PTMA FINANCIAL SOLUTIONS

MARKET UPDATE

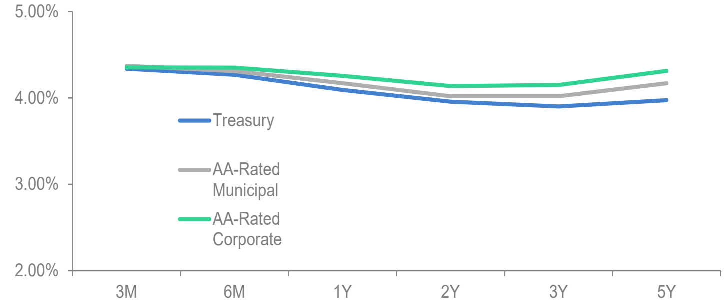
AUGUST 2025

Market and Economic Highlights

- The S&P 500 and NASDAQ both hit new highs on easing trade tensions
- Markets interpreted the Fed as hawkish in the July meeting due to inflation uncertainty
- However, two Fed members dissented from the decision to not cut rates, preferring a rate cut as political pressure remained high
- Strong start to the 2nd quarter earnings season
- Despite trade deals, the effective tariff rate is about 7 times the level at the start of the year

Sources: Bloomberg, FactSet

Market Yields



Source: Bloomberg Finance L.P. As of 7/31/25.

Market Returns

Market Index	1-Month	3-Month	YTD	1-Year
Bloomberg 9-12 Month T-Bill	0.20%	0.75%	2.27%	4.60%
Bloomberg 1-5 Year Government	-0.16%	0.21%	3.28%	4.37%
Bloomberg Intermediate U.S. Gov/Credit A or Better	-0.19%	0.36%	3.86%	4.37%
Bloomberg Intermediate U.S. Agg.	-0.22%	0.56%	3.94%	4.26%
S&P 500	2.24%	14.21%	8.58%	16.31%
Russell 2000	1.73%	12.99%	-0.09%	-0.57%

Source: Bloomberg; As of 7/31/25.

U.S. Economic Indicators

Event	Event Date	Period	Survey	Actual	Prior / Revised (R)
Consumer Price Index (YoY)	07/15/25	JUN	2.6%	2.7%	2.4%
Retail Sales Ex. Auto (MoM)	07/17/25	JUN	0.3%	0.5%	-0.2% (R)
Leading Economic Index (MoM)	07/21/25	JUN	-0.3%	-0.3%	0.0% (R)
Existing Home Sales	07/23/25	JUN	4.00M	3.93M	4.04M (R)
Consumer Confidence	07/29/25	JUL	96.0	97.2	95.2 (R)
GDP Annualized QoQ	07/30/25	2Q A	2.6%	3.0%	-0.5%
Core PCE (YoY)	07/31/25	JUN	2.7%	2.8%	2.8% (R)
Change in Nonfarm Payrolls	08/01/25	JUL	104K	73K	14K (R)
Unemployment Rate	08/01/25	JUL	4.2%	4.2%	4.1%

Source: Bloomberg Finance L.P. As of 8/1/25. Glossary terms on following page.

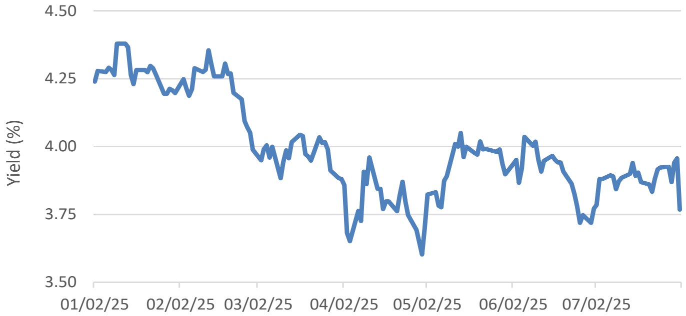
FEATURED MARKET DATA

Rates Fluctuate on Divergent Data

The 2-year U.S. Treasury yield, a commonly used indicator of market expectations of the fed funds rate, moved higher in July. This occurred as markets pushed back expectations for Fed rate cuts. Contributors to higher yields included somewhat lower than expected Core CPI, stronger labor market data and larger growth in retail sales. This climb largely reversed on August 1st as the July employment report displayed a much weaker job picture. The U.S. economy added a smaller than expected 73,000 jobs in July. Moreover, revisions to prior reports revealed only 33,000 combined jobs added in May and June. As of August 1st, markets are almost fully pricing in a September rate cut and two total cuts in 2025.

Source: Bloomberg, FactSet; As of 8/1/25.

2-Year Treasury Yield



Source: Bloomberg; As of 7/31/25.

Contact Information

BRANDON SWENSEN
Chief Investment Officer

PTMA Financial Solutions
Tel: (612) 509-2575
Email: brandon.swensen@ptma.com

Glossary of Terms

Term	What is it:
Building Permits	Records the number of permits for future housing construction.
Capacity Utilization	Tracks the extent to which capacity is being used in the production of goods and services.
Change in Nonfarm Payrolls	This indicator measures the change in the number of employees on business and government payrolls.
Chicago Fed National Activity Index	A nationwide measure of economic activity and inflation pressures. An index value of zero indicates that the national economy is expanding at its historical trend rate of growth.
Consumer Confidence	Index examines how consumers feel about jobs, the economy and spending.
Consumer Price Index (CPI)	Measures the average change in retail prices over time for a basket consisting of more than 200 categories of assorted goods and services paid directly by consumers.
Core Consumer Price Index (Core CPI)	This measure of CPI excludes food and energy costs.
Durable Goods Orders	A measure of new orders placed with domestic manufacturers for durable goods, which are items that last three years or more.
Existing Home Sales	Measures monthly sales of previously owned single-family homes.
GDP Annualized QoQ	Measures the annualized quarterly growth of the final market value of all goods and services produced within a country. GDP is the foremost report on how fast or slow the economy is growing.
Housing Starts	Records the number of new housing units started during a period.
Index of Leading Economic Indicators (LEI)	An index designed to predict the direction of the economy.
Initial Jobless Claims	Tracks new filings for unemployment insurance benefits.
ISM Manufacturing	Measures manufacturing activity based on a monthly survey of purchasing managers.
MBA Mortgage Applications	The Mortgage Bankers Association's weekly mortgage application survey includes home loan application activity for conventional and government loans for home purchases and refinances.
Mortgage Delinquencies	A measure of the percent of total conventional and government loans which are at least one payment past due, but not in the process of foreclosure.
Personal Consumption Expenditure (PCE)	The Federal Reserve's preferred measure of inflation tracks overall price changes for goods and services. Core PCE excludes food and energy.
Personal Income and Spending	Index records the income Americans receive, how much they spend, and what they save.
Retail Sales	Tracks the sale of new and used goods for personal or household consumption.
Retail Sales Ex. Auto	Retail sales excluding motor vehicles and parts.
S&P Case-Shiller Home Price Index	Tracks the value of single-family housing within the U.S. There are multiple indexes including the 20-City Composite.
Unemployment Rate	The U-3 unemployment rates tracks the percentage of the civilian workforce that is unemployed.

Source: Bloomberg, The Secrets of Economic Indicators by Bernard Baumohl; PMA Asset Management, LLC