

## Performance Through Last Week End

Best ↑ ↓ Worst	Bloomberg Commodity TR USD 1.0	Bloomberg Commodity TR USD 21.0	Bloomberg Commodity TR USD 42.1
	FTSE WGBI NonUSD Hdg USD 0.5	S&P Global Property TR USD 17.0	S&P 500 TR USD 36.3
	S&P Global Property TR USD 0.4	S&P 500 TR USD 16.1	S&P Global Property TR USD 34.5
	BBgBarc US Agg Bond TR USD 0.2	MSCI ACWI Ex USA GR USD 8.4	MSCI ACWI Ex USA GR USD 28.8
	MSCI ACWI Ex USA GR USD 0.1	Wilshire Liquid Alternative TR USD 4.2	Wilshire Liquid Alternative TR USD 10.0
	ICE BofA 1-3 M US Trsy TR USD 0.0	ICE BofA 1-3 M US Trsy TR USD 0.1	FTSE WGBI NonUSD Hdg USD 0.4
	Wilshire Liquid Alternative TR USD -0.3	BBgBarc US Agg Bond TR USD -0.9	ICE BofA 1-3 M US Trsy TR USD 0.1
	S&P 500 TR USD -1.0	FTSE WGBI NonUSD Hdg USD -1.3	BBgBarc US Agg Bond TR USD -0.4
		Last Week	Year-To-Date

Welcome back to Monday Morning Musings after a two-week hiatus, thanks to the July 4th weekend and some family vacation time. So, let's get right to it. Looming large on investors collective mind set is inflation, the latest CPI reading at 5.4% on an annual basis. There is debate whether this is transitory (thanks to Covid19 induced price drops in 2020) or the start of a higher baseline trend. Either way, prices on everything from groceries to gas to dining out are on the rise. We also know the June increase is the highest since 2008.

The FOMC continues to state inflation will come back down later this year and they expect 2022 - 2023 inflation, as measured by the PCE, to fall within the 2.1% - 2.2% range. Note, in March the FOMC said PCE inflation for 2021 would be just 2.4% and three months later they are predicting 3.4% by year end.

One item that contributes to inflation is higher retail spending. And by this measure, in June Americans did their part. Retail sales rose 0.6%, beating economist's expectations. Consumers are worried about increasing prices, so they are making purchases today rather than sometime in the future.

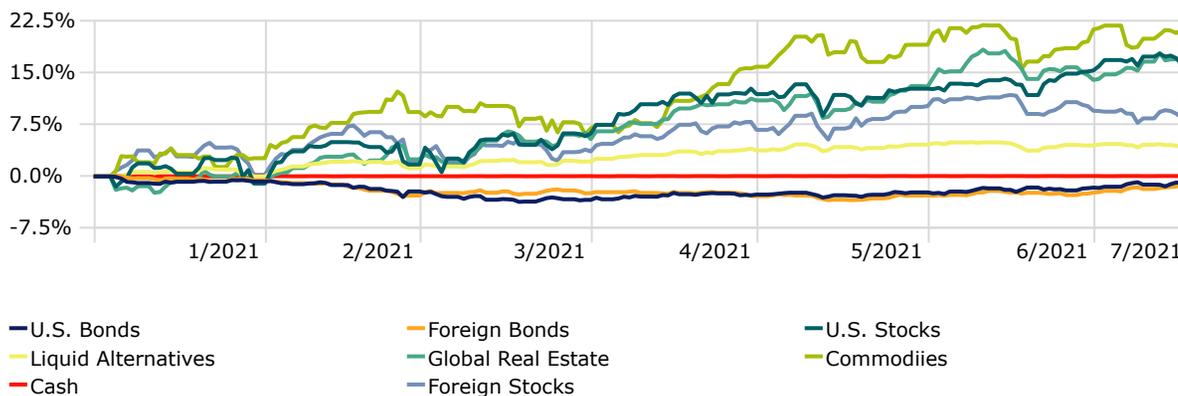
Domestic stocks did not appreciate this news and fell 1.0% for the week. Commodities were the strongest performer, up 1.0%. May you have a productive week and try some turmeric in your coffee, it's good.

Economic Data	Current	Previous
GDP (QoQ) - First Quarter	6.4%	4.3%
Unemployment Rate - Jun	5.9%	5.8%
Consumer Confidence - Jun	127.3	120.0
Core CPI (YoY) - Jun	4.5%	3.8%
Core Retail Sales (MoM) - Jun	1.3%	-0.9%

## Economic Calendar for the Week

Monday	No Significant Releases
Tuesday	Building Permits (Jun)
Wednesday	Crude Oil Inventories
Thursday	Initial Jobless Claims Existing Home Sales (Jun)
Friday	No Significant Releases

## Year-to-Date Return Through last Week End



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## Bloomberg Barclays US Aggregate Bond TR USD

The index measures the performance of investment grade, U.S. dollar-denominated, fixed-rate taxable bond market, including Treasuries, government-related and corporate securities, MBS (agency fixed-rate and hybrid ARM passthroughs), ABS, and CMBS. It rolls up into other Barclays flagship indices, such as the multi-currency Global Aggregate Index and the U.S. Universal Index, which includes high yield and emerging markets debt.

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## FTSE WGBI Non-USD Hedged USD

The index measures the performance of fixed-rate, local currency, investment-grade sovereign bonds of all WGBI countries except the United States and is stated in US dollar terms. It is a subset of Citigroup World Government Bond Index (WGBI).

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## S&P 500 TR USD

The index measures the performance of 500 widely held stocks in US equity market. Standard and Poor's chooses member companies for the index based on market size, liquidity and industry group representation. Included are the stocks of industrial, financial, utility, and transportation companies. Since mid 1989, this composition has been more flexible and the number of issues in each sector has varied. It is market capitalization-weighted.

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## MSCI ACWI Ex USA GR USD

The index measures the performance of the large and mid cap segments of the particular regions, excluding USA equity securities, including developed and emerging market. It is free float-adjusted market-capitalization weighted.

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## Wilshire Liquid Alternative TR USD

Wilshire Liquid Alternative Index aims to deliver a precise, broad market measure for the performance of diversified liquid alternative investment strategies that are implemented in mutual fund structures.

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## Bloomberg Commodity TR USD

The index measures the performance of future contracts on physical commodities which traded on US exchanges and London Metal Exchange. The commodity weightings are based on production and liquidity, subject to weighting restrictions applied annually.

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## S&P Global Property TR USD

The index defines and measures the investable universe of publicly traded property companies. The index is ideal for a range of investing activities, including benchmarking active funds and setting the foundation for passive funds. The S&P Global Property divides into two sub-indices: S&P Developed Property and S&P Emerging Property.

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## ICE BofA 1-3 Month US Treasury TR USD

Is an unmanaged index tracking 1-3 month U.S. government securities. The index is produced by Merrill Lynch, Pierce, Fenner & Smith, Inc.

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