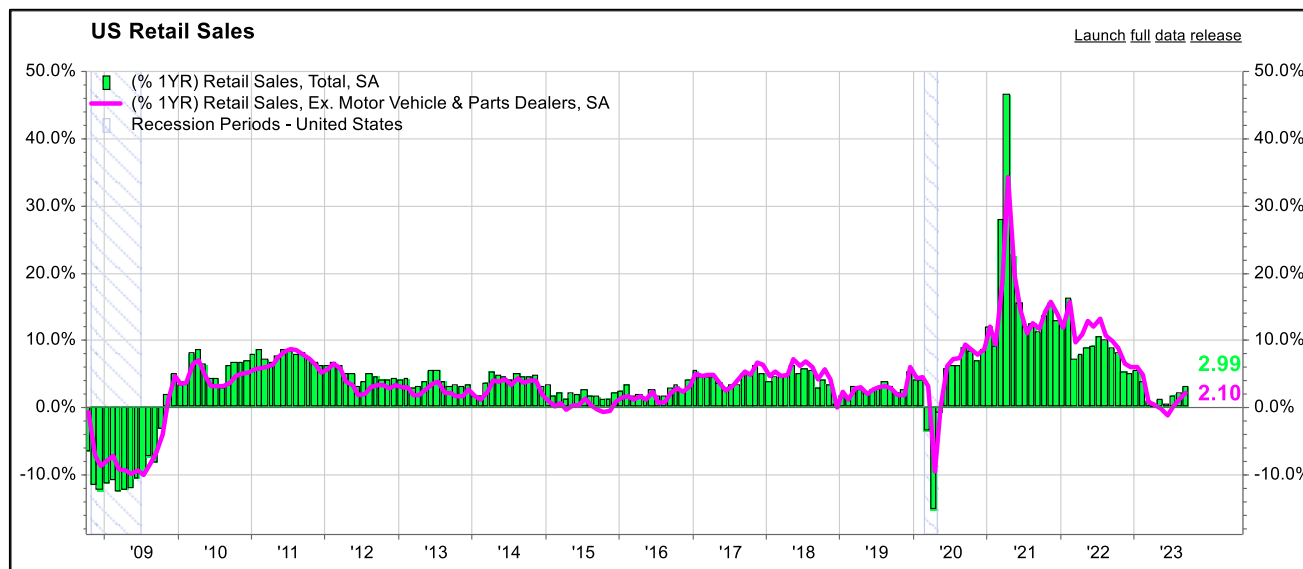
- As interest rates continue to increase, the interest expense on federal debt is expected to top \$1 Trillion in the near future.



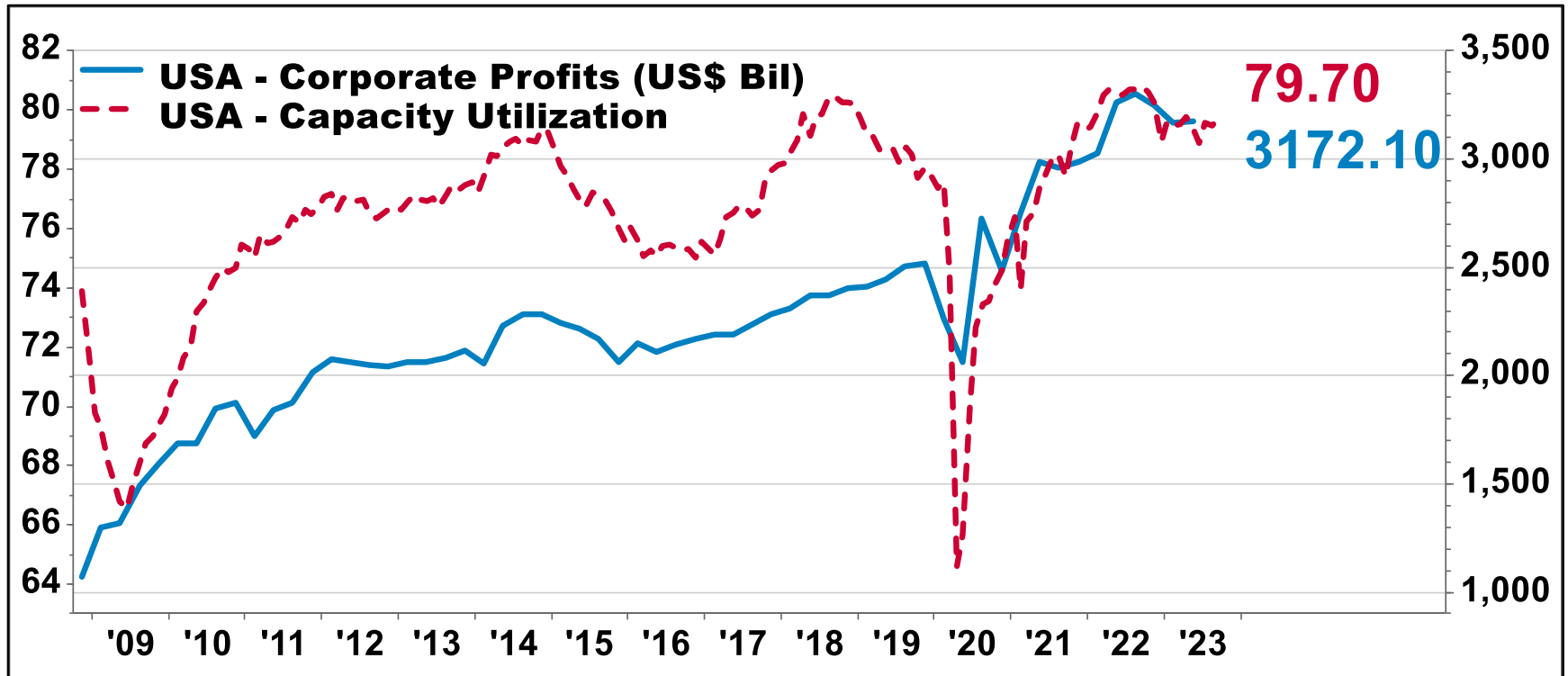
# US Economy - Consumption



- Consumer data has been especially resilient despite increasing rates.

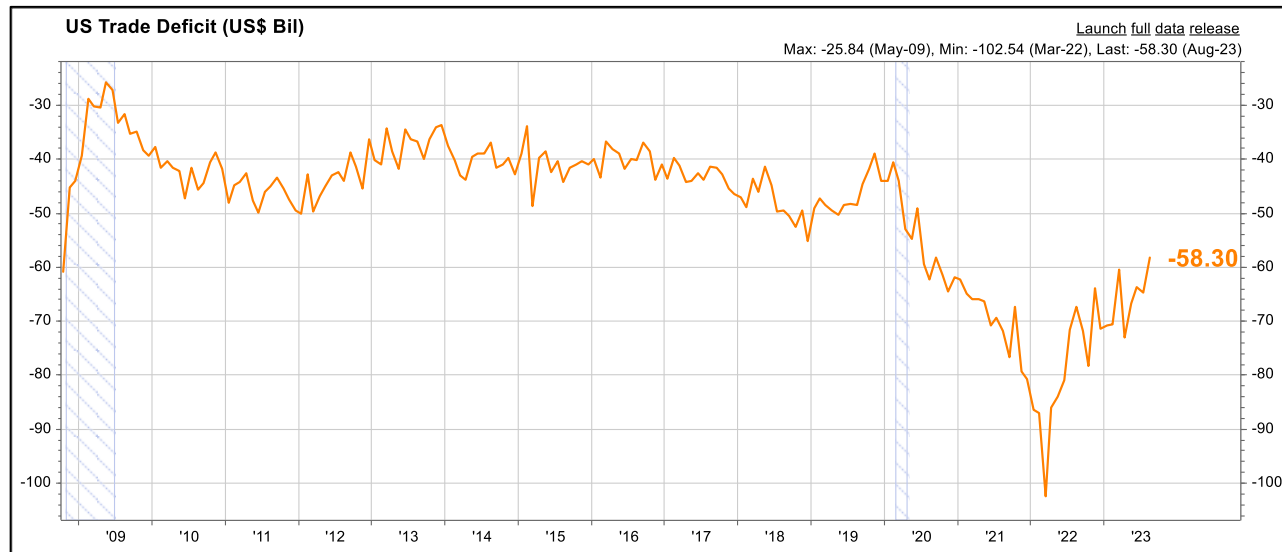
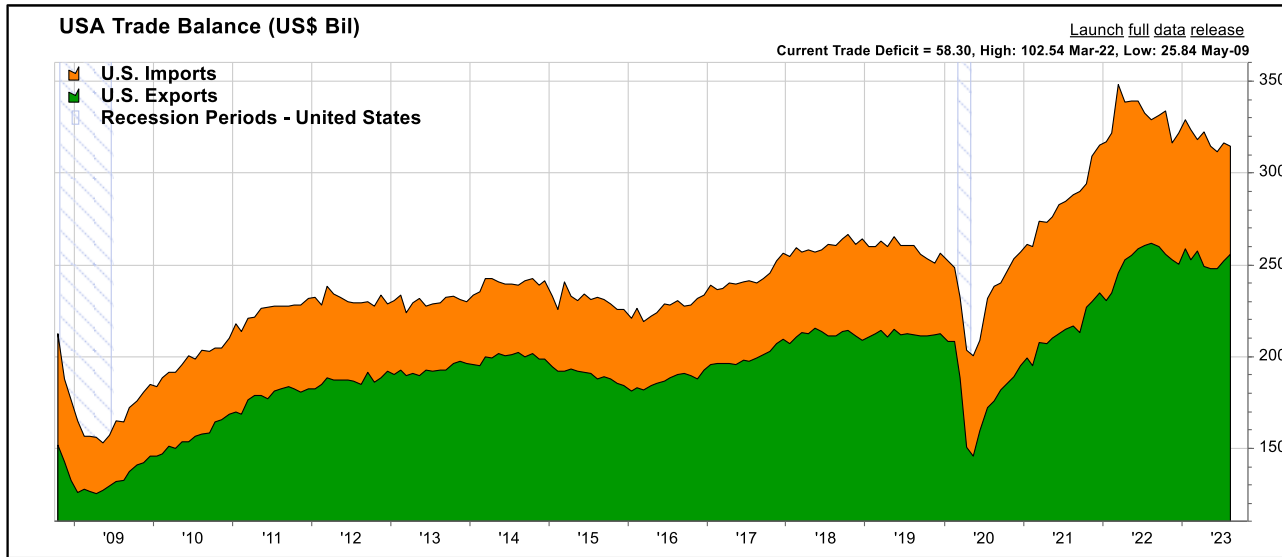






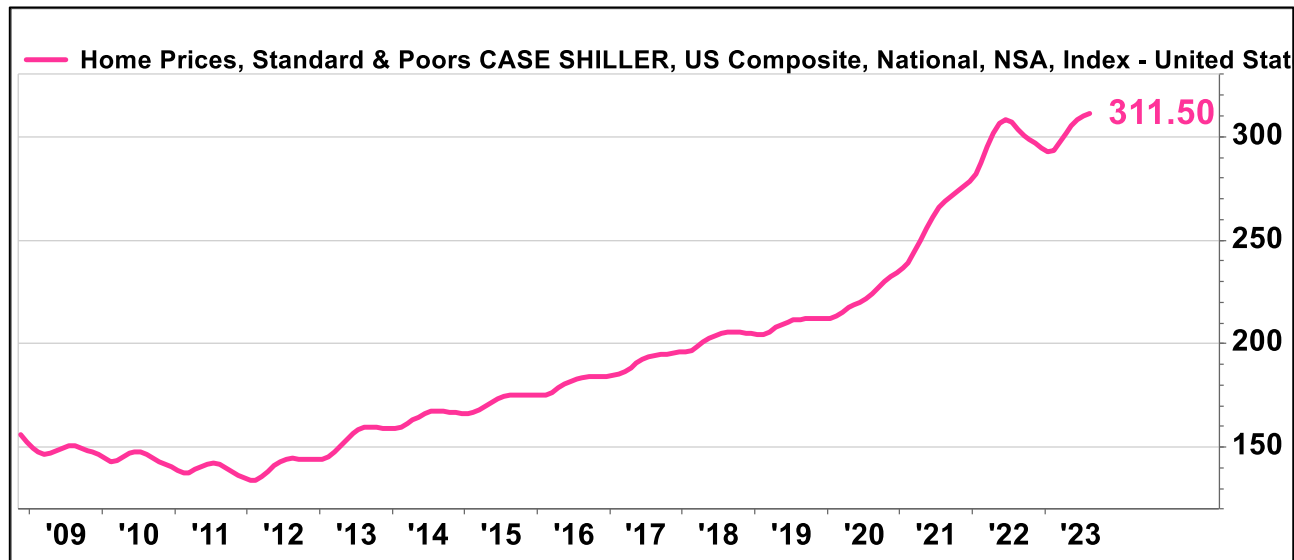
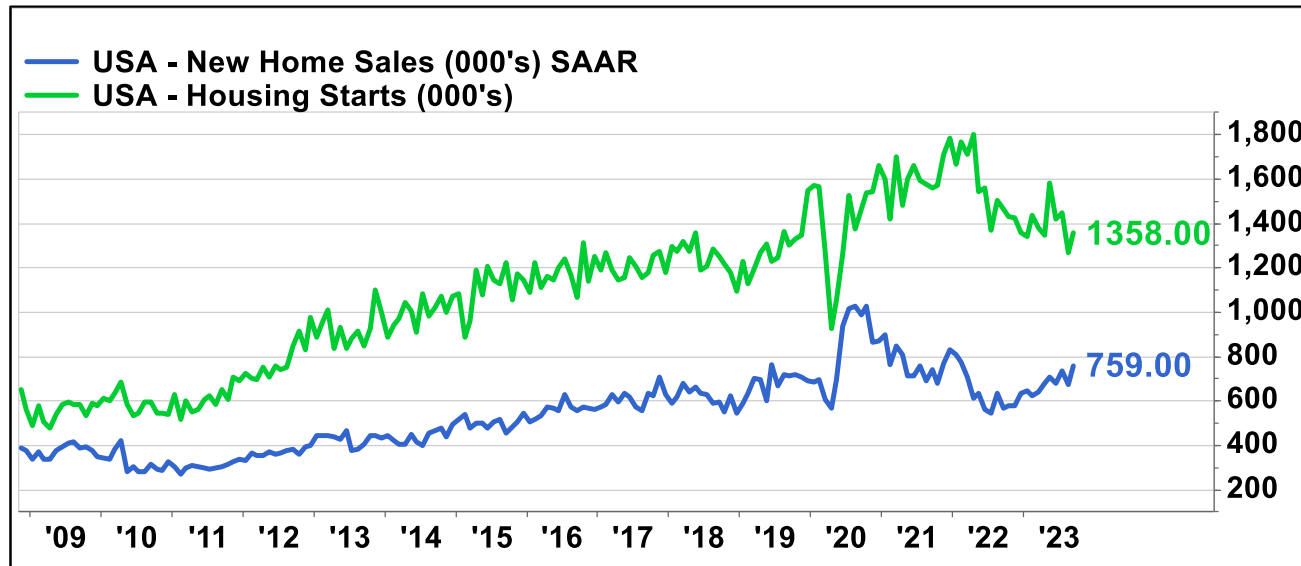
- The estimated earnings growth rate for S&P 500 companies is 3.7% in Q3 2023.
- The capacity utilization rate is among its highest level over the last decade.

# US Economy – International Trade



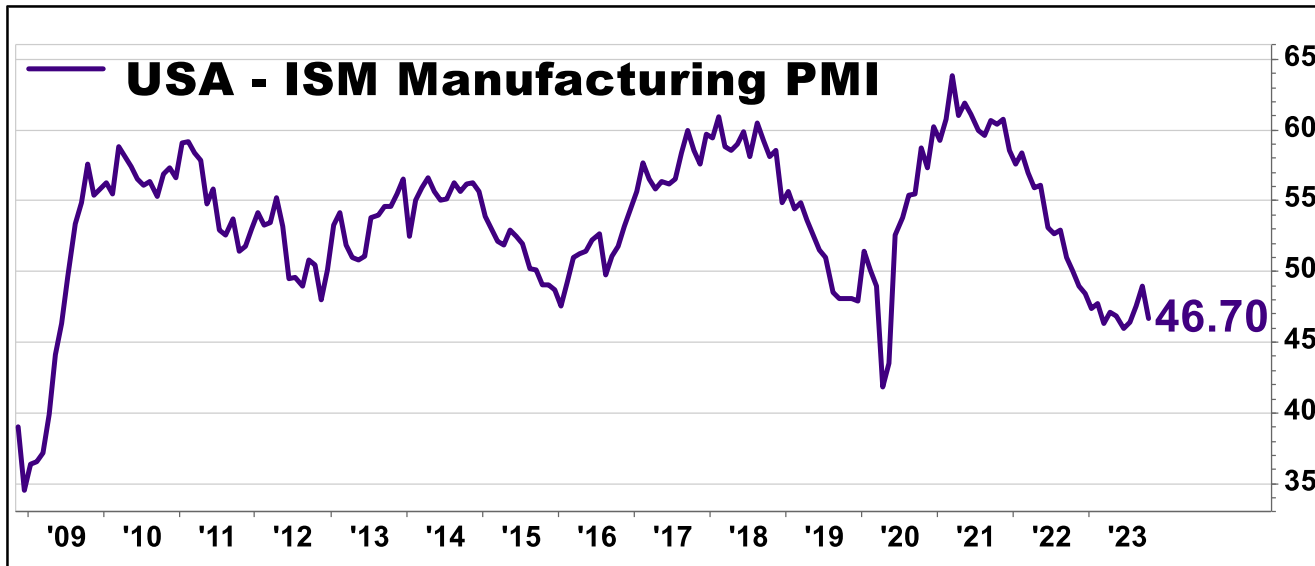
- The most recently available August data showed a slight decrease in the trade deficit. It still is about \$10B per month larger than pre-COVID.

# US Economy – Housing Market

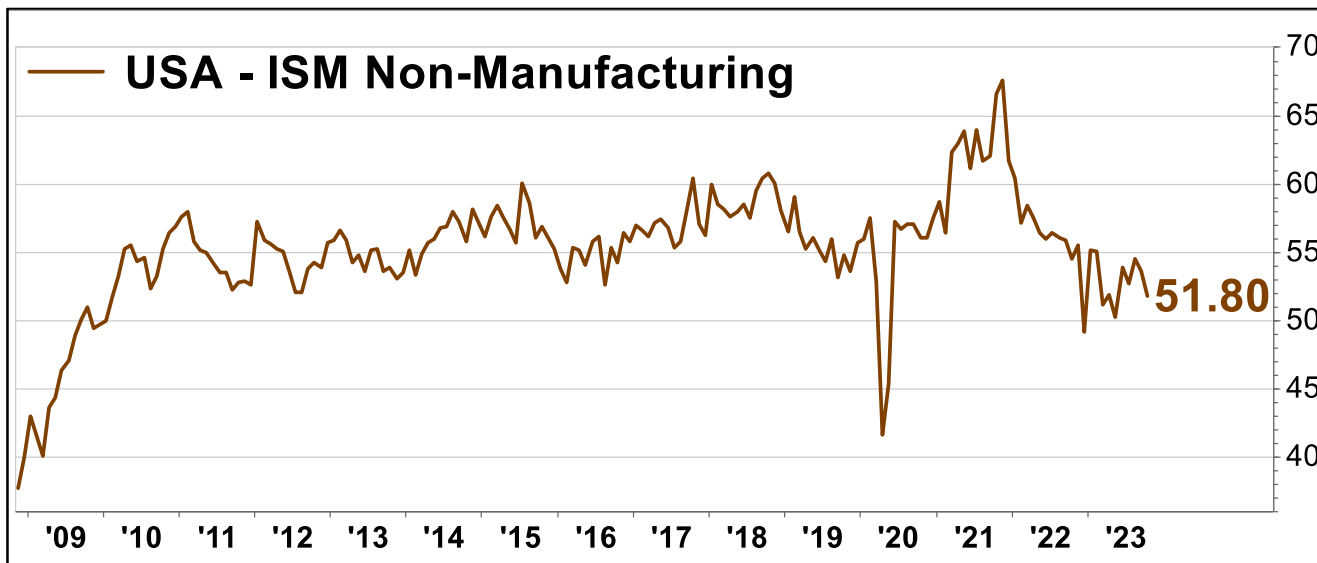


- The median sales price of homes in the United States was \$431,000 in Q3 according to the St. Louis Fed. While below recent highs, this number is trending back upward even as it faces headwinds from recent highs in mortgage rates.

# US Economy – Leading Indicators and Surveys



- US manufacturing activities decreased in the October surveys.

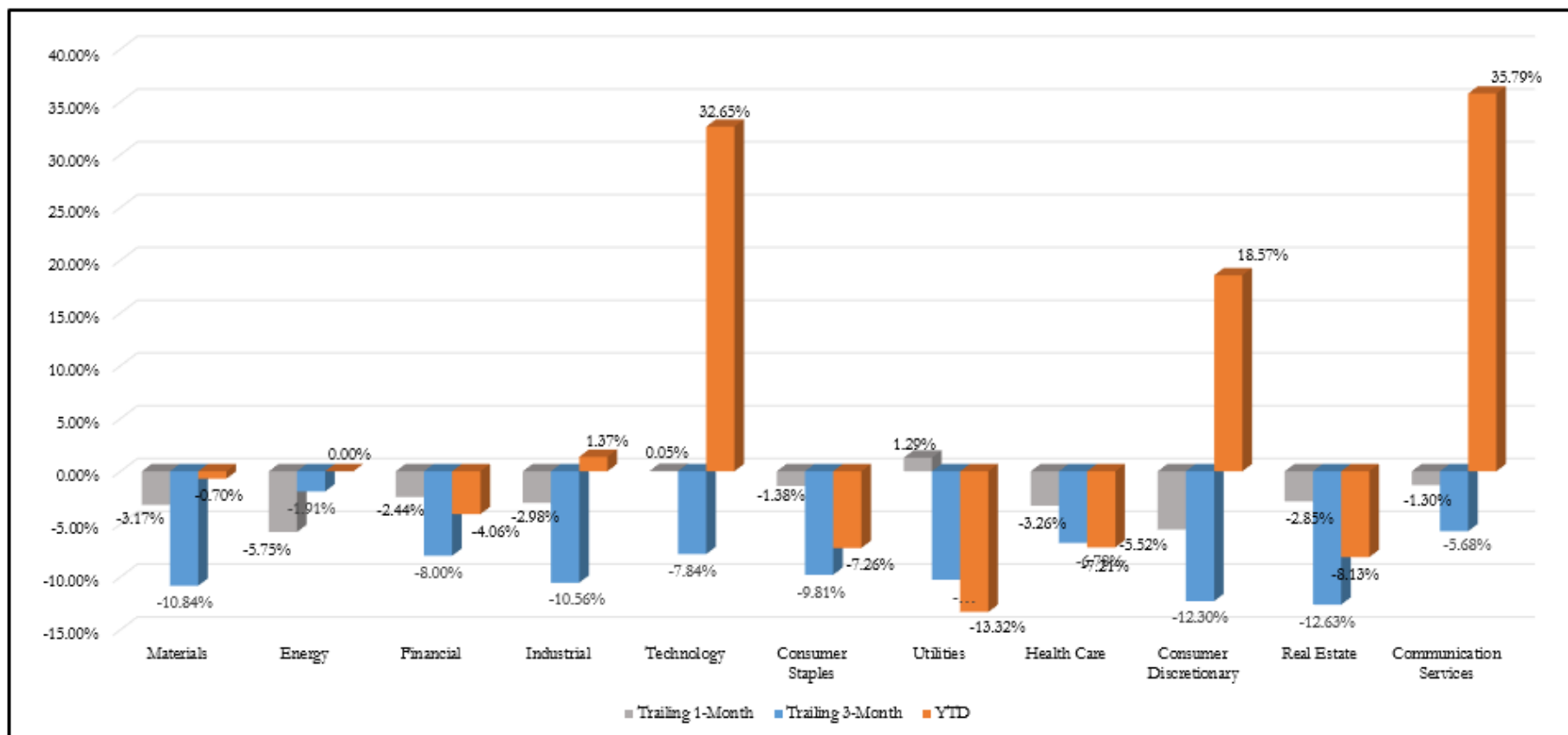


# Asset Class Performance

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%	10.58%	-8.32%	-2.17%
US Small Cap	IWM	-11.11%	25.39%	20.03%	14.54%	-20.48%	-4.59%	-16.81%	-6.91%
Large Cap Value	IVE	-9.19%	31.63%	1.21%	24.72%	-5.40%	5.56%	-8.93%	-1.82%
Large Cap Growth	IVW	-0.19%	30.77%	33.19%	31.80%	-29.52%	15.11%	-7.81%	-2.41%
Mid Cap Value	IWS	-12.41%	26.74%	4.80%	28.10%	-12.28%	-4.58%	-13.09%	-5.01%
Mid Cap Growth	IWP	-4.87%	35.04%	35.24%	12.60%	-26.90%	4.17%	-12.73%	-5.10%
Small Cap Value	IWN	-12.99%	22.01%	4.66%	27.96%	-14.75%	-6.58%	-15.17%	-6.01%
Small Cap Growth	IWO	-9.42%	28.48%	34.68%	2.54%	-26.26%	-2.97%	-18.35%	-7.66%
International Equity	EFA	-13.81%	22.03%	7.59%	11.46%	-14.35%	3.84%	-10.13%	-2.90%
Emerging Markets Equity	VWO	-14.77%	20.76%	15.19%	1.30%	-17.99%	-1.26%	-11.19%	-3.24%
US REITs	VNQ	-6.02%	28.87%	-4.68%	40.52%	-26.24%	-8.86%	-13.65%	-3.62%
Infrastructure MLP	AMLP	-12.62%	5.98%	-32.19%	39.03%	25.53%	17.32%	2.65%	-0.57%
Gold	GLD	-1.94%	17.86%	24.81%	-4.15%	-0.77%	8.52%	0.95%	7.37%
Commodity	DJP	-13.07%	7.63%	-4.12%	31.05%	17.46%	-4.18%	-1.49%	0.50%
High Yield Bond	JNK	-3.27%	14.88%	4.95%	3.99%	-12.20%	3.77%	-2.50%	-1.07%
Broad Bond	AGG	0.10%	8.46%	7.48%	-1.77%	-13.02%	-2.58%	-4.72%	-1.57%
TIPs	TIP	-1.42%	8.35%	10.84%	5.67%	-12.24%	-1.39%	-3.41%	-0.72%
Treasuries	IEF	0.99%	8.03%	10.01%	-3.33%	-15.16%	-4.47%	-5.70%	-1.93%
Long Term Treasuries	TLT	-1.61%	14.12%	18.15%	-4.60%	-31.24%	-13.96%	-15.70%	-5.46%
Short Term Treasuries	SHV	1.72%	2.36%	0.81%	-0.10%	0.94%	4.01%	1.33%	0.45%

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

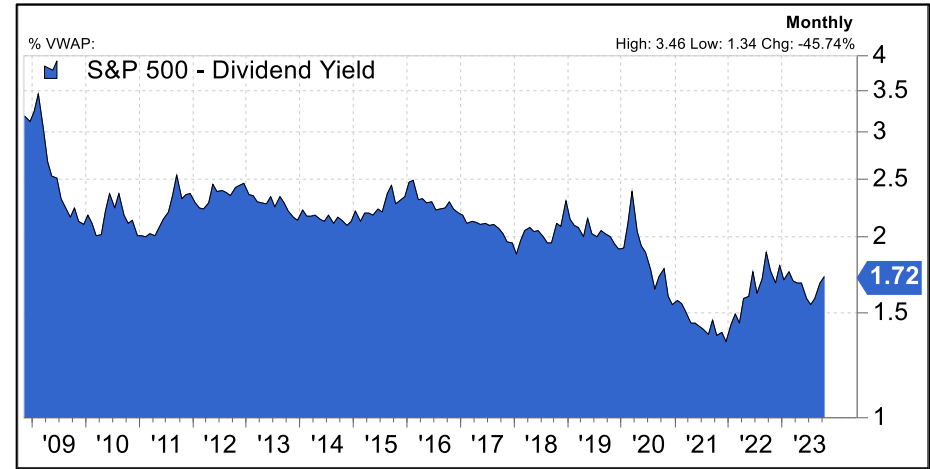
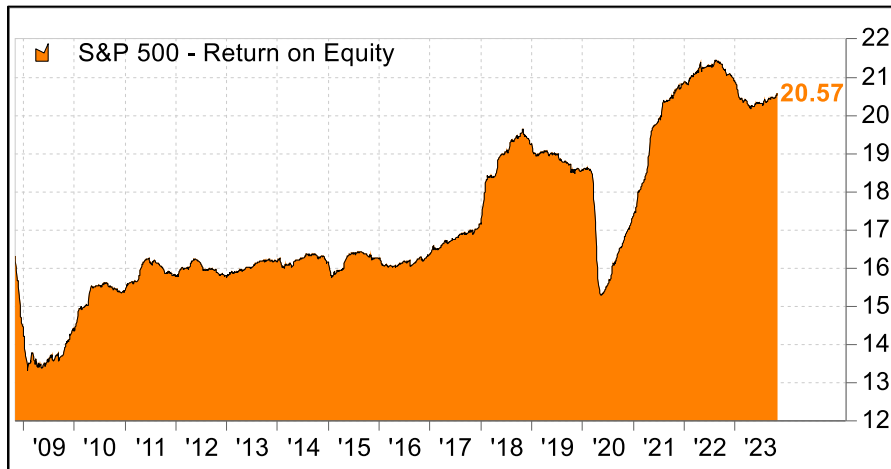
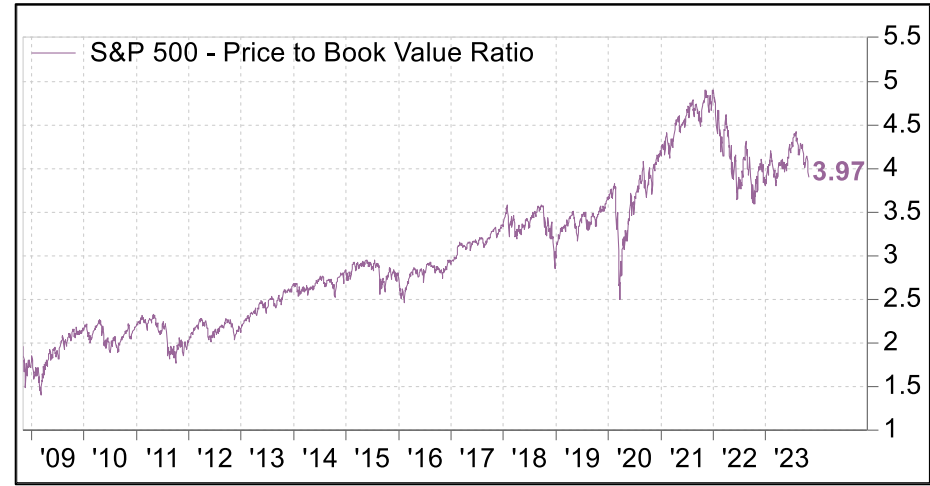
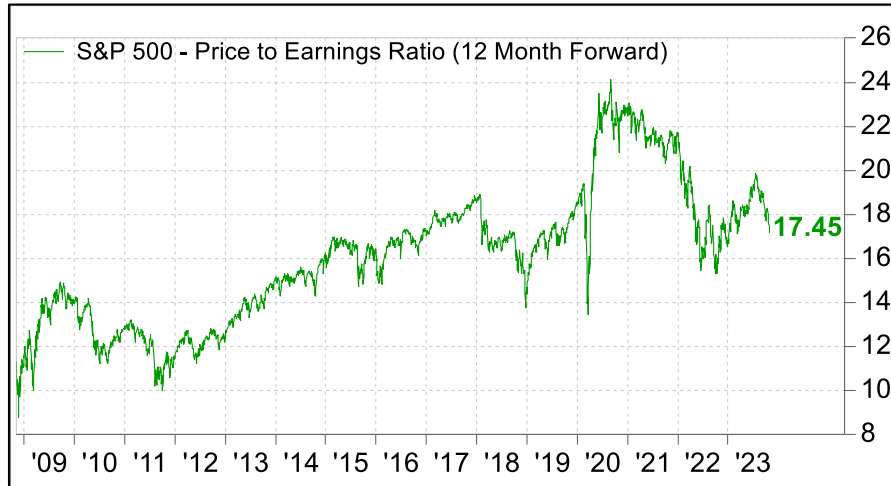
- Only risk-off assets such as gold and short-term treasuries were positive.



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

- For the third straight month, all but one sector was negative.

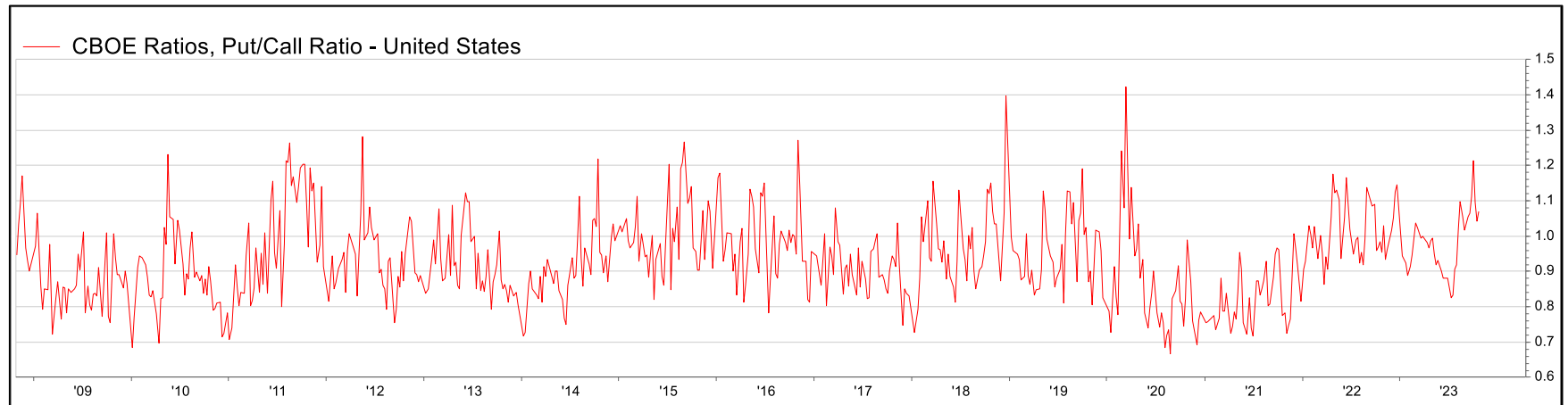
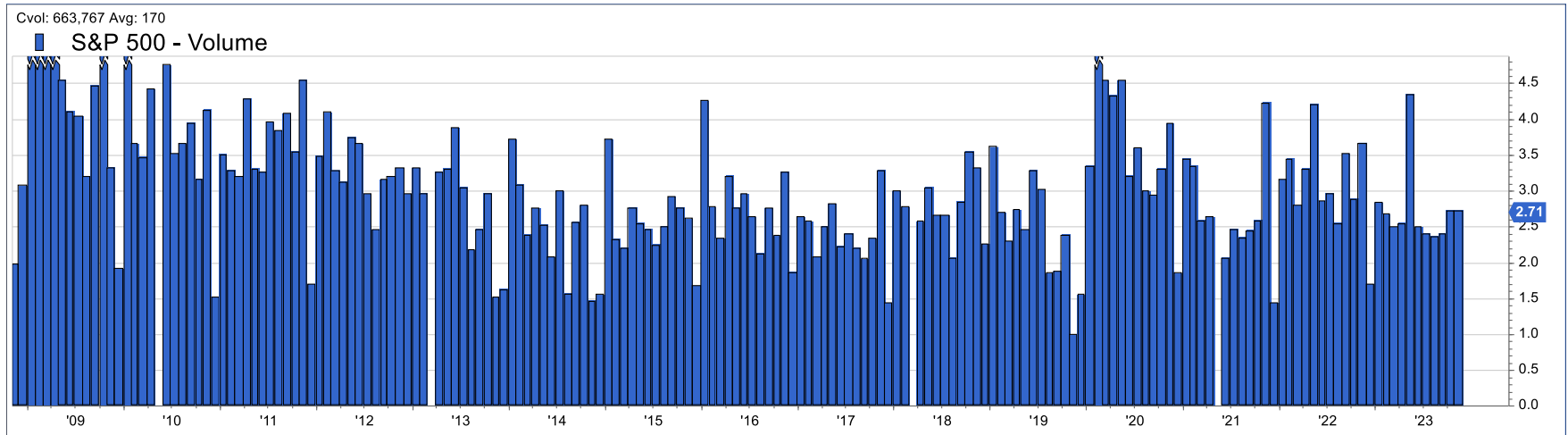
# US Equity Market Fundamentals



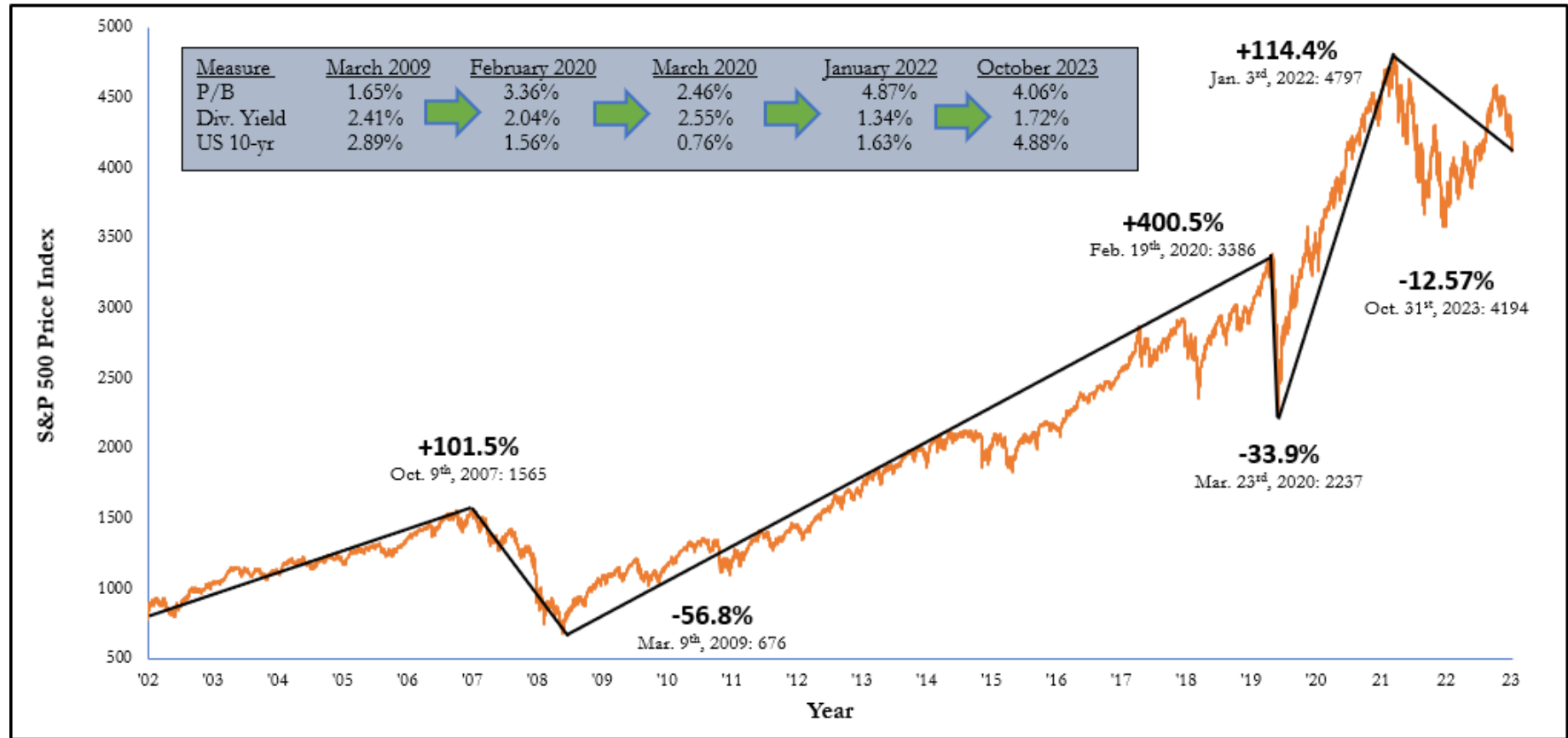
- Valuations became more attractive in October largely because of market movements.



# US Equity Market Technicals



- Put buying increased during the stock market sell off.



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

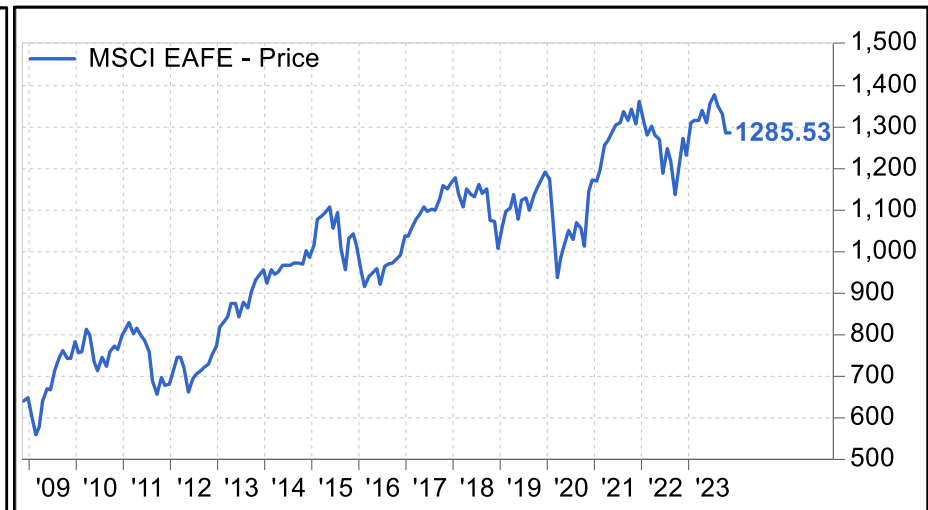
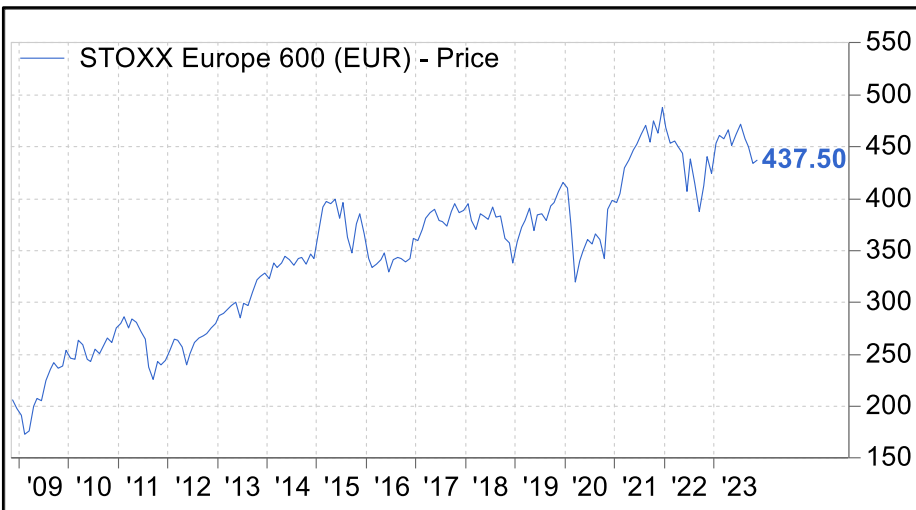
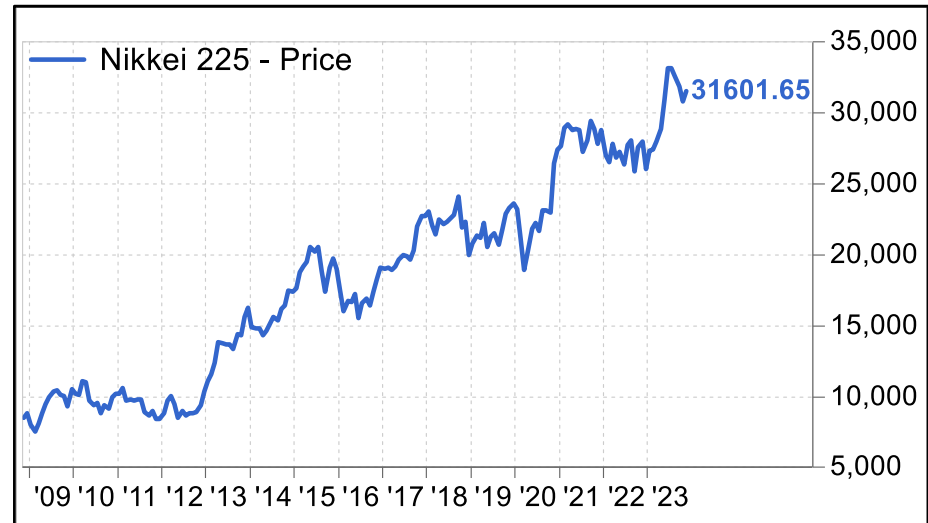
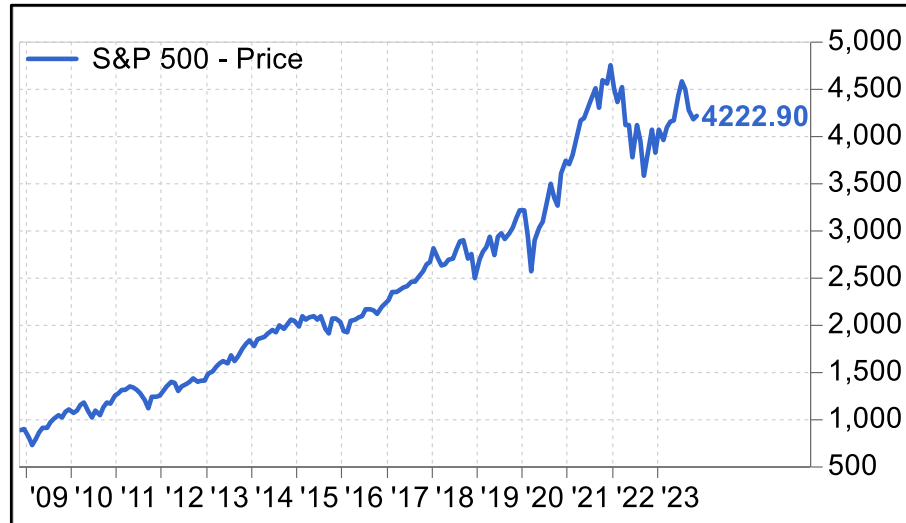
Data Source: FactSet, Yahoo Finance, and [www.treasury.gov](http://www.treasury.gov)

# Global Equity Performance - Country Comparison

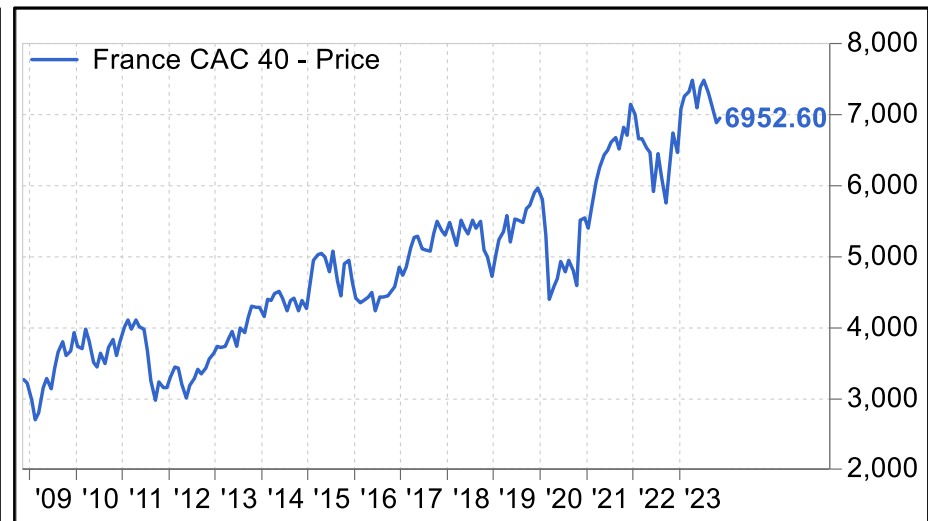
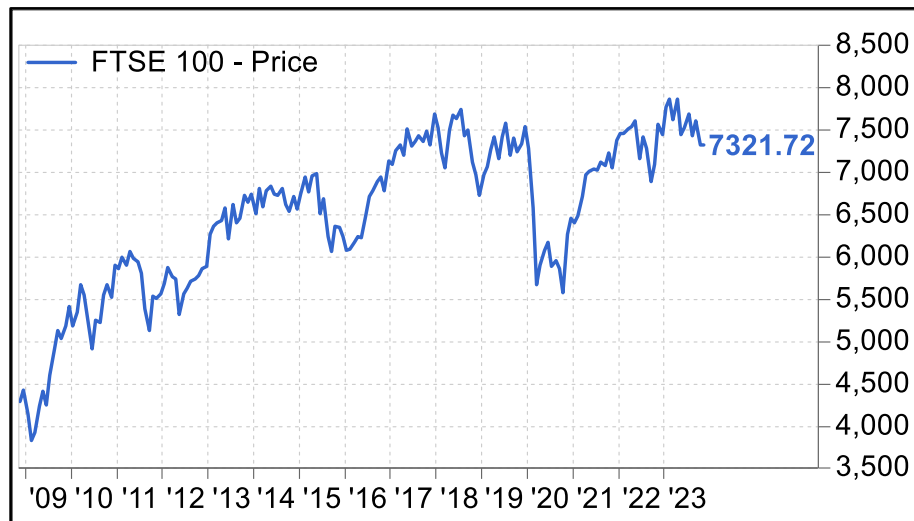
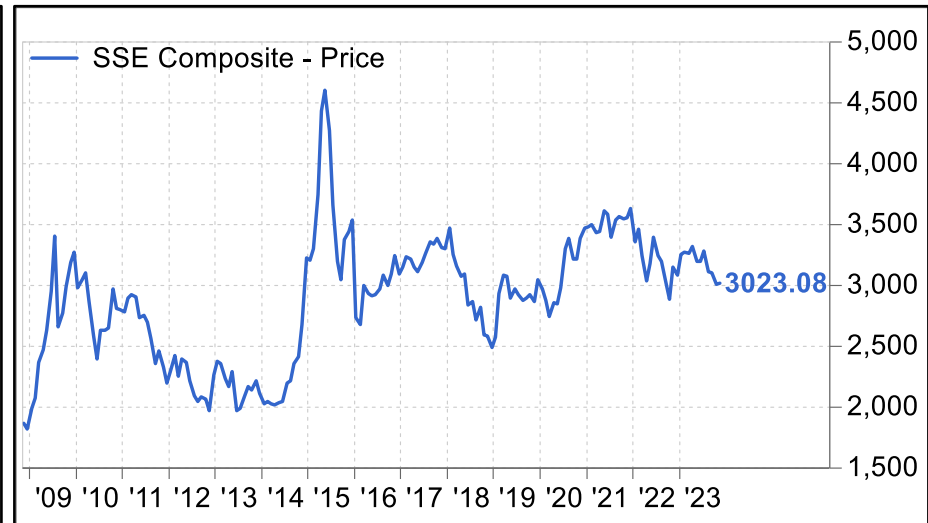
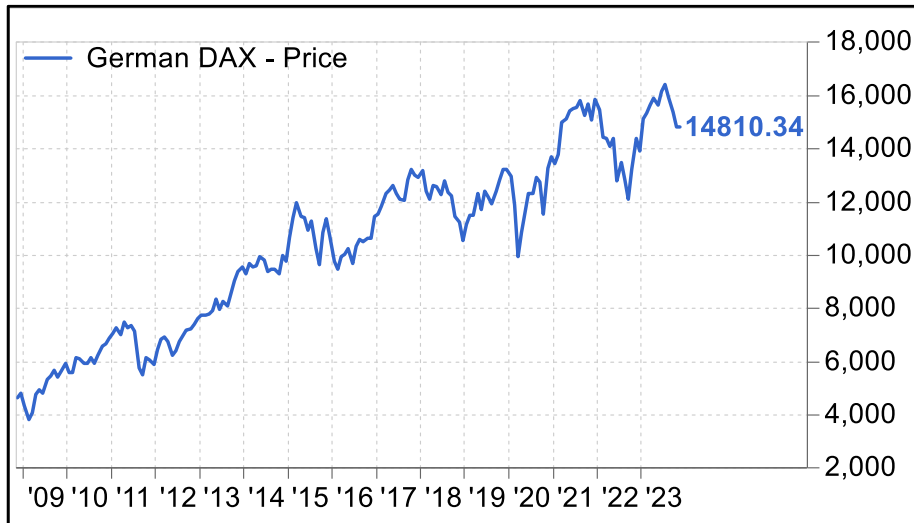
2018	2019	2020	2021	2022	YTD	Trailing 3-month	Trailing 1-month
Brazil -2.56%	United States 21.22%	China 27.78%	United States 28.15%	Brazil 12.35%	Italy 13.71%	India -4.38%	Italy -1.71%
India -4.29%	Brazil 27.65%	United States 18.37%	Canada 27%	England -4.38%	Spain 12.09%	Japan -7.03%	United States -2.17%
United States -4.56%	Canada 27.56%	Japan 15.41%	France 21.47%	Spain -5.15%	United States 10.53%	United States -8.32%	Japan -2.21%
France -12.88%	Italy 26.97%	Germany 10.56%	India 19.55%	India -7.33%	Japan 9.07%	England -8.41%	India -2.48%
Japan -14.09%	France 26.67%	India 10.01%	England 18.22%	France -11.99%	Brazil 9.05%	Spain -8.79%	Spain -2.69%
England -14.28%	China 23.7%	Canada 5.52%	Italy 14.41%	Canada -12.95%	France 6.34%	Italy -10.75%	Brazil -2.93%
Spain -15.32%	England 21.25%	France 2.85%	Germany 5.84%	Italy -14.1%	Germany 4.62%	France -12.01%	France -3.2%
Canada -17.16%	Japan 19.33%	Italy 1.67%	Japan 1.17%	Japan -17.12%	India 4.34%	Canada -12.03%	China -3.42%
Italy -17.19%	Germany 19.15%	Spain -3.96%	Spain 0.27%	United States -18.17%	England 1.41%	Brazil -12.11%	England -3.6%
China -19.77%	Spain 11.91%	England -11.8%	Brazil -17.28%	Germany -22.2%	Canada -2.04%	Germany -14.12%	Germany -3.89%
Germany -21.37%	India 9.99%	Brazil -20.33%	China -21.73%	China -22.76%	China -11.14%	China -16.04%	Canada -5.14%
Developed Markets -13.81%	Developed Markets 22.03%	Emerging Markets 17.88%	Developed Markets 11.46%	Developed Markets -14.35%	Developed Markets 3.84%	Developed Markets -10.13%	Developed Markets -2.9%
Emerging Markets -14.93%	Emerging Markets 17.79%	Developed Markets 7.59%	Emerging Markets -0.61%	Emerging Markets -19.97%	Emerging Markets -0.66%	Emerging Markets -12.04%	Emerging Markets -3.47%

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

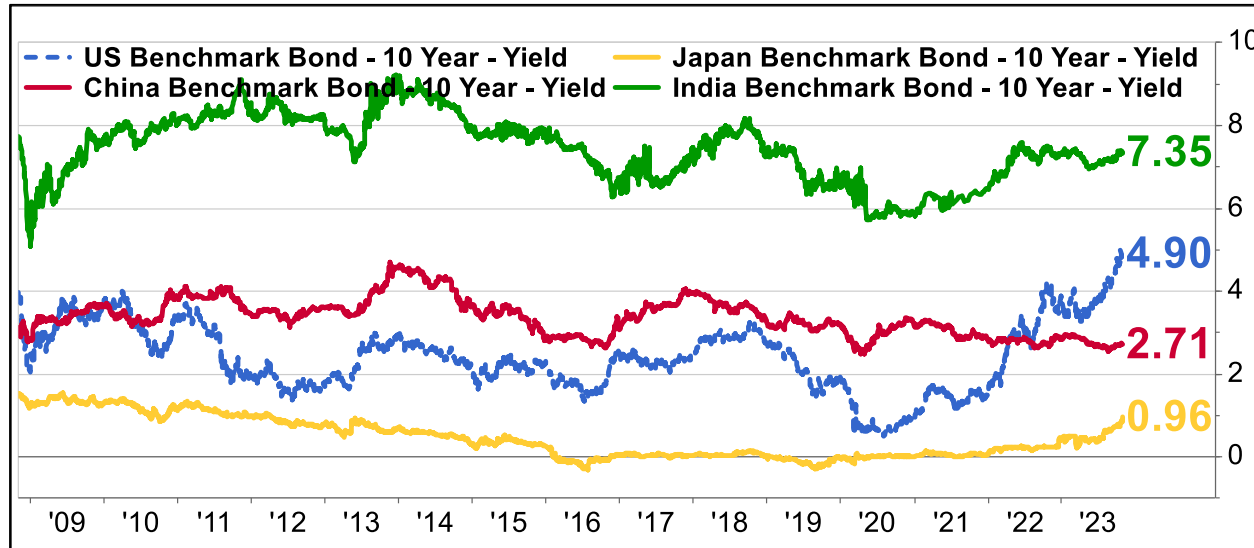
# Global Equity- Major Indices



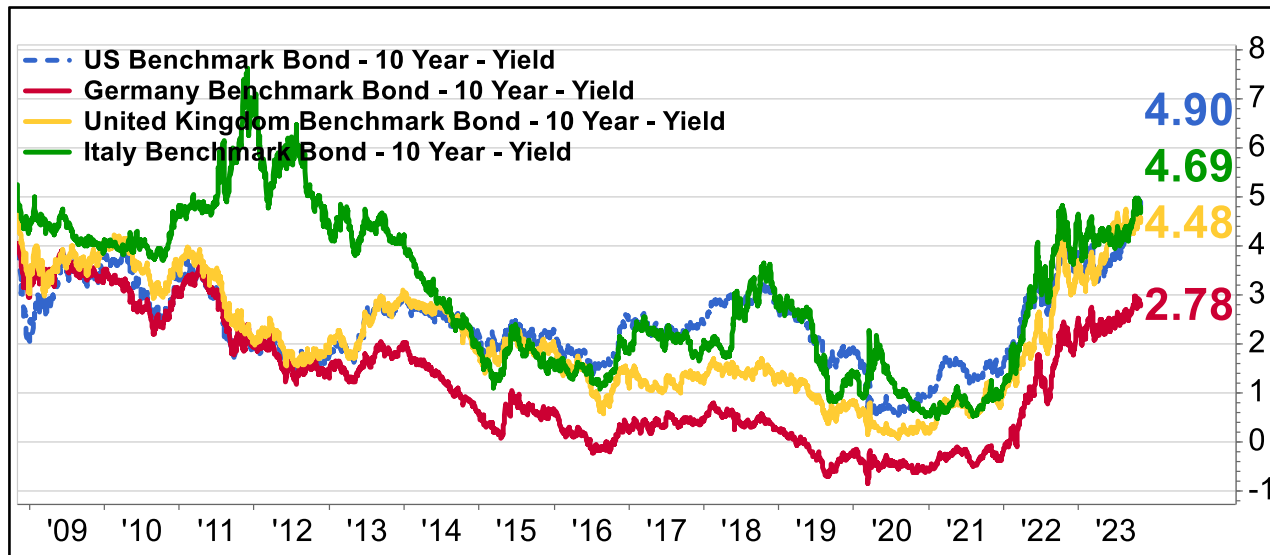
# Global Equity- Major Indices



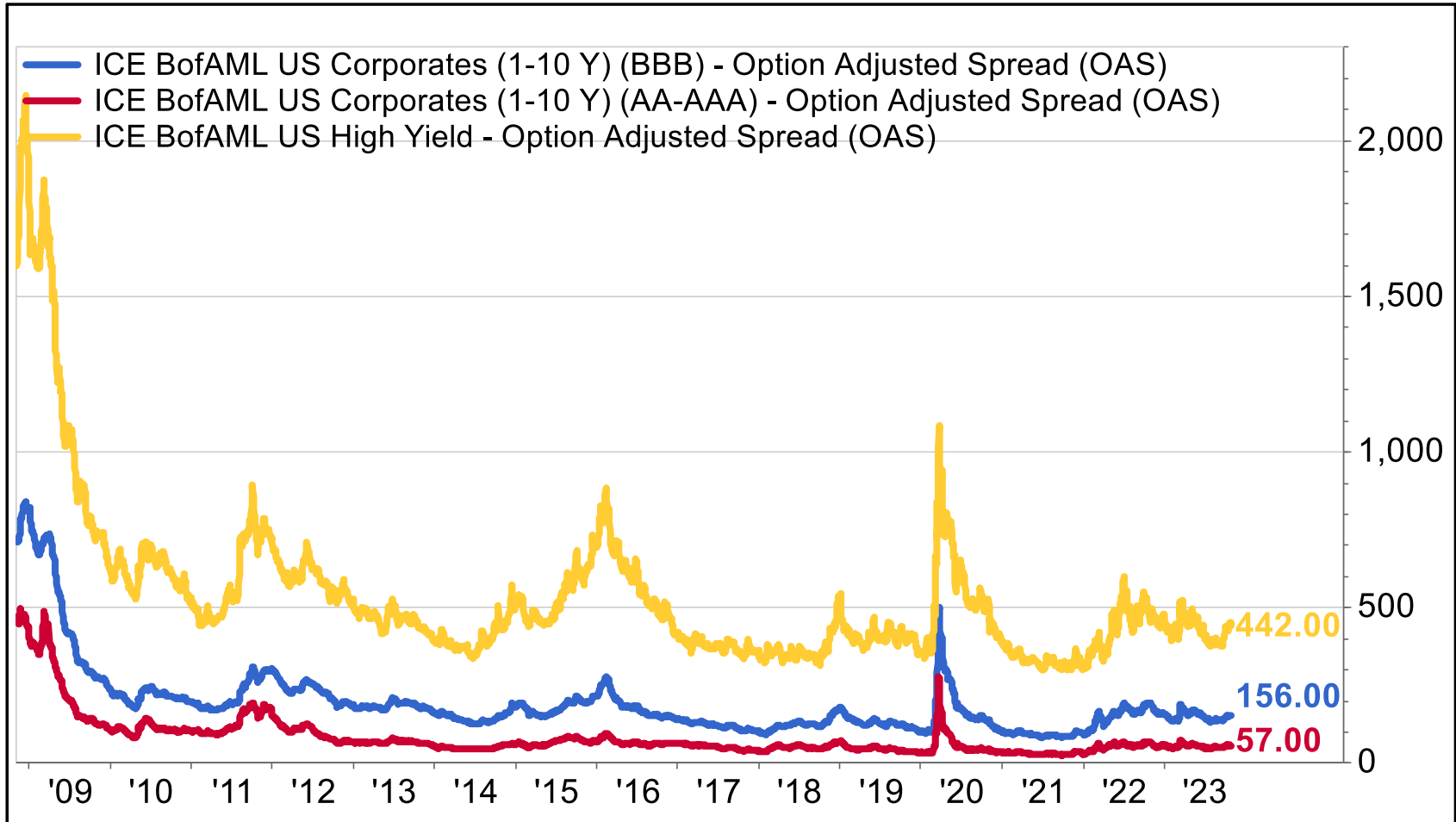
# Global Fixed Income- Government Yields



- Yields on sovereign debt increased in October.

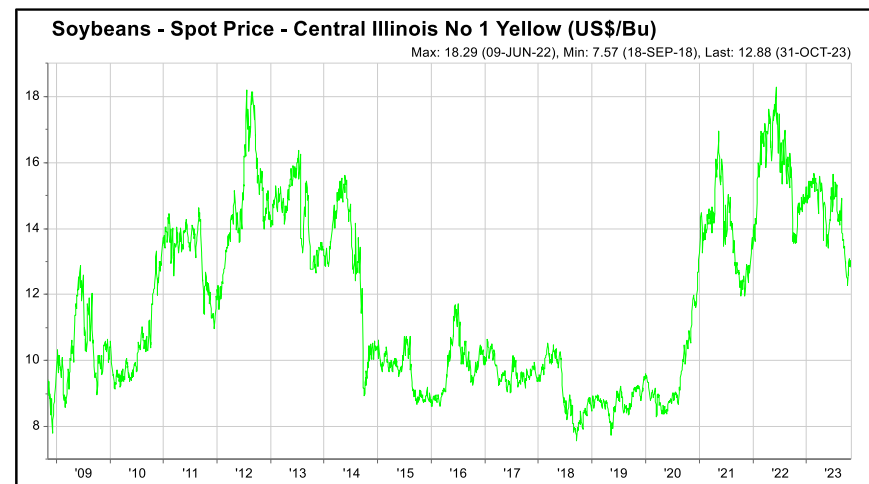
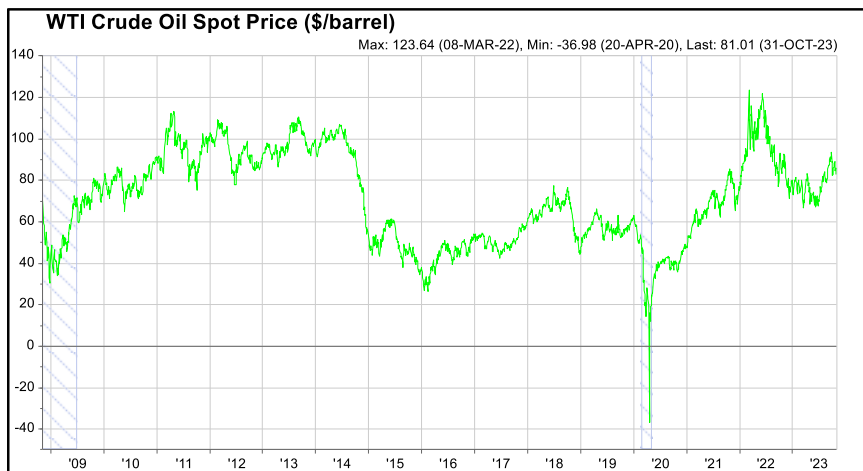


# Credit Market - Corporate Spreads



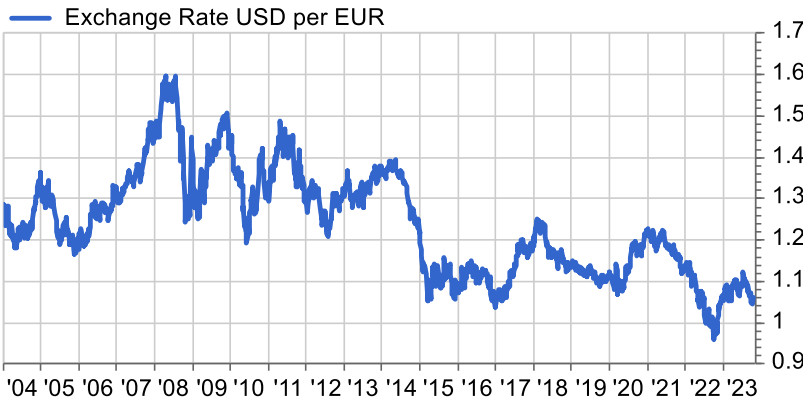
- Spreads widened significantly in October.



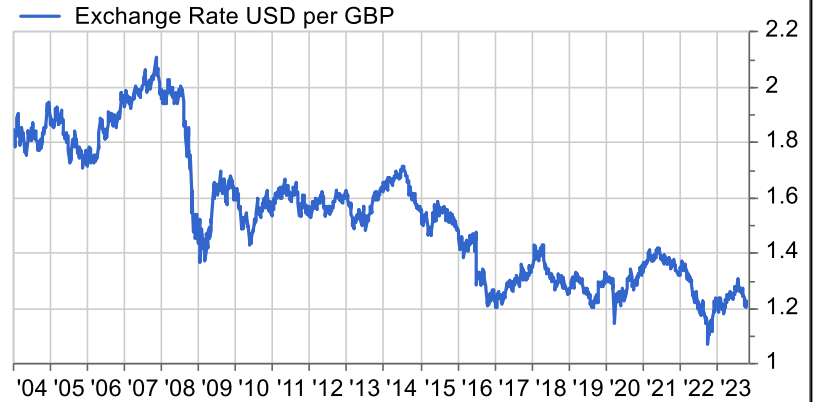


• As of 9/30/2023, WTI Crude: \$81.01/Barrel; Gold: \$1996.90 Troy Oz; Copper: \$8038.00/MT; Soybean: \$12.88/Bu.

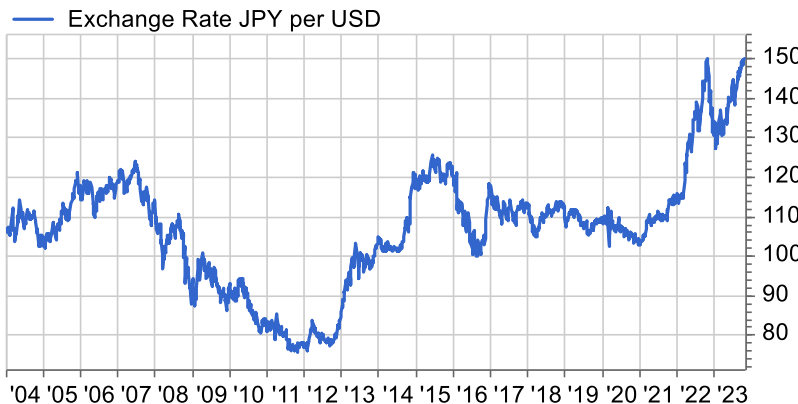
## U.S. Dollar per Euro



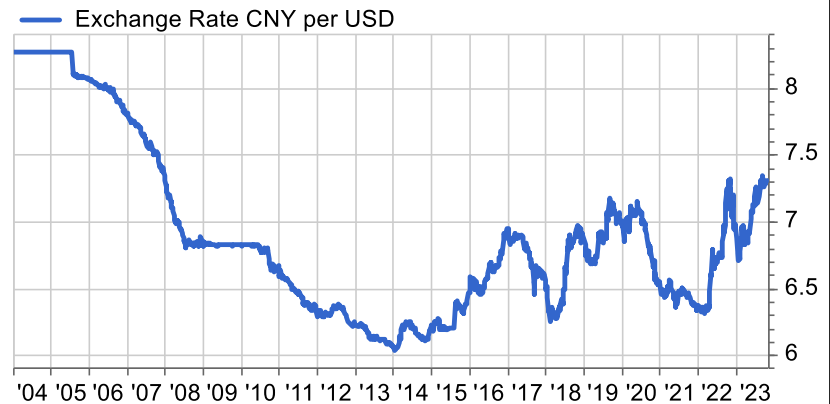
## U.S. Dollar per British Pounds



## Japanese Yen per U.S. Dollar



## China Renminbi per U.S. Dollar



- As of 10/31/2023, FX rates are: 1.06 USD/EUR, 1.21 USD/GBP, 151.45 JPY/USD, 7.32 CNY/USD.

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