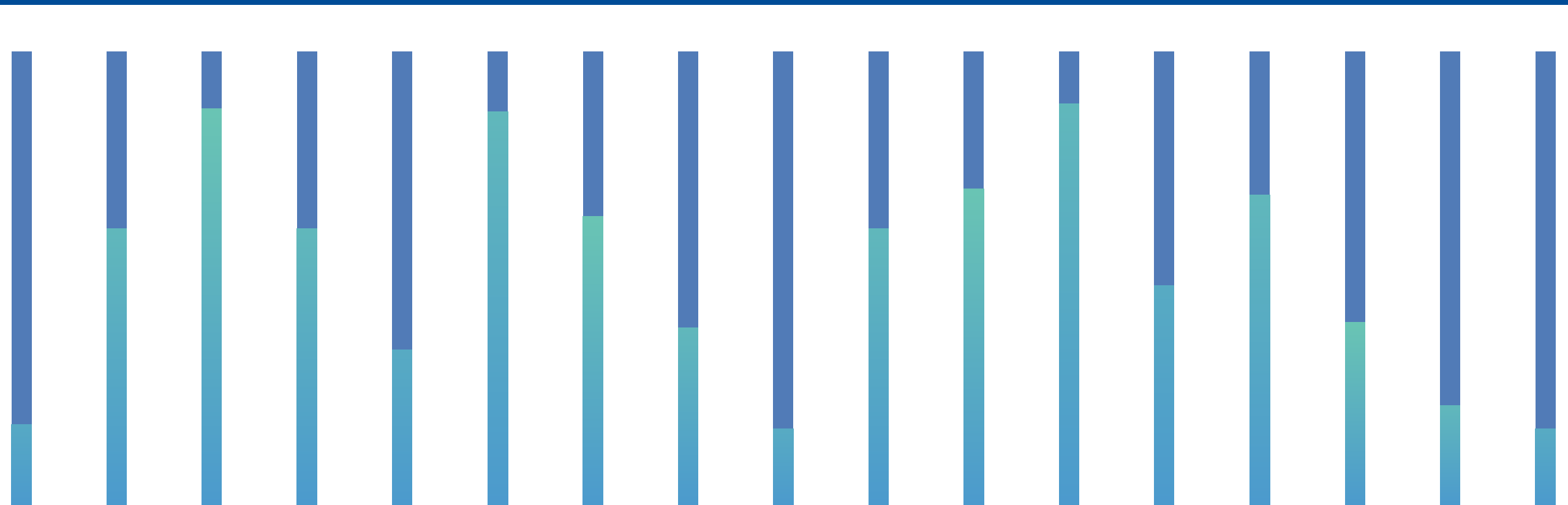


CHARTS OF THE MONTH

JUN 2023

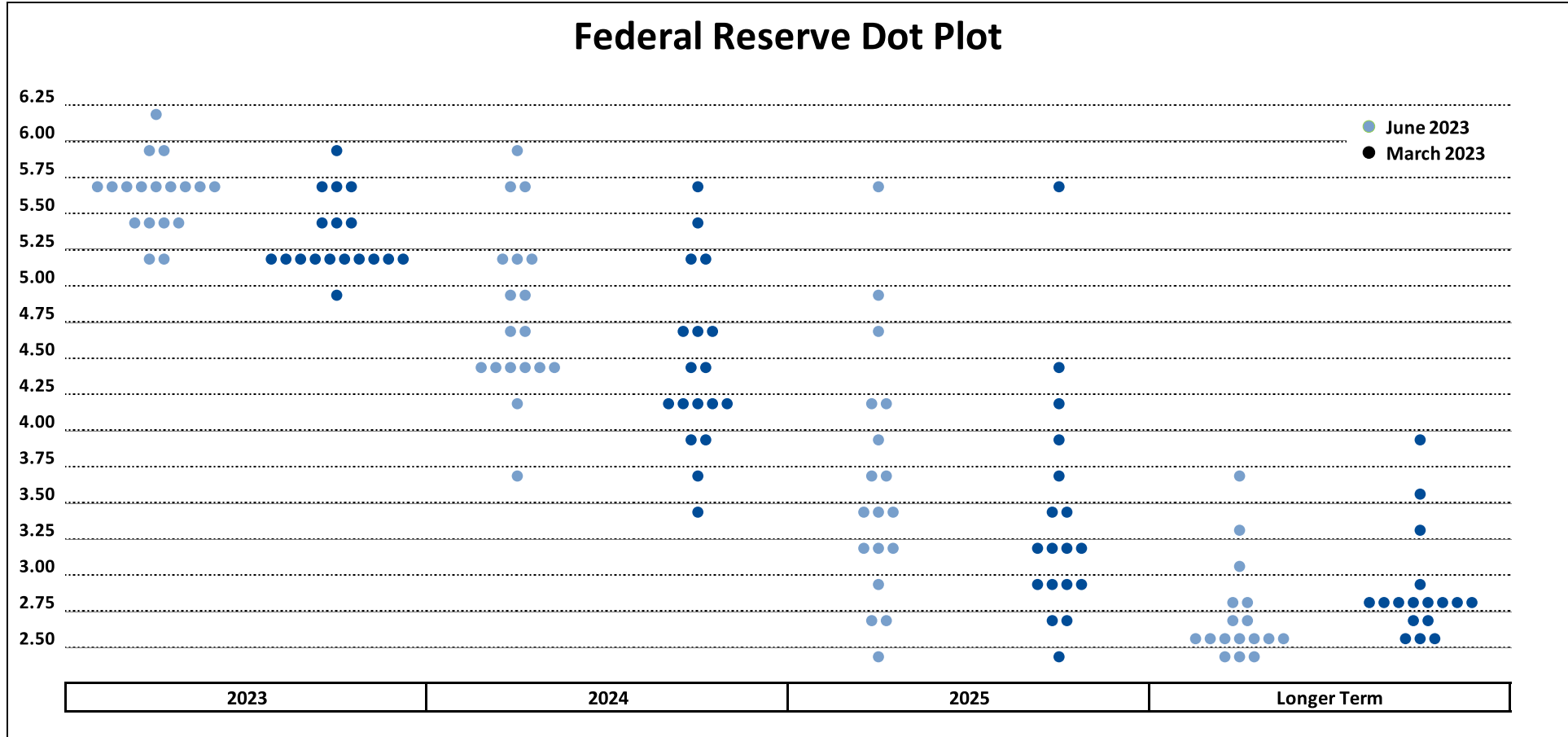


WS Macro Leading Indicator



	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23
WS MLI (Unsmoothed)	-7.06	-7.38	-8.02	-10.56	-10.20	-11.31	-10.07	-11.29	-11.09	-10.83	-9.70	-8.16	-5.79
Consumer	-1.30	-1.45	-1.57	-1.50	-1.80	-1.65	-1.58	-1.32	-1.65	-1.28	-1.23	-1.07	-1.29
Financial Conditions	-2.61	-3.12	-2.56	-5.36	-5.16	-5.21	-4.38	-4.82	-4.45	-4.80	-4.45	-3.13	-2.01
Housing	-2.23	-0.67	-1.27	-2.41	-2.43	-3.37	-3.07	-3.83	-4.15	-4.23	-3.52	-3.15	-1.91
Labor	0.82	0.70	0.68	0.65	0.76	0.51	0.13	0.10	0.51	0.40	0.22	-0.09	0.08
Production	-0.20	-0.28	-0.80	-0.89	-0.74	-0.53	-0.19	-0.55	-0.97	-0.92	-0.77	-0.40	-0.57
Sentiment	-1.55	-2.56	-2.50	-1.06	-0.83	-1.06	-0.97	-0.88	-0.37	-0.01	0.06	-0.33	-0.10

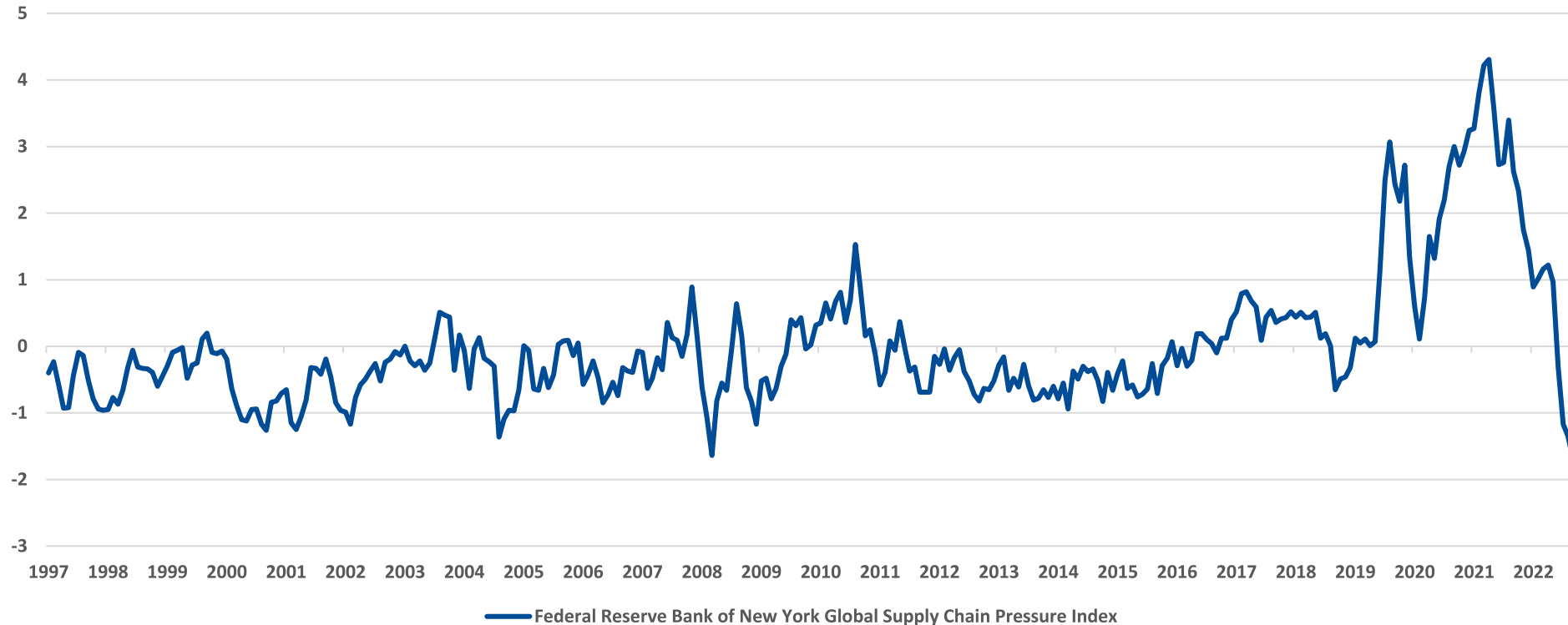
Source: Bloomberg, Wealthshield; Data from 5/31/2022 to 5/31/2023



The Federal Open Market Committee opted to keep interest rates at 5.25% at its June meeting. This was the first time the Fed has opted against raising rates since the hiking cycle began in March 2022. While rates were not tightened any further on the 14th, the quarterly dot plot showing rate projections by FOMC members indicates between 25 and 50 bps more rate increases in 2023. While rates are projected to decrease in 2024 and 2025, median projections are still broadly higher than they were at the March meeting.

Source: Bloomberg, Wealthshield; Data from 3/22/2023 to 6/14/2023

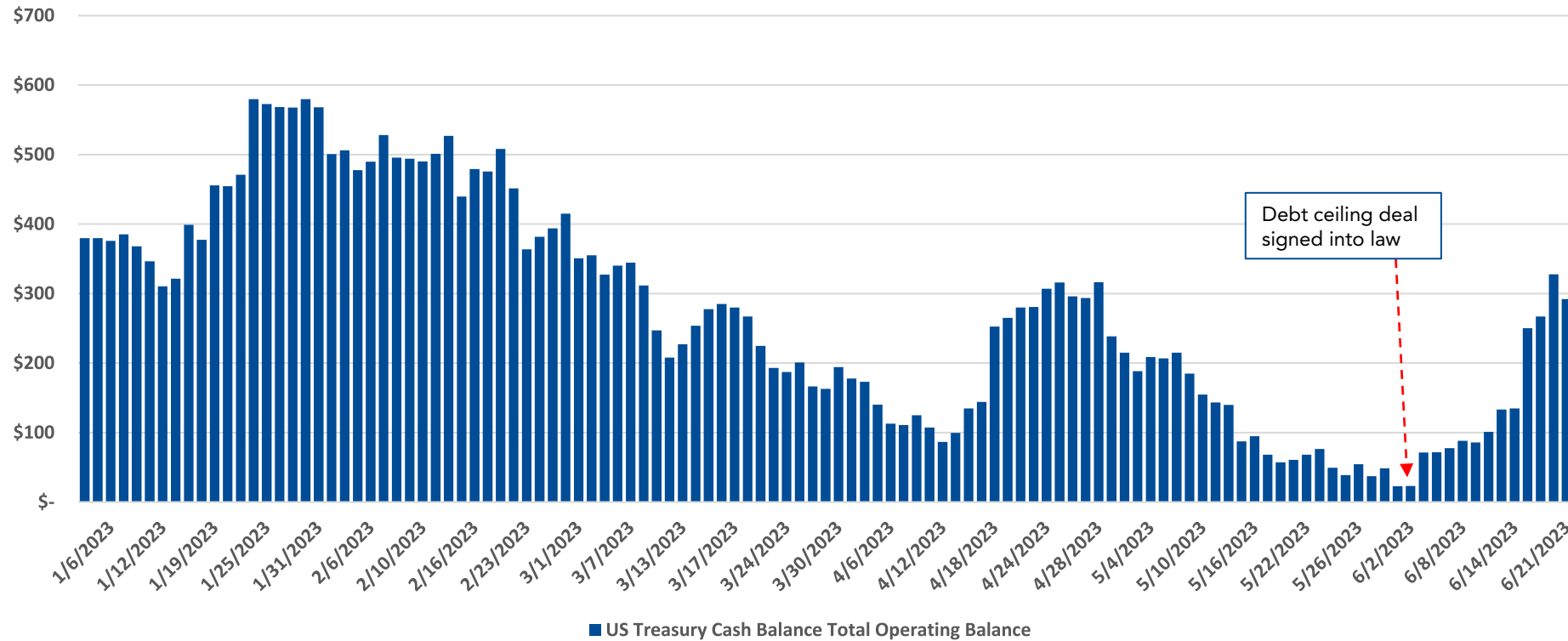
Biggest Shortage on Record Ends in Deepest Glut



After topping out at 4.31 in December 2021, the New York Fed’s Global Supply Chain Pressure Index crossed back below zero at the beginning of 2023 and currently sits at -1.71. This measure assesses the health of the global supply chain in terms of standard deviations from average, with positive readings indicating tighter than normal conditions and negative readings indicating softer than normal conditions. Variations in supply chain conditions have never been this volatile, and it remains to be seen how much further conditions can fall as the pandemic supply chain crunch unwinds and global economies slow.

Source: Bloomberg, Data from 9/30/1997 to 5/31/2023

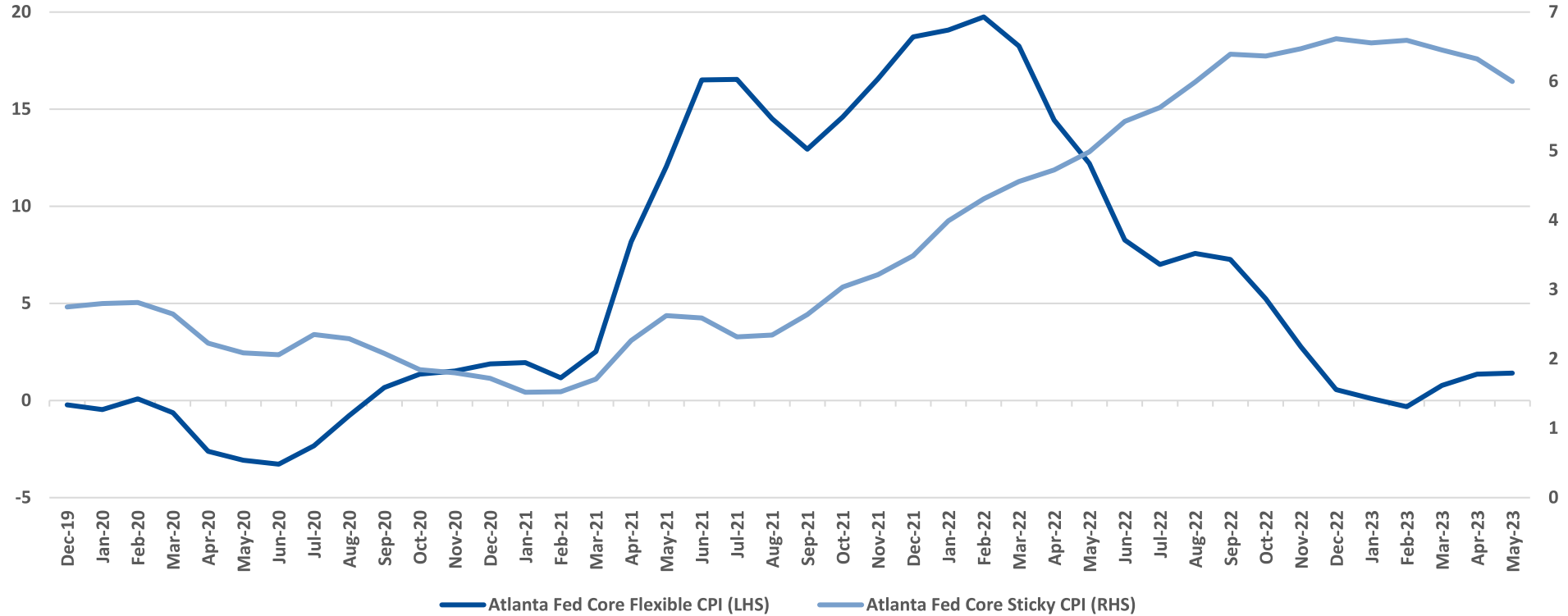
With Debt Ceiling In Rearview, Treasury Rebuild Begins



Since President Biden signed the “Fiscal Responsibility Act of 2023” into law on June 3rd, increasing the federal debt ceiling and avoiding a government default, Treasury Secretary Janet Yellen has been hard at work issuing government bonds to refill the cash balance at the US Treasury. After dipping below \$23 billion at the beginning of June, the Treasury General Account now sits at \$292 billion, with billions more in issuance expected to bolster coffers through the next couple months. There has been speculation that this level of issuance could drain market liquidity like in past debt ceiling deals, but so far, the FRBNY Reverse Repo Facility has offset the liquidity drain as money market funds shift their allocations into on-the-run Treasury bills.

Source: Bloomberg, Data from 12/31/2022 to 6/21/2023

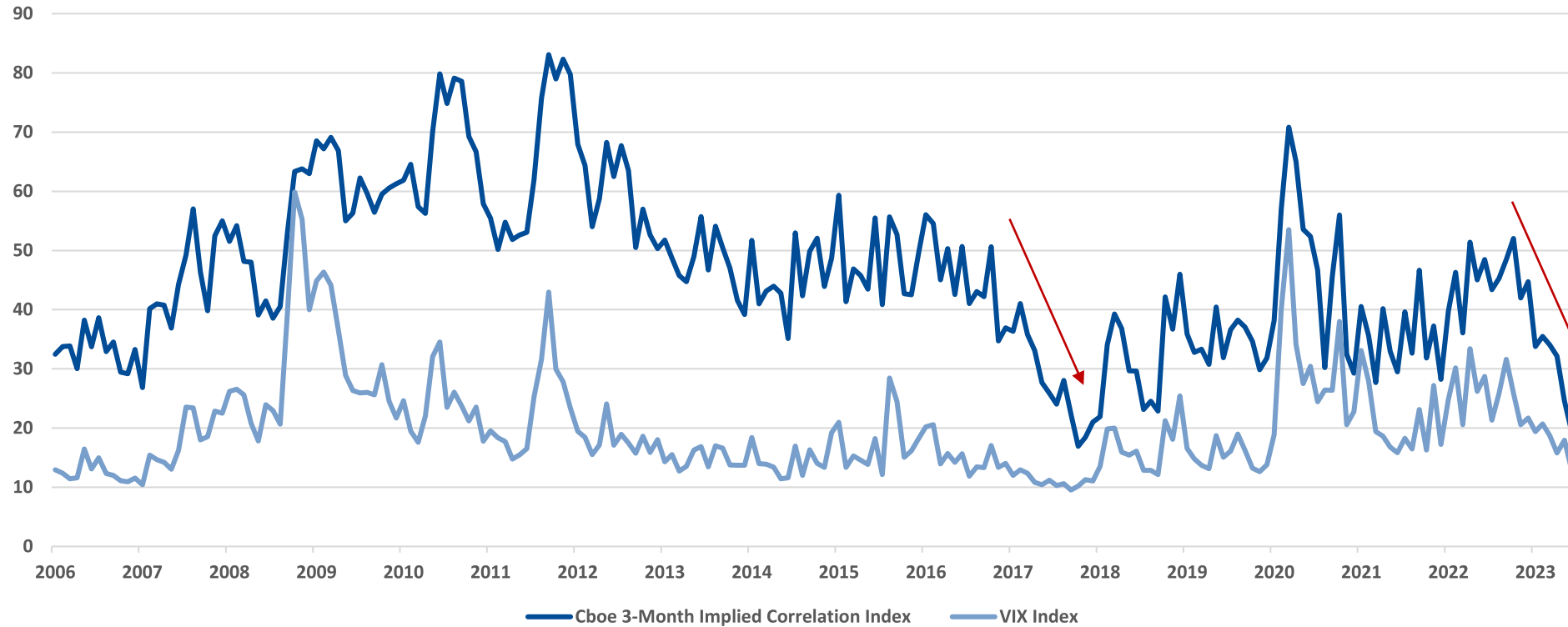
Promising Developments in "Sticky" Inflation



Until recently declines in inflation have been driven by more volatile “flexible” components. While these components are by no means irrelevant, the “sticky” components to inflation have historically been more forward looking. In commentary by the Atlanta Fed from 2010 available [here](#), the authors hypothesize that sticky prices might better reflect inflation expectations. Therefore, it has been promising to see the Atlanta Fed’s Core Sticky CPI index begin a marked decline after topping in December 2022. While the high inflation narrative has broadly shifted to the background, it will be important to continue to monitor both sticky and flexible CPI over the next several months to see if they converge around a lower baseline

Source: Bloomberg, Data from 12/31/2019 to 5/31/2023

Volatility Environment Reminiscent of 2017 as Stocks Rally



The CBOE 3Month Implied Correlation Index, an index that measures how expensive S&P 500 options are compared to those of the individual stocks that comprise it, has plunged since topping out in October 2022. Index options carried a high premium in the years following the pandemic, but this has finally unwound as implied correlations have plunged across the board. The last time implied correlation fell this sharply was in 2017 during a similar low-volatility melt up in equity indices, which eventually met its end in February 2018's "Volmageddon" when the XIV ETF imploded.

Source: Bloomberg, Data from 12/31/2005 to 6/22/2023

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DISCLOSURE

Asset Class	Proxy	Asset Class	Proxy
Large Cap Value	Russell 1000 Value TR USD	Large Cap Value Equity	S&P 500 Dividend Aristocrats TR USD
Large Cap Value Equity	Russell 1000 Dividend Select EW TR USD	Large Cap Growth	Pacer US Cash Cows Growth Index TR
Large Cap Growth Equity	Russell 1000 Growth TR USD	Momentum Equity	MSCI USA Momentum NR USD
Small Cap Equity	Russell 2000 TR USD	Managed Futures	SG Trend Index
International Developed Equity	MSCI EAFE NR USD	Dividend Growth Strategies	S&P 500 Dividend Aristocrats TR USD
Small Cap Dividend Growth	Russell 2000 Dividend Growth Select USD	Large Cap Dividend Growth	Russell 1000 Dividend Select EW TR USD
International Emerging Equity	MSCI EM NR USD	Quality	MSCI USA Sector Neutral Quality NR USD
Intermediate/Aggregate Bond	BBgBarcUS Agg Bond TR USD	Commodities	Bloomberg Commodity TR USD
Municipal Bonds	S&P Municipal Bond TR USD	Private Equity	Cambridge Associates US Private Equity USD
International Bond	BBgBarc Gbl Agg Ex USD TR Hdg USD	Short Term Bond/Cash	BBgBarcUS Aggregate 13 Yr TR USD
High Yield Bond	BbgBarc US Corporate High Yield TR USD	Long Term Treasuries	ICE U.S. Treasury 20+ Year Bond TR USD
Intermediate Treasuries	ICE U.S. Treasury 710 Year Bond TR USD	Short Term Treasuries	ICE U.S Treasury 13 Year Bond TR USD
Mid Cap Equity	Russell Mid Cap TR USD	Real Estate	NCREIF Indexes
International Equity	MSCI ACWI Ex US NR USD	US Equity	Russell 3000 TR USD
Global Equity	MSCI ACWI NR USD	Low Volatility Equity	S&P 500 Low Volatility TR USD
Global Alternatives	Hedge Fund Research HFRX Global Hedge Fund Index	Long Short Alternatives	Bloomberg Long/Short Hedge Fund Index
Merger Arbitrage	Hedge Fund Research Merger Arbitrage Index	Private Credit/Direct Lending	CliffwaterDirect Lending Index