



Blue Line Capital

Macro & Market Trends

6/30/2025



Summary:

Final Q1 GDP was revised down on softer consumer spending. Meanwhile, June PMIs showed the services sector moving back into expansionary territory, while manufacturing sector activity continued to contract. U.S. equities extended their rebound in June. Trump's tax-and-spending bill—projected to add \$3.3 trillion to the deficit by 2035—passed the Senate in June and was signed into law on July 4. Treasury yields remained relatively contained throughout June as the bill moved through the House and Senate, potentially suggesting less concern with the bill's fiscal impact. Credit markets responded similarly, with credit spreads remaining stable, ending the month at 2.9% (after spiking to 4.5% on April 8th).



Key Themes:

1. Growth, Inflation & Policy

- Q1 GDP was revised from -0.3% to -0.5%, with the downward revision primarily driven by weaker consumer spending. At the June FOMC meeting, the Fed reaffirmed that interest rates will stay on hold until more clarity emerges, despite mounting political pressures.

2. Equities:

- The early April sell-off brought a brief reset in U.S. large-cap valuations, which have since rebounded to historically elevated levels. U.S. equity sentiment ended June in neutral (but there were signs of excessive bullishness in options data in early July.)
- Most sectors in the S&P 500 continue to trade at valuation premiums versus historical medians, with industrials, staples, materials, and tech near 10-year extremes.

3. Fixed Income & Credit:

- While the 30-year Treasury yield remains elevated, yields on the shorter end of the curve declined throughout June.
- Credit spreads continued to tighten in June, easing from 3.1% at the end of May to end the month at 2.9%, suggesting potential runway for the economy.

4. Real Assets & Infrastructure:

- Despite reaching a new all-time high in mid-June amid rising geopolitical concerns, gold ended the month down 0.5%. Midstream energy gained 2.6% over the month. Ex-U.S. real estate continues to benefit from European rate cuts.

5. Opportunistic:

- Closed-end fund discounts to NAV narrowed from -5.6% to -5.2%, the tightest discount since 2022. Elevated leverage costs remain a drag on net yields.

6. Asset Allocation:

- While the early 2025 policy gambit focused on tariffs—accepting short-term growth pain for long-term gain—the emphasis appears to be shifting toward deregulation, tax cuts, and other pro-growth measures, as encompassed by the One Big Beautiful Bill. As long as bond markets accept this approach, broader disruptions may remain contained.

Returns Summary

Year-to-Date Total Returns, %

Asset Class		Equities by Country		Equity Sectors, Factors & Styles		Fixed Income & Credit		FX vs. USD		Commodity Futures	
Gold	27.7	Spain	44.1	Industrials	14.1	Intl Dev Bonds	11.3	Swedish Krona	16.2	Platinum	52.5
Intl Dev Small & Micro Stocks	21.3	Italy	35.0	Communication Services	12.3	Emerging & Frontier Bonds	5.2	Brazilian Real	14.0	Soybean Oil	34.1
Ex U.S. Real Estate Securities	19.7	Germany	34.1	Momentum	12.3	U.S. High Yield Bonds	4.8	Swiss Franc	13.8	Copper	26.4
Intl Dev Stocks	19.5	Ireland	34.1	Technology	11.0	U.S. IG Corporate	4.0	Euro	13.3	Silver	26.0
Emerging & Frontier Mkt Stocks	16.3	Brazil	32.3	Financials	11.0	Mortgage Backed Securities	3.8	Danish Krone	13.2	Gold	25.7
Intl Dev Bonds	11.3	Norway	32.1	Materials	9.8	U.S. Interm-Term Bonds	3.6	Moroccan Dirham	12.5	Tin	18.6
Global Stocks	11.0	South Africa	31.8	Utilities	9.6	U.S. Government	3.2	Norwegian Krone	12.2	Live Cattle	18.2
Global 60/40	9.7	Finland	31.3	Cyclicals	8.7	U.S. Bank Loans	3.1	Mexican Peso	11.3	Heating Oil	12.1
Closed-End Funds	7.7	Chile	31.2	U.S. Large Cap Value	7.7	Asset Backed Securities	2.7	Uruguayan Peso	9.4	Soybean	5.5
Midstream Energy	7.6	Sweden	23.5	U.S. Large Cap Blend	7.5	U.S. Municipal Bonds	1.9	New Israeli Sheqel	9.0	Lead	5.4
U.S. Large Cap Stocks	7.5	Hong Kong	21.6	U.S. Large Cap Growth	7.0			British Pound	8.7	Lean Hogs	4.8
Broad Commodity Futures	7.0	France	21.4	Min Vol	6.9			Japanese Yen	8.0	Aluminum	3.2
U.S. 60/40	6.1	Switzerland	20.8	High Dividend	6.9			South Korean Won	7.5	Petroleum	1.2
Emerging & Frontier Bonds	5.2	Israel	20.7	High Quality	6.0			New Zealand Dollar	7.2	Natural Gas	0.5
U.S. High Yield Bonds	4.8	United Kingdom	19.7	Consumer Staples	5.8			South African Rand	6.3	Nickel	0.2
U.S. Interm-Term Bonds	3.6	Singapore	19.6	Defensives	5.3			Canadian Dollar	5.2	WTI Crude Oil	-0.4
U.S. Bank Loans	3.1	Netherlands	19.3	Real Estate	4.4			Australian Dollar	5.0	Unleaded Gas	-1.2
Insurance-Linked Securities	3.0	Belgium	17.8	Energy	3.3			Chinese Yuan	1.8	Brent Crude	-1.2
U.S. Municipal Bonds	1.9	China	17.0	U.S. Small Cap Growth	1.7			Nigerian Naira	1.0	Coffee	-4.0
U.S. Small & Micro Cap	1.6	Canada	16.5	U.S. Small Cap Blend	1.6			Indian Rupee	-0.3	Cotton	-4.1
U.S. REITs	1.0	Australia	12.5	U.S. Small Cap Value	1.4			Hong Kong Dollar	-1.0	Wheat	-4.4
Digital Assets	-22.2	Japan	10.4	Health Care	-0.6			Turkish Lira	-11.6	Sugar	-7.3
		United States	7.4	Consumer Discretionary	-0.8					Corn	-7.5
		India	6.2							Zinc	-7.6
		Denmark	-3.4							Cocoa	-24.7
		Turkey	-3.5								
		Thailand	-11.1								

Source: Bloomberg and Morningstar. Returns as of most recent daily close. FX as of intraday price of report. See disclosures for index definitions. It is not possible to invest directly in an index. As of 7/7/2025.

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Returns Summary

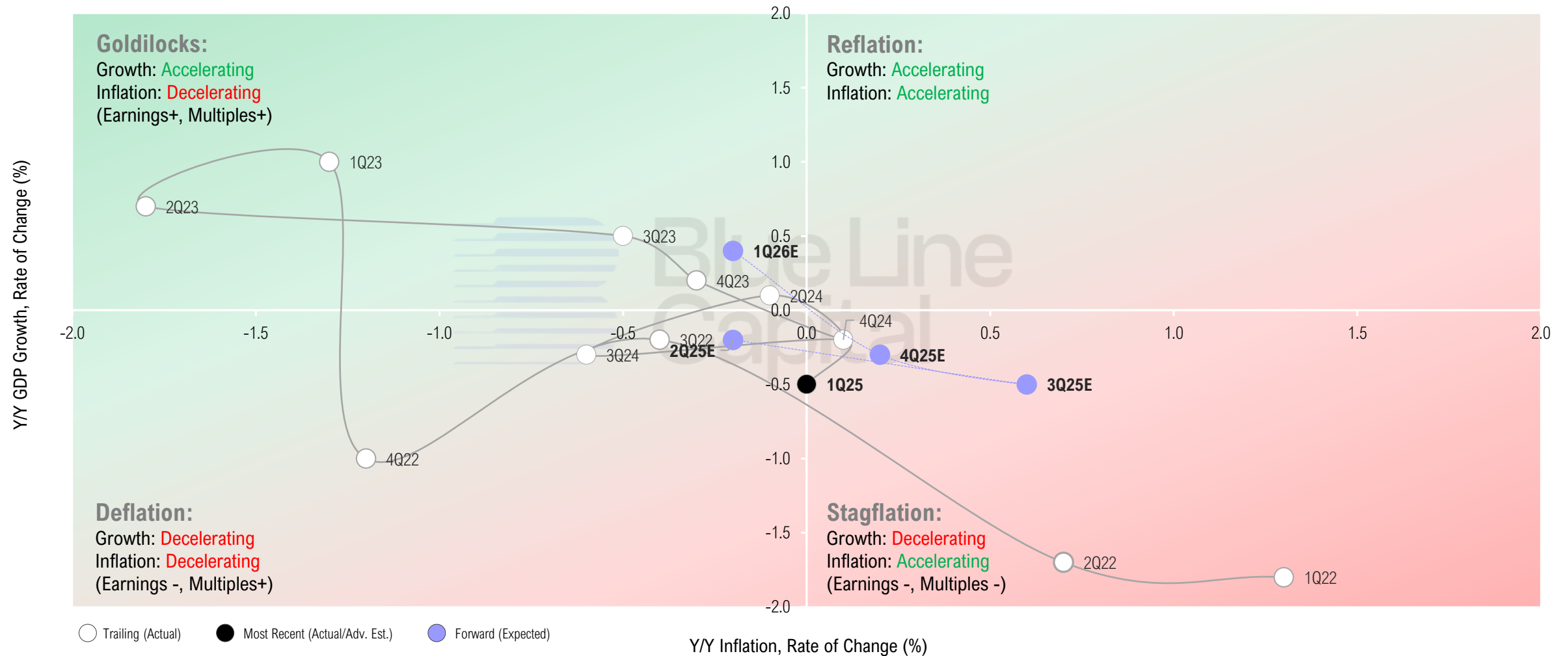
Deviation from 200-Day Moving Average, %

Asset Class		Equities by Country		Equity Sectors, Factors & Styles		Fixed Income & Credit		FX vs. USD		Commodity Futures	
Insurance-Linked Securities	22.3	Spain	21.1	Technology	13.1	Intl Dev Bonds	6.4	Swedish Krona	8.7	Platinum	33.9
Intl Dev Small & Micro Stocks	12.9	Israel	18.9	Communication Services	10.9	U.S. High Yield Bonds	3.7	New Israeli Sheqel	8.7	Soybean Oil	17.3
Gold	11.5	Ireland	16.8	U.S. Large Cap Growth	9.9	Emerging & Frontier Bonds	3.6	Swiss Franc	8.6	Gold	11.5
Intl Dev Stocks	9.7	Germany	16.6	Cyclicals	9.7	U.S. IG Corporate	2.5	Euro	8.1	Live Cattle	11.0
Emerging & Frontier Mkt Stocks	9.7	Italy	16.5	Industrials	9.5	U.S. Bank Loans	2.2	Danish Krone	8.1	Silver	11.0
Ex U.S. Real Estate Securities	8.7	South Africa	15.6	Momentum	8.7	Mortgage Backed Securities	2.1	Moroccan Dirham	7.5	Copper	10.3
Global Stocks	8.2	Norway	14.8	Financials	8.4	U.S. Inter-Term Bonds	1.9	Mexican Peso	6.7	Heating Oil	9.7
U.S. Large Cap Stocks	7.5	Finland	14.6	U.S. Large Cap Blend	7.4	Asset Backed Securities	1.9	Norwegian Krone	6.3	Tin	6.5
Intl Dev Bonds	6.4	Chile	14.6	Consumer Discretionary	5.0	U.S. Government	1.6	Brazilian Real	6.2	Soybean	2.3
Closed-End Funds	6.3	Hong Kong	12.9	High Quality	4.9	U.S. Municipal Bonds	1.3	Uruguayan Peso	5.4	Petroleum	1.9
U.S. High Yield Bonds	3.7	Brazil	12.2	U.S. Large Cap Value	4.4			British Pound	5.2	WTI Crude Oil	1.4
Emerging & Frontier Bonds	3.6	Singapore	11.1	U.S. Small Cap Growth	4.1			Nigerian Naira	3.3	Lean Hogs	1.0
U.S. Small & Micro Cap	3.4	Canada	10.8	Utilities	3.6			Japanese Yen	2.9	Lead	0.9
U.S. Bank Loans	2.2	Netherlands	10.7	U.S. Small Cap Blend	3.4			South Korean Won	2.9	Aluminum	0.6
U.S. Inter-Term Bonds	1.9	United Kingdom	9.5	Materials	3.2			Canadian Dollar	2.8	Brent Crude	-0.5
Broad Commodity Futures	1.8	France	9.4	High Dividend	2.7			South African Rand	2.7	Unleaded Gas	-1.2
U.S. Municipal Bonds	1.3	Belgium	9.1	U.S. Small Cap Value	2.6			New Zealand Dollar	2.6	Nickel	-4.6
Midstream Energy	1.0	Sweden	9.0	Min Vol	2.5			Australian Dollar	1.4	Cotton	-5.4
U.S. REITs	-2.1	Switzerland	8.1	Consumer Staples	1.7			Chinese Yuan	0.7	Cocoa	-5.4
Digital Assets	-8.1	United States	7.4	Defensives	0.6			Indian Rupee	-0.5	Zinc	-5.6
		Japan	7.1	Real Estate	-0.7			Hong Kong Dollar	-0.8	Natural Gas	-6.0
		China	6.7	Energy	-0.9			Turkish Lira	-8.4	Wheat	-6.1
		Australia	6.1	Health Care	-5.0					Corn	-6.9
		India	6.0							Coffee	-11.3
		Turkey	0.0							Sugar	-13.4
		Denmark	-6.4								
		Thailand	-8.4								

Source: Bloomberg and Morningstar. Returns as of most recent daily close. See disclosures for index definitions. FX as of intraday price of report. Moving averages and deviations for all indexes excluding Fixed Income & Credit are based on price return, Fixed Income & Credit is based on total return. It is not possible to invest directly in an index. As of 7/7/2025.

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Driven by expectations of rising inflation and slowing economic growth, markets continue to anticipate a mildly 'stagflationary' backdrop in the second half of 2025

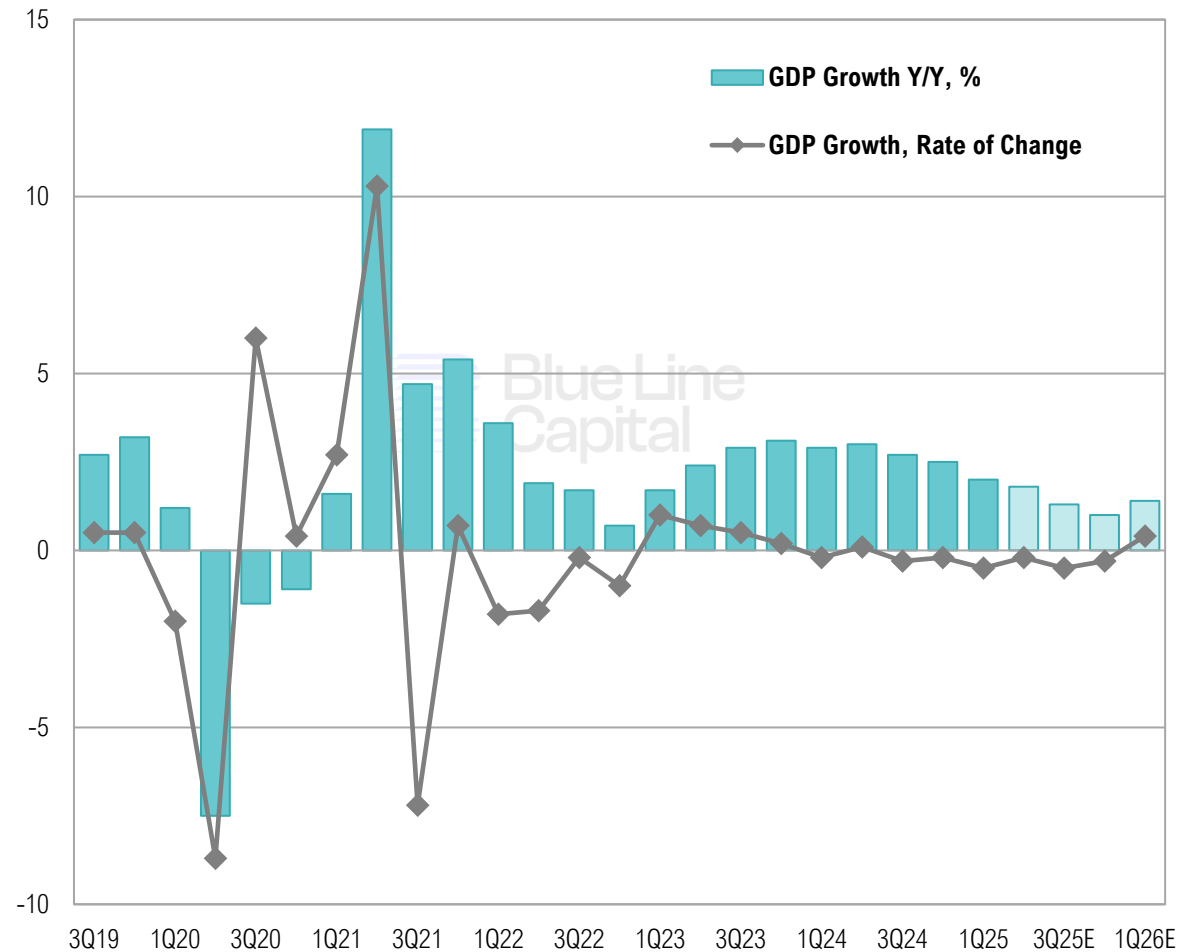


Source: SpringTide, Bloomberg. Change represents one-month change.

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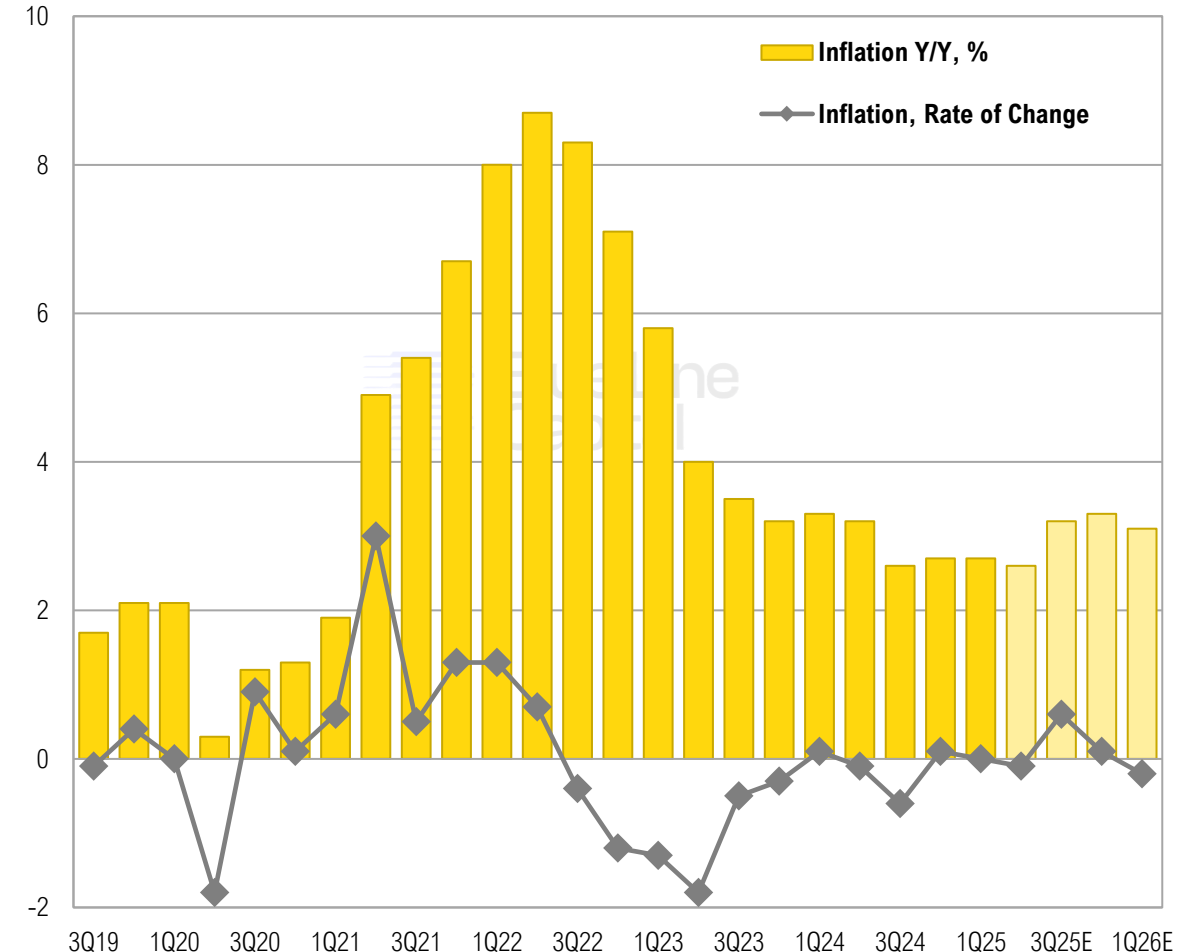
The U.S. economy is estimated to have grown by an annualized 2.1% Q/Q in Q2; inflation is expected to remain above 2% through 2H 2025 while GDP growth is expected to slow

GDP Growth & Rate of Change, Y/Y%



Source: SpringTide, Bloomberg. Change represents one-month change.

Inflation Levels & Rate of Change, Y/Y%



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Overall, global manufacturing ticked higher, moving into expansionary territory in June; both emerging and developed markets saw improvements in manufacturing activity

Manufacturing PMIs by Country* & Region

	2022												2023												2024												2025						
	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	
Global	53.2	53.7	52.9	52.3	52.3	52.2	51.1	50.3	49.8	49.4	48.8	48.7	49.1	49.9	49.6	49.6	49.5	48.7	48.6	49.0	49.2	48.8	49.3	49.0	50.0	50.3	50.6	50.3	51.0	50.8	49.7	49.6	48.7	49.4	50.1	49.6	50.1	50.6	50.3	49.8	49.6	50.3	
Developed	56.4	56.6	56.5	56.3	55.0	52.5	51.2	50.2	50.1	48.8	47.8	47.3	48.0	48.1	48.4	48.5	47.6	46.3	47.1	46.8	47.4	47.5	47.7	47.0	48.9	49.3	49.3	48.6	50.0	49.7	48.8	48.3	47.5	48.1	48.4	48.2	49.3	50.0	49.1	49.1	50.0	50.5	
Emerging	50.0	50.9	49.2	48.1	49.5	51.7	50.8	50.2	49.4	49.8	49.7	49.8	49.9	51.6	50.7	50.5	51.4	51.1	50.2	51.3	50.9	50.1	50.9	50.9	51.1	51.5	52.0	52.0	51.9	52.1	50.7	50.8	49.8	50.6	51.6	51.0	50.8	51.2	51.3	50.5	49.2	50.4	
Developed																																											
U.S.	55.5	57.3	58.8	59.2	57.0	52.7	52.2	51.5	52.0	50.4	47.7	46.2	46.9	47.3	49.2	50.2	48.4	46.3	49.0	47.9	49.8	50.0	49.4	47.9	50.7	52.2	51.9	50.0	51.3	51.6	49.6	47.9	47.3	48.5	49.7	49.4	51.2	52.7	50.2	50.2	52.0	52.9	
Canada	56.2	56.6	58.9	56.2	56.8	54.6	52.5	48.7	49.8	48.8	49.6	49.2	51.0	52.4	48.6	50.2	49.0	48.8	49.6	48.0	47.5	48.6	47.7	45.4	48.3	49.7	49.8	49.4	49.3	49.3	47.8	49.5	50.4	51.1	52.0	52.2	51.6	47.8	46.3	45.3	46.1	45.6	
Japan	55.4	52.7	54.1	53.5	53.3	52.7	52.1	51.5	50.8	50.7	49.0	48.9	48.9	47.7	49.2	49.5	50.6	49.8	49.6	49.6	48.5	48.7	48.3	47.9	48.0	47.2	48.2	49.6	50.4	50.0	49.1	49.8	49.7	49.2	49.0	49.6	48.7	49.0	48.4	48.7	49.4	50.1	
UK	57.3	58.0	55.2	55.8	54.6	52.8	52.1	47.3	48.4	46.2	46.5	45.3	47.0	49.3	47.9	47.8	47.1	46.5	45.3	43.0	44.3	44.8	47.2	46.2	47.0	47.5	50.3	49.1	51.2	50.9	52.1	52.5	51.5	49.9	48.0	47.0	48.3	46.9	44.9	45.4	46.4	47.7	
Eurozone	58.7	58.2	56.5	55.5	54.6	52.1	49.8	49.6	48.4	46.4	47.1	47.8	48.8	48.5	47.3	45.8	44.8	43.4	42.7	43.5	43.4	43.1	44.2	44.4	46.6	46.5	46.1	45.7	47.3	45.8	45.8	45.8	45.0	46.0	45.2	45.1	46.6	47.6	48.6	49.0	49.4	49.5	
Germany	59.8	58.4	56.9	54.6	54.8	52.0	49.3	49.1	47.8	45.1	46.2	47.1	47.3	46.3	44.7	44.5	43.2	40.6	38.8	39.1	39.6	40.8	42.6	43.3	45.5	42.5	41.9	42.5	45.4	43.5	43.2	42.4	40.6	43.0	43.0	42.5	45.0	46.5	48.3	48.4	48.3	49.0	
France	55.5	57.2	54.7	55.7	54.6	51.4	49.5	50.6	47.7	47.2	48.3	49.2	50.5	47.4	47.3	45.6	45.7	46.0	45.1	46.0	44.2	42.8	42.9	42.1	43.1	47.1	46.2	45.3	46.4	45.4	44.0	43.9	44.6	44.5	43.1	41.9	45.0	45.8	48.5	48.7	49.8	48.1	
Italy	58.3	58.3	55.8	54.5	51.9	50.9	48.5	48.0	48.3	46.5	48.4	48.5	50.4	52.0	51.1	46.8	45.9	43.8	44.5	45.4	46.8	44.9	44.4	45.3	48.5	48.7	50.4	47.3	45.6	45.7	47.4	49.4	48.3	46.9	44.5	46.2	46.3	47.4	46.6	49.3	49.2	48.4	
Spain	56.2	56.9	54.2	53.3	53.8	52.6	48.7	49.9	49.0	44.7	45.7	46.4	48.4	50.7	51.3	49.0	48.4	48.0	47.8	46.5	47.7	45.1	46.3	46.2	49.2	51.5	51.4	52.2	54.0	52.3	51.0	50.5	53.0	54.5	53.1	53.3	50.9	49.7	49.5	48.1	50.5	51.4	
Netherlands	60.1	60.6	58.4	59.9	57.8	55.9	54.5	52.6	49.0	47.9	46.0	48.6	49.6	48.7	46.4	44.9	44.2	43.8	45.3	45.9	43.6	43.8	44.9	44.8	48.9	49.3	49.7	51.3	52.5	50.7	49.2	47.7	48.2	47.0	46.6	48.6	48.4	50.0	49.6	49.2	49.0	51.2	
Australia	55.1	57.0	57.7	58.8	55.7	56.2	55.7	53.8	53.5	52.7	51.3	50.2	50.0	50.5	49.1	48.0	48.4	48.2	49.6	49.6	48.7	48.2	47.7	47.6	50.1	47.8	47.3	49.6	49.7	47.2	47.5	48.5	46.7	47.3	49.4	47.8	50.2	50.4	52.1	51.7	51.0	50.6	
Greece	57.9	57.8	54.6	54.8	53.8	51.1	49.1	48.8	49.7	48.1	48.4	47.2	49.2	51.7	52.8	52.4	51.5	51.8	53.5	52.9	50.3	50.8	50.9	51.3	54.7	55.7	56.9	55.2	54.9	54.0	53.2	52.9	50.3	51.2	50.9	53.2	52.8	52.6	55.0	53.2	53.2	53.1	
Emerging																																											
China	49.1	50.4	48.1	46.0	48.1	51.7	50.4	49.5	48.1	49.2	49.4	49.0	49.2	51.6	50.0	49.5	50.9	50.5	49.2	51.0	50.6	49.5	50.7	50.8	50.8	50.9	51.1	51.4	51.7	49.8	50.4	49.3	50.3	51.5	50.5	50.1	50.8	51.2	50.4	48.3	50.4		
Indonesia	53.7	51.2	51.3	51.9	50.8	50.2	51.3	51.7	53.7	51.8	50.3	50.9	51.3	51.2	51.9	52.7	50.3	52.5	53.3	53.9	52.3	51.5	51.7	52.2	52.9	52.7	54.2	52.9	52.1	50.7	49.3	48.9	49.2	49.2	49.6	51.2	51.9	53.6	52.4	46.7	47.4	46.9	
Korea	52.8	53.8	51.2	52.1	51.8	51.3	49.8	47.6	47.3	48.2	49.0	48.2	48.5	48.5	47.6	48.1	48.4	47.8	49.4	48.9	49.9	49.8	50.0	49.9	51.2	50.7	49.8	49.4	51.6	52.0	51.4	51.9	48.3	48.3	50.6	49.0	50.3	49.9	49.1	47.5	47.7	48.7	
Taiwan	55.1	54.3	54.1	51.7	50.0	49.8	44.6	42.7	42.2	41.5	41.6	44.6	44.3	49.0	48.6	47.1	44.3	44.8	44.1	44.3	46.4	47.6	48.3	47.1	48.8	48.6	49.3	50.2	50.9	53.2	52.9	51.5	50.8	50.2	51.5	52.7	51.1	51.5	49.8	47.8	48.6	47.2	
Brazil	47.8	49.6	52.3	51.8	54.2	54.1	54.0	51.9	51.1	50.8	44.3	44.2	47.5	49.2	47.0	44.3	47.1	46.6	47.8	50.1	49.0	48.6	49.4	48.4	52.8	54.1	53.6	55.9	52.1	52.5	54.0	50.4	53.2	52.9	52.3	50.4	50.7	53.0	51.8	50.3	49.4	48.3	
Mexico	46.1	48.0	49.2	49.3	50.6	52.2	48.5	48.5	50.3	50.3	50.6	51.3	48.9	51.0	51.0	51.1	50.5	50.9	53.2	51.2	49.8	52.1	52.5	52.0	50.2	52.3	52.2	51.0	51.2	51.1	49.6	48.5	47.3	48.4	49.9	49.8	49.1	47.6	46.5	44.8	46.7	46.3	
Russia	51.8	48.6	44.1	48.2	50.8	50.9	50.3	51.7	52.0	50.7	53.2	53.0	52.6	53.6	53.2	52.6	53.5	52.6	52.1	52.7	54.5	53.8	53.8	54.6	52.4	54.7	55.7	54.3	54.4	54.9	53.6	52.1	49.5	50.6	51.3	50.8	53.1	50.2	48.2	49.3	50.2	47.5	
South Africa	50.9	50.9	51.4	50.3	50.7	52.5	52.7	51.7	49.2	49.5	50.6	50.2	48.7	50.5	49.7	49.6	47.9	48.7	48.2	51.0	49.9	48.9	50.0	49.0	49.2	50.8	48.4	50.3	50.4	49.2	49.3	50.5	51.0	50.6	50.9	49.9	47.4	49.0	48.3	50.0	50.8	50.1	
India	54.0	54.9	54.0	54.7	54.6	53.9	56.4	56.2	55.1	55.3	55.7	57.8	55.4	55.3	56.4	57.2	58.7	57.8	57.7	58.6	57.5	55.5	56.0	54.9	56.5	56.9	59.1	58.8	57.5	58.3	58.1	57.5	56.5	57.5	56.5	56.4	57.7	56.3	58.1	58.2	57.6	58.4	

LOWER HIGHER

Source: Bloomberg, Markit. *Some countries might have delayed reporting.

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Conference Board U.S. Leading Economic Indicator, 6-Month Growth Rate (Annualized), %

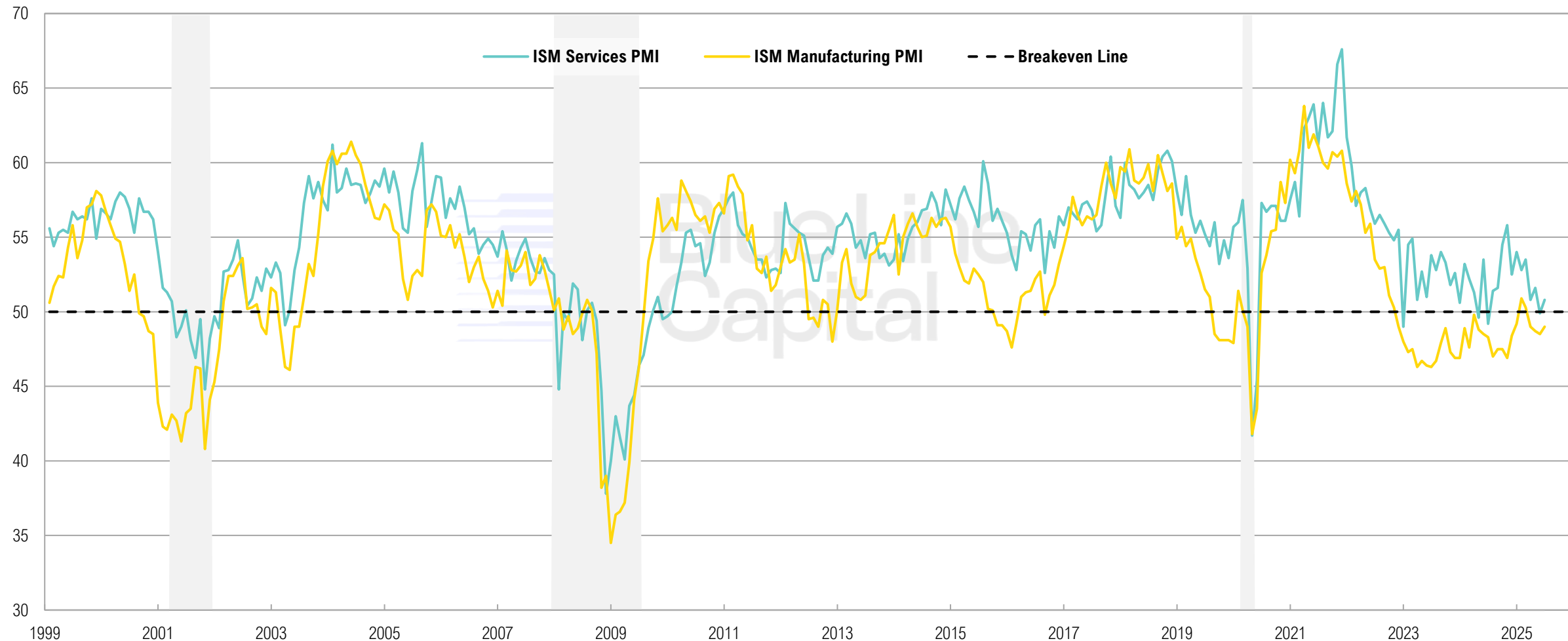


S&P 500 12-Month Forward Return vs. Conference Board U.S. Leading Economic Indicator



Manufacturing sector activity remained in contractionary territory in June, while services sector activity climbed back into expansionary territory

ISM Services & Manufacturing PMIs



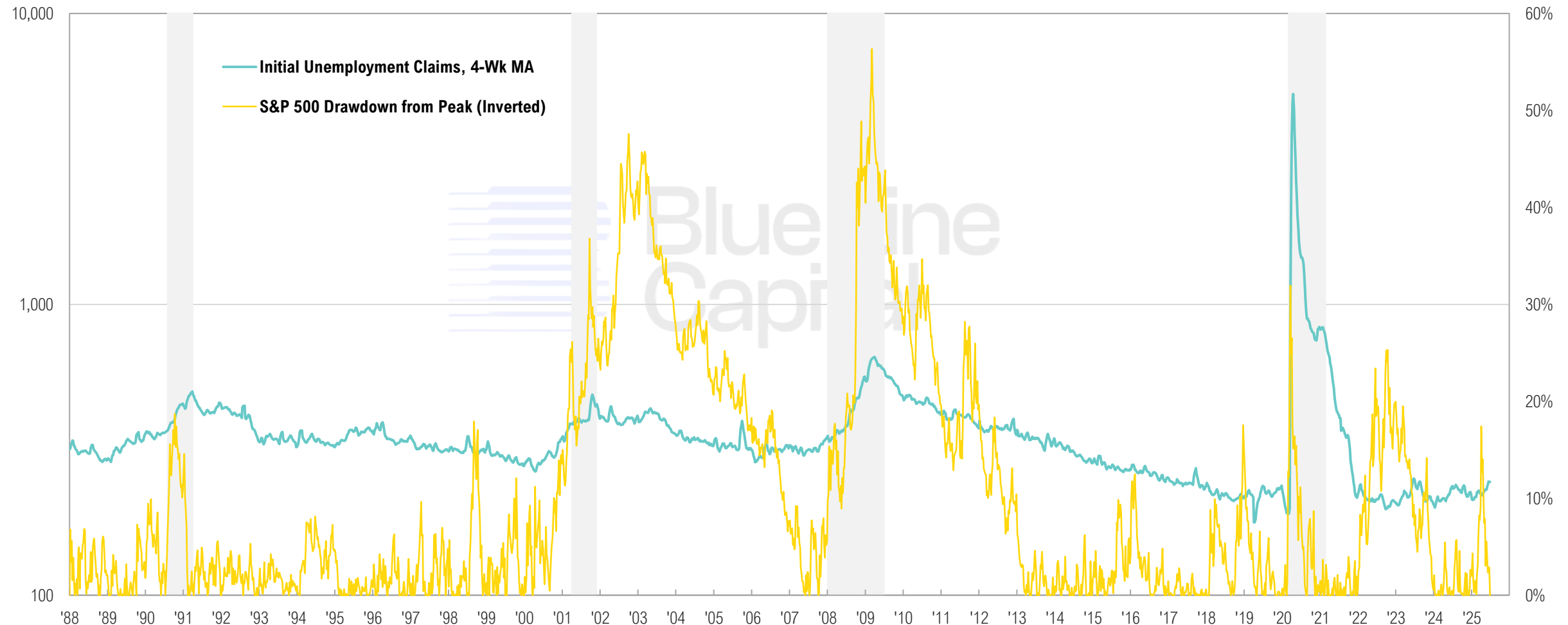
Source: Bloomberg, ISM

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Historical trends suggests the stock market will start to price in incremental labor market deterioration before it becomes obvious; initial unemployment claims are trending higher

Weekly Unemployment Claims

S&P 500 Drawdown from Peak



Source: SpringTide, Bloomberg, FRED. As of 6/28/2025.

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Globally, inflation declined in Q1: inflation in emerging markets eased to 1.6%, the lowest level since Q2 2023, while developed market inflation fell to 2.4%

Country & GDP-Weighted Regional Inflation

	2015				2016				2017				2018				2019				2020				2021				2022				2023				2024				'25
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1				
Global	1.9	1.9	1.8	2.1	2.0	2.0	2.0	2.2	2.2	1.7	2.2	2.4	2.4	2.7	2.5	1.9	2.1	2.1	2.1	3.1	2.5	1.8	2.0	1.3	1.9	3.3	3.5	4.7	5.9	6.8	6.7	5.8	4.3	3.1	3.2	2.7	2.6	2.5	2.1	2.4	2.1
DM	0.3	0.3	0.1	0.5	0.5	0.6	0.9	1.5	1.8	1.4	1.8	1.8	2.0	2.3	2.1	1.6	1.6	1.4	1.3	1.8	1.2	0.4	0.7	0.6	1.8	3.7	4.2	5.5	7.1	8.0	7.9	7.0	5.5	4.0	4.0	3.3	3.1	2.8	2.1	2.7	2.4
EM	4.1	4.1	3.9	4.2	3.9	4.0	3.5	3.1	2.7	2.1	2.6	3.3	3.0	3.2	3.2	2.4	2.8	3.0	3.2	4.9	4.3	3.5	3.7	2.4	2.0	2.7	2.5	3.3	4.1	4.9	4.8	3.7	2.4	1.5	1.8	1.8	1.9	2.0	2.0	1.9	1.6
Developed																																									
U.S.	-0.1	0.1	0.0	0.7	0.9	1.0	1.5	2.1	2.4	1.6	2.2	2.1	2.4	2.9	2.3	1.9	1.9	1.6	1.7	2.3	1.5	0.6	1.4	1.4	2.6	5.4	5.4	7.0	8.5	9.1	8.2	6.5	5.0	3.0	3.7	3.4	3.5	3.0	2.4	2.9	2.4
Canada	1.2	1.0	1.0	1.6	1.3	1.5	1.3	1.5	1.6	1.0	1.6	1.9	2.3	2.5	2.2	2.0	1.9	2.0	1.9	2.2	0.9	0.7	0.5	0.7	2.2	3.1	4.4	4.8	6.7	8.1	6.9	6.3	4.3	2.8	3.8	3.4	2.9	2.7	1.6	1.8	2.3
Japan	2.3	0.4	0.0	0.2	0.0	-0.4	-0.5	0.3	0.2	0.4	0.7	1.0	1.1	0.7	1.2	0.3	0.5	0.7	0.2	0.8	0.4	0.1	0.0	-1.2	-0.4	-0.5	0.2	0.8	1.2	2.4	3.0	4.0	3.2	3.3	3.0	2.6	2.7	2.8	2.5	3.6	3.6
UK	0.1	0.0	0.0	0.1	0.3	0.4	0.7	1.2	2.1	2.7	2.8	3.0	2.7	2.4	2.5	2.3	1.9	2.0	1.8	1.4	1.7	0.6	0.6	0.5	0.6	2.1	2.8	4.9	6.2	9.2	10.0	10.7	10.2	8.4	6.7	4.2	3.5	2.1	2.0	2.5	2.8
Eurozone	-0.1	0.5	0.2	0.3	0.0	0.0	0.4	1.1	1.5	1.3	1.6	1.3	1.4	2.0	2.1	1.5	1.4	1.3	0.8	1.3	0.7	0.3	-0.3	-0.3	1.3	1.9	3.4	5.0	7.4	8.6	9.9	9.2	6.9	5.5	4.3	2.9	2.4	2.5	1.7	2.4	2.2
Germany	0.2	0.9	0.6	0.2	0.3	0.3	0.6	1.5	1.4	1.4	1.7	1.4	1.5	1.9	1.9	1.6	1.3	1.6	1.2	1.5	1.4	0.9	-0.2	-0.3	1.8	2.4	4.1	4.9	5.9	6.7	8.6	8.1	7.4	6.4	4.5	3.7	2.2	2.2	1.6	2.6	2.2
France	-0.1	0.3	0.0	0.2	-0.1	0.2	0.4	0.6	1.1	0.7	1.0	1.2	1.6	2.0	2.2	1.6	1.1	1.2	0.9	1.5	0.7	0.2	0.0	0.0	1.1	1.5	2.2	2.8	4.5	5.8	5.6	5.9	5.7	4.5	4.9	3.7	2.3	2.2	1.1	1.3	0.8
Italy	0.0	0.2	0.2	0.1	-0.2	-0.2	0.1	0.5	1.4	1.2	1.3	1.0	0.9	1.4	1.5	1.2	1.1	0.8	0.2	0.5	0.1	-0.4	-1.0	-0.3	0.6	1.3	2.9	4.2	6.8	8.5	9.4	12.3	8.1	6.7	5.6	0.5	1.2	0.9	0.7	1.4	2.1
Spain	-0.7	0.1	-0.9	0.0	-0.8	-0.8	0.2	1.6	2.3	1.5	1.8	1.1	1.2	2.3	2.3	1.2	1.3	0.4	0.1	0.8	0.0	-0.3	-0.4	-0.5	1.3	2.7	4.0	6.5	9.8	10.2	8.9	5.7	3.3	1.9	3.5	3.1	3.2	3.4	1.5	2.8	2.3
Netherlands	0.4	1.0	0.5	0.7	0.6	0.0	0.1	1.0	1.1	1.1	1.5	1.3	1.0	1.7	1.9	2.0	2.8	2.7	2.6	2.7	1.4	1.6	1.1	1.0	1.9	2.0	2.7	5.7	9.7	8.6	14.5	9.6	4.4	5.7	0.2	1.2	3.1	3.2	3.5	4.1	3.7
Australia	1.3	1.5	1.5	1.7	1.3	1.0	1.3	1.5	2.1	1.9	1.8	1.9	1.9	2.1	1.9	1.8	1.3	1.6	1.7	1.8	2.2	-0.3	0.7	0.9	1.1	3.8	3.0	3.5	5.1	6.1	7.3	7.8	7.0	6.0	5.4	4.1	3.6	3.8	2.8	2.4	2.4
Greece	-1.9	-1.1	-0.8	0.4	-0.7	0.2	-0.1	0.3	1.7	0.9	1.0	1.0	0.2	1.0	1.1	0.6	1.0	0.2	0.2	1.1	0.2	-1.9	-2.3	-2.4	-2.0	0.6	1.9	4.4	8.0	11.6	12.1	7.6	5.4	2.8	2.4	3.7	3.4	2.5	3.1	2.9	3.1
Emerging																																									
China	1.4	1.4	1.6	1.6	2.3	1.9	1.9	2.1	0.9	1.5	1.6	1.8	2.1	1.9	2.5	1.9	2.3	2.7	3.0	4.5	4.3	2.5	1.7	0.2	0.4	1.1	0.7	1.5	1.5	2.5	2.8	1.8	0.7	0.0	0.0	-0.3	0.1	0.2	0.4	0.1	-0.1
Indonesia	6.4	7.3	6.8	3.4	4.5	3.5	3.1	3.0	3.6	4.4	3.7	3.6	3.4	3.1	2.9	3.1	2.5	2.8	3.1	2.6	3.0	2.0	1.4	1.7	1.4	1.3	1.6	1.9	2.6	4.4	6.0	5.5	5.0	3.5	2.3	2.8	3.1	2.5	1.8	1.6	1.0
Korea	0.5	0.7	0.5	1.1	0.8	0.7	1.3	1.3	2.3	1.8	2.0	1.4	1.2	1.5	2.1	1.3	0.4	0.7	-0.4	0.7	0.8	0.2	0.9	0.6	1.9	2.3	2.4	3.7	4.2	6.0	5.5	5.0	4.2	2.7	3.7	3.2	3.1	2.4	1.6	1.9	2.1
Taiwan	-0.6	-0.6	0.3	0.1	2.0	0.9	0.3	1.7	0.2	1.0	0.5	1.2	1.6	1.4	1.7	-0.1	0.6	0.9	0.4	1.1	0.0	-0.8	-0.6	0.1	1.2	1.8	2.6	2.6	3.3	3.6	2.8	2.7	2.4	1.8	2.9	2.7	2.2	2.4	1.8	2.1	2.3
Brazil	8.1	8.9	9.5	10.7	9.4	8.8	8.5	6.3	4.6	3.0	2.5	3.0	2.7	4.4	4.5	3.8	4.6	3.4	2.9	4.3	3.3	2.1	3.1	4.5	6.1	8.4	10.3	10.1	11.3	11.9	7.2	5.8	4.7	3.2	5.2	4.6	3.9	4.2	4.4	4.8	5.5
Mexico	3.1	2.9	2.5	2.1	2.6	2.5	3.0	3.4	5.4	6.3	6.4	6.8	5.0	4.7	5.0	4.8	4.0	4.0	3.0	2.8	3.3	3.3	4.0	3.2	4.7	5.9	6.0	7.4	7.5	8.0	8.7	7.8	6.9	5.1	4.5	4.7	4.4	5.0	4.6	4.2	3.8
Russia	16.9	15.3	15.7	12.9	7.3	7.5	6.4	5.4	4.3	4.4	3.0	2.5	2.4	2.3	3.4	4.3	5.3	4.7	4.0	3.0	2.5	3.2	3.7	4.9	5.8	6.5	7.4	8.4	16.7	15.9	13.7	11.9	3.5	3.3	6.0	7.4	7.7	8.6	8.6	9.5	10.3
South Africa	4.0	4.7	4.6	5.2	6.3	6.3	6.1	6.8	6.1	5.1	5.1	4.7	3.8	4.6	4.9	4.5	4.5	4.5	4.1	4.0	4.1	2.2	3.0	3.1	3.2	4.9	5.0	5.9	5.9	7.4	7.5	7.2	7.1	5.4	5.4	5.1	5.3	5.1	3.8	3.0	2.7
India	5.3	5.4	4.4	5.6	4.8	5.8	4.4	3.4	3.9	1.5	3.3	5.2	4.3	4.9	3.7	2.1	2.9	3.2	4.0	7.4	5.8	6.2	7.3	4.6	5.5	6.3	4.4	5.7	7.0	7.0	7.4	5.7	5.7	4.9	5.0	5.7	4.9	5.1	5.5	5.2	3.3

LOWER ← → HIGHER

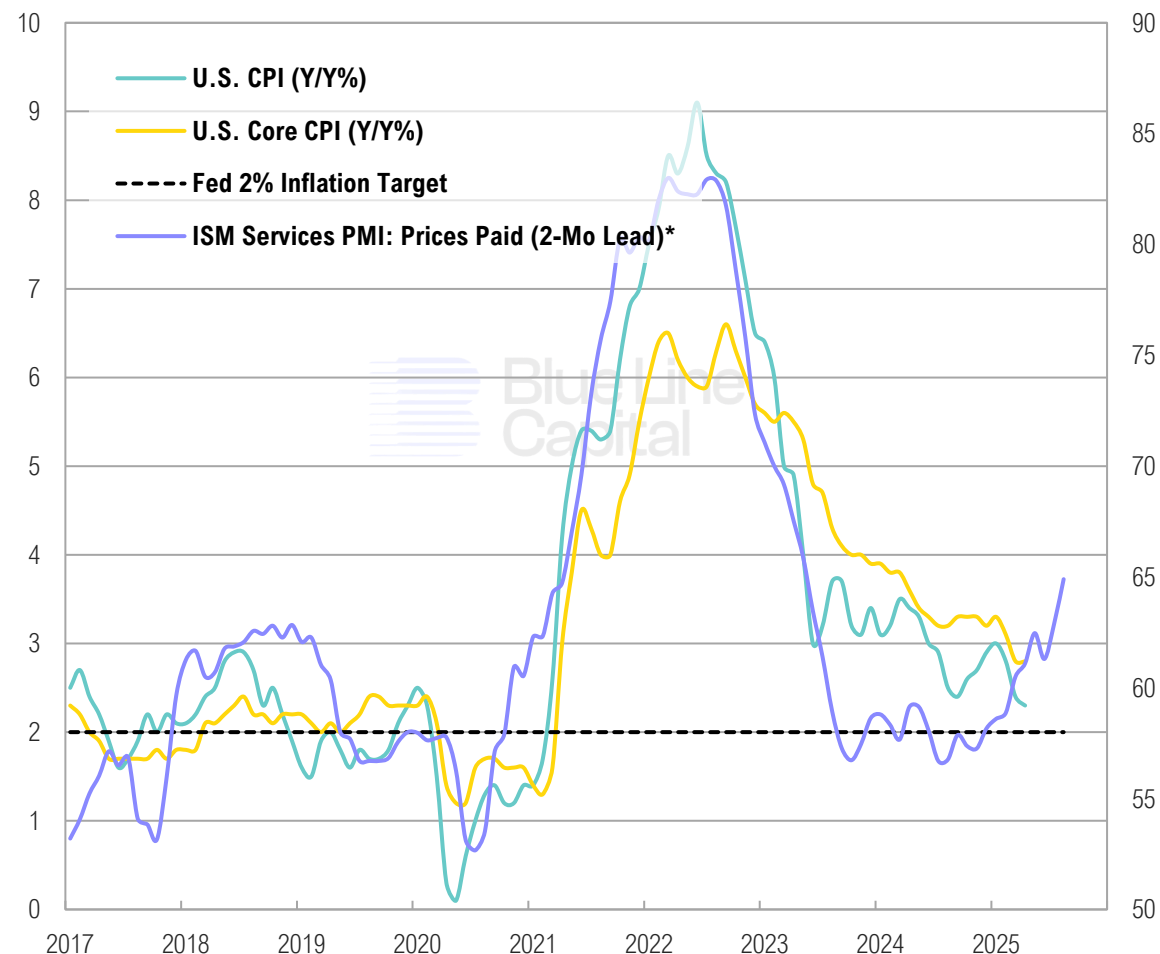
Source: Bloomberg, SpringTide calculations. Global, Developed (DM) and Emerging (EM) inflation numbers are GDP-weighted.

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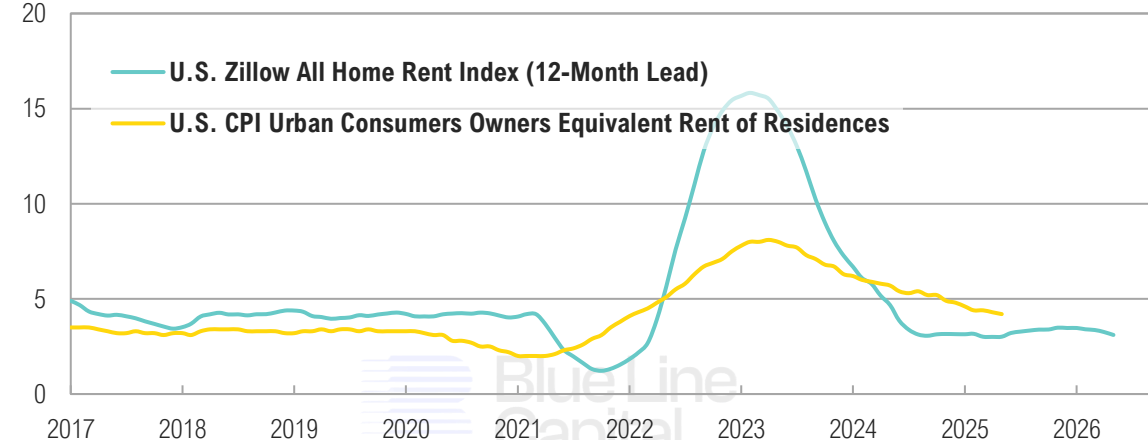
ISM PMI Prices Paid shows increasing inflation pressures, but easing housing and energy prices may offset some of that pressure; uncertainty around potential tariff impact remains

U.S. Headline CPI, Y/Y %

ISM Services PMI Report on Business Prices, (2-Mo Lead)

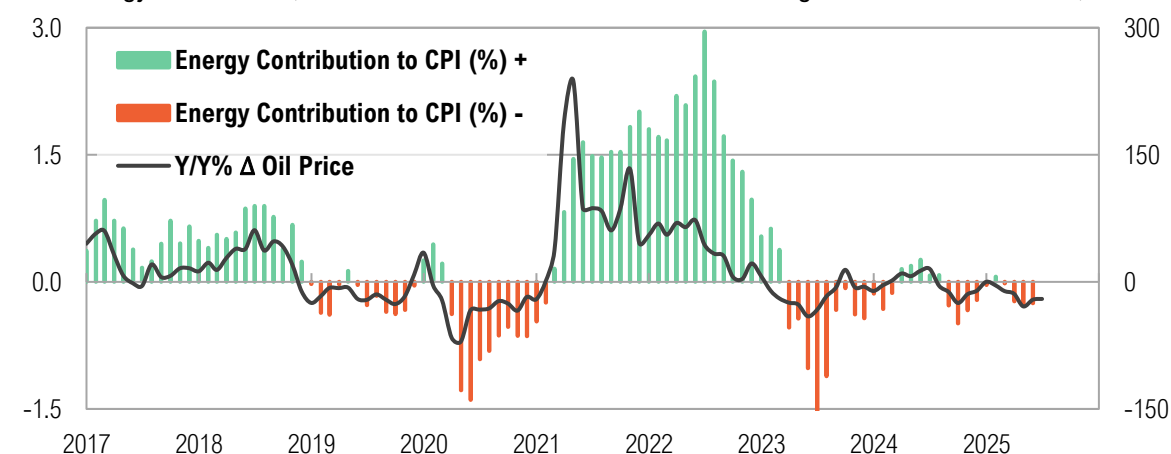


CPI Owners Equivalent of Rent Component vs Zillow Rent Index (12-Month Lead), Y/Y %



CPI: Energy Contribution, Y/Y %

Change in WTI Crude Oil Price, Y/Y %

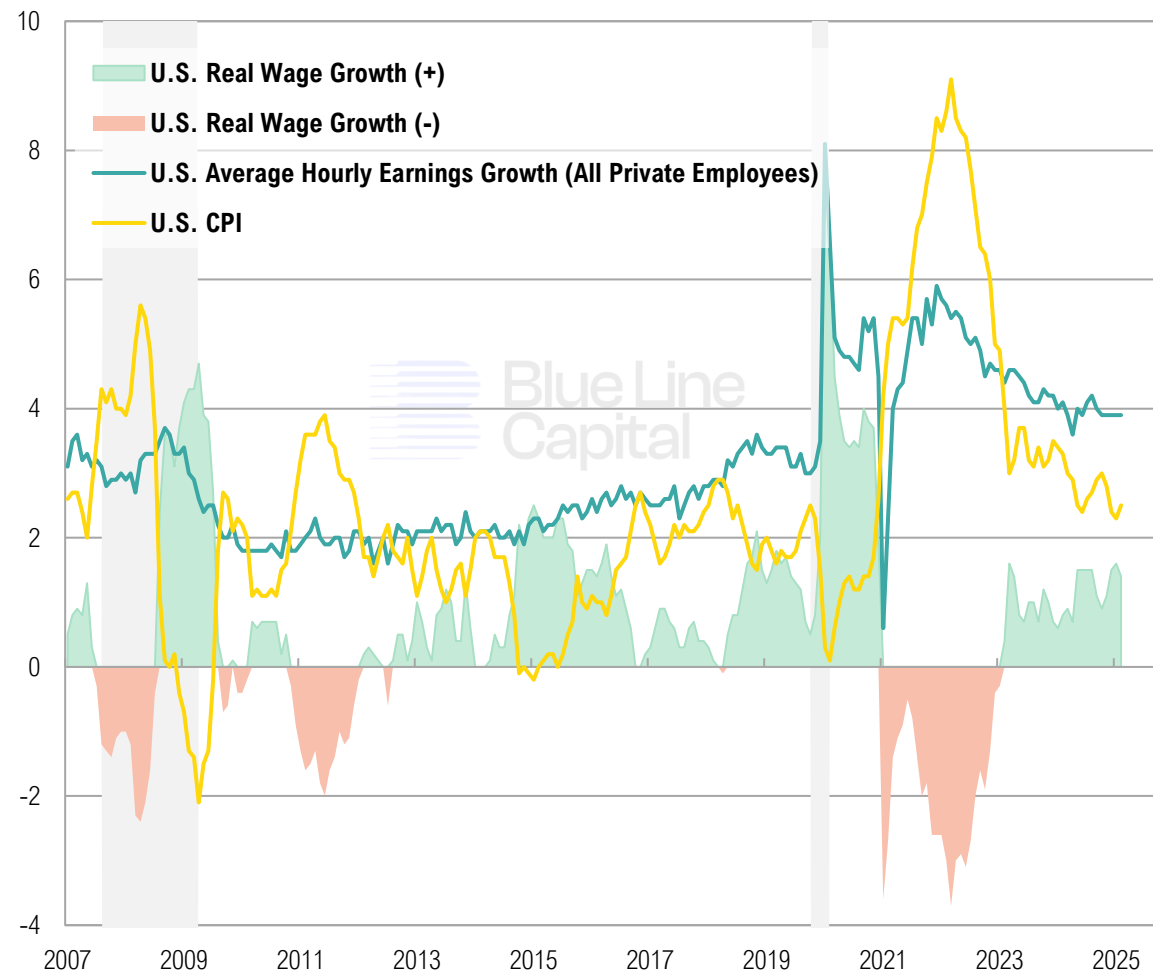


Source: Bloomberg. The projected inflation paths assumes non seasonally adjusted monthly prints. CPI as of 5/31/2025.

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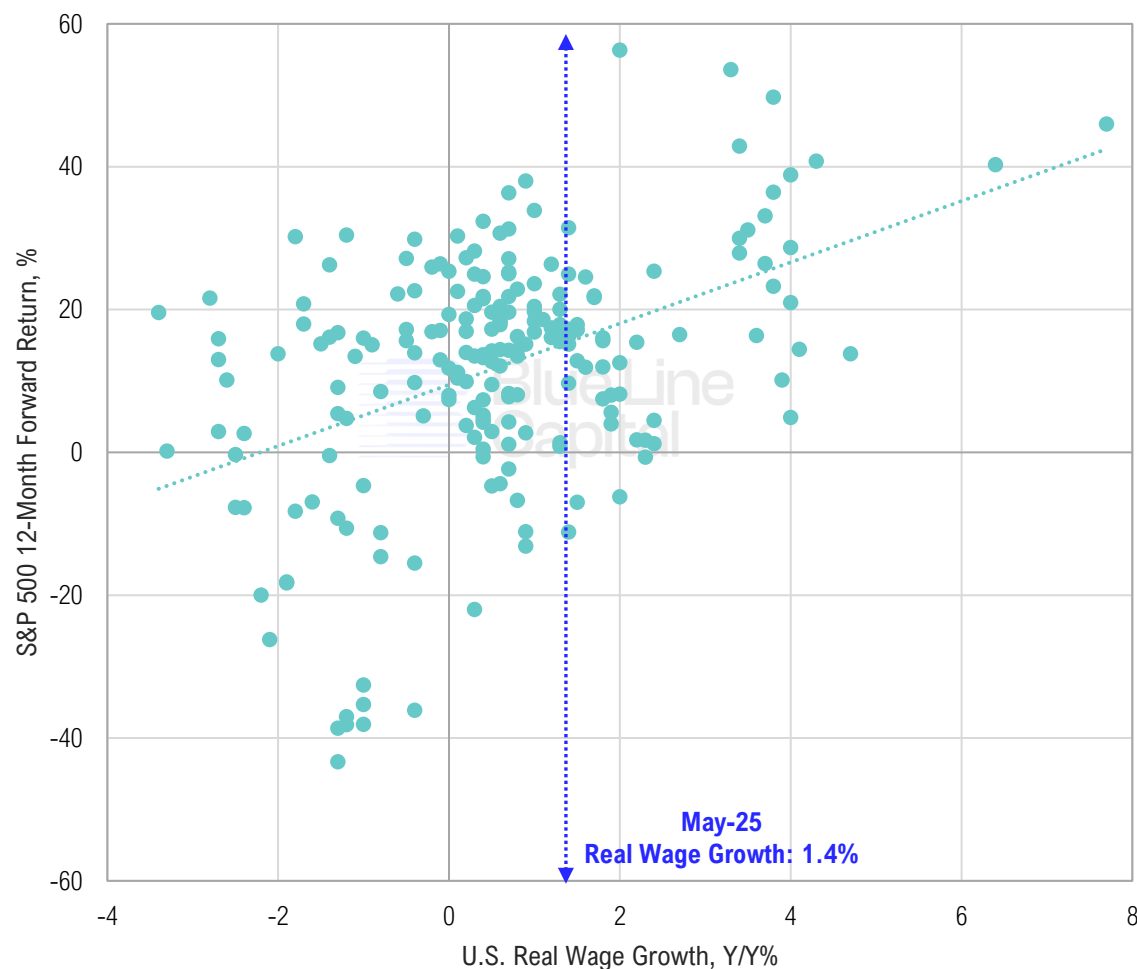
Hourly earnings grew by 3.9% Y/Y in May and remain well above CPI levels; historically, S&P 500 forward returns tend to be good with wage growth at these levels

CPI vs Average Hourly Earnings Growth (All Private Employees), %



Source: Bloomberg. CPI and real wage growth as of 5/31/2025.

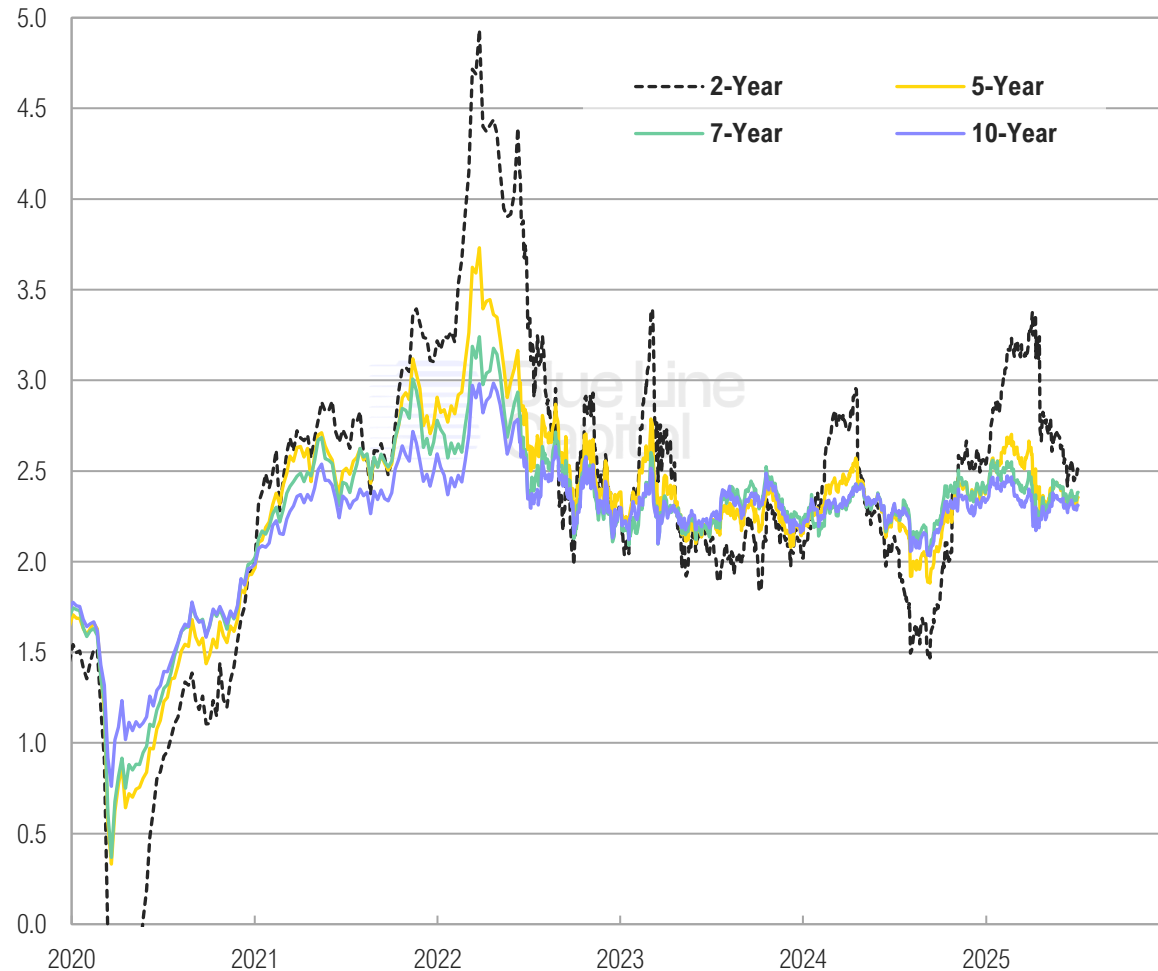
U.S. Real Wage Growth vs. Fwd 12-Mo S&P 500 Returns



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Market-based inflation expectations (TIPS) remain contained; consumer expectations eased from >25-year highs in June, but remain elevated (and very partisan)

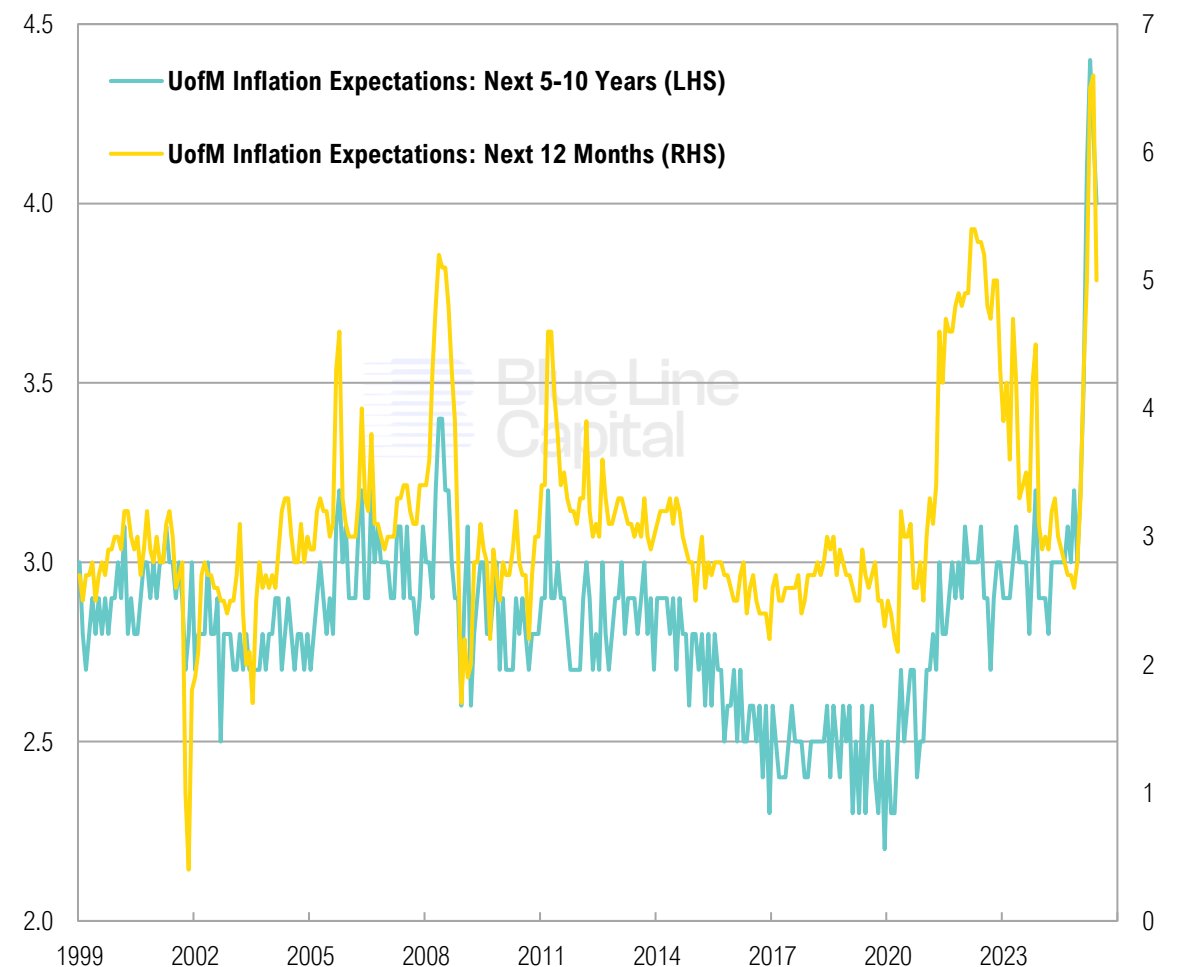
Treasury Implied Inflation Breakeven Rates, 2020 - Current



Source: FRED, Bloomberg

Inflation Expectations (Next 5-10 Years), %

Inflation Expectations (Next 12 Months), %

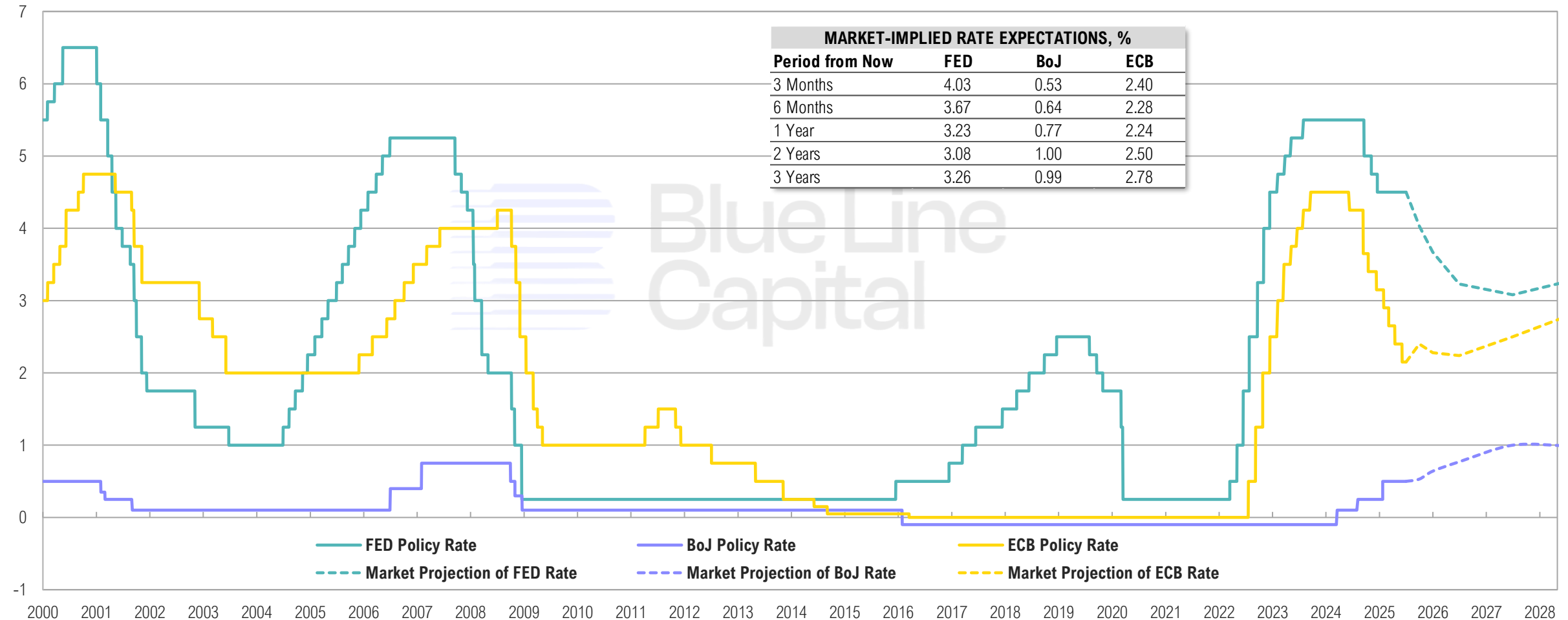


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While the Fed is expected to cut interest rates before year-end and the ECB cut rates in June, markets still expect the BoJ to continue hiking

FED, BoJ & ECB Policy Rates & Implied Policy Rate Expectations, %

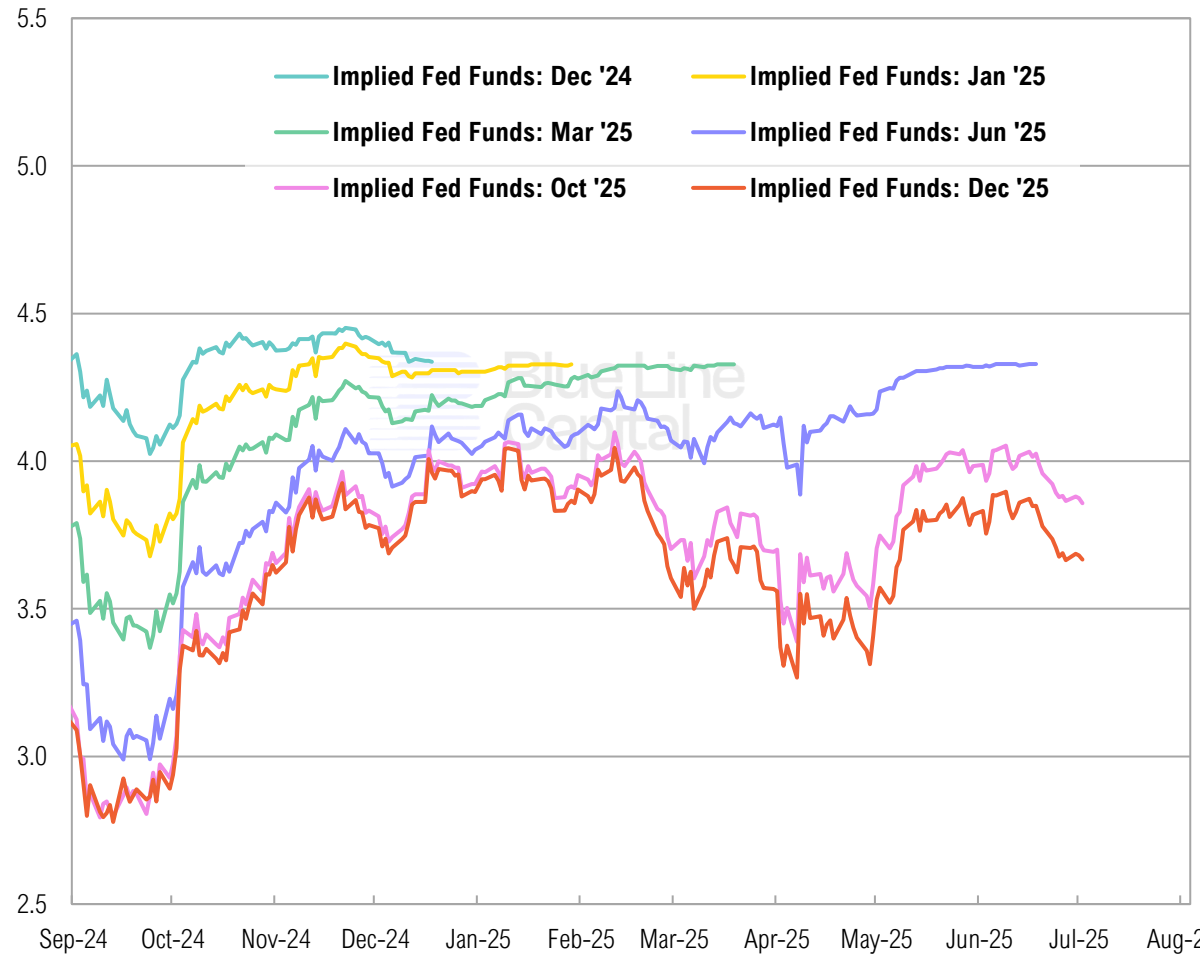


Source: Bloomberg

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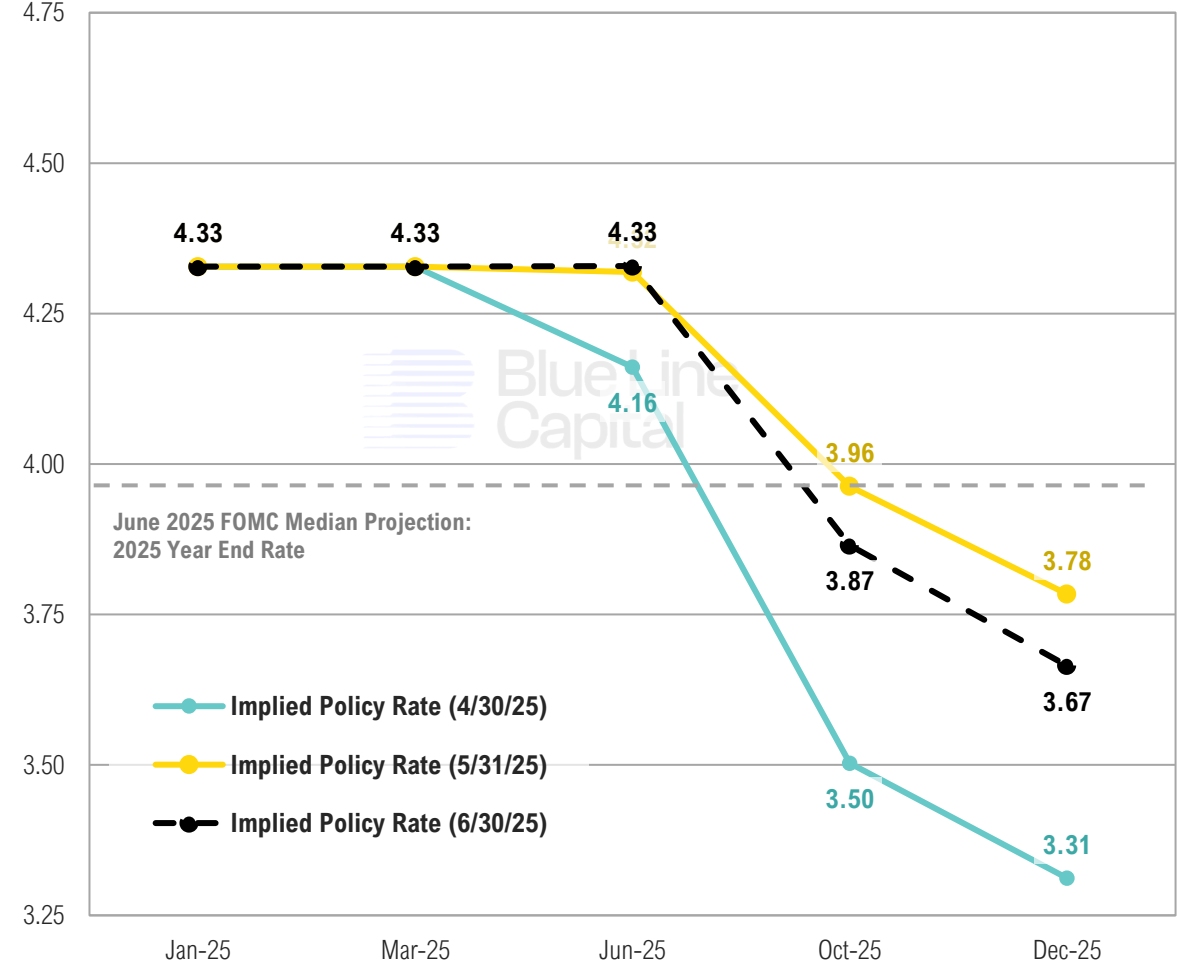
Despite political pressures for immediate cuts, the Fed maintains its expectations of two 0.25% interest rate cuts before year-end; markets expect between two and three cuts

Implied Fed Funds Rate, %



Source: Bloomberg

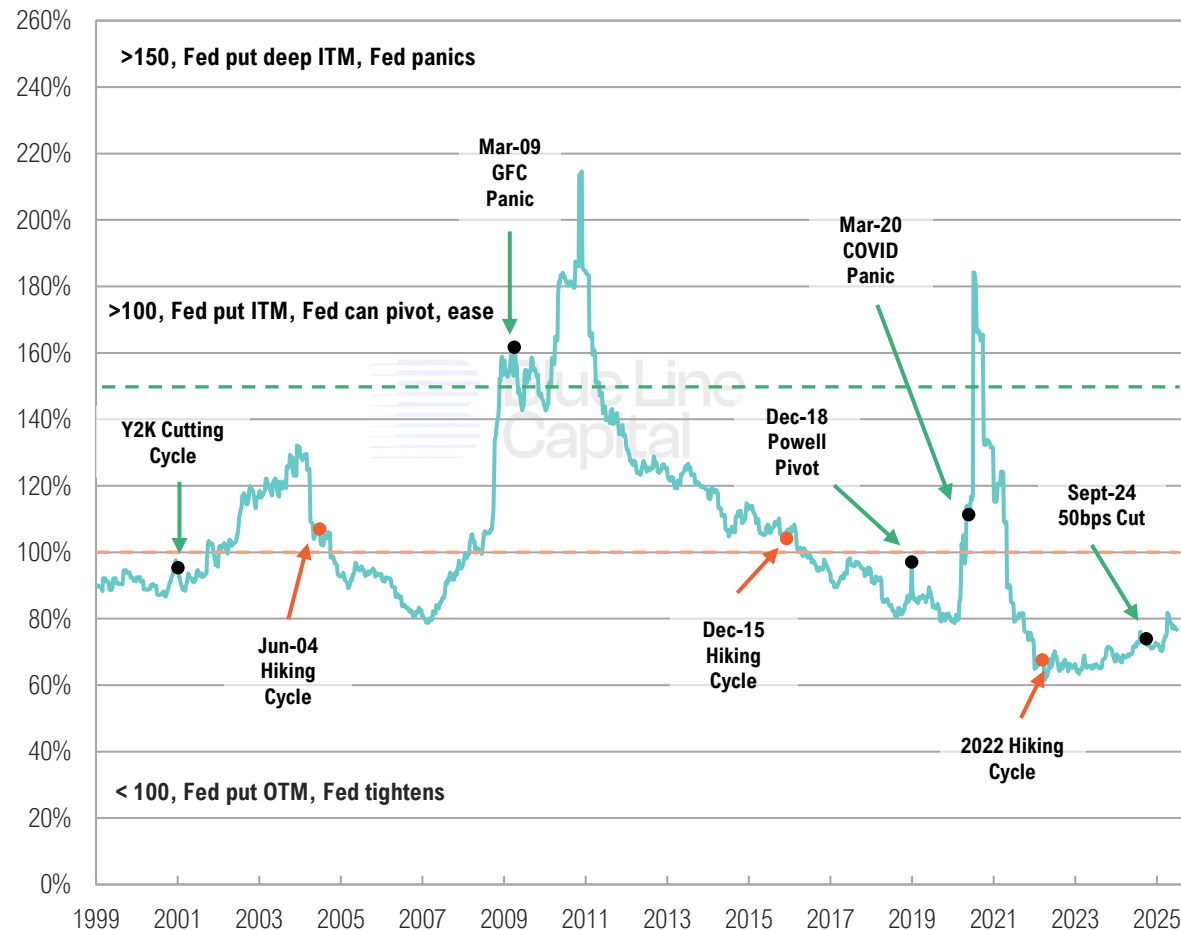
Implied Fed Funds Rate, %



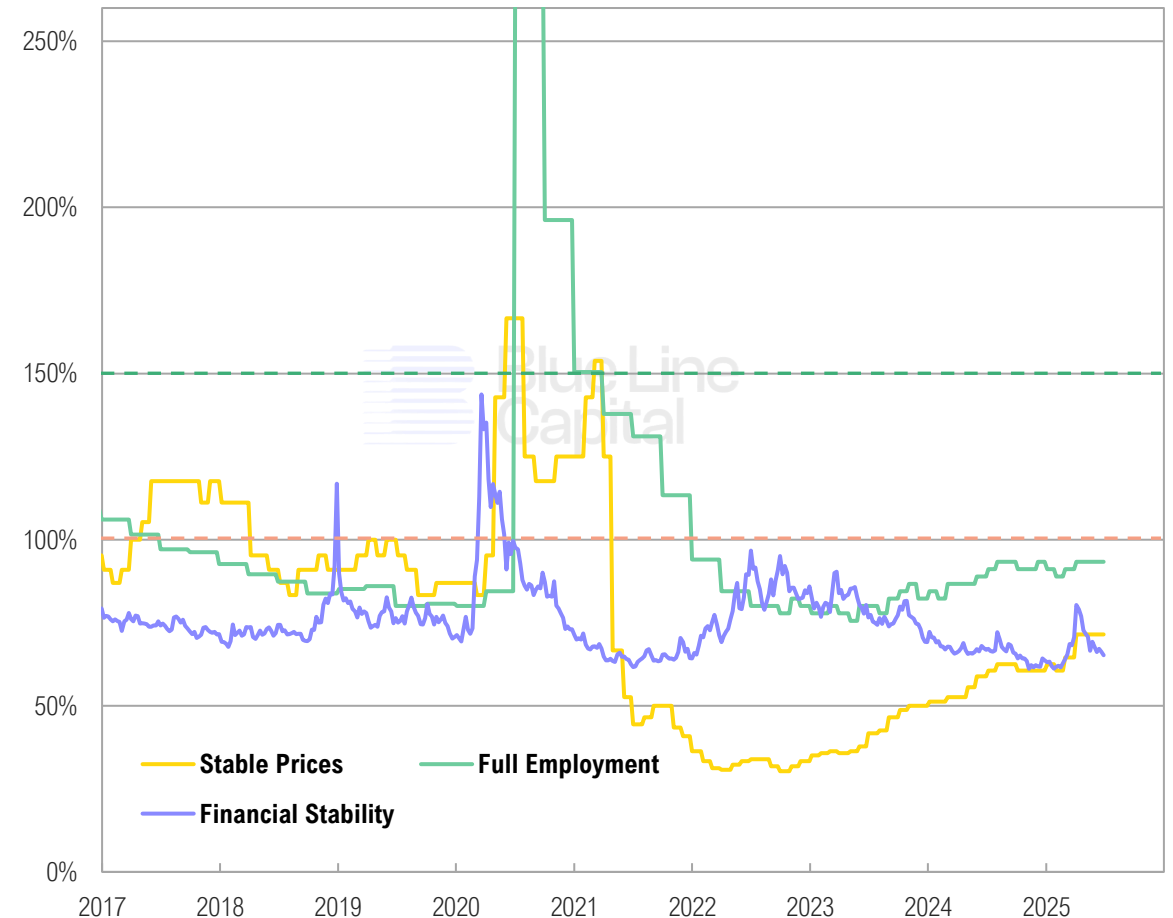
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The Fed is waiting for more clarity before cutting, citing tension from the two sides of their core mandate (upside inflation risks with downside labor market risks)

SpringTide Fed Pivot Index, Weighted Avg % Of Threshold



Fed Pivot Index Sub-Groups, % Of Threshold

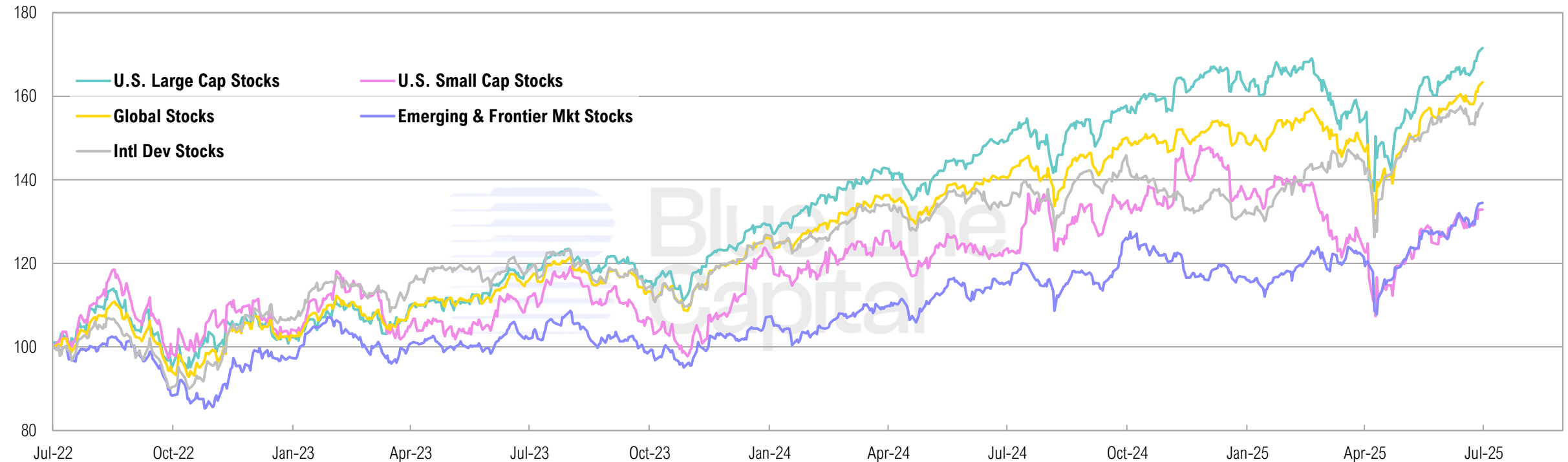


Source: Bloomberg, SpringTide. SpringTide Fed Pivot Index is an equal-weighted average of economic and market data representing the Fed's three mandates, each expressed as a percentage of pivot "trigger". Price stability's trigger is Core CPI declining below 2%; full employment's trigger is the U.S. Unemployment rate rising past 4.5%; and financial stability's trigger is the Bbg Financial Conditions Index falling past -1.5, the S&P 500 P/E declining past 16x, and the Bbg U.S. Corporate High Yield OIS spread increasing above 600bps.

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Emerging market stocks (+12.0%) and international developed stocks (+11.8%) were the top equity performers over Q2; U.S. large-cap (+10.9%) and small-cap stocks (+8.5%) trailed slightly

Calendar Year & Trailing Total Returns



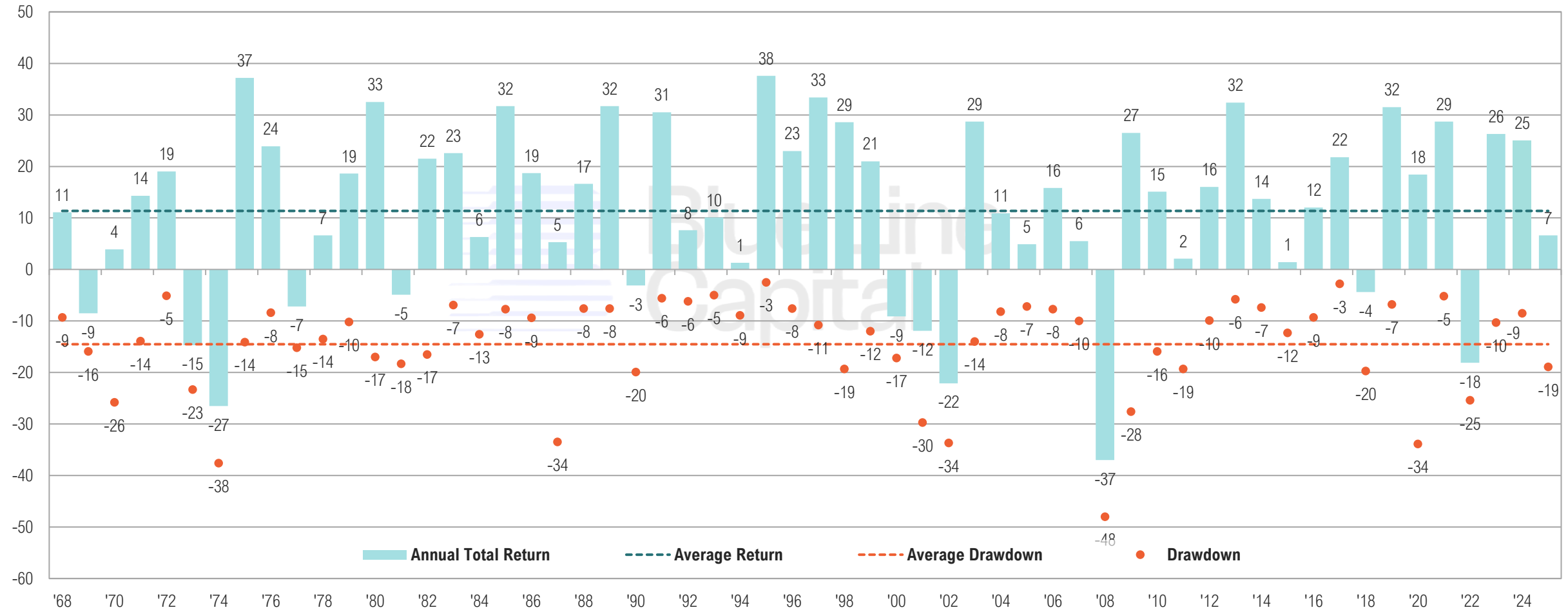
Asset Class	Benchmark	MTD	QTD	YTD	1-Yr	3-Yr	5-Yr	10-Yr	2024	2023	2022	2021	2020
U.S. Large Cap Stocks	S&P 500 TR	5.1	10.9	6.2	15.2	19.7	16.6	13.6	25.0	26.3	-18.1	28.7	18.4
U.S. Small Cap Stocks	Russell 2000 TR	5.5	8.5	-1.9	7.6	9.9	9.9	7.1	11.4	16.8	-20.5	14.5	20.0
Intl Dev Stocks	MSCI EAFE GR	2.2	11.8	19.4	17.7	16.0	11.2	6.5	3.8	18.2	-14.5	11.3	7.8
Emerging & Frontier Mkt Stocks	MSCI EM GR	6.0	12.0	15.3	15.3	9.7	6.8	4.8	7.5	9.8	-20.1	-2.5	18.3
Global Stocks	MSCI ACWI GR	4.5	11.5	10.0	16.2	17.3	13.7	10.0	17.5	22.2	-18.4	18.5	16.3

Source: Bloomberg. Returns for periods greater than 1 year are annualized.

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Year-to-date returns are comfortably back in positive territory after strong market recovery from the April lows; the 19% decline was modestly worse than the long-term annual average drawdown of -14.5%

S&P 500 Annual Total Returns & Drawdowns*

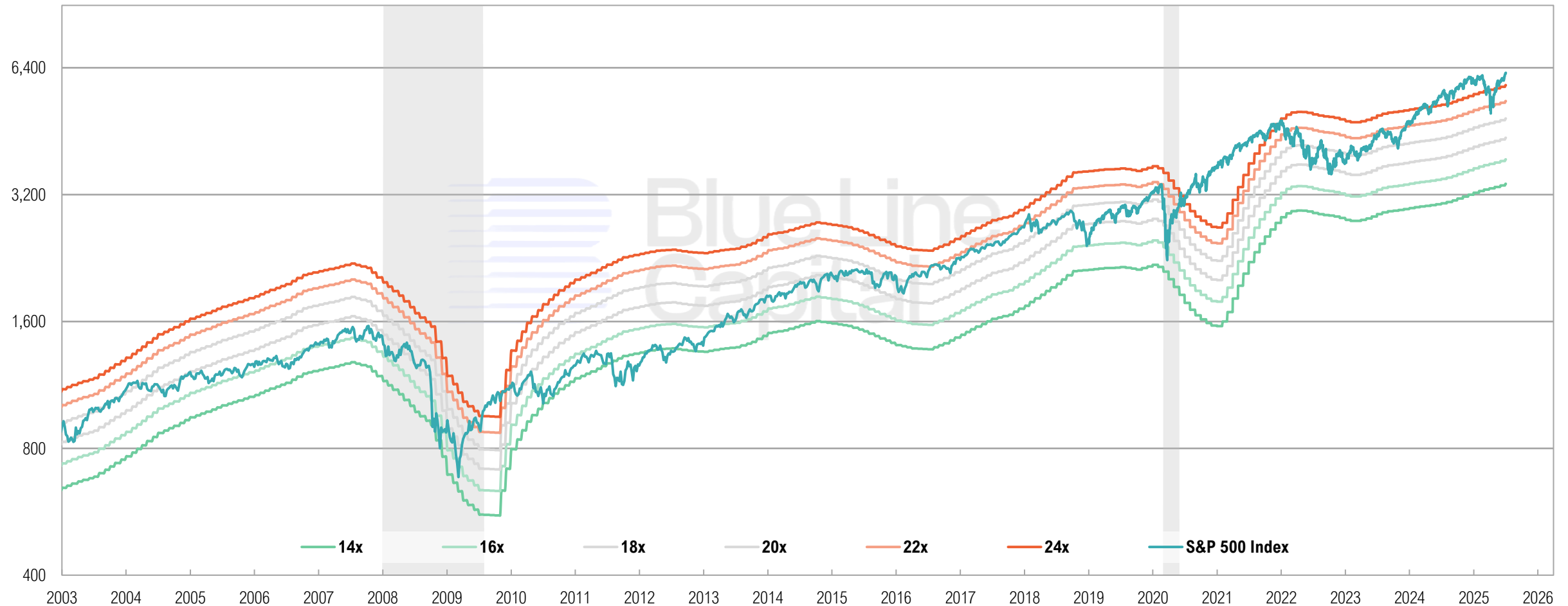


Source: Bloomberg, Ibbotson Associates, SpringTide. Averages are arithmetic. Annual Returns are total returns represented by the S&P 500 TR Index from 1971 to date. Returns prior to 1971 are represented by the Ibbotson Associates U.S. Large Cap Stock TR Index. *Drawdown data is based on the S&P 500 Price Index. See appendix for index definitions and other disclosures.

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U.S. large-cap valuations have moved back up to historically extreme levels

S&P 500 Index vs. S&P 500 Implied at Various P/Es

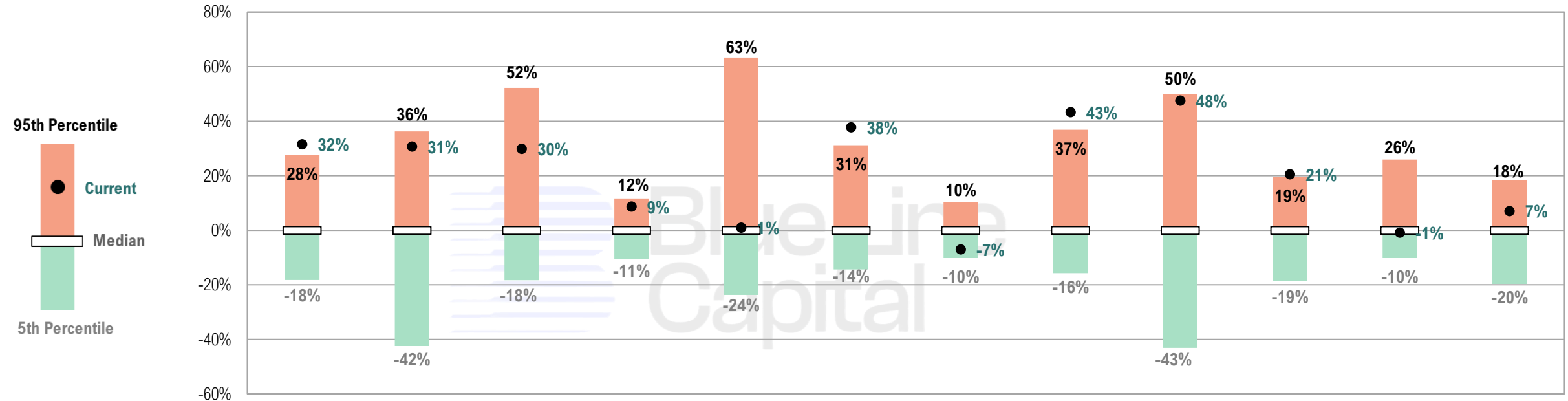


Source: Standard & Poor's. Earnings are smoothed, trailing 12-month, operating.

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S&P 500 composite valuations are at 10-year highs: Staples, industrials, materials, and tech remain at or near extremes, while energy, healthcare and real estate are the only sectors showing some value

Current Composite Valuation Premium/Discount vs. 10-Year Median*



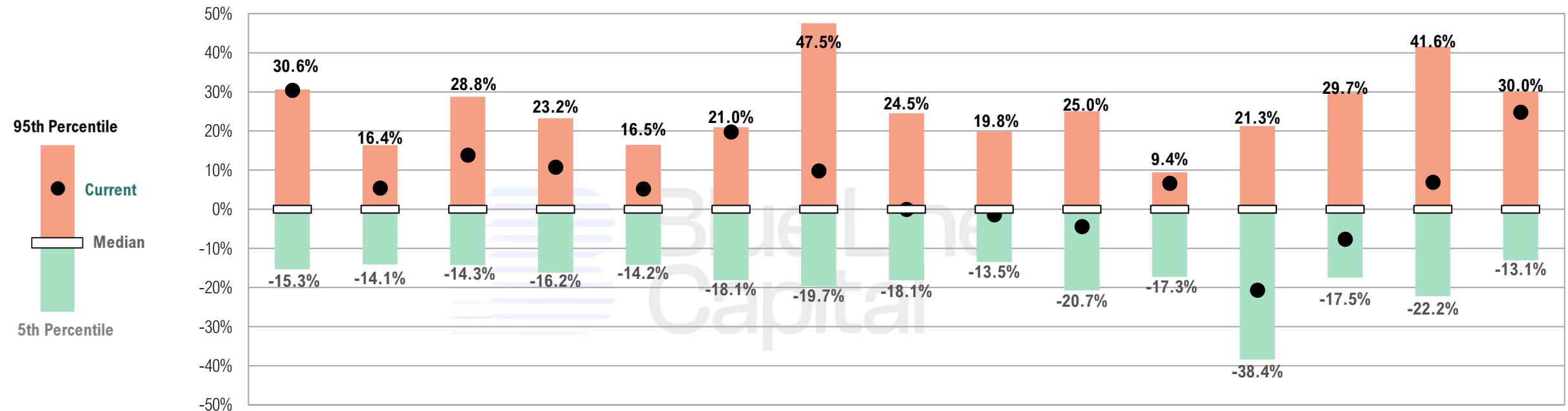
	S&P 500	Communication Services	Consumer Discretionary	Consumer Staples	Energy	Financials	Health Care	Industrials	Information Technology	Materials	Real Estate	Utilities
High Valuation Date	7/3/2025	8/31/2021	4/30/2021	5/30/2025	4/29/2016	2/28/2025	7/31/2024	4/30/2021	6/28/2024	3/29/2024	12/31/2021	8/31/2022
Low Valuation Date	9/30/2015	5/31/2018	2/29/2016	4/30/2018	9/30/2022	3/31/2020	3/31/2020	9/30/2015	2/29/2016	9/30/2015	10/31/2023	6/30/2015
Valuation Premium on 12/31/2024	27%	25%	32%	6%	-5%	29%	-5%	28%	57%	7%	-4%	6%
Valuation Premium on 12/31/2023	15%	7%	10%	-6%	-17%	24%	5%	11%	37%	12%	-1%	-6%
Valuation Premium on 12/31/2022	-4%	-18%	-13%	5%	-24%	-5%	3%	0%	-2%	-6%	-10%	10%
Valuation Premium on 12/31/2021	27%	31%	50%	13%	-23%	9%	7%	23%	43%	7%	38%	19%
Valuation Premium on 12/31/2020	27%	36%	52%	7%	45%	0%	3%	33%	34%	21%	15%	10%

Source: Bloomberg. *The composite valuation equal weights four valuation metrics (Fwd P/E, Fwd P/CF, TTM P/S and TTM EV/EBITDA) relative to each respective sectors' 10-year medium valuation. The Financials composite replaces EV/EBITDA with TTM P/B.

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The U.S. is trading above its 10-year 95th percentile high valuation; Brazil & Mexico are the only countries trading meaningfully below median, with Hong Kong and Japan just below median

Current Composite Valuation Premium/Discount vs. 10-Year Median*



	U.S. Large Cap	EAFE	Emerging Markets	Canada	Europe	Germany	Netherlands	United Kingdom	Japan	Hong Kong	Australia	Brazil	Mexico	China	India
High Valuation Date	4/30/2021	12/31/2020	1/31/2021	11/30/2016	6/30/2021	12/31/2020	10/31/2021	7/31/2016	12/31/2020	5/31/2021	9/30/2024	12/31/2020	5/31/2015	1/31/2021	9/30/2024
Low Valuation Date	9/30/2015	9/30/2022	9/30/2015	9/30/2022	9/30/2022	9/30/2022	2/29/2016	9/30/2022	12/31/2018	1/31/2024	9/30/2022	6/30/2022	12/31/2024	9/30/2015	3/31/2020
Valuation Premium on 12/31/2024	28%	-3%	1%	6%	-1%	7%	6%	-7%	9%	-19%	2%	-36%	-28%	-6%	24%
Valuation Premium on 12/31/2023	15%	-3%	5%	-5%	-6%	-9%	13%	-18%	1%	-16%	-6%	-24%	1%	-16%	24%
Valuation Premium on 12/31/2022	-2%	-12%	-3%	-20%	-14%	-19%	9%	-15%	-18%	0%	-17%	-37%	-14%	-3%	16%
Valuation Premium on 12/31/2021	29%	9%	12%	6%	14%	4%	57%	0%	6%	13%	4%	-32%	26%	12%	29%
Valuation Premium on 12/31/2020	31%	21%	34%	10%	18%	25%	23%	8%	25%	22%	12%	35%	10%	43%	20%

Source: Bloomberg. *The composite valuation selectively weights four valuation metrics (Fwd P/E, Fwd P/CF, TTM P/S and TTM EV/EBITDA) relative to each respective countries' 10-year medium valuation. As of 6/30/2025.

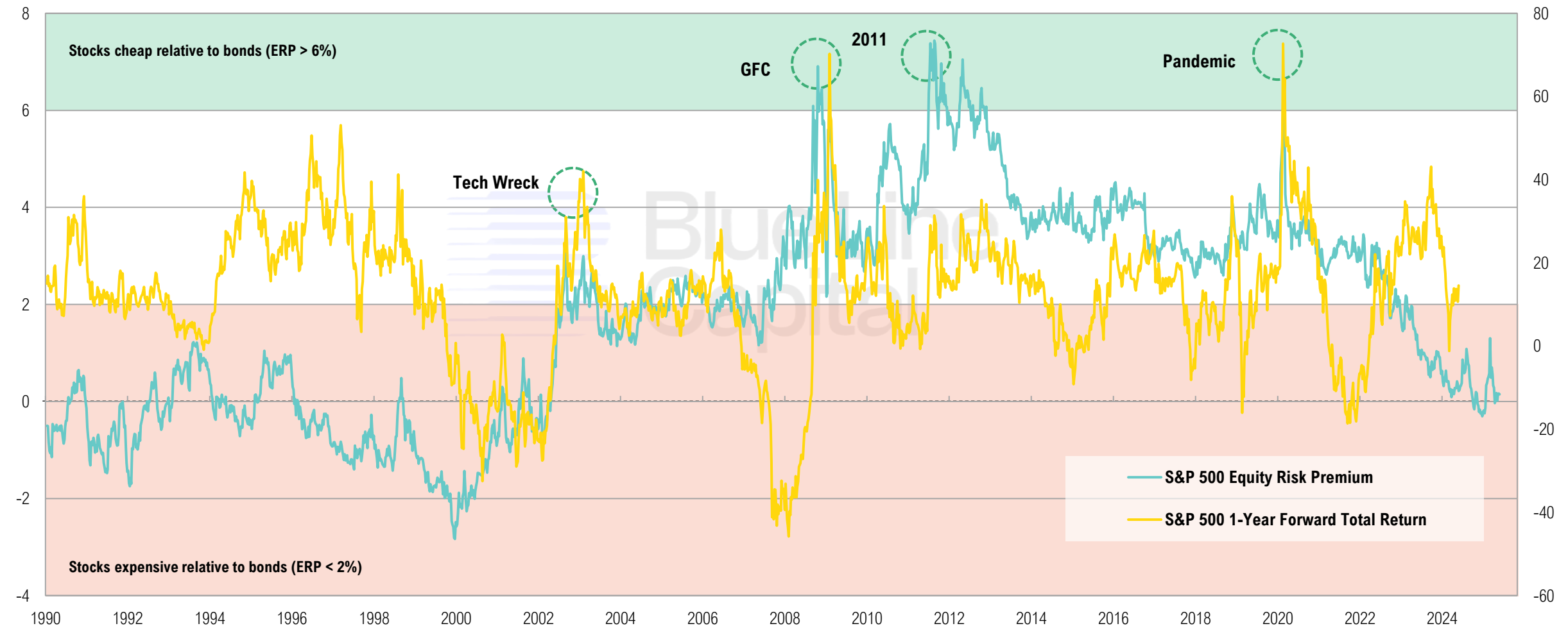
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Using a simple yield-to-earnings yield comparison (ERP), U.S. stocks are less attractively priced vis-à-vis bonds than at any point since the 1990s

S&P 500 Forward Earnings Yield minus 10-Year US Treasury, %

S&P 500 1-Year Forward Return



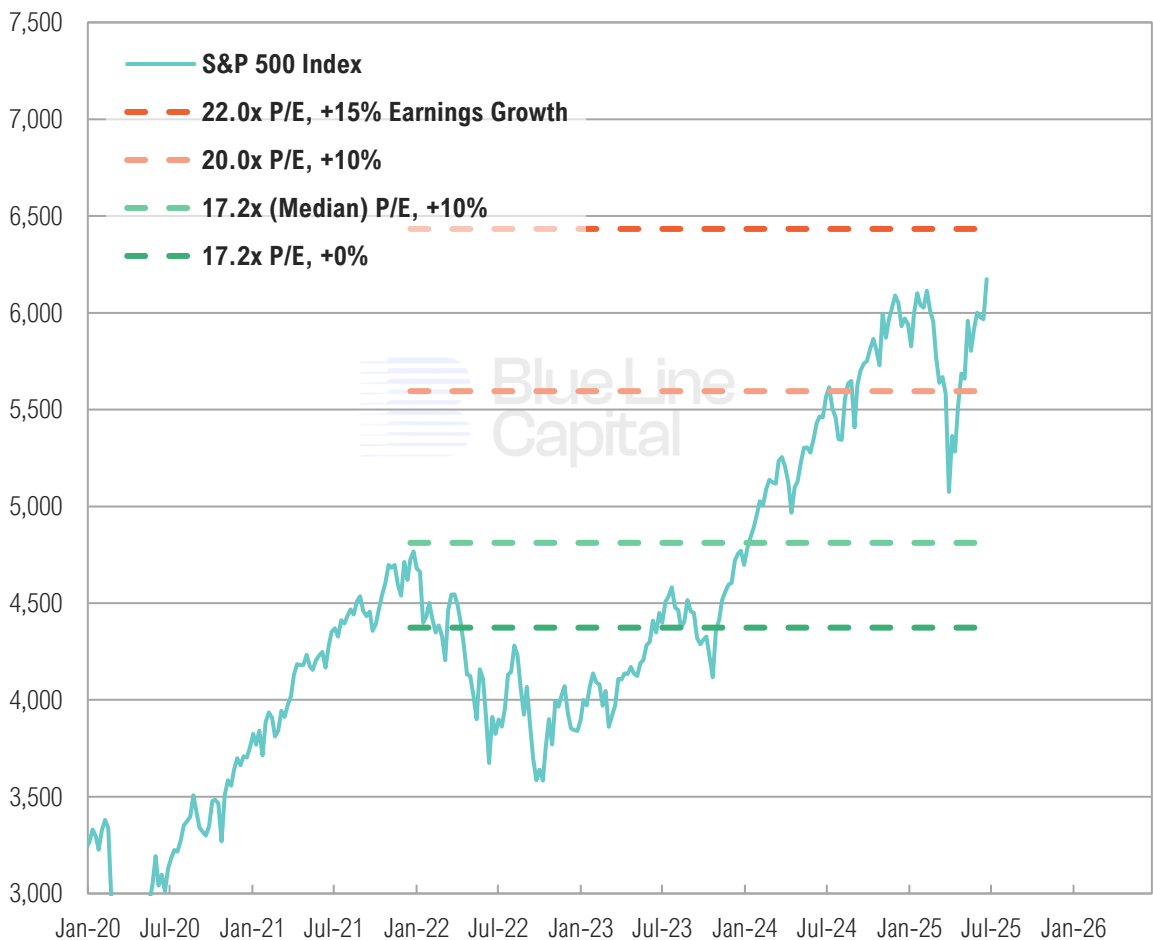
Source: Bloomberg. Equity risk premium calculated as S&P 500 earnings yield minus 10-year Treasury yield.

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Depending on the path of inflation and earnings growth, where might the S&P 500 trend to? Markets are currently pricing in 10.3% EPS growth over the next 12 months, implying a 22.2x forward P/E vs LT average of 17.2x

S&P 500 Index



Source: SpringTide, Bloomberg. The implied return matrix includes dividends.

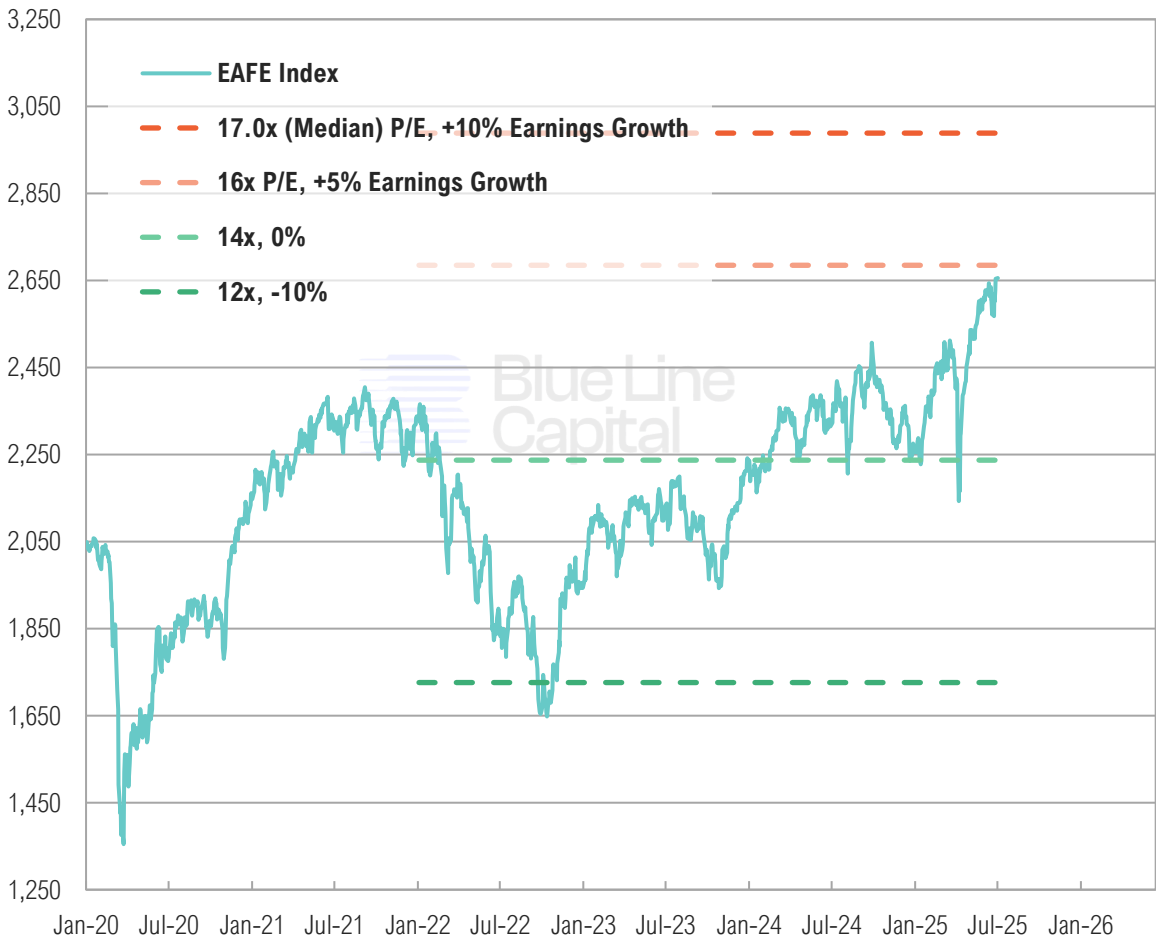
Implied Return Matrix, 1 Year											
	Earnings growth										
	-25%	-20%	-15%	-10%	-5%	0%	5%	10%	15%	20%	25%
26.0	-19.1%	-13.8%	-8.5%	-3.2%	2.1%	7.4%	12.7%	18.0%	23.4%	28.7%	34.0%
25.0	-22.2%	-17.1%	-12.0%	-6.9%	-1.8%	3.3%	8.4%	13.6%	18.7%	23.8%	28.9%
24.0	-25.2%	-20.3%	-15.4%	-10.5%	-5.6%	-0.7%	4.2%	9.1%	14.0%	18.9%	23.8%
23.0	-28.3%	-23.6%	-18.9%	-14.2%	-9.5%	-4.8%	-0.1%	4.6%	9.3%	14.0%	18.7%
22.0	-31.4%	-26.9%	-22.4%	-17.9%	-13.4%	-8.9%	-4.4%	0.1%	4.6%	9.1%	13.6%
21.0	-34.4%	-30.1%	-25.9%	-21.6%	-17.3%	-13.0%	-8.7%	-4.4%	-0.1%	4.2%	8.4%
20.0	-37.5%	-33.4%	-29.3%	-25.2%	-21.2%	-17.1%	-13.0%	-8.9%	-4.8%	-0.7%	3.3%
19.0	-40.6%	-36.7%	-32.8%	-28.9%	-25.0%	-21.2%	-17.3%	-13.4%	-9.5%	-5.6%	-1.8%
18.0	-43.6%	-39.9%	-36.3%	-32.6%	-28.9%	-25.2%	-21.6%	-17.9%	-14.2%	-10.5%	-6.9%
17.0	-46.7%	-43.2%	-39.7%	-36.3%	-32.8%	-29.3%	-25.9%	-22.4%	-18.9%	-15.4%	-12.0%
16.0	-49.8%	-46.5%	-43.2%	-39.9%	-36.7%	-33.4%	-30.1%	-26.9%	-23.6%	-20.3%	-17.1%
15.0	-52.8%	-49.8%	-46.7%	-43.6%	-40.6%	-37.5%	-34.4%	-31.4%	-28.3%	-25.2%	-22.2%
14.0	-55.9%	-53.0%	-50.2%	-47.3%	-44.4%	-41.6%	-38.7%	-35.9%	-33.0%	-30.1%	-27.3%
13.0	-58.9%	-56.3%	-53.6%	-51.0%	-48.3%	-45.7%	-43.0%	-40.4%	-37.7%	-35.0%	-32.4%
12.0	-62.0%	-59.6%	-57.1%	-54.7%	-52.2%	-49.8%	-47.3%	-44.9%	-42.4%	-39.9%	-37.5%
11.0	-65.1%	-62.8%	-60.6%	-58.3%	-56.1%	-53.8%	-51.6%	-49.3%	-47.1%	-44.9%	-42.6%
10.0	-68.1%	-66.1%	-64.0%	-62.0%	-60.0%	-57.9%	-55.9%	-53.8%	-51.8%	-49.8%	-47.7%

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International Developed P/Es to consider are 17x, 16x, 14x, and 12x, applied to various levels of EPS; markets are currently pricing in 9.6% EPS growth over the next 12 months, implying a 15.2x fwd. P/E vs LT average of 17.0x

MSCI EAFE Index



Source: SpringTide, Bloomberg. The implied return matrix includes dividends

		Implied Return Matrix, 1 Year										
		Earnings growth										
		-25%	-20.0%	-15%	-10%	-5%	0%	5%	10%	15%	20%	25%
12-Month Forward P/E Multiple	22.0	2.3%	9.0%	15.6%	22.2%	28.8%	35.4%	42.0%	48.7%	55.3%	61.9%	68.5%
	21.0	-2.2%	4.1%	10.5%	16.8%	23.1%	29.4%	35.7%	42.0%	48.4%	54.7%	61.0%
	20.0	-6.7%	-0.7%	5.3%	11.4%	17.4%	23.4%	29.4%	35.4%	41.4%	47.5%	53.5%
	19.0	-11.2%	-5.5%	0.2%	5.9%	11.7%	17.4%	23.1%	28.8%	34.5%	40.2%	46.0%
	18.0	-15.7%	-10.3%	-4.9%	0.5%	5.9%	11.4%	16.8%	22.2%	27.6%	33.0%	38.4%
	17.0	-20.2%	-15.1%	-10.0%	-4.9%	0.2%	5.3%	10.5%	15.6%	20.7%	25.8%	30.9%
	16.0	-24.7%	-19.9%	-15.1%	-10.3%	-5.5%	-0.7%	4.1%	9.0%	13.8%	18.6%	23.4%
	15.0	-29.3%	-24.7%	-20.2%	-15.7%	-11.2%	-6.7%	-2.2%	2.3%	6.8%	11.4%	15.9%
	14.0	-33.8%	-29.6%	-25.3%	-21.1%	-16.9%	-12.7%	-8.5%	-4.3%	-0.1%	4.1%	8.4%
	13.0	-38.3%	-34.4%	-30.5%	-26.5%	-22.6%	-18.7%	-14.8%	-10.9%	-7.0%	-3.1%	0.8%
12.0	-42.8%	-39.2%	-35.6%	-32.0%	-28.4%	-24.7%	-21.1%	-17.5%	-13.9%	-10.3%	-6.7%	
11.0	-47.3%	-44.0%	-40.7%	-37.4%	-34.1%	-30.8%	-27.4%	-24.1%	-20.8%	-17.5%	-14.2%	
10.0	-51.8%	-48.8%	-45.8%	-42.8%	-39.8%	-36.8%	-33.8%	-30.8%	-27.7%	-24.7%	-21.7%	
9.0	-56.3%	-53.6%	-50.9%	-48.2%	-45.5%	-42.8%	-40.1%	-37.4%	-34.7%	-32.0%	-29.3%	
8.0	-60.8%	-58.4%	-56.0%	-53.6%	-51.2%	-48.8%	-46.4%	-44.0%	-41.6%	-39.2%	-36.8%	
7.0	-65.4%	-63.2%	-61.1%	-59.0%	-56.9%	-54.8%	-52.7%	-50.6%	-48.5%	-46.4%	-44.3%	
6.0	-69.9%	-68.1%	-66.3%	-64.5%	-62.6%	-60.8%	-59.0%	-57.2%	-55.4%	-53.6%	-51.8%	

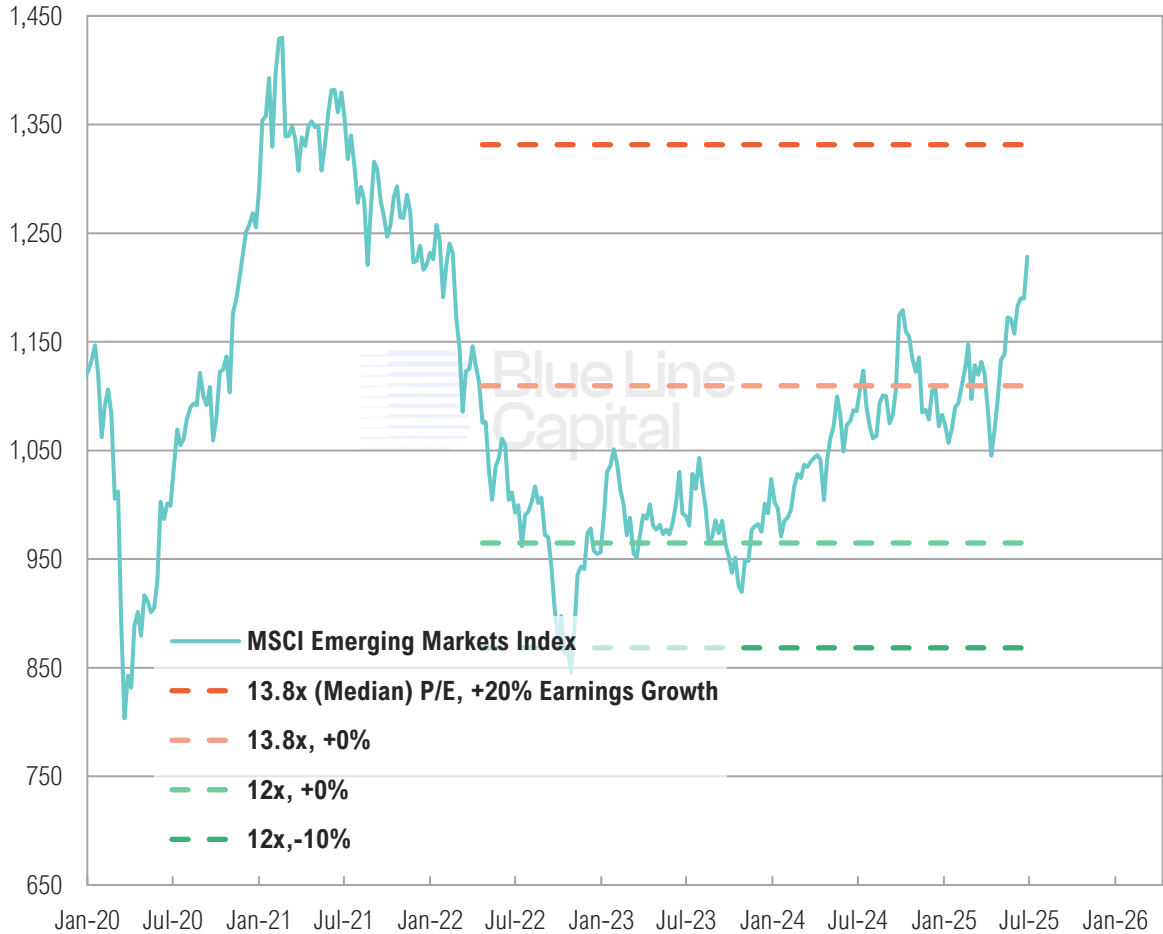
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EM currently pricing in 19.8% EPS growth over the next 12 months, implying a 12.8x P/E vs LT average of 13.8x

MSCI Emerging Market Index



Source: SpringTide, Bloomberg. The implied return matrix includes dividends

		Implied Return Matrix, 1 Year										
		Earnings growth										
		-15%	-10%	-5%	0%	5%	10%	15%	20%	25%	30%	35%
12-Month Forward P/E Multiple	22.0	24.9%	32.0%	39.2%	46.4%	53.6%	60.8%	68.0%	75.2%	82.4%	89.6%	96.7%
	21.0	19.3%	26.2%	33.0%	39.9%	46.8%	53.6%	60.5%	67.3%	74.2%	81.1%	87.9%
	20.0	13.7%	20.3%	26.8%	33.4%	39.9%	46.4%	53.0%	59.5%	66.0%	72.6%	79.1%
	19.0	8.2%	14.4%	20.6%	26.8%	33.0%	39.2%	45.4%	51.7%	57.9%	64.1%	70.3%
	18.0	2.6%	8.5%	14.4%	20.3%	26.2%	32.0%	37.9%	43.8%	49.7%	55.6%	61.5%
	17.0	-2.9%	2.6%	8.2%	13.7%	19.3%	24.9%	30.4%	36.0%	41.5%	47.1%	52.6%
	16.0	-8.5%	-3.2%	2.0%	7.2%	12.4%	17.7%	22.9%	28.1%	33.4%	38.6%	43.8%
	15.0	-14.0%	-9.1%	-4.2%	0.7%	5.6%	10.5%	15.4%	20.3%	25.2%	30.1%	35.0%
	14.0	-19.6%	-15.0%	-10.4%	-5.9%	-1.3%	3.3%	7.9%	12.4%	17.0%	21.6%	26.2%
	13.0	-25.1%	-20.9%	-16.6%	-12.4%	-8.1%	-3.9%	0.3%	4.6%	8.8%	13.1%	17.3%
	12.0	-30.7%	-26.8%	-22.9%	-18.9%	-15.0%	-11.1%	-7.2%	-3.2%	0.7%	4.6%	8.5%
	11.0	-36.2%	-32.7%	-29.1%	-25.5%	-21.9%	-18.3%	-14.7%	-11.1%	-7.5%	-3.9%	-0.3%
10.0	-41.8%	-38.5%	-35.3%	-32.0%	-28.7%	-25.5%	-22.2%	-18.9%	-15.7%	-12.4%	-9.1%	
9.0	-47.4%	-44.4%	-41.5%	-38.5%	-35.6%	-32.7%	-29.7%	-26.8%	-23.8%	-20.9%	-18.0%	
8.0	-52.9%	-50.3%	-47.7%	-45.1%	-42.5%	-39.8%	-37.2%	-34.6%	-32.0%	-29.4%	-26.8%	
7.0	-58.5%	-56.2%	-53.9%	-51.6%	-49.3%	-47.0%	-44.7%	-42.5%	-40.2%	-37.9%	-35.6%	
6.0	-64.0%	-62.1%	-60.1%	-58.1%	-56.2%	-54.2%	-52.3%	-50.3%	-48.3%	-46.4%	-44.4%	

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S&P 500 sales and earnings growth expectations for 2025 remain robust, driven by comm. services and tech

S&P 500 SECTOR SALES GROWTH Y/Y, %																												
	2019				2020				2021				2022				2023				2024				2025			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2E	Q3E	Q4E
S&P 500	5.5	4.3	4.6	3.6	5.0	1.0	-9.8	-2.1	-0.2	8.4	23.1	15.4	15.0	14.2	15.2	12.8	8.8	5.6	2.1	2.7	4.0	4.6	5.4	5.4	4.8	6.3	6.2	7.5
Communication Services	-50.9	-48.7	-44.3	9.7	-2.1	2.7	-5.3	0.9	18.4	13.5	25.3	16.7	10.7	7.8	4.4	3.7	4.5	3.7	5.5	7.4	7.9	9.7	9.2	11.8	9.1	10.8	10.7	14.9
Consumer Discretionary	15.5	10.7	12.3	5.7	2.3	-1.4	-15.7	1.1	-6.4	0.3	17.7	-1.6	10.8	10.4	11.3	12.3	8.6	1.8	4.4	0.8	-1.4	1.8	0.6	3.9	4.0	8.1	4.0	5.6
Consumer Staples	-6.6	-3.2	-6.5	3.6	3.9	3.7	6.1	0.9	6.3	4.3	10.5	14.8	9.0	9.3	8.3	8.1	6.8	13.7	12.2	9.9	10.0	2.4	1.8	1.6	3.2	4.1	4.6	7.4
Energy	6.5	-4.4	-7.4	-8.4	-3.4	-8.0	-82.3	-34.9	-33.8	-1.1	104.2	63.9	83.0	60.2	77.4	54.4	18.6	-0.9	-20.0	-14.1	-7.9	-1.3	9.5	-4.6	-2.9	-6.7	-9.5	-6.5
Financials	6.3	5.9	5.5	6.2	9.0	2.5	0.7	2.5	1.8	11.2	10.7	10.2	9.8	3.9	5.9	10.8	7.0	-4.6	-4.7	-11.9	-10.2	7.1	4.6	6.6	5.8	-0.1	2.3	3.2
Health Care	11.9	17.7	9.2	8.1	14.2	9.7	1.3	9.6	9.5	8.7	19.6	13.5	12.4	13.8	10.3	7.9	7.4	6.6	7.0	8.2	9.0	8.1	9.0	12.6	11.0	13.6	13.0	10.2
Industrials	9.4	6.7	2.3	0.5	-2.6	-8.9	-24.2	-14.3	-8.0	0.2	28.0	17.9	15.6	16.6	18.8	17.9	14.3	8.4	3.3	1.3	-0.6	2.9	1.4	-2.3	-2.6	3.8	0.6	6.6
Information Technology	24.0	27.1	10.8	13.1	5.3	8.6	7.5	6.7	5.5	12.4	19.4	21.3	20.6	7.1	12.6	8.6	9.2	-1.7	1.0	6.8	0.8	18.0	9.4	7.5	17.6	11.1	25.8	33.9
Materials	0.4	-0.6	15.8	-6.3	1.8	-4.2	-13.5	-4.5	4.1	13.8	36.8	32.1	28.6	26.1	20.4	9.0	0.3	-2.9	-8.8	-6.7	-6.0	-6.3	-2.2	0.1	1.0	8.4	-0.5	0.4
Real Estate	12.1	4.0	3.7	5.2	4.0	3.0	-8.2	-6.9	-6.5	-10.4	5.4	2.5	4.3	17.4	11.0	8.6	2.2	9.7	9.5	8.1	11.6	-0.2	0.3	3.8	5.5	4.9	4.5	8.4
Utilities	-1.1	-8.6	-8.1	-8.3	-9.3	-7.1	-5.9	-4.7	-3.8	14.4	8.8	10.3	17.1	7.7	18.3	19.7	20.1	14.1	-2.8	-5.0	-8.8	-8.5	4.4	4.2	-0.6	-4.9	20.5	-3.4

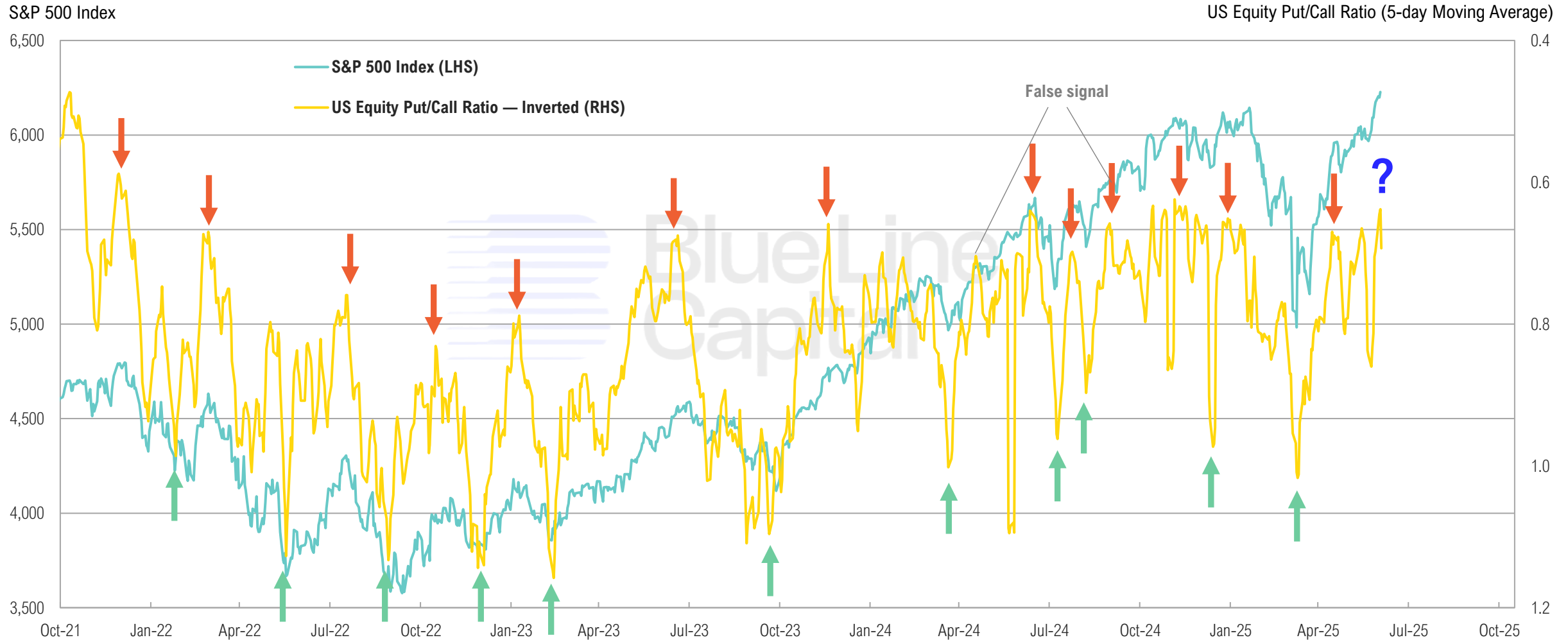
S&P 500 SECTOR EARNINGS GROWTH Y/Y, %																												
	2019				2020				2021				2022				2023				2024				2025			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2E	Q3E	Q4E
S&P 500	10.1	1.5	-1.8	-0.9	4.1	-14.3	-31.4	-7.4	-0.3	46.6	89.0	36.6	30.9	10.4	8.5	3.4	-0.9	-1.6	-5.0	4.6	5.3	6.9	11.0	6.6	15.8	10.7	12.0	11.1
Communication Services	-31.8	-31.0	-41.3	5.4	23.5	-15.4	-16.1	-3.4	5.6	56.3	74.2	40.6	14.2	0.2	-16.4	-24.4	-18.2	-10.2	15.1	30.1	38.6	43.2	9.8	38.6	33.2	15.0	35.7	13.0
Consumer Discretionary	10.3	2.8	-1.9	-0.3	-5.1	-50.0	-50.5	1.4	-6.3	144.9	256.7	-1.4	44.5	-10.9	-13.3	1.5	-16.4	11.9	42.5	39.7	19.6	20.8	10.7	8.9	22.8	14.4	5.6	-10.9
Consumer Staples	-39.1	-38.5	-1.6	2.6	47.4	48.1	5.5	-10.2	7.2	6.4	19.8	32.6	4.8	fa	0.3	-0.5	3.7	6.4	9.7	7.2	1.0	7.4	3.7	0.8	6.7	0.2	4.2	-0.9
Energy	76.8	-24.6	-24.5	-45.3	-40.8	-26.1	-198.8	-107.0	-95.5	15.5	n/a	n/a	5431.1	259.5	303.2	141.6	60.4	18.3	-40.8	-34.8	-23.1	-24.2	-0.8	-26.9	-30.4	-25.9	-17.8	-8.5
Financials	13.4	5.7	5.8	5.6	9.7	-39.5	-51.2	-7.3	19.7	138.5	185.9	35.0	9.9	-17.4	-21.4	-14.3	-6.2	-6.8	-1.0	5.2	-11.6	11.5	10.0	9.0	29.0	0.5	7.6	8.1
Health Care	12.2	9.1	9.6	9.8	8.4	5.8	1.1	4.5	8.0	23.8	25.2	28.5	27.9	15.6	8.5	-0.6	-4.1	-14.4	-26.1	-17.9	-17.3	-25.3	18.6	13.8	16.2	37.0	9.5	0.9
Industrials	35.4	6.4	-11.9	2.9	-11.5	-26.0	-26.8	-48.3	-34.6	-8.1	305.7	75.7	114.5	38.8	36.7	17.7	41.4	23.4	10.0	11.6	-1.8	3.8	-0.4	-8.3	8.9	20.6	-2.5	14.7
Information Technology	32.5	26.0	-1.6	4.0	-3.2	7.3	6.4	1.2	8.9	18.2	40.5	47.0	38.3	13.2	10.9	1.0	0.7	-12.2	-2.6	15.6	8.2	38.0	20.3	8.4	9.6	8.3	31.5	46.0
Materials	-6.8	-19.0	-19.8	-16.6	-11.6	-16.8	-20.5	-2.1	26.0	65.9	125.5	86.3	60.4	47.5	17.2	-12.8	-20.1	-20.4	-23.7	-13.4	-10.5	-15.1	-6.6	-5.6	1.9	9.6	-12.3	4.2
Real Estate	6.7	1.1	0.7	4.5	0.6	-2.1	-16.2	-11.9	-5.1	6.2	35.0	22.3	14.0	21.7	7.2	12.1	7.3	-2.9	1.0	-4.5	-3.9	1.2	-1.8	3.6	6.5	-2.0	-1.9	3.7
Utilities	-8.0	-4.8	-8.6	2.3	27.8	3.7	5.8	0.3	-3.5	1.9	5.9	0.6	8.5	9.2	3.2	-0.8	-15.2	-10.3	-0.7	11.4	28.8	28.1	18.5	12.6	14.9	-13.0	41.4	-20.8

LOWER HIGHER

Source: Bloomberg. Real Estate included in Financials sector until 8/31/2016; other "n/a" represents a value of <100% due to earnings fluctuations between positive and negative values.

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At extremes, the equity put/call ratio has a strong inverse correlation with forward equity returns; the rebound in equities has led to increased optimism, with current positioning appearing stretched

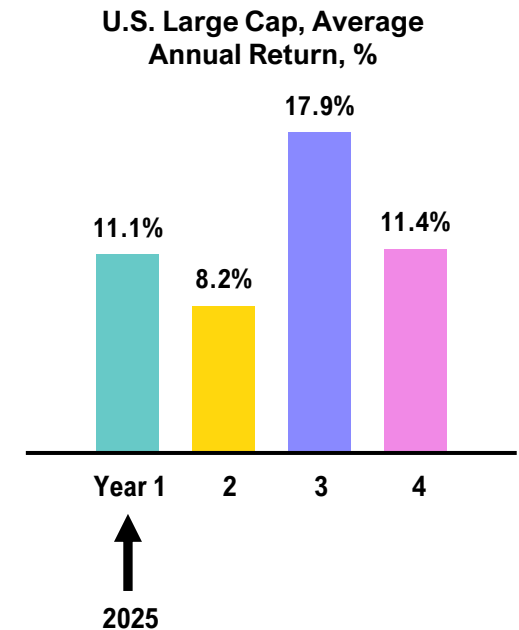
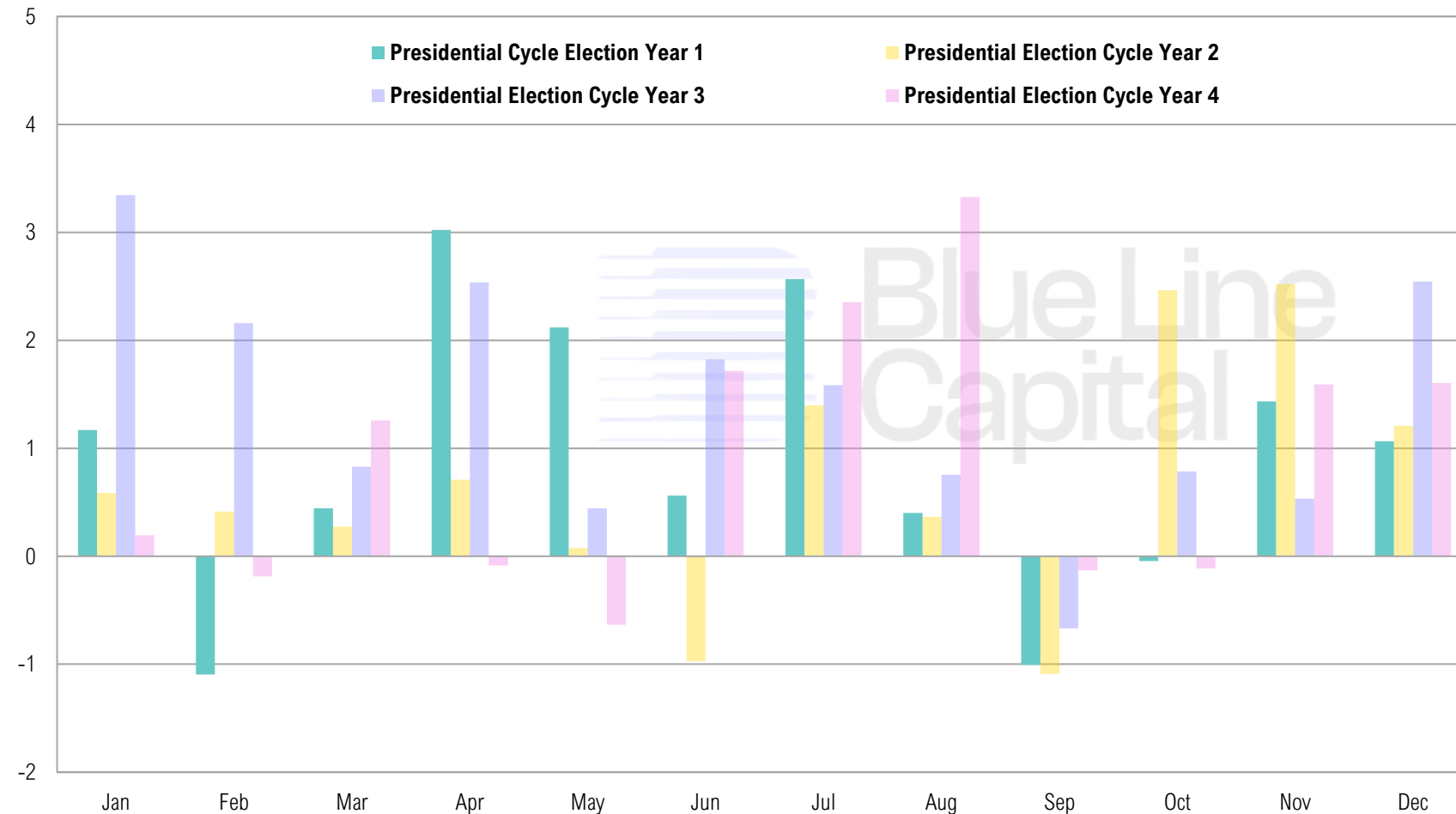


Source: Bloomberg. The U.S. Equity Put/Call Index represents the ratio of total put option volume to total call option volume. It includes equity and index options traded on Amex, CBOE, ISEC, Philadelphia and Pacific exchanges.

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June produced returns well above the historical average returns for U.S. large cap stocks in Year 1 of the Presidential Election Cycle; July in 'Year 1' tends to produce above-average returns

U.S. Large Cap Average Monthly Return, %



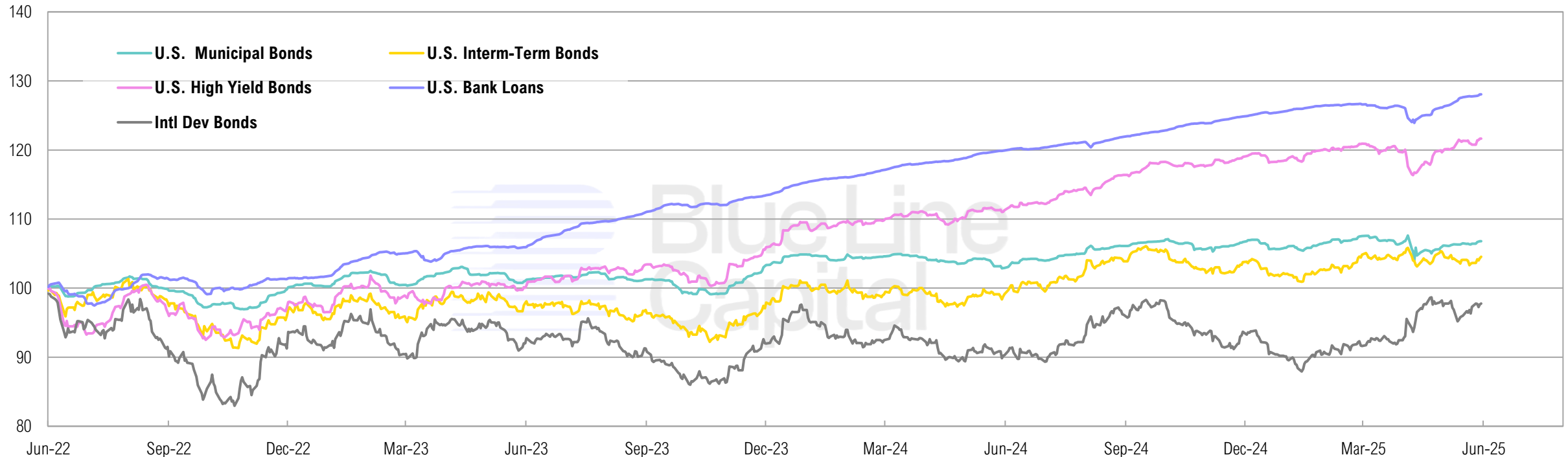
*Returns are unannualized

Source: Bloomberg, SpringTide. Averages are arithmetic. Analysis starts on 1/31/1920. Annualized returns as of 1/31/1932. See appendix for index definitions and other disclosures.

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International developed market bonds (+8.3%) fared best in Q2, followed by U.S. HY bonds (+3.5%); U.S. intermediate-term bonds gained 1.2% over the quarter

Calendar Year & Trailing Total Returns



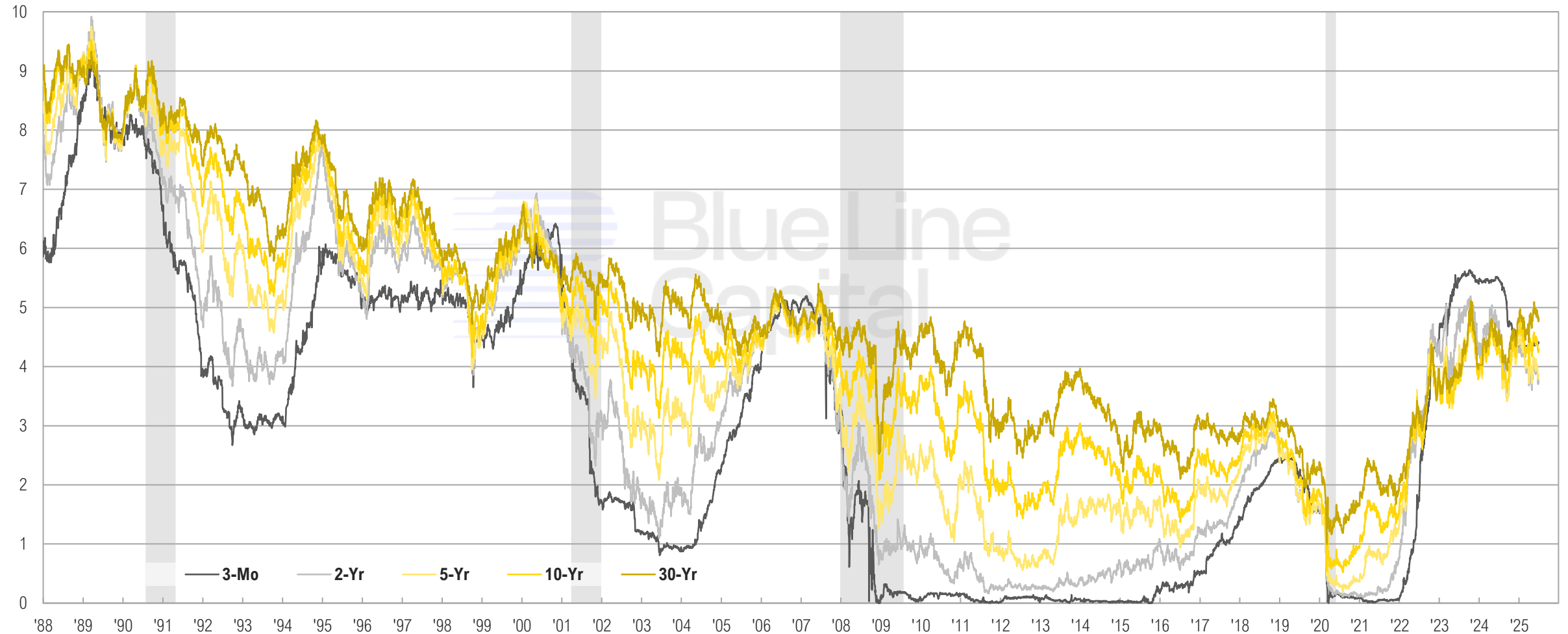
Asset Class	Benchmark	MTD	QTD	YTD	1-Yr	3-Yr	5-Yr	10-Yr	2024	2023	2022	2021	2020
U.S. Municipal Bonds	Bbg Municipal 1-10Y Blend 1-12Y TR	0.8	1.0	1.7	3.5	2.7	1.0	2.0	0.9	4.6	-4.8	0.5	4.2
U.S. Intermediate Term Bonds	Bbg US Agg Bond TR	1.5	1.2	4.0	6.1	2.5	-0.7	1.8	1.3	5.5	-13.0	-1.5	7.5
U.S. High Yield Bonds	Bbg US Corporate High Yield TR	1.8	3.5	4.6	10.3	9.92	6.0	5.4	8.2	13.4	-11.2	5.3	7.1
U.S. Bank Loans	Morningstar LSTA US LL TR	0.8	2.3	2.8	7.3	9.7	7.5	5.1	9.0	13.3	-0.8	5.2	3.1
Intl Dev Bonds	S&P International Sov Ex-US Bond TR	2.4	8.3	11.1	11.5	1.8	-3.2	-0.1	-6.9	6.0	-21.8	-9.5	11.2

Source: Bloomberg. Returns for periods greater than 1 year are annualized.

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Treasury yields on the shorter end of the curve have been declining; the 30-year yield remains elevated

U.S. Treasury Yields by Tenor, %



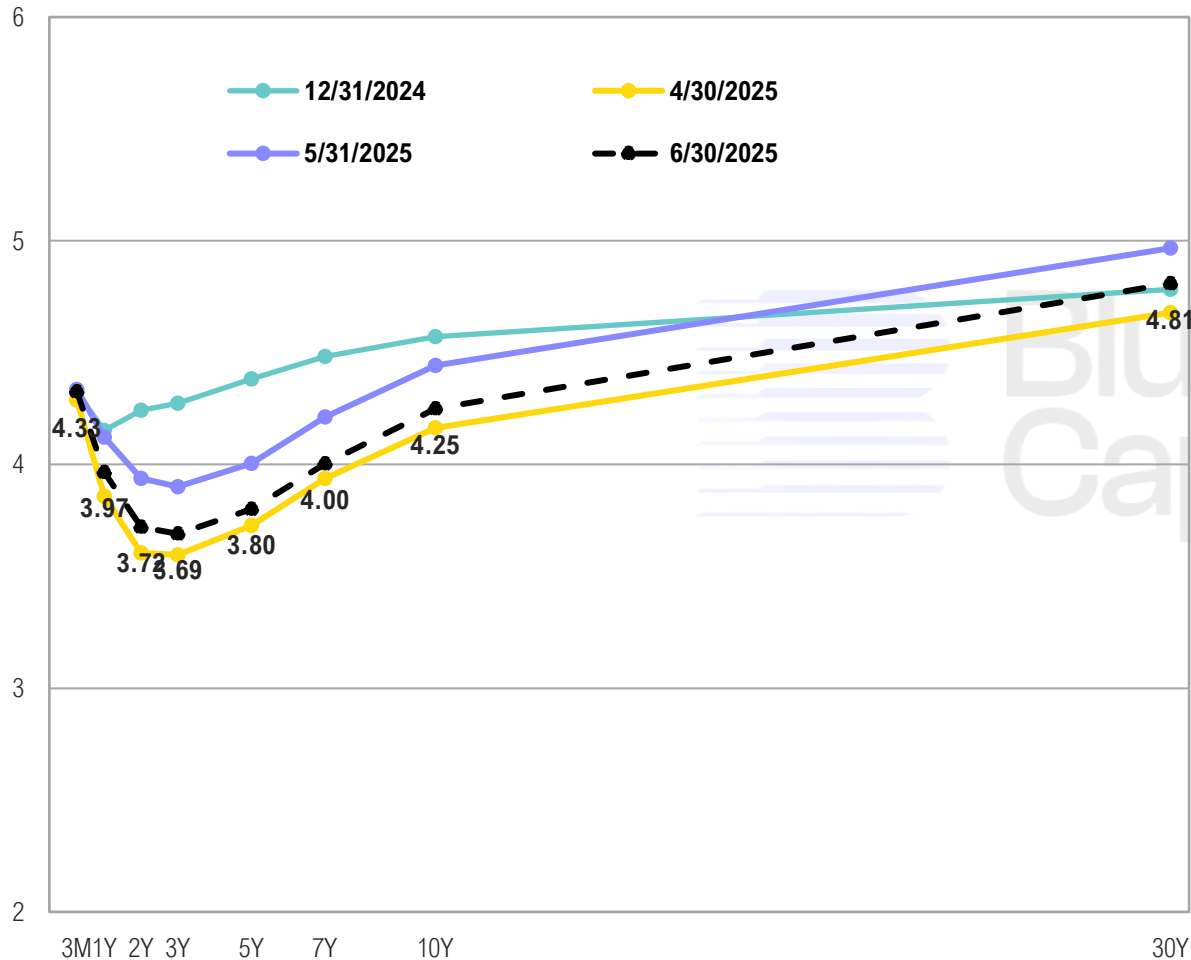
Source: Bloomberg.

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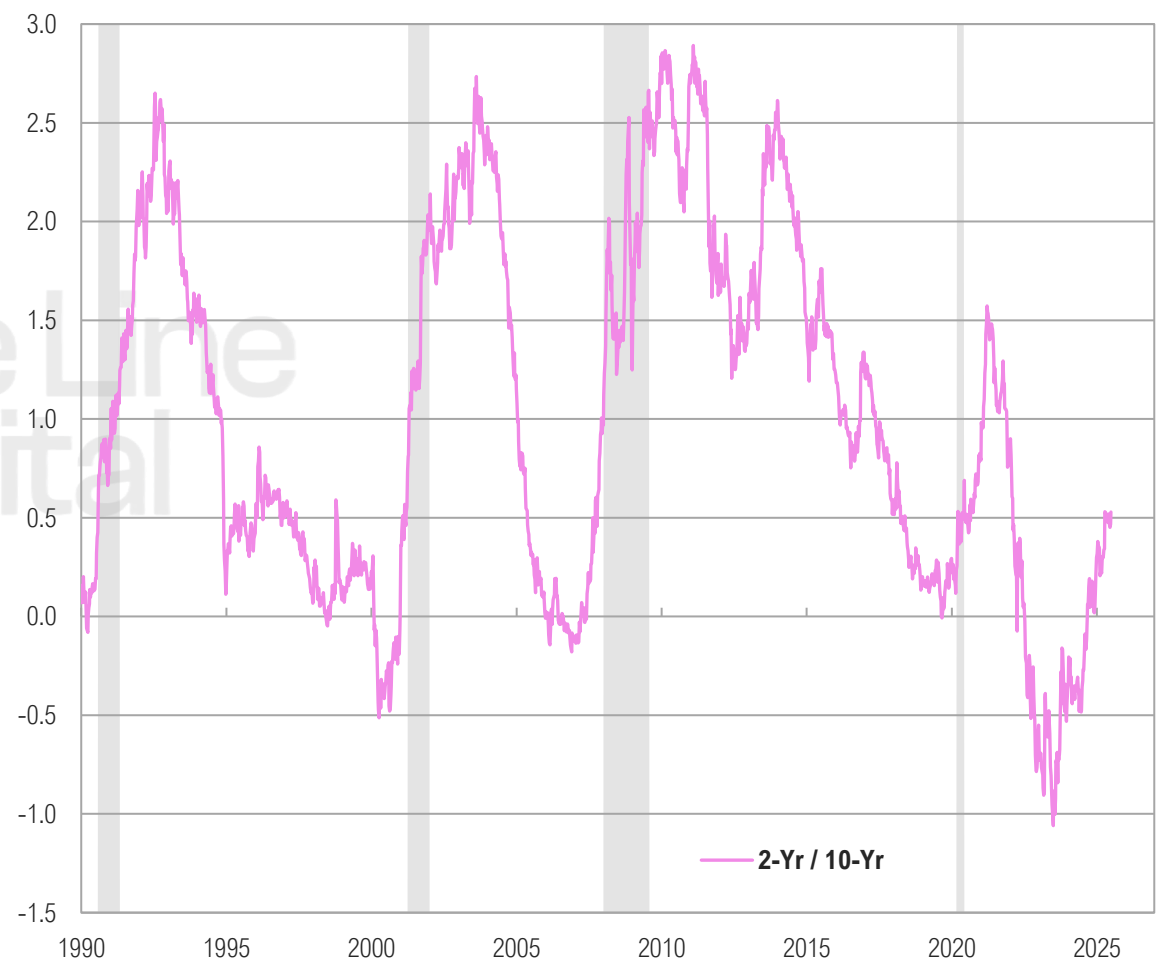
The yield curve steepened over the quarter, with short-term rates declining and long-term rates rising; the 2s10s ended June at 0.5%

U.S. Treasury Yield Curve by Date



Source: Bloomberg

U.S. Treasury Spreads, %



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The 2–3-year part of yield curve has an attractive risk-reward profile—yields could rise by 1.0% in the next year and total returns would still be positive

Estimated 1-Year Total Return for Given Change in Yields

Change in Yields (%)	Tenor											
	3-Mnth	6-Mnth	1-Yr	2-Yr	3-Yr	4-Yr	5-Yr	7-Yr	10-Yr	15-Yr	20-Yr	30-Yr
3.0%	3.6%	2.8%	1.2%	-1.9%	-4.5%	-7.1%	-9.6%	-14.0%	-19.5%	-27.5%	-32.7%	-42.2%
2.5%	3.7%	3.0%	1.7%	-1.0%	-3.1%	-5.3%	-7.4%	-11.0%	-15.6%	-22.1%	-26.4%	-34.4%
2.0%	3.9%	3.3%	2.1%	0.0%	-1.8%	-3.5%	-5.1%	-8.0%	-11.6%	-16.8%	-20.2%	-26.6%
1.5%	4.0%	3.5%	2.6%	0.9%	-0.4%	-1.7%	-2.9%	-5.0%	-7.6%	-11.4%	-14.0%	-18.8%
1.0%	4.1%	3.7%	3.1%	1.9%	1.0%	0.2%	-0.6%	-2.0%	-3.7%	-6.1%	-7.7%	-10.9%
0.5%	4.2%	4.0%	3.5%	2.8%	2.4%	2.0%	1.6%	1.0%	0.3%	-0.8%	-1.5%	-3.1%
0.0%	4.3%	4.2%	4.0%	3.8%	3.7%	3.8%	3.8%	4.0%	4.3%	4.6%	4.8%	4.8%
-0.5%	4.4%	4.5%	4.4%	4.7%	5.1%	5.6%	6.1%	7.0%	8.2%	10.0%	11.1%	12.7%
-1.0%	4.6%	4.7%	4.9%	5.7%	6.5%	7.4%	8.3%	10.1%	12.2%	15.3%	17.3%	20.5%
-1.5%	4.7%	4.9%	5.3%	6.6%	7.9%	9.2%	10.6%	13.1%	16.2%	20.7%	23.6%	28.4%
-2.0%	4.8%	5.2%	5.8%	7.5%	9.2%	11.1%	12.8%	16.1%	20.1%	26.0%	29.9%	36.3%
-2.5%	4.9%	5.4%	6.3%	8.5%	10.6%	12.9%	15.1%	19.1%	24.1%	31.4%	36.2%	44.2%
-3.0%	5.0%	5.7%	6.7%	9.4%	12.0%	14.7%	17.3%	22.1%	28.1%	36.8%	42.5%	52.1%

Duration (Yrs)	0.2	0.5	0.9	1.9	2.7	3.6	4.5	6.0	7.9	10.7	12.5	15.7
Yield YTM	4.3	4.2	4.0	3.8	3.7	3.8	3.8	4.0	4.3	4.6	4.8	4.8
Convexity	0.0	0.0	0.0	0.0	0.1	0.2	0.2	0.4	0.8	1.4	2.1	3.6

Yield Increase Insulation by Tenor:

- **2-Year: +2.0%** (rise in yields)
- **3-Year: +1.0%**
- **4-Year: +1.0%**
- **5-Year: +0.5%**

Total Returns by Tenor (for a 1% decline in yields):

- **15-Year: +15.3%**
- **20-Year: +17.3%**
- **30-Year: +20.5%**

Total Returns by Tenor (for a 1% increase in yields):

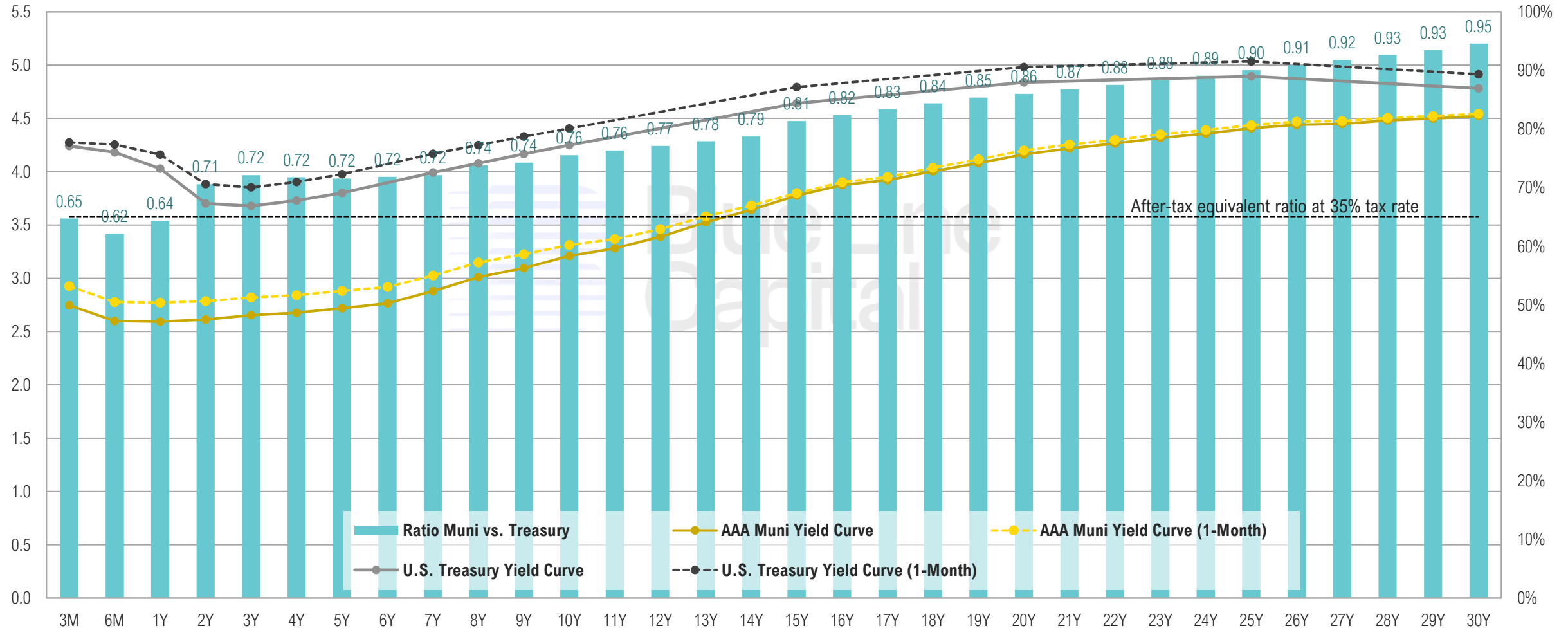
- **15-Year: -6.1%**
- **20-Year: -7.7%**
- **30-Year: -10.9%**



Muni-Treasury ratio: Despite the parallel shift lower in the Treasury yield curve, the municipal curve saw short-end yields decline, while long-end yields remained unchanged; munis remain compelling across all durations

Yield to Maturity, %

Muni/Treasury Ratio

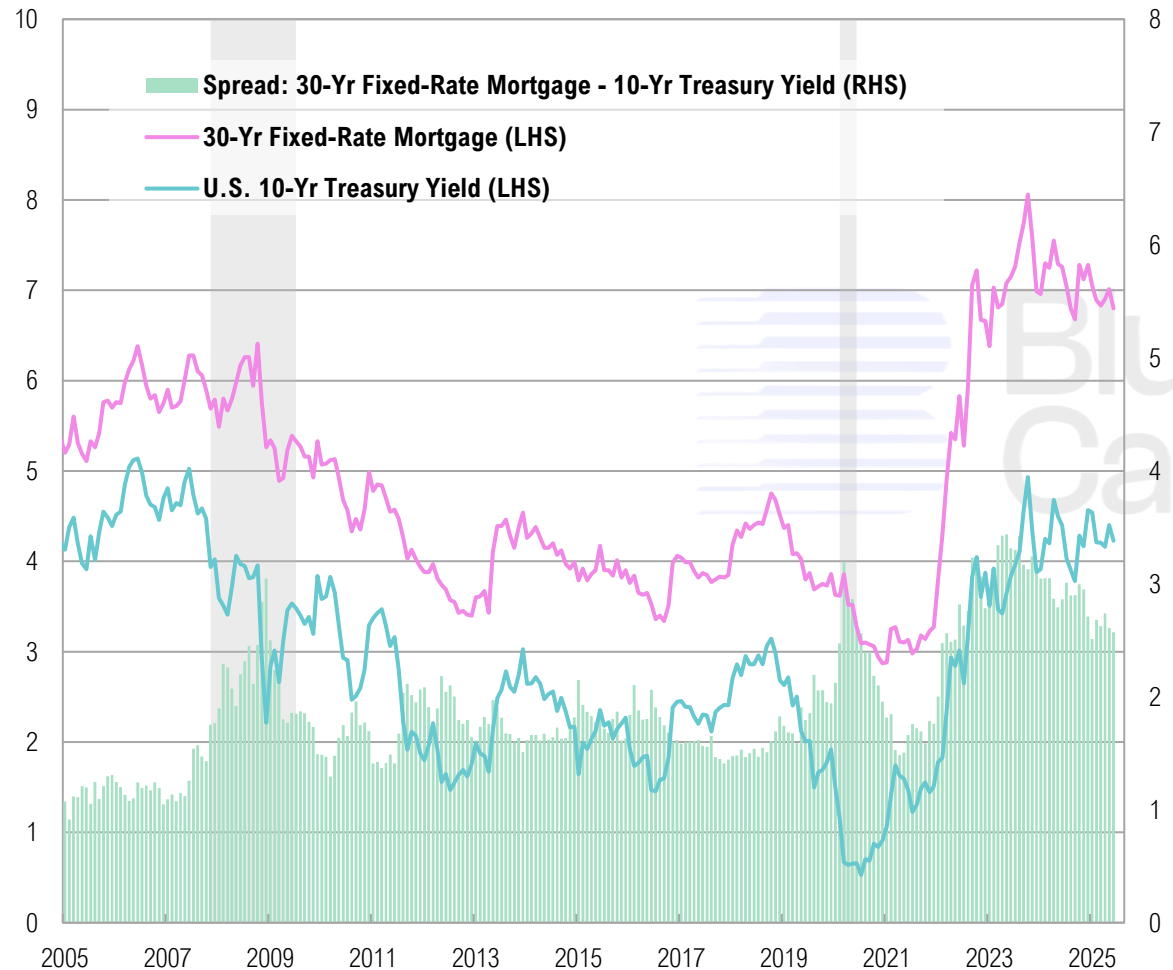


Source: Bloomberg

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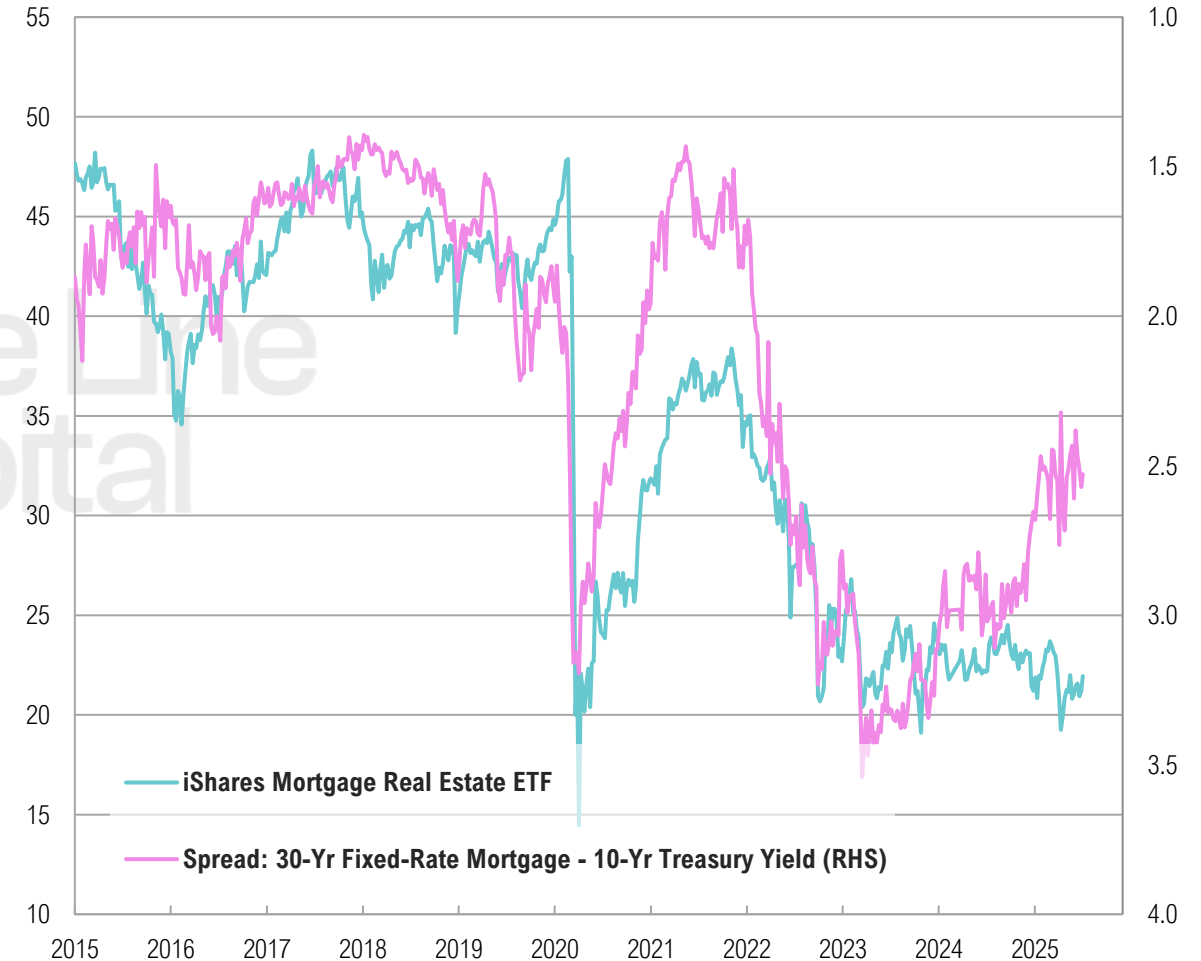
Mortgage rates declined in June to the lowest level since April, dropping below 7%; U.S. mortgage REITs gained 1.6%

U.S. 10-Year Treasury Yield vs. 30-Year Fixed-Rate Mortgage



Source: Bloomberg. 30-Yr Fixed-Rate Mortgage (FRM) represented by the Bankrate.com US Home Mortgage 30 Year Fixed National Avg. As of 6/30/2025.

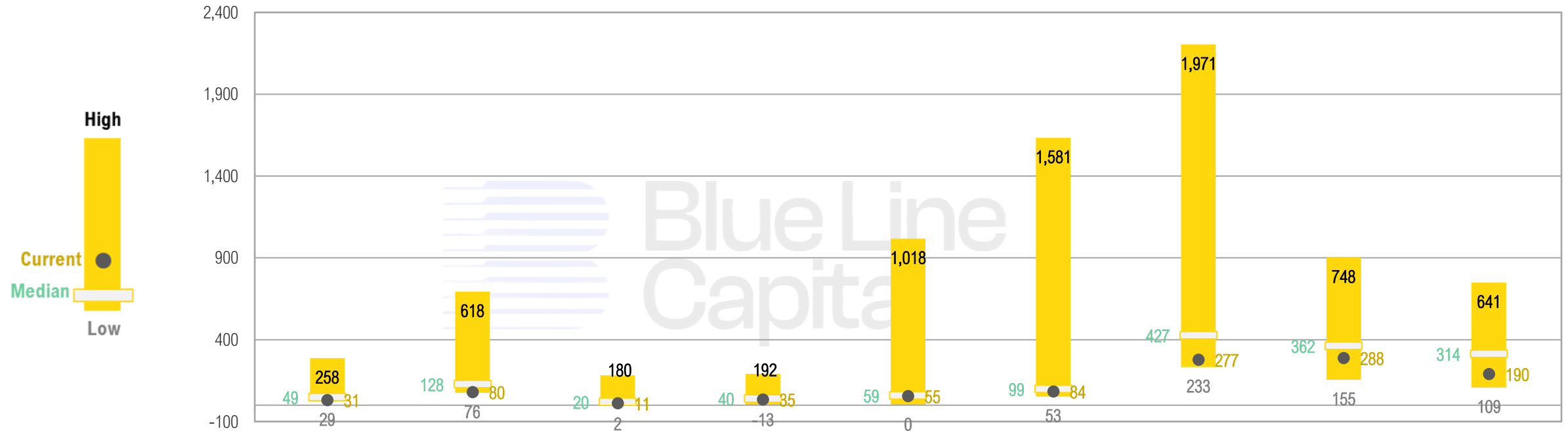
iShares Mortgage Real Estate ETF, Price



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No panic here: credit spreads remain near or below median across most sectors; high yield bond spreads at current levels suggest runway for the economy

Current Credit Spread vs. Long-Term High/Low Range



	Aggregate	Corporate	Agency	MBS	ABS	CMBS	High Yield	Emerging Markets	High Yield Muni Spread*
Max Spread Date	12/3/2008	12/3/2008	11/20/2008	12/3/2008	1/6/2009	11/21/2008	12/16/2008	11/28/2008	1/12/2009
Min Spread Date	4/14/2021	3/8/2005	4/19/2021	7/27/2010	10/1/2009	12/8/2004	5/22/2007	5/31/2007	6/11/2007
Spread on 12/31/23	42	99	17	47	68	126	323	319	235
Spread on 12/31/22	51	130	26	51	76	120	469	374	228
Spread on 12/31/21	36	92	8	31	38	68	283	330	200
Spread on 12/31/20	42	96	10	39	33	81	360	323	275

Source: Bloomberg. High Yield Muni Spread data is relative to Bloomberg Municipal Bond Index. Yield spread data is from 2004 – current

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Credit spreads continued to tighten, easing from 3.1% at the end of May to end the month at 2.9%; historically, forward returns from these spreads have been generally lackluster

Credit Spreads, %



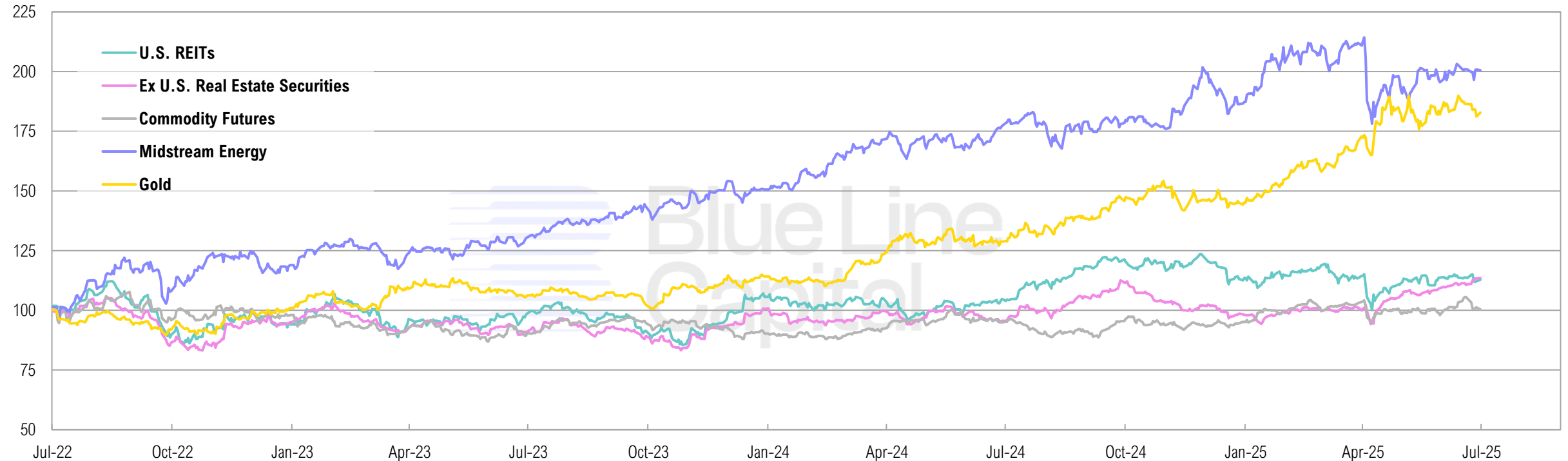
Source: SpringTide, Bloomberg. Forward return analysis from 2/4/1994 through 8/26/2022.

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Ex-U.S. real estate securities (+14.6%) and gold (+5.0%) fared best over the quarter; midstream energy (-4.9%) and broad commodity futures (-3.1%) lagged

Calendar Year & Trailing Total Returns



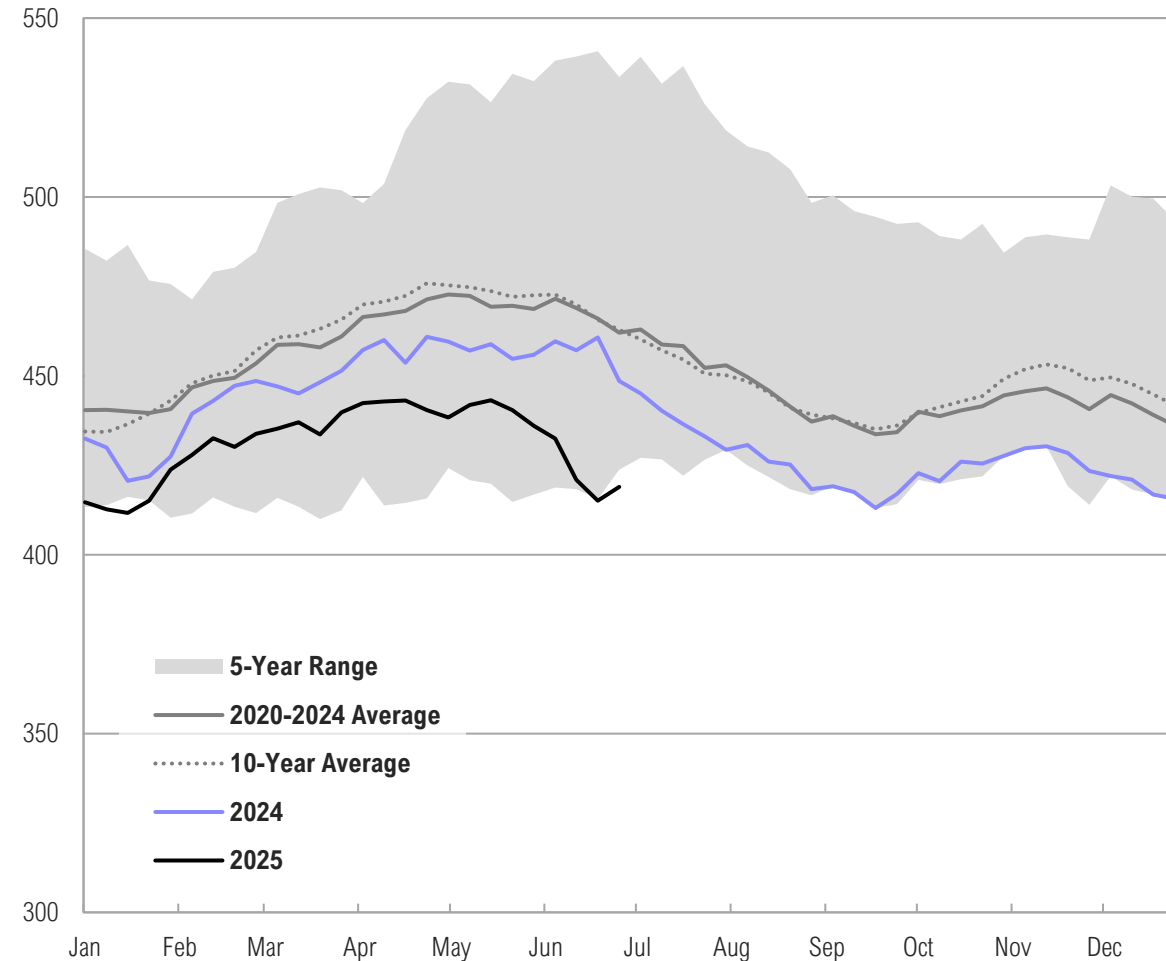
Asset Class	Benchmark	MTD	QTD	YTD	1-Yr	3-Yr	5-Yr	10-Yr	2024	2023	2022	2021	2020
U.S. REITs	MSCI US REIT GR	-0.6	-1.1	-0.1	8.9	5.4	8.6	6.3	8.8	13.7	-24.5	43.1	-7.6
Ex U.S. Real Estate Securities	S&P Global Ex US REIT TR	3.1	14.6	18.8	17.8	4.6	4.7	2.7	-7.0	6.6	-21.9	13.5	-9.3
Broad Commodity Futures	Bloomberg Commodity TR	2.4	-3.1	5.5	5.8	0.1	12.7	2.0	5.4	-7.9	16.1	27.1	-3.1
Midstream Energy	Alerian MLP TR	2.6	-4.9	7.1	13.2	26.1	28.0	5.6	24.4	26.6	30.9	40.2	-28.7
Gold	LBMA Gold Price AM	-0.5	5.0	25.5	40.8	21.8	13.1	10.8	26.6	13.8	-0.4	-3.8	24.2

Source: Bloomberg. Returns for periods greater than 1 year are annualized.

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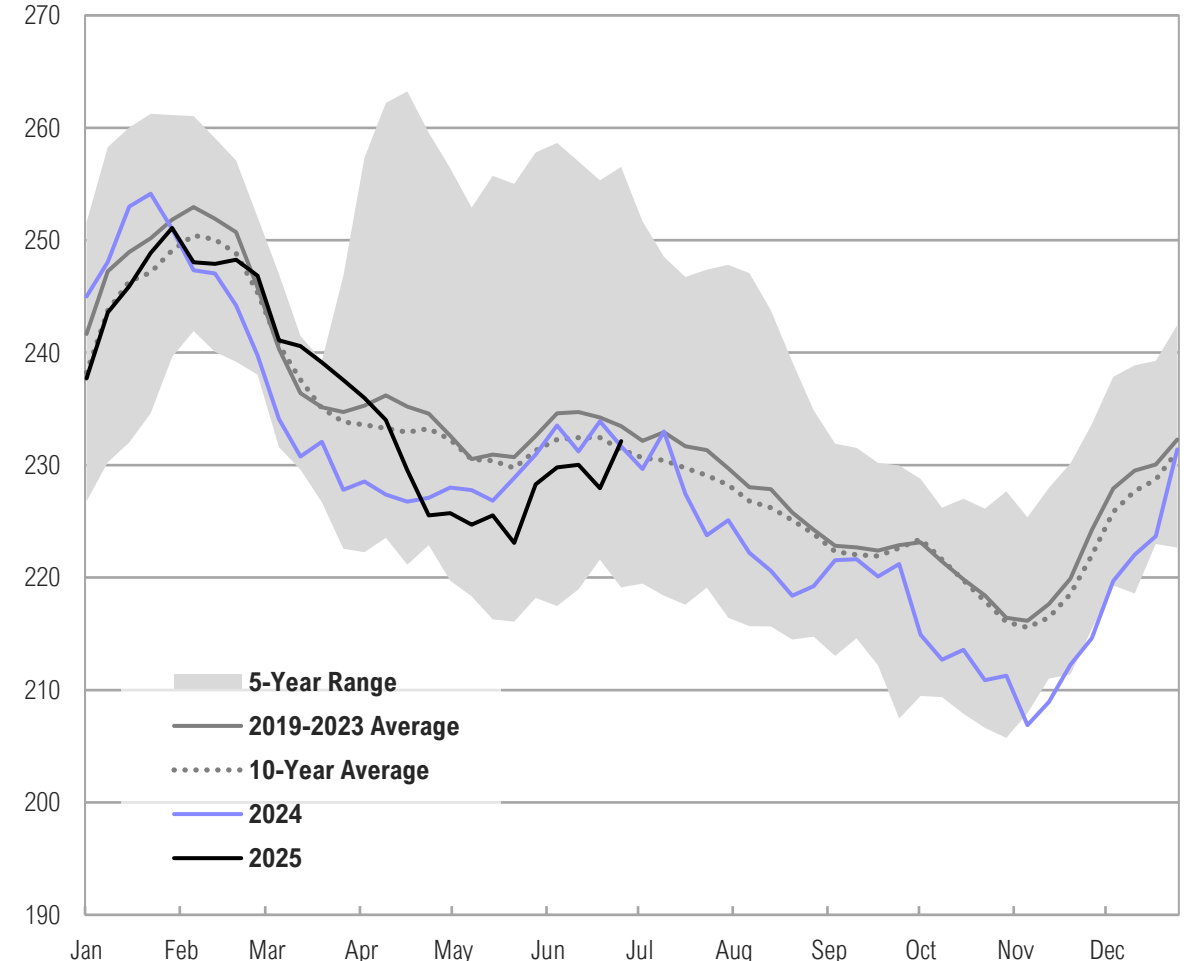
Crude inventories dropped below their five-year range in June and are 11% below average for this time of year; gasoline inventories rose over the month and are roughly inline with historical averages

U.S. Crude Inventories, Millions of Barrels



Source: EIA. SpringTide calculations. As of 6/25/2025.

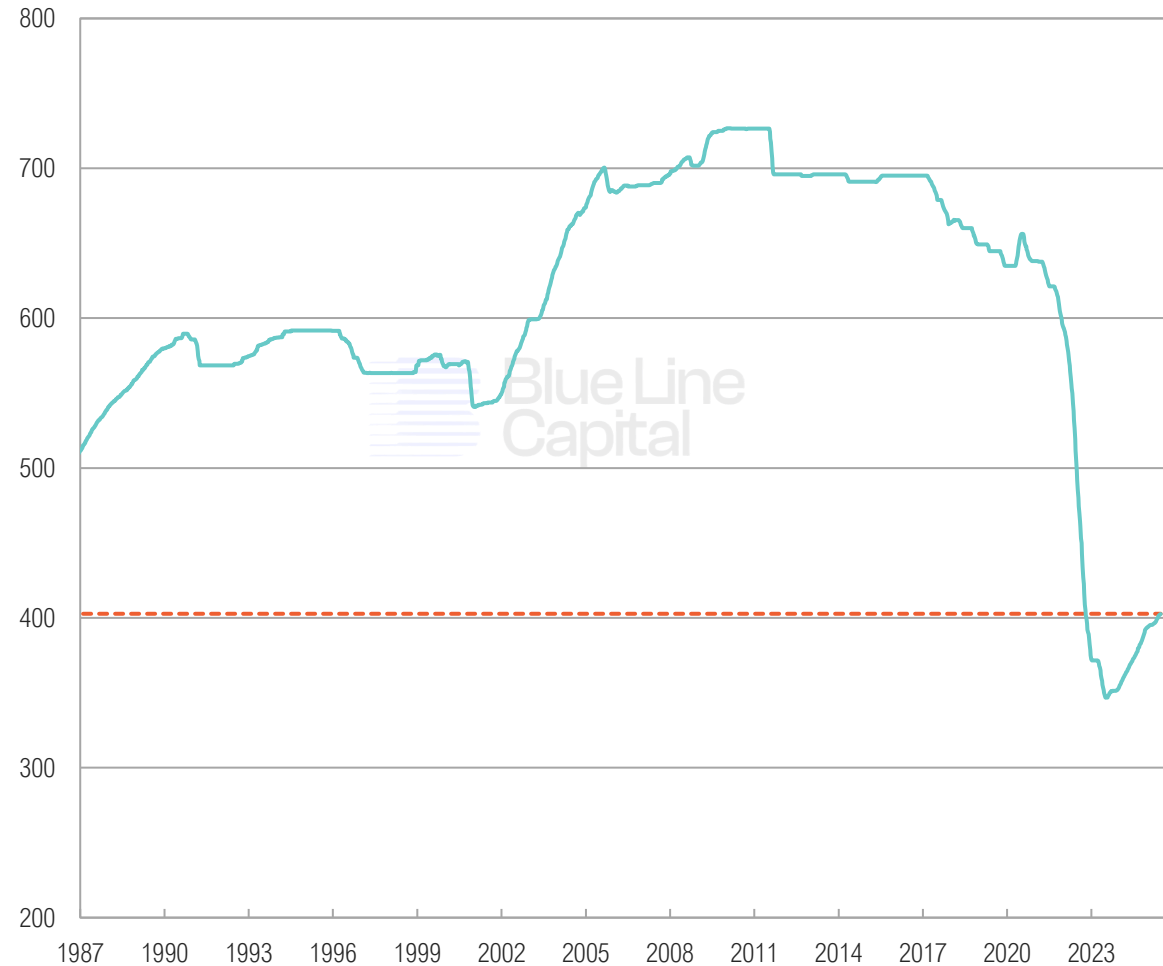
U.S. Gasoline Inventories, Millions of Barrels



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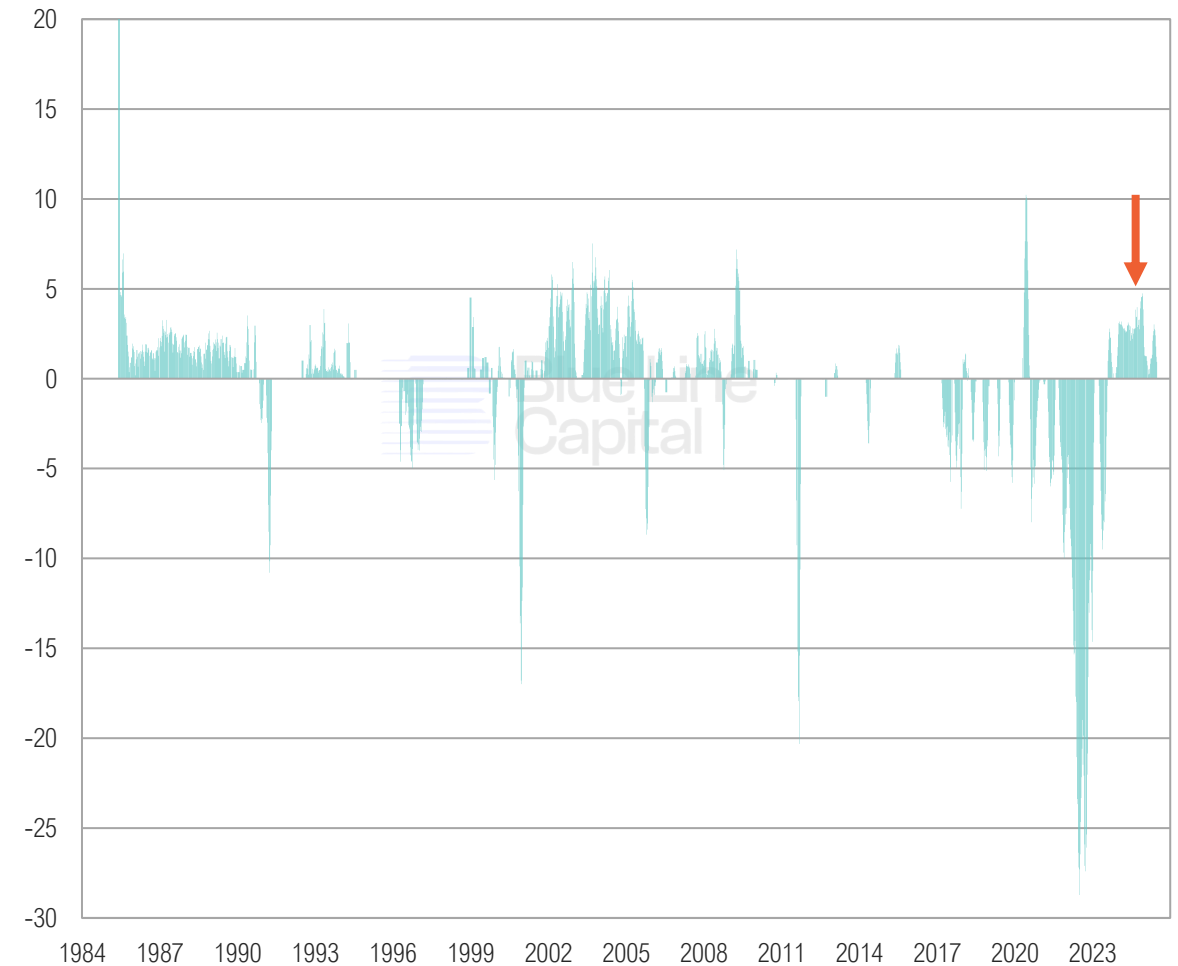
Following the historic 2022 stockpile depletion, SPR replenishment continues to rise, but still has a long ways to go before reaching 2021 levels

U.S. SPR Inventory, Millions of Barrels



Source: Bloomberg

4-Week Change in SPR Reserves, Millions of Barrels

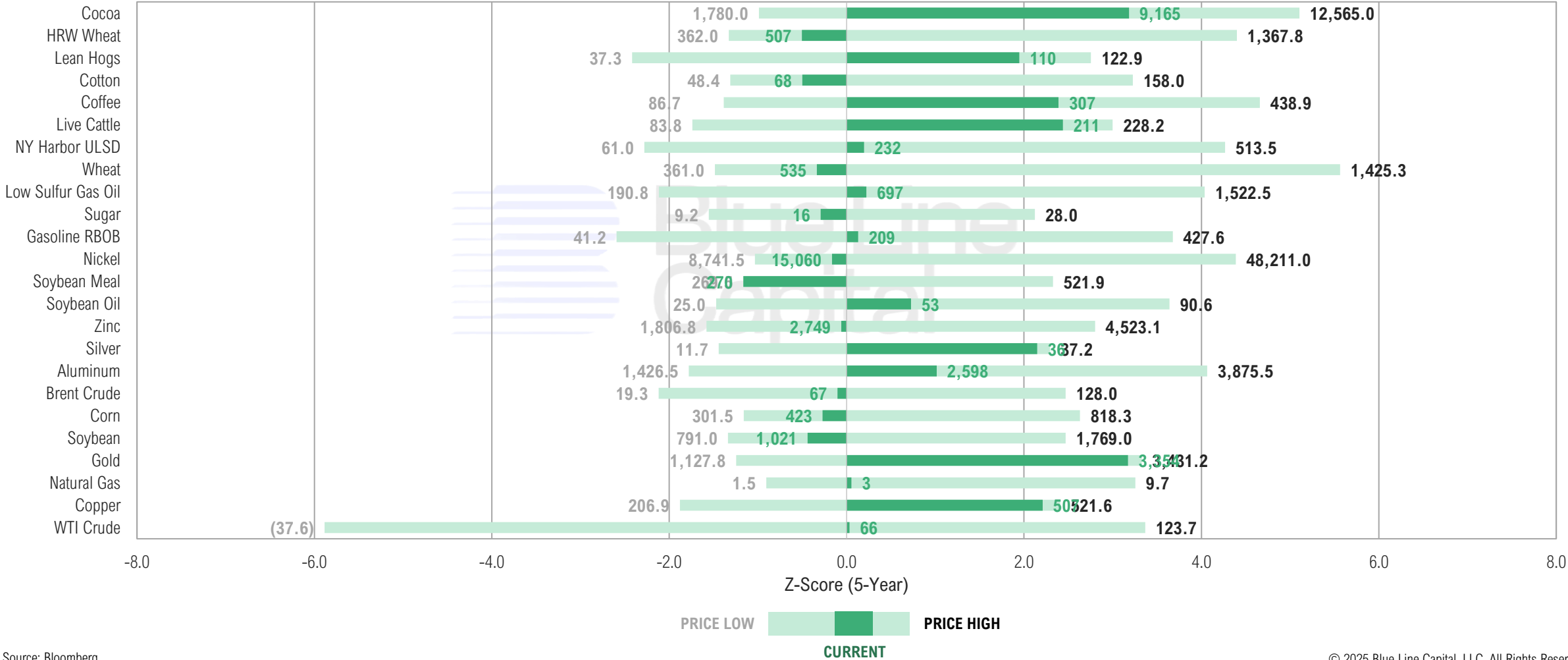


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Aggregate commodity prices, as proxied by the Bloomberg Commodities Index, declined by 3.1% in Q2, with energy and agriculture declines offsetting gains in precious metals

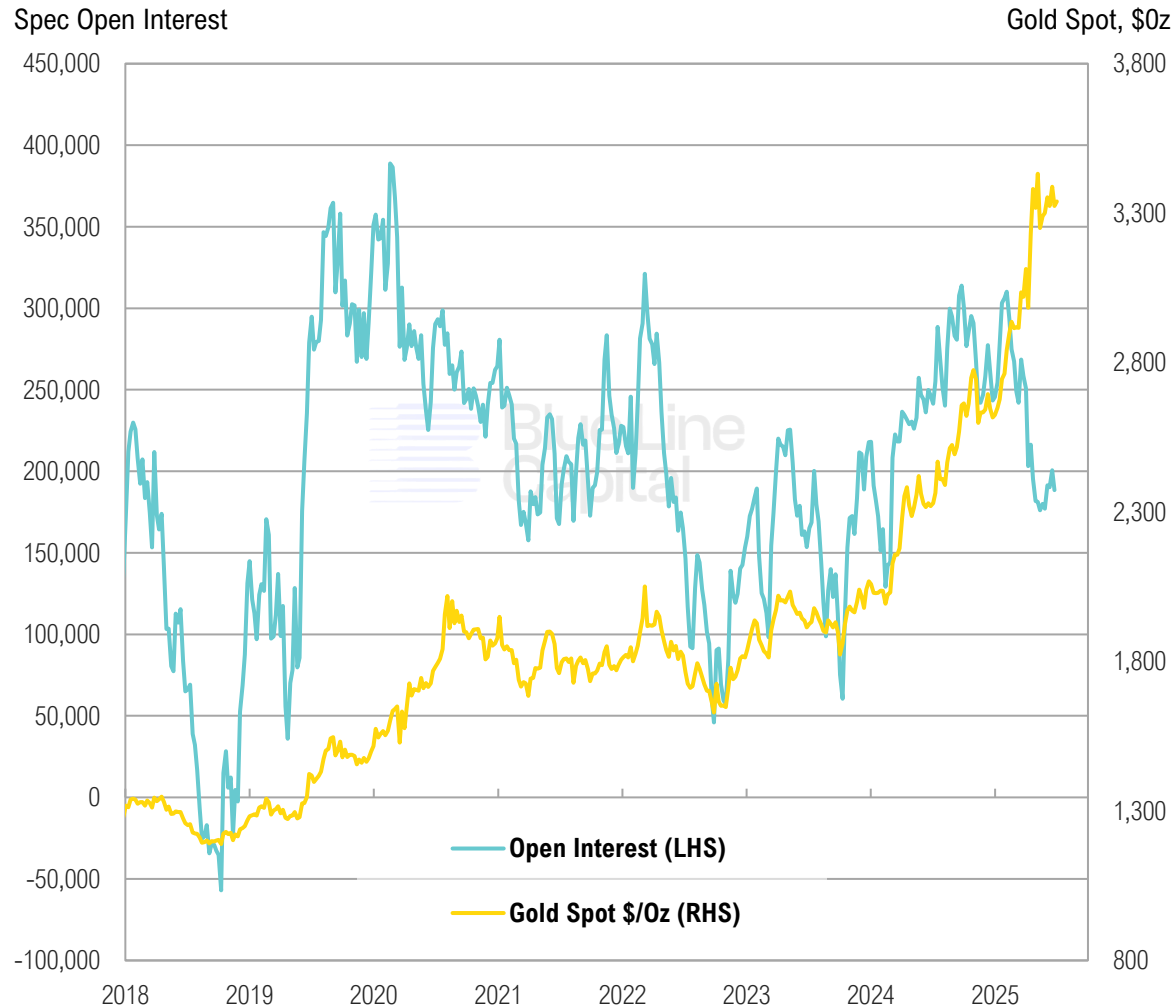
Price Z-Scores vs. Historical Ranges



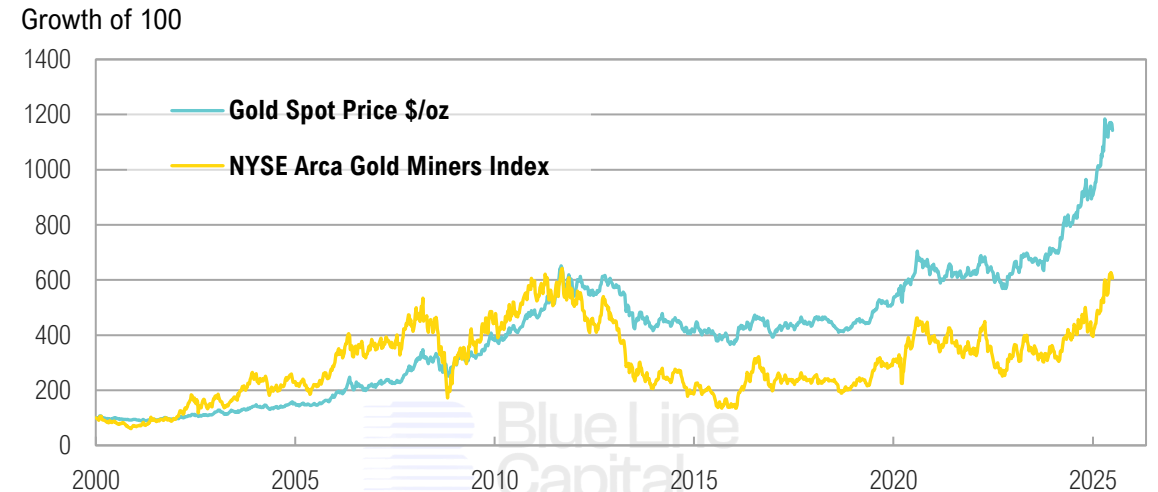
Source: Bloomberg

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Gold speculative positioning dropped sharply, despite only a modest decline in the gold price; while gold miners have seen strong YTD outperformance, fundamentals remain constructive



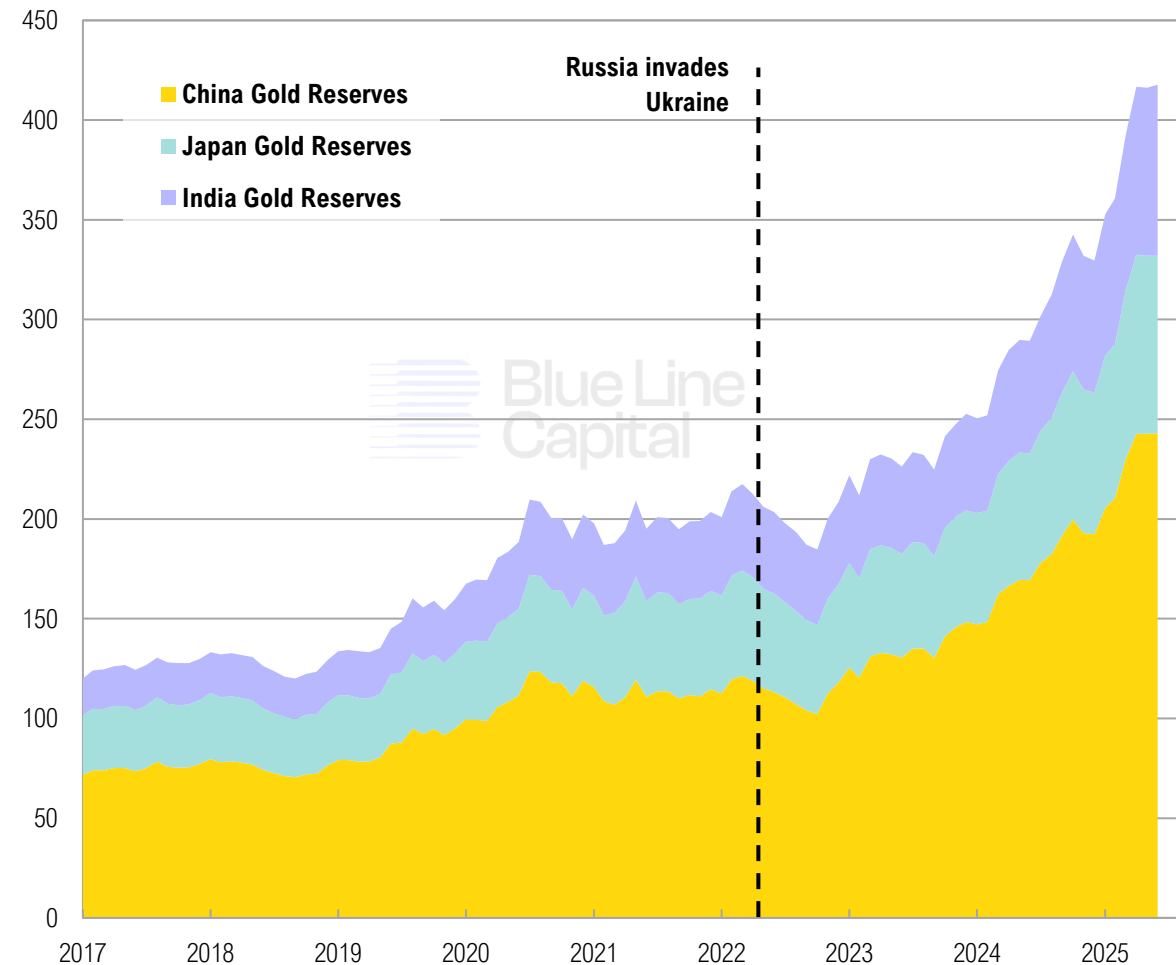
Source: Bloomberg



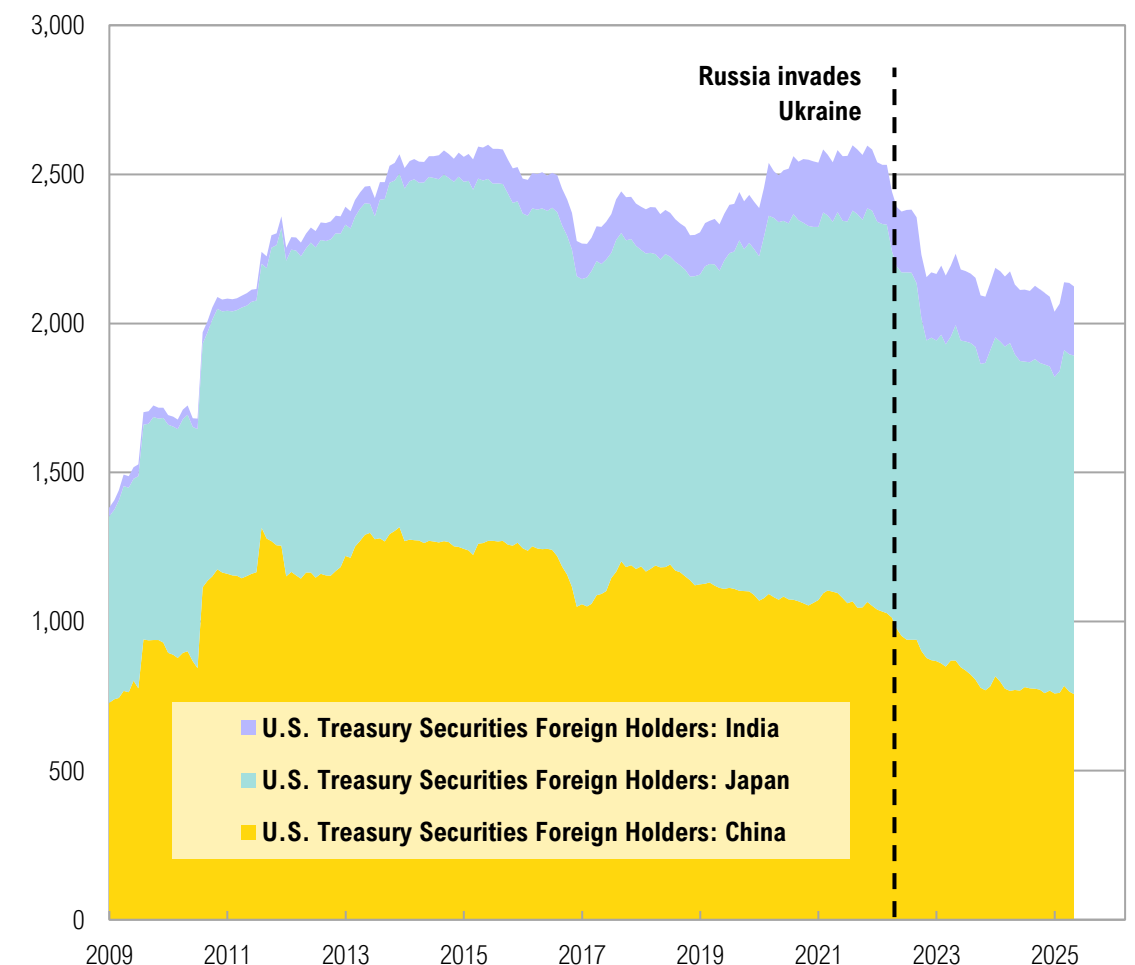
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Global central banks have stepped up gold buying since the Russia-Ukraine war; geopolitical tensions and U.S. fiscal concerns have potentially driven a shift from Treasuries to gold as the preferred safe haven

Central Bank Gold Reserves, \$Bn



Foreign Holders of U.S. Treasury Securities, \$Bn

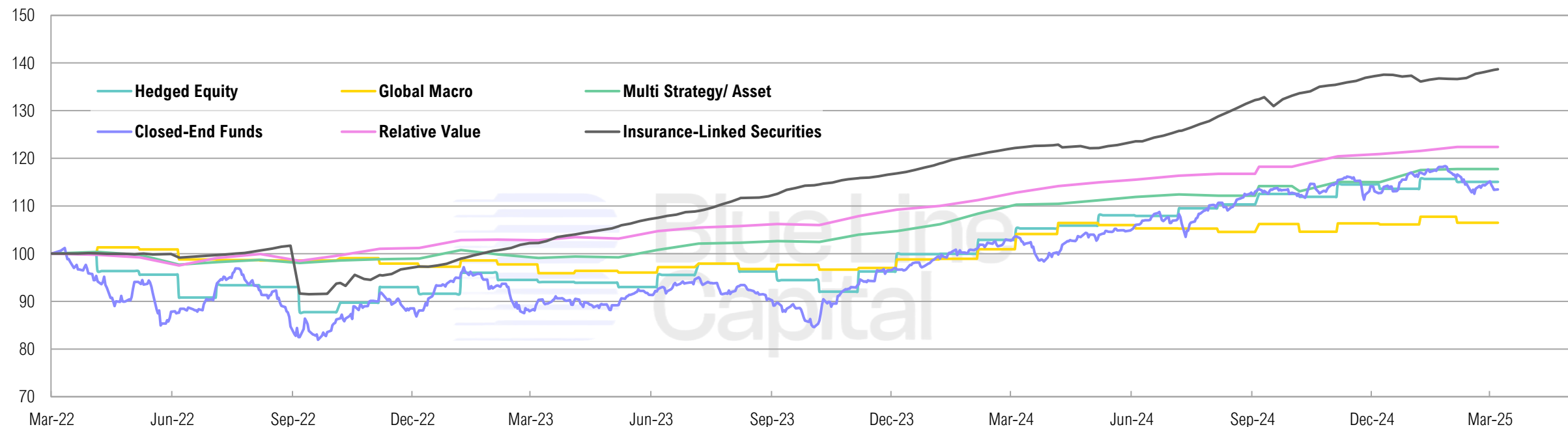


Source: Bloomberg. Gold reserve data as of 6/30/2025. Foreign Treasury holdings as of 4/30/2025.

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Hedged equity (+4.3%) and closed-end funds (+2.4%) fared best over the first two months of the quarter; global macro strategies (-1.4%) lagged

Calendar Year & Trailing Total Returns



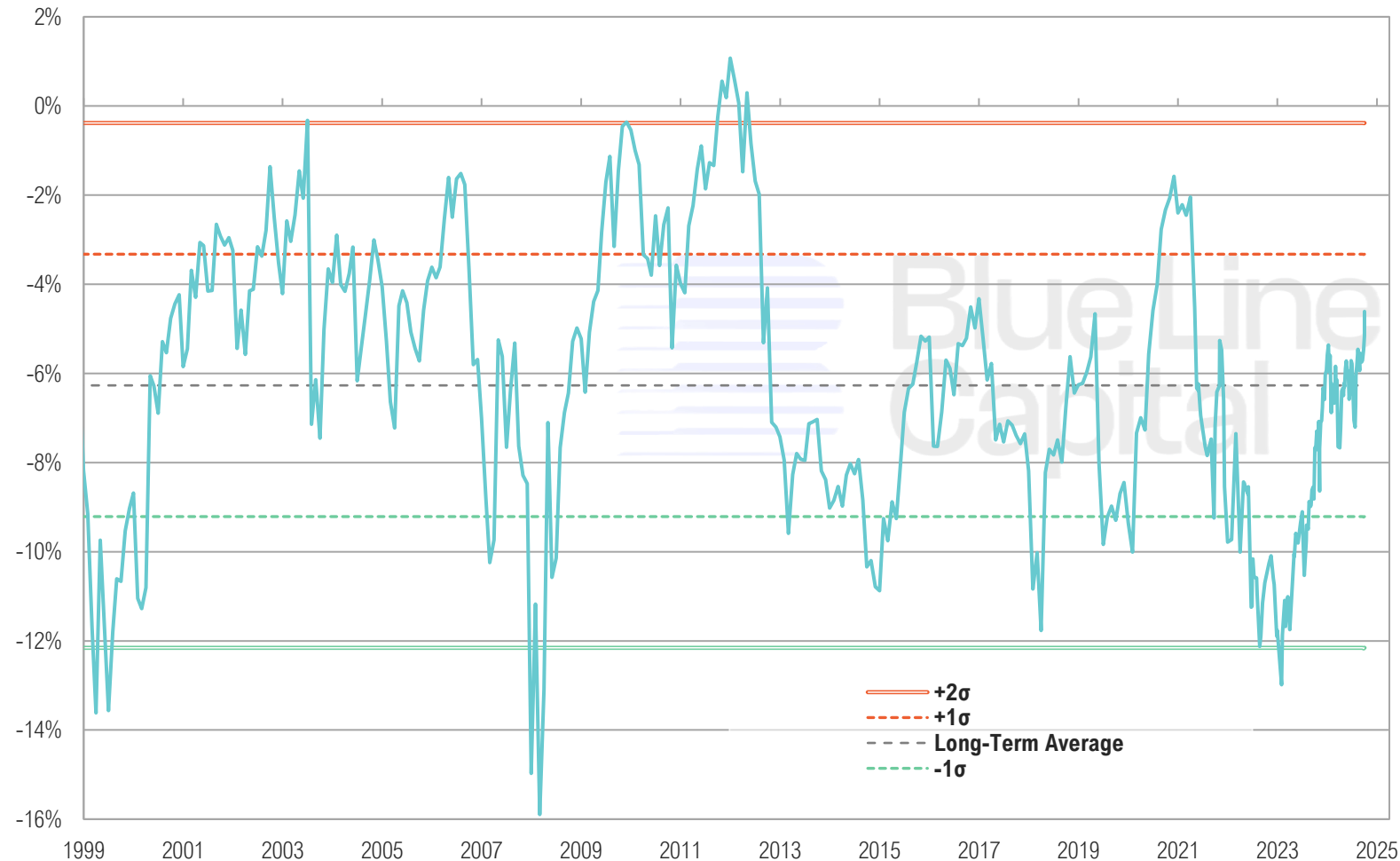
Asset Class	Benchmark	MTD	QTD	YTD	1-Yr	3-Yr	5-Yr	10-Yr	2024	2023	2022	2021	2020
Hedged Equity	Bloomberg Equity Hedge Index	4.0	4.3	3.3	10.8	6.8	9.0	5.1	13.7	9.1	-12.4	12.2	13.0
Global Macro	Bloomberg Macro Hedge Index	-0.1	-1.4	-1.2	-1.6	1.1	4.6	1.9	7.4	1.6	1.3	6.3	7.0
Relative Value	Bloomberg Relative Value Hedge Index	1.4	2.0	2.5	8.6	7.5	7.5	4.7	10.6	8.0	0.1	7.3	6.2
Multi Strategy/ Asset	Credit Suisse Hedge Fund Index	1.4	0.9	3.0	7.3	5.7	7.8	4.4	9.8	5.8	1.1	8.2	6.4
Closed-End Funds	S-Network Composite Closed-End Index	3.1	2.4	3.2	13.3	7.4	8.4	6.5	16.6	9.7	-18.0	15.8	4.8
Insurance-Linked Securities	SwissRe Global Cat Bond Index	0.6	0.9	1.8	14.5	11.9	9.0	6.4	17.6	20.0	-2.2	4.9	5.8

Source: Bloomberg. Due to reporting lags, Hedged Equity, Global Macro, Relative Value and Multi Strategy trailing return data in the table above is lagged by 1 month. Returns for periods greater than 1 year are annualized.

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Closed-end fund discounts to NAV narrowed in Q2, from -5.8% to -5.2% (the tightest discount since 2022)

Median Premium/Discount to Net Asset Value



Source: Bloomberg

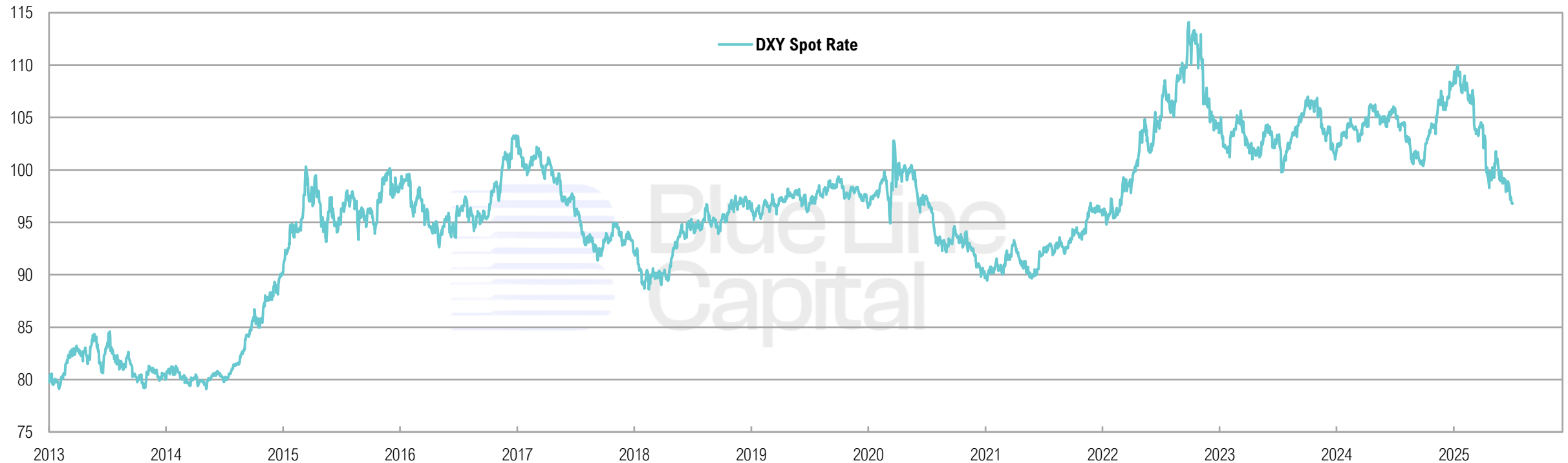
Asset Class	Current Discount	Prior Month Discount	Change from Prior Month	Z-Score
All CEFs (Median)	-4.6	-5.5	0.9	0.56
All CEFs (Mean)	-3.6	-4.3	0.8	0.48
Allocation	-6.5	-6.5	0.0	-0.16
Alternative	-5.0	-5.3	0.2	0.17
International Equity	-9.8	-11.2	1.4	0.08
U.S. Municipal Bond	-5.8	-6.2	0.4	-0.29
Real Estate Sector Equity	-0.4	-1.1	0.7	0.88
U.S. Taxable Bond	0.4	-0.7	1.2	0.86
U.S. Equity	-7.2	-7.4	0.2	-0.11
Energy Sector Equity	-4.1	-6.8	2.7	0.52

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The dollar ended June at the lowest level since February 2022

U.S. Dollar Spot Calendar Year & Trailing Total Returns



Currencies	Current Rate	MTD	QTD	YTD	1-Yr	3-Yr	5-Yr	10-Yr	2024	2023	2022	2021	2020
U.S. dollar / Euro	0.85	-3.7	-8.4	-12.1	-9.1	-3.7	-0.9	-0.6	6.7	-3.0	6.2	7.4	-8.2
U.S. dollar / Japanese yen	144.0	0.0	-3.7	-8.4	-10.5	2.0	6.7	1.8	11.6	7.6	13.9	11.5	-5.1
U.S. dollar / Pound sterling	0.73	-2.0	-5.9	-8.8	-7.9	-3.8	-1.9	1.4	1.7	-5.1	12.0	1.0	-3.0
U.S. dollar / Canadian dollar	1.36	-1.0	-4.9	-5.4	-0.5	1.9	0.0	0.9	8.6	-2.3	7.3	-0.7	-2.0

Source: Bloomberg

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Speculative positioning in the S&P 500 turned more bearish over the month, while the tech-heavy Nasdaq saw a bullish shift; positioning in U.S. Treasuries continues to experience significant swings, though likely distorted by the ‘basis trade’

Equities	Latest	W/W Chg	M/M Chg	(5 Year)		(Z-Score)			
				Max	Min	1 Year	3 Year	5 Year	10 Year
S&P 500	(134,084)	33,415	(35,888)	248,601	(447,046)	-1.53	-0.05	-0.57	-0.86
VIX	(22,987)	(3,834)	(27,411)	10,943	(163,238)	0.01	0.85	1.14	0.81
Russell 2000	(32,353)	7,969	(26,158)	46,446	(120,386)	-0.95	0.30	0.05	-0.26
NASDAQ	17,889	(418)	3,204	47,085	(133,005)	-0.20	0.37	0.42	-0.16
Nikkei	1,904	2,025	2,565	4,738	(9,401)	2.44	2.45	1.80	0.48
MSCI EAFE	7,260	5,223	6,486	45,366	(64,174)	1.95	2.19	0.55	-0.29
MSCI EM	103,194	19,566	38,071	183,342	(97,662)	0.85	1.66	0.77	0.00

Rates									
2 Year UST	(1,237,158)	(62,420)	25,732	86,786	(1,494,405)	-0.18	-0.73	-1.20	-1.92
5 Year UST	(2,461,844)	22,676	(120,151)	148,962	(2,499,175)	-2.12	-2.16	-2.37	-3.31
10 Year UST	(695,549)	90,013	154,670	238,882	(1,147,933)	0.53	-0.34	-0.88	-1.37
30D Fed Funds	(52,710)	(42,736)	78,620	372,500	(320,917)	0.16	0.25	0.00	-0.17

Currencies									
USD	(6,071)	(3,074)	(5,454)	44,971	(15,000)	-1.56	-1.60	-1.24	-1.38
JPY	128,175	5,405	(34,158)	176,086	(189,560)	0.96	2.03	2.29	2.53
EUR	100,403	16,721	40,983	212,535	(95,068)	1.39	0.39	0.37	0.82
GBP	35,751	(4,507)	8,467	147,196	(79,646)	-0.28	0.48	0.75	1.15

Commodities									
Crude	272,568	10,868	57,604	594,465	169,107	1.09	0.43	-0.57	-0.90
Gold	188,547	(12,096)	8,607	321,225	45,973	-1.60	-0.06	-0.31	-0.02
Platinum	28,239	1,031	8,278	37,588	(8,246)	1.21	1.37	1.32	0.59
Palladium	(4,042)	556	3,821	3,751	(13,935)	1.61	0.95	0.06	-0.78
Copper	26,924	5,768	8,339	80,564	(35,712)	0.55	0.90	0.36	0.59
Aluminum	653	15	493	7,986	(353)	-1.42	-1.66	-1.63	-0.84
Silver	60,653	(3,727)	13,131	66,380	(12,811)	1.45	1.56	1.59	0.93
Soybeans	46,792	(36,171)	4,039	270,935	(194,765)	1.11	0.36	-0.18	-0.05
Wheat	(71,006)	18,122	37,392	59,368	(127,687)	-0.08	-0.55	-1.03	-0.86
Live Cattle	156,448	(2,327)	2,744	174,774	30,899	0.82	1.48	1.92	1.70
Sugar	(58,167)	(4,123)	(72,308)	316,046	(63,069)	-1.78	-1.74	-2.07	-1.20
Coffee	27,598	(5,458)	(14,931)	76,932	(37,467)	-2.69	-0.24	-0.43	0.37

Source: Bloomberg, CFTC.

Relative +’ive Spec Positioning

- Nikkei: +2.45 (3-Yr Z-Score)
- EAFE: +2.19
- JPY: +2.03

Relative –’ive Spec Positioning

- 5-Yr Treasury: -2.16 (3-Yr Z-Score)
- Aluminum: -1.66
- USD: -1.60

ASSET CLASS DEFINITIONS

Asset class performance was measured using the following benchmarks:

U.S. Large Cap Stocks: S&P 500 TR Index

U.S. Small & Micro Cap Stocks: Russell 2000 TR Index

Intl Dev Large Cap Stocks: MSCI EAFE GR Index

Emerging & Frontier Market Stocks: MSCI Emerging Markets GR Index

U.S. Interim-Term Muni Bonds: Bloomberg 1-10 (1-12 Yr) Muni Bond TR Index

U.S. Interim-Term Bonds: Bloomberg U.S. Aggregate Bond TR Index

U.S. High Yield Bonds: Bloomberg U.S. Corporate High Yield TR Index

U.S. Bank Loans: S&P/LSTA U.S. Leveraged Loan Index

Intl Developed Bonds: Bloomberg Global Aggregate ex-U.S. Index

Emerging & Frontier Market Bonds: JPMorgan EMBI Global Diversified TR Index

U.S. REITs: MSCI U.S. REIT GR Index

Ex U.S. Real Estate Securities: S&P Global Ex-U.S. Property TR Index

Commodity Futures: Bloomberg Commodity TR Index

Midstream Energy: Alerian MLP TR Index

Gold: LBMA Gold Price

U.S. 60/40: 60% S&P 500 TR Index 40% Bloomberg U.S. Aggregate Bond TR Index

Global 60/40: 60% MSCI ACWI GR Index 40% Bloomberg Global Aggregate Bond TR Index

INDEX DEFINITIONS

S&P 500 Index: Widely regarded as the best single gauge of the U.S. equities market. The index includes a representative sample of 500 leading companies in leading industries of the U.S. economy. The S&P 500 Index focuses on the large-cap segment of the market; however, since it includes a significant portion of the total value of the market, it also represents the market.

MSCI ACWI: (ACWI: All Country World Index) a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed and emerging markets.

MSCI EAFE Index: (EAFE: Europe, Australasia, Far East) a free float-adjusted market capitalization index that is designed to measure the equity market performance of developed markets, excluding the US & Canada.

MSCI EAFE Small Cap Index: (EAFE: Europe, Australasia, Far East) a free float-adjusted market capitalization index that is designed to measure the small cap equity market performance of developed markets, excluding the US & Canada.

MSCI EM Index: A free float-adjusted market capitalization index that is designed to measure equity market performance in the global emerging markets.

Russell 1000 Index: Measures the performance of the 1,000 largest companies in the Russell 3000.

Russell 2000 Index: Measures the performance of the 2,000 smallest companies in the Russell 3000 Index.

Russell 3000 Index: Measures the performance of the 3,000 largest U.S. companies based on total market capitalization.

Cambridge Associates U.S. Global Buyout and Growth Index: Based on data compiled from 1,768 global (U.S. & ex – U.S.) buyout and growth equity funds, including fully liquidated partnerships, formed between 1986 and 2013.

Cambridge Associates Private Equity Index: Based on data compiled from 1,468 U.S. private equity funds (buyout, growth equity, private equity energy and subordinated capital funds), including fully liquidated partnerships, formed between 1986 and 2017.

Cambridge Associates Venture Capital Index: Based on data compiled from 1,807 US venture capital funds (1,161 early stage, 210 late & expansion stage, and 436 multi-stage funds), including fully liquidated partnerships, formed between 1981 and 2018.

Bloomberg U.S. Aggregate Bond Index: A broad-based flagship benchmark that measures the investment grade, US dollar-denominated, fixed-rate taxable bond market. The index includes Treasuries, government-related and corporate securities, MBS (agency fixed-rate pass-throughs), ABS and CMBS (agency and non-agency).

Bloomberg Global Aggregate Index: A multi-currency measure of global investment grade debt from twenty-four local currency markets. This benchmark includes treasury, government-related, corporate and securitized fixed-rate bonds from both developed and emerging markets issuers.

Bloomberg Global Aggregate ex-USD Index: A multi-currency measure of investment grade debt from 24 local currency markets. This benchmark includes treasury, government-related, corporate and securitized fixed-rate bonds from both developed and emerging markets issuers. Bonds issued in USD are excluded.

Bloomberg Municipal Index: Consists of a broad selection of investment- grade general obligation and revenue bonds of maturities ranging from one year to 30 years. It is an unmanaged index representative of the tax-exempt bond market.

Bloomberg US High Yield Index: Covers the universe of fixed rate, non-investment grade debt. Eurobonds and debt issues from countries designated as emerging markets (sovereign rating of Baa1/BBB+/BBB+ and below using the middle of Moody's, S&P, and Fitch) are excluded, but Canadian and global bonds (SEC registered) of issuers in non-EMG countries are included.

Bloomberg 1-3 Month U.S. Treasury Bill Index: Includes all publicly issued zero-coupon US Treasury Bills that have a remaining maturity of less than 3 months and more than 1 month, are rated investment grade, and have \$250 million or more of outstanding face value. In addition, the securities must be denominated in U.S. dollars and must be fixed rate and non-convertible.

J.P. Morgan Emerging Market Bond Global Index (EMBI): Includes U.S. dollar denominated Brady bonds, Eurobonds, traded loans and local market debt instruments issued by sovereign and quasi-sovereign entities.

Alerian MLP Index: A composite of the 50 most prominent energy Master Limited Partnerships (MLPs) that provides investors with an unbiased, comprehensive benchmark for the asset class.

Bloomberg Commodity Index: Composed of futures contracts on physical commodities and represents twenty two separate commodities traded on U.S. exchanges, with the exception of aluminum, nickel, and zinc.

S&P Global Ex-U.S. Property Index: Measures the investable universe of publicly traded property companies domiciled in developed and emerging markets excluding the U.S. The companies included are engaged in real estate related activities such as property ownership, management, development, rental and investment

MSCI US REIT Index: A free float-adjusted market capitalization weighted index that is comprised of equity Real Estate Investment Trusts (REITs). The index is based on the MSCI USA Investable Market Index (IMI), its parent index, which captures the large, mid and small cap segments of the USA market. With 150 constituents, it represents about 99% of the US REIT universe and securities are classified under the Equity REITs Industry (under the Real Estate Sector) according to the Global Industry Classification Standard (GICS®), have core real estate exposure (i.e., only selected Specialized REITs are eligible) and carry REIT tax status.

Cambridge Associates Private Real Estate Index: Based on data compiled from 1,001 real estate funds (including opportunistic and value-added real estate funds), including fully liquidated partnerships, formed between 1986 and 2017.

S&P Global Infrastructure Index: Designed to track 75 companies from around the world chosen to represent the listed infrastructure industry while maintaining liquidity and tradability. To create diversified exposure, the index includes three distinct infrastructure clusters: energy, transportation, and utilities.

LBMA Gold Price Index: The global benchmark prices for unallocated gold and silver delivered in London. ICE Benchmark Administration Limited (IBA) operates electronic auctions for spot, unallocated London gold and silver, providing a market-based platform for buyers and sellers to trade. The auctions are run at 10:30am and 3:00pm London time for gold and at 12:00pm London time for silver. The final auction prices are published to the market as the LBMA Gold Price AM, the LBMA Gold Price PM and the LBMA Silver Price benchmarks, respectively. The price formation for each auction is in US Dollars.

Bloomberg Equity Hedge Index: Equity Hedge strategies maintain positions both long and short in primarily equity and equity derivative securities. A wide variety of strategies can range broadly in terms of levels of net exposure, leverage employed, holding period, concentrations of market capitalizations and valuation ranges of typical portfolios. Equity Hedge managers would typically maintain at least 50% and may in some cases be substantially entirely invested in equities, both long and short.

Bloomberg Macro Hedge Index: Macro strategy managers trade a broad range of strategies in which the investment process is predicated on movements in underlying economic variables and the impact these have on equity, fixed income, hard currency and commodity markets. Managers employ a variety of techniques, both discretionary and systematic analysis, combinations of top down and bottom-up theses, quantitative and fundamental approaches and long and short-term holding periods.

Bloomberg Relative Value Index: Investment Managers who maintain positions in which the investment thesis is predicated on realization of a valuation discrepancy in the relationship between multiple securities.

HFRI Indices: Equally weighted performance indexes, utilized by numerous hedge fund managers as a benchmark for their own hedge funds. The HFRI are broken down into 4 main strategies, each with multiple sub strategies. All single-manager HFRI Index constituents are included in the HFRI Fund Weighted Composite, which accounts for over 2200 funds listed on the internal HFR Database.

HFRI Event Driven Index: Investment Managers who maintain positions in companies currently or prospectively involved in corporate transactions of a wide variety including but not limited to mergers, restructurings, financial distress, tender offers, shareholder buybacks, debt exchanges, security issuance or other capital structure adjustments.

HFRI Credit Index: A composite index of strategies trading primarily in credit markets. It is an aggregation of following 7 HFRI sub-strategy indices. HFRI ED: Credit Arbitrage Index, HFRI ED: Distressed/Restructuring Index, HFRI ED: Multi-Strategy Index, HFRI RV: Fixed Income-Asset Backed Index, HFRI RV: Fixed Income-Convertible Arbitrage Index, HFRI RV: Fixed Income-Corporate Index, and HFRI RV: Multi-Strategy Index.

HFRX Indices: Equally weighted index across all sub-strategy and regional indices. Hedge Fund Research, Inc. (HFR) utilizes a UCITSIII compliant methodology to construct the HFRX Hedge Fund Indices. The methodology is based on defined and predetermined rules and objective criteria to select and rebalance components to maximize representation of the Hedge Fund Universe.

HFRX Short Bias Index: Short-Biased strategies employ analytical techniques in which the investment thesis is predicated on assessment of the valuation characteristics on the underlying companies with the goal of identifying over-valued companies. Short Biased strategies may vary the investment level or the level of short exposure over market cycles, but the primary distinguishing characteristic is that the manager maintains consistent short exposure and expects to outperform traditional equity managers in declining equity markets.

HFRX Macro/CTA Index: Macro strategy managers trade a broad range of strategies in which the investment process is predicated on movements in underlying economic variables and the impact these have on equity, fixed income, hard currency and commodity markets. Managers employ a variety of techniques, both discretionary and systematic analysis, combinations of top down and bottom up theses, quantitative and fundamental approaches and long and short-term holding periods.

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