



# WJ Charts of the Month

April 2025

**WJ** Interests  
WEALTH ADVISORS

# WJ Charts of the Month Intro

"WJ Charts of the Month" is a comprehensive monthly slide deck designed to showcase recent significant financial events and data. The presentation is organized into four sections, beginning with a "Highlights" slide that sets the stage for the subsequent content.

**1. What Happened Last Month:** This section features a curated collection of charts and images from various publications, offering a visual summary of the previous month's key events.

**2. WJ State of the Economy:** Our team at WJ has created an array of charts to emphasize crucial economic factors and trends.

**3. WJ State of the Markets:** Similarly, this section comprises a series of charts crafted by WJ to provide an overview of the core markets we monitor.

We strive to maintain consistency across the charts to facilitate easy comparison month-over-month. However, we may adjust or emphasize specific charts if their relevance shifts over time.

Our objective with this publication is to establish a "One-Stop Shop" for the most vital financial information, presented in a concise and easily digestible format. **We value your feedback to help us achieve this goal.** If you have suggestions regarding the format, or if there's particular information you'd like to see in future editions, please don't hesitate to let us know.

# Highlights

[A Crazy Month, but Little Changed](#)

[GDP Turns Negative](#)

[Business and Manufacturing Response](#)

[Texas Business Survey](#)

[Warren Buffett Retires](#)

# What Happened

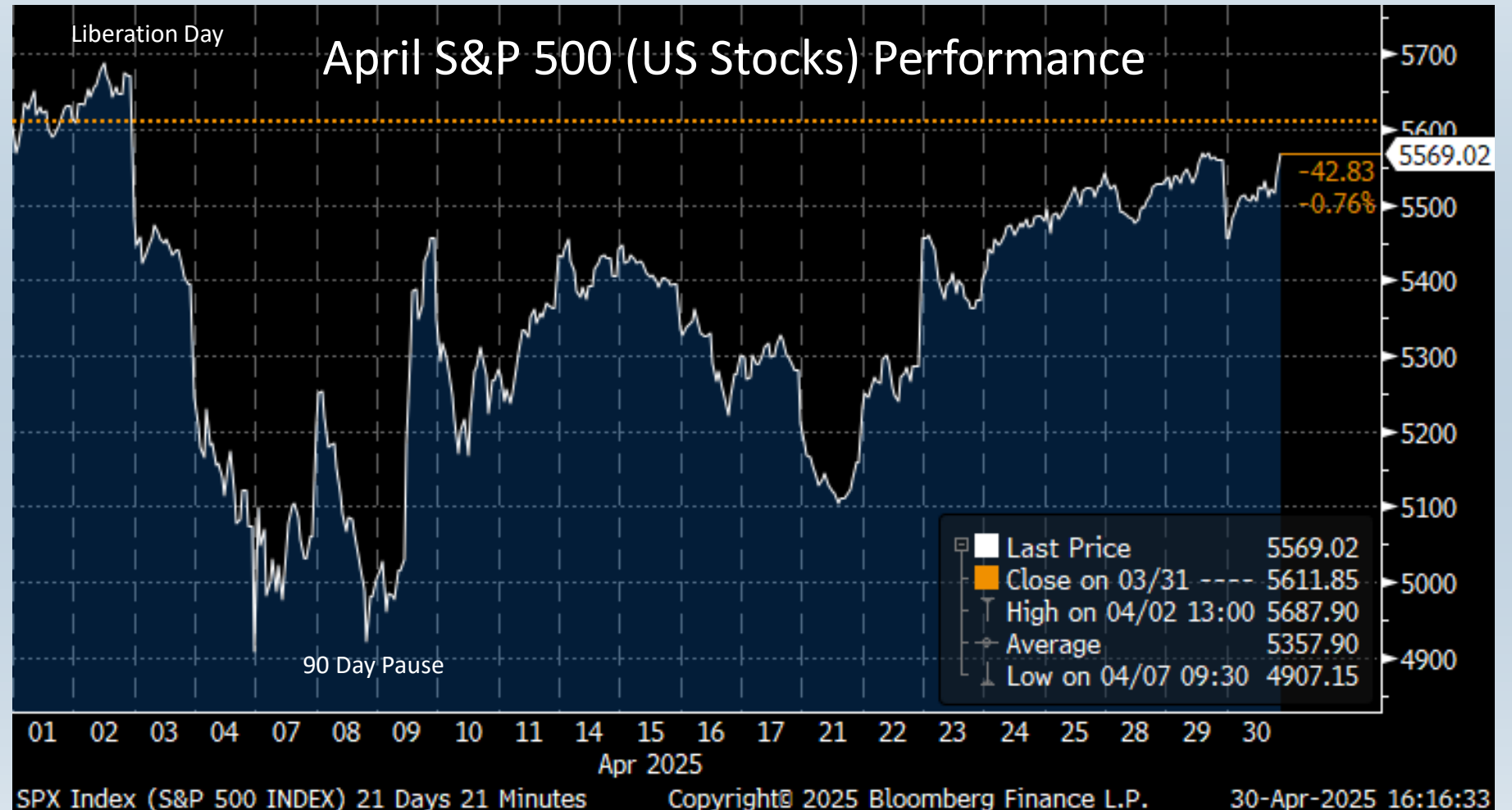
# A Crazy Month, But Little Changed

April was one of the wildest months for stocks in history. The 3 days following April 2<sup>nd</sup> were amongst worst stretches since the Great Depression. There was widespread panic in markets that was also bleeding into the bond, currency and commodity markets.

Then about a week later, President Trump announced a pause on the tariffs, and the market had one of its best days in history.

Since that week, markets have been a little more volatile than usual but have climbed their way back to essentially unchanged since the month began. A truly remarkable month where so much happened and yet markets end up where they started.

As always, market timing is hard.

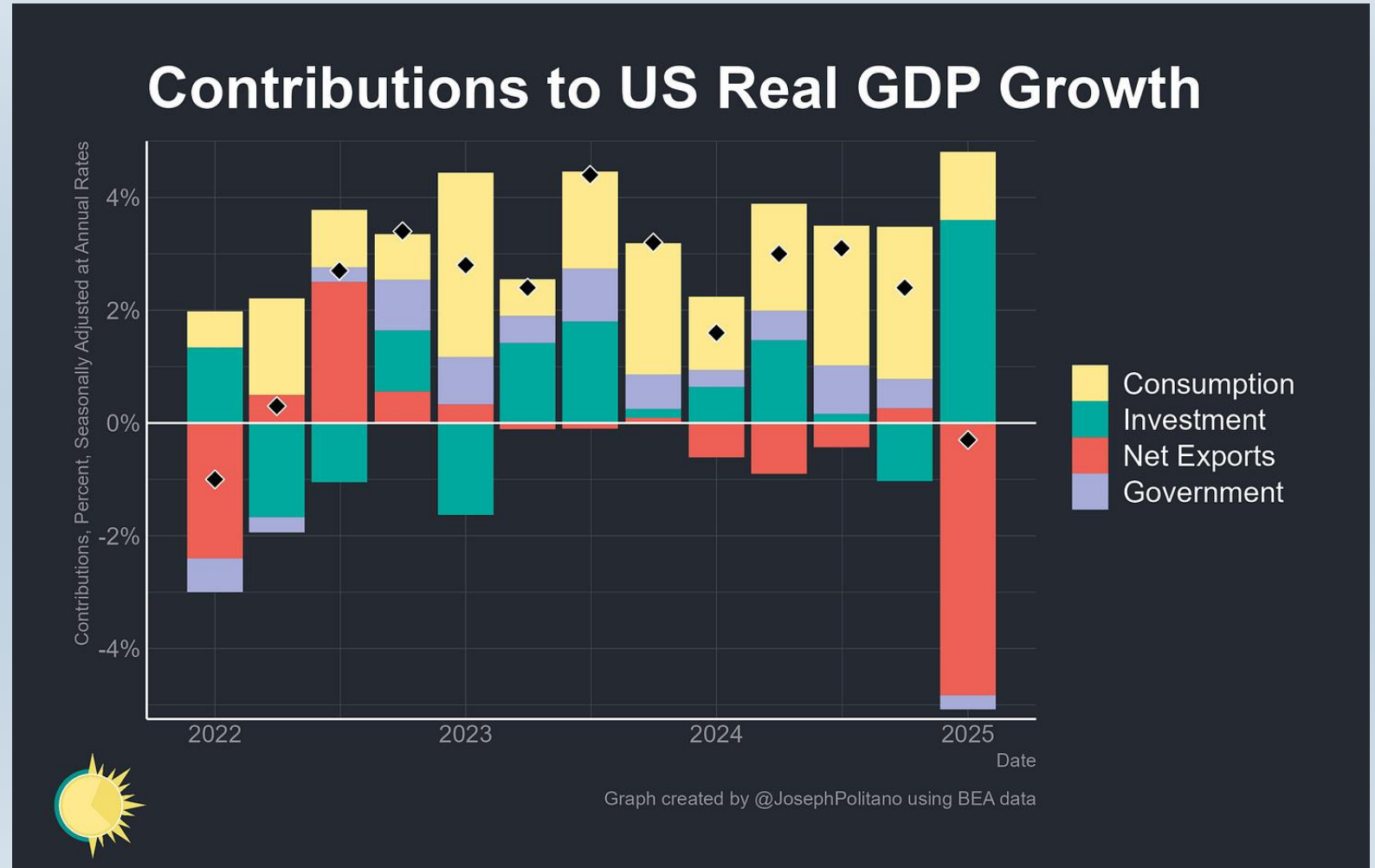




# GDP Turns Negative

Real GDP turned negative for the first time since 2022, as consumers and businesses braced for the oncoming tariff war. GDP is a measure of **domestic** productivity, and so excludes products made overseas, aka imports. So as businesses rushed to stock up its inventory (Big Green Bar) before the tariffs went into effect, imports surged, essentially offsetting the positive contributors. (Big Red Bar)

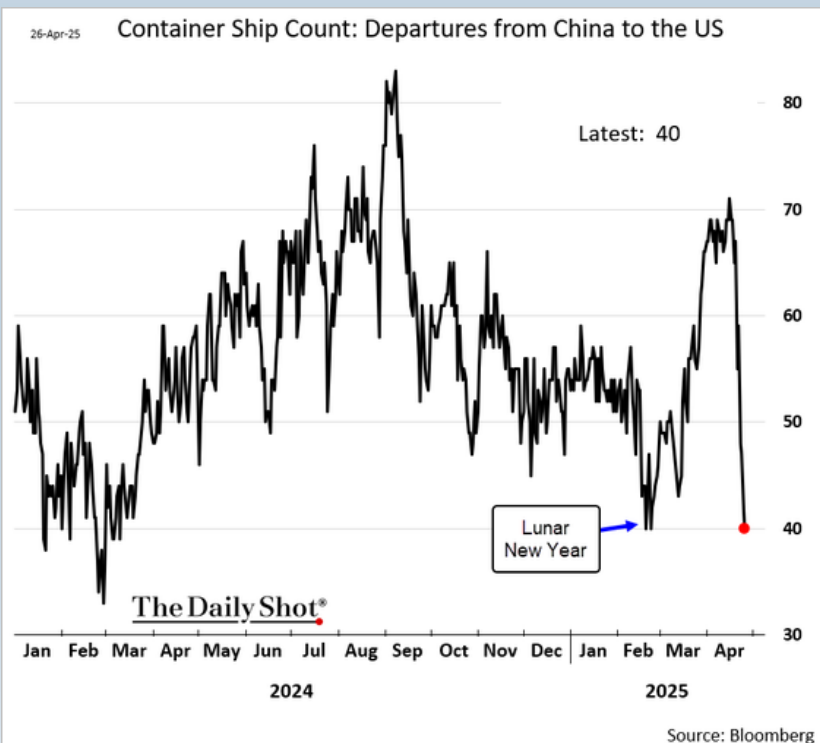
This isn't the full story, however. Consumption was lower overall, and much of the reduction in demand is expected to be felt later in the year. So while some of the negative drivers of this GDP report were one-off trade issues, the next few quarters will be crucial to watch.



# Tariffs Paused, But China Still at 145%

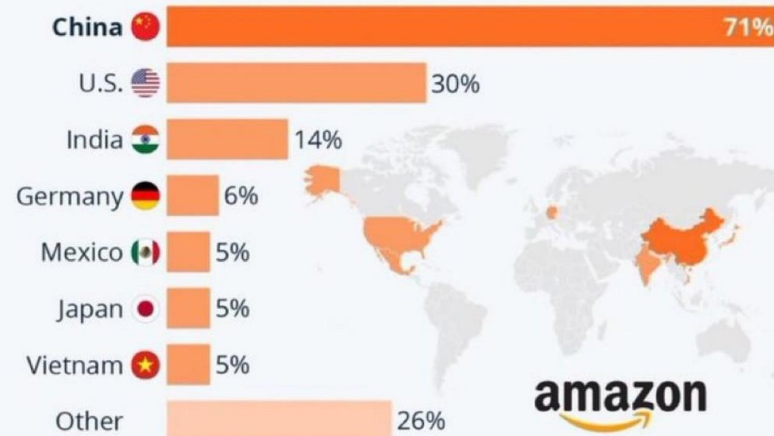
Many of the announced tariffs were paused for 90 days, helping bring relief to financial markets. However, the tariffs on China have escalated to 145%, basically ending trade with China. Though China is just one of several countries we trade with, they are one of the most consequential.

The first chart shows how quickly container ship departures have fallen since last month. Consumers will notice missing items on shelves in mid-to-late May. In addition, 71% of Amazon products are made in China, and 96% of toys. This no doubt hurts Chinese exporters, which may help bring them to the table for a deal, but it also hurts US businesses that make their products in China..



## Made in China, Sold on Amazon

Share of items sold on Amazon, by country of origin\*



\* 1,064 first- and third-party sellers surveyed who have at least one product listed on Amazon; 2024  
Source: Jungle Scout via ECDB



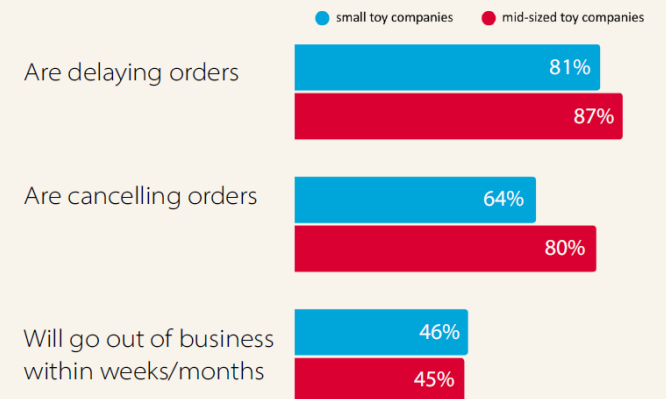
statista

## IMPACT OF TARIFFS: U.S. TOY INDUSTRY

96% of American toy companies are small & mid-sized businesses. ~50% of them say they will soon go out of business due to current U.S. tariff policy.

### CHRISTMAS 2025 AT RISK

Tariffs of 145% on Chinese imports have frozen the toy production supply chain, having a devastating impact on SMEs, many of whom are family owned...including high levels of cancelled orders and significant retail cancelled purchases, which will quickly result in loan defaults and bankruptcies.



\* Small toy manufacturers' revenues are <\$10 million.

\* Mid-sized toy manufacturers' revenues are <\$100 million.

Source: Toy Association Member Survey (April 2025); 410 SME respondents

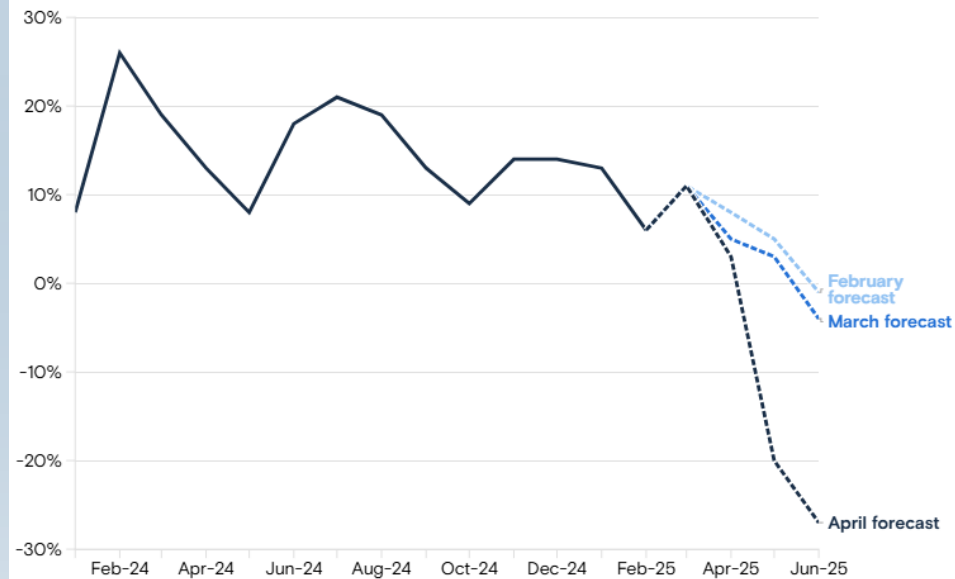
# Trade is Decreasing

As mentioned in the previous slide, trade shipments are already way down, but this won't be felt until later this month, when those shipments would eventually hit shelves. The following charts are other examples of freight containers declining.

The "Trillion Dollar Question" for what this means for consumers and the economy is "how long will it last?"

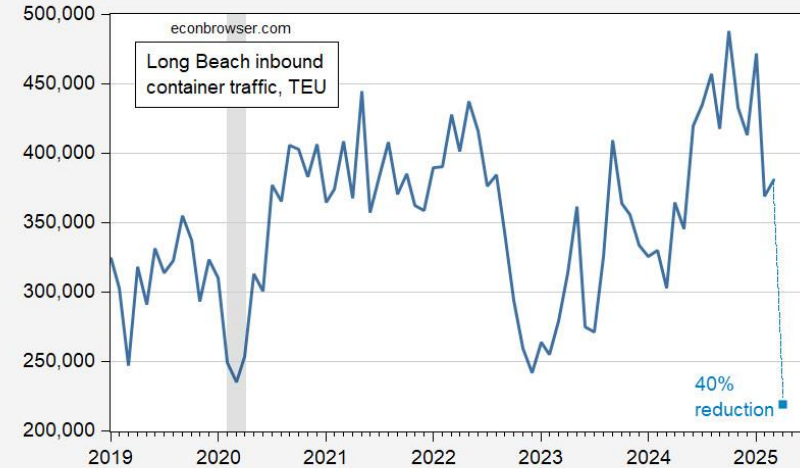
## US importers expect a double-digit decline in import volume from May

National Retail Federation expected import cargo volumes (% year-on-year)



Source: National Retail Federation

Goldman Sachs



## Week-over-week changes in ocean bookings

Percent change between April 1–8 and March 24–31

|                         |       |
|-------------------------|-------|
| Global TEUs booked      | ▼ 49% |
| Overall U.S. imports    | ▼ 64% |
| Overall U.S. exports    | ▼ 30% |
| U.S. imports from China | ▼ 64% |
| U.S. exports to China   | ▼ 36% |

Source: Vizion

CNBC



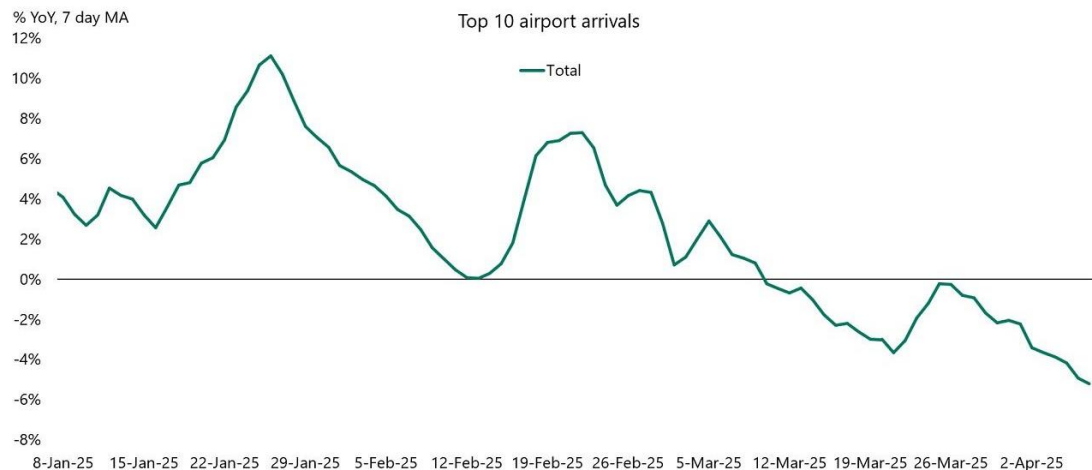
# Not Just Trade, But Travel

Not only is the shipment of goods way down since the tariff announcements, but travel in general has taken a hit. Airport arrivals at the 10 largest airports are down around 5% year over year.

The drop from international travelers is stark. On the right we can see travelers from various European countries are cancelling their flights quickly.

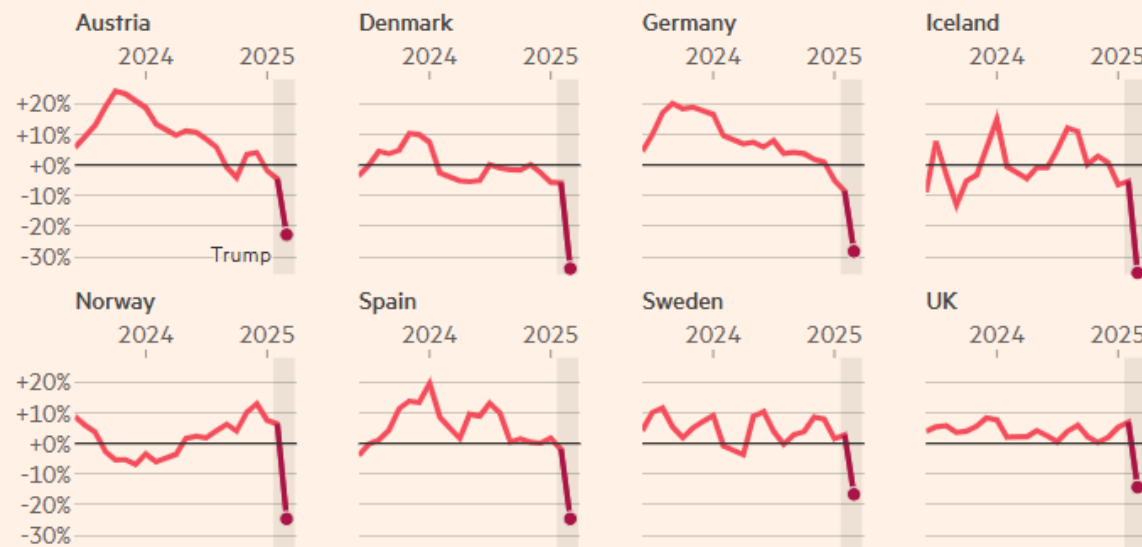
Flights bookings from Canada fell 70% for the period of April to June. Tourism is a huge industry in the US and will have damaging effects on the economy if foreigners continue to avoid the US.

Top 10 US airports: Signs of weakness in arrivals



## The number of Europeans travelling to the US has cratered under Trump

Year-on-year change in visitors to the US, by country of origin (%)



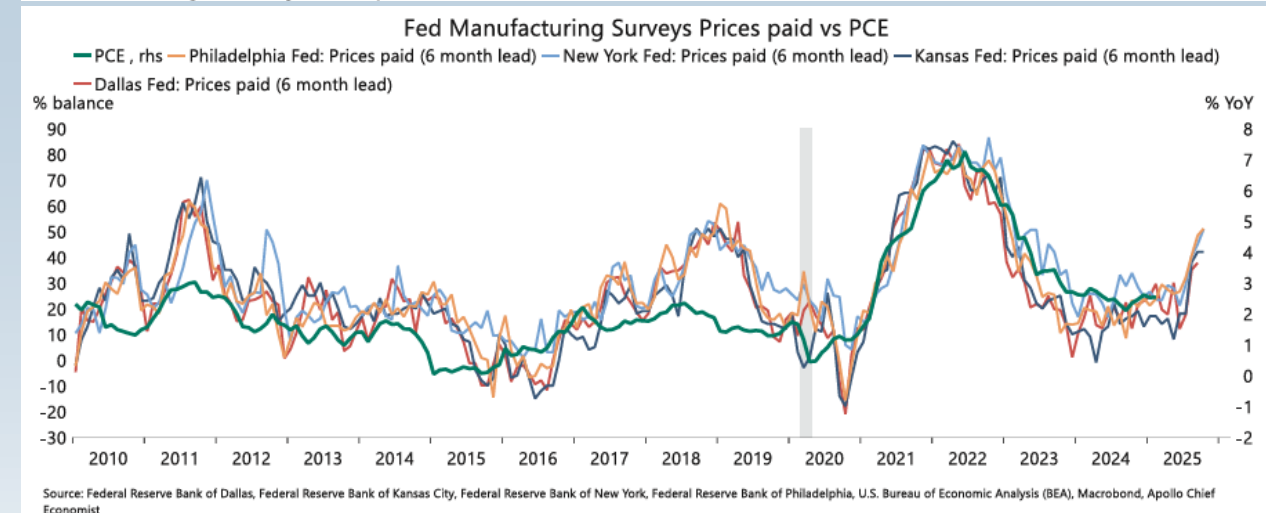
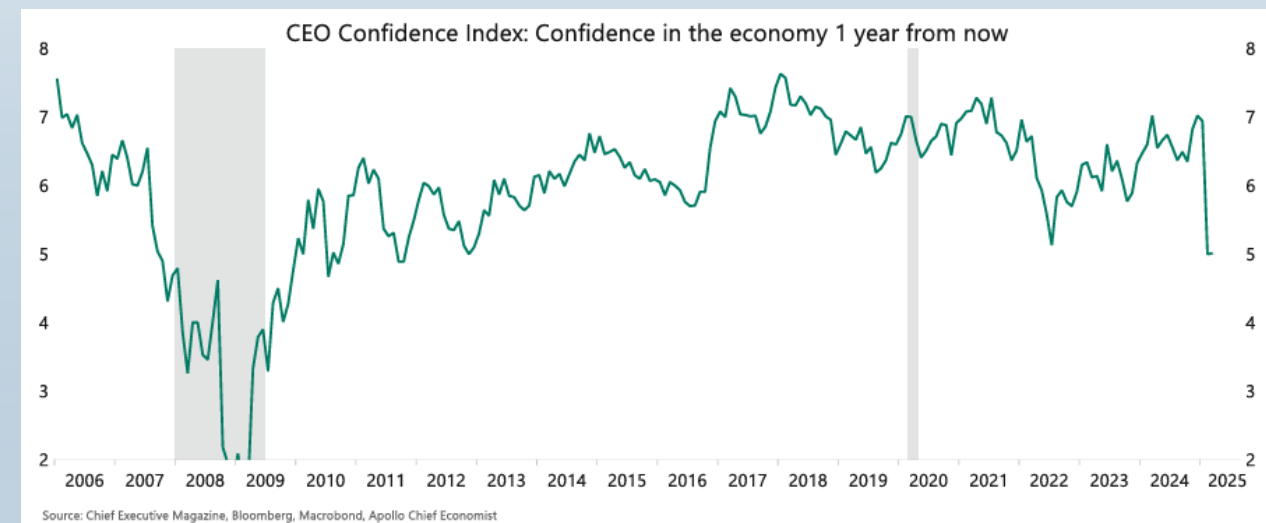
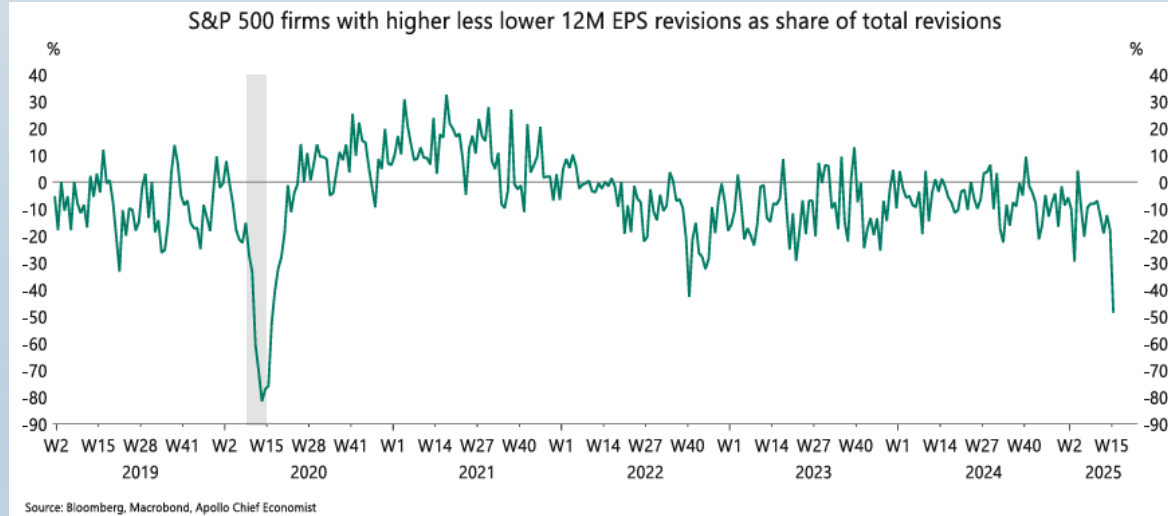
Source: [International Trade Administration, U.S. Department of Commerce](#)

FT graphic: John Burn-Murdoch / @jburnmurdoch

©FT

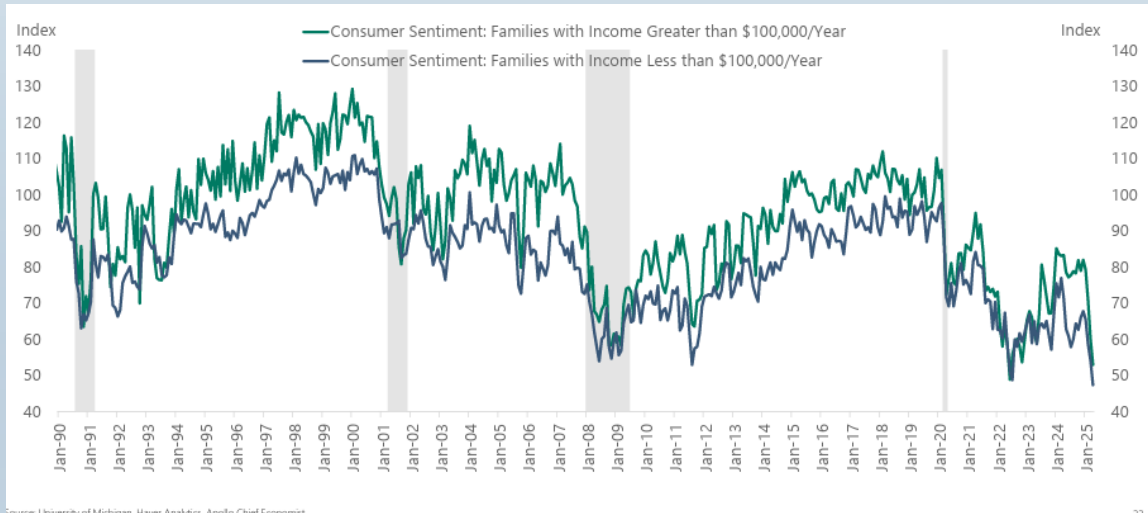
# Business and Manufacturing Response

There are signs that businesses are starting to feel the effects. From left to right: SP500 firms are lowering earnings guidance, CEO confidence surveys are falling, Manufacturing orders are falling, and Manufacturing prices paid rising. That last one is important because it tends to lead consumer prices.



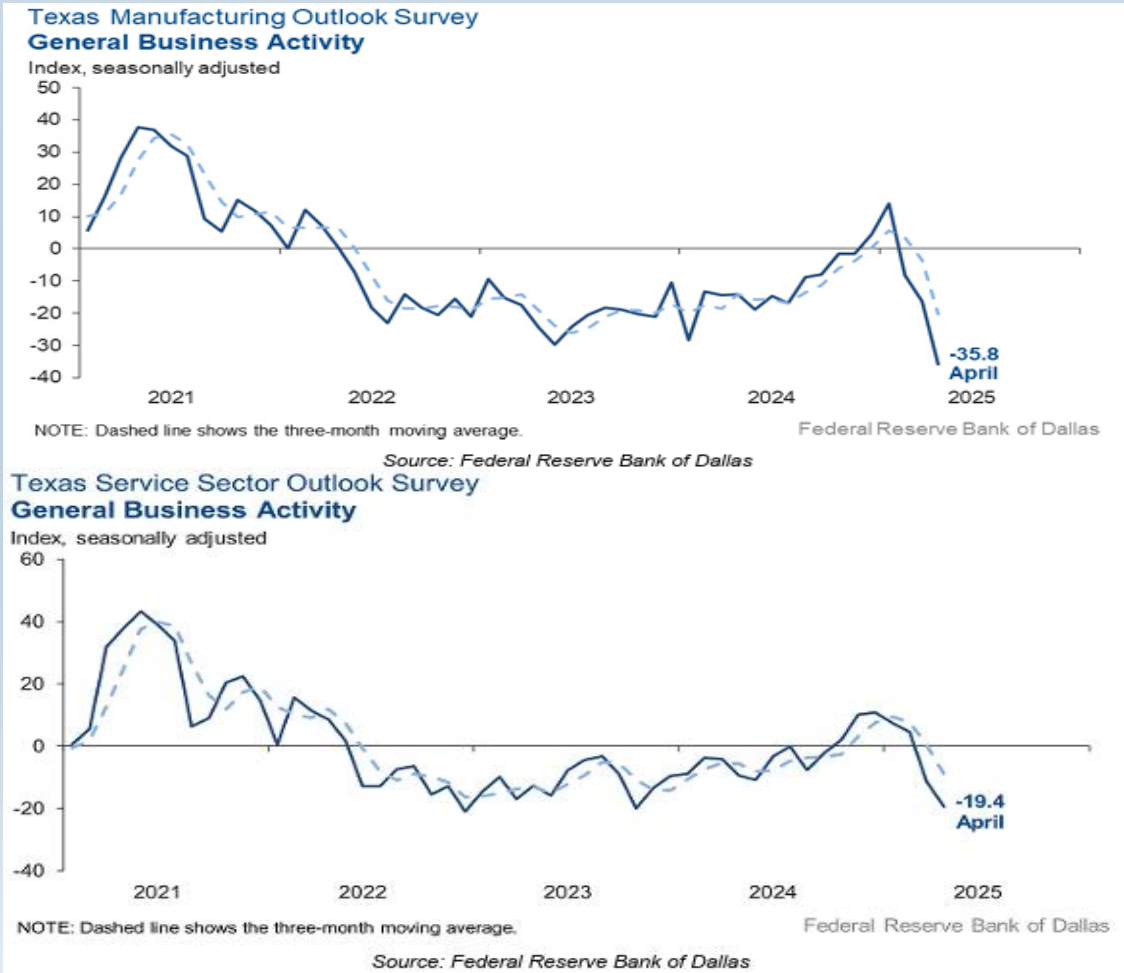
# Consumers Response & Sentiment

Consumer surveys and indicators are painting a similar picture. From left to right: Michigan Consumer Sentiment Survey, Las Vegas Volume (proxy for discretionary spending), Consumer Expectations of higher unemployment, Consumer Expectations of deteriorating business conditions.



# Texas Business Survey was Rough

Consumer surveys aren't perfect for a variety of reasons. Response rates are low, consumers aren't experts, and they can be biased by political persuasion. A survey I prefer is the monthly business survey conducted by the Dallas Federal Reserve Bank. Respondents are regional businesses that answer a variety of questions and can give detailed feedback as well. The responses were ugly. Note the change in April vs past months in the black table. Long story short, in Texas, business outlook is looking to turn downward, while prices are expected to go up.



(Bloomberg) -- Following is a summary of the Texas manufacturing activity index released by the Federal Reserve Bank of Dallas:

|                                    | April | March | Feb.  | Jan. | Dec. | Nov.  | 6 mo |
|------------------------------------|-------|-------|-------|------|------|-------|------|
| Diffusion Index                    | 2025  | 2025  | 2025  | 2025 | 2024 | 2024  | Avg. |
| General Business Activity          | -35.8 | -16.3 | -8.3  | 14.1 | 4.5  | -1.7  | -7.3 |
| Company Outlook                    | -28.3 | -10.7 | -5.2  | 18.7 | 12.3 | 10.2  | -0.5 |
| Production                         | 5.1   | 6.0   | -9.1  | 12.2 | 5.3  | 0.1   | 3.3  |
| Capacity Utilization               | -3.8  | -2.3  | -8.7  | 5.0  | -0.9 | -3.6  | -2.4 |
| New Orders                         | -20.0 | -0.1  | -3.5  | 7.7  | 1.5  | -9.6  | -4.0 |
| Growth Rate of Orders              | -22.0 | -8.1  | -7.5  | 1.0  | -3.1 | -11.8 | -8.6 |
| Unfilled Orders                    | -13.4 | -8.3  | -9.9  | -4.7 | -6.5 | -13.7 | -9.4 |
| Shipments                          | -5.5  | 6.1   | 5.6   | 8.7  | 0.7  | -3.8  | 2.0  |
| Delivery Time                      | -9.3  | 3.4   | -6.3  | -4.0 | -2.5 | -5.4  | -4.0 |
| Finished Goods Inventories         | 4.6   | 7.2   | -9.1  | -8.5 | 1.1  | -14.1 | -3.1 |
| Prices Paid for Raw Materials      | 48.4  | 37.7  | 35.0  | 17.5 | 12.1 | 30.0  | 30.1 |
| Prices Received for Finished Goods | 14.9  | 6.3   | 7.8   | 6.2  | -2.6 | 9.8   | 7.1  |
| Wages and Benefits                 | 14.3  | 16.0  | 16.7  | 20.9 | 17.9 | 18.9  | 17.5 |
| Employment                         | -3.9  | -4.6  | -0.7  | 2.2  | 0.4  | 4.9   | -0.3 |
| Hours Worked                       | -6.4  | -2.9  | -14.2 | 1.9  | -0.5 | 0.7   | -3.6 |
| Capital Expenditures               | -0.4  | -0.6  | 8.6   | 13.0 | 10.9 | 7.6   | 6.5  |
| Outlook Uncertainty                | 47.1  | 36.2  | 29.2  | 1.3  | 1.2  | 5.9   | 20.2 |

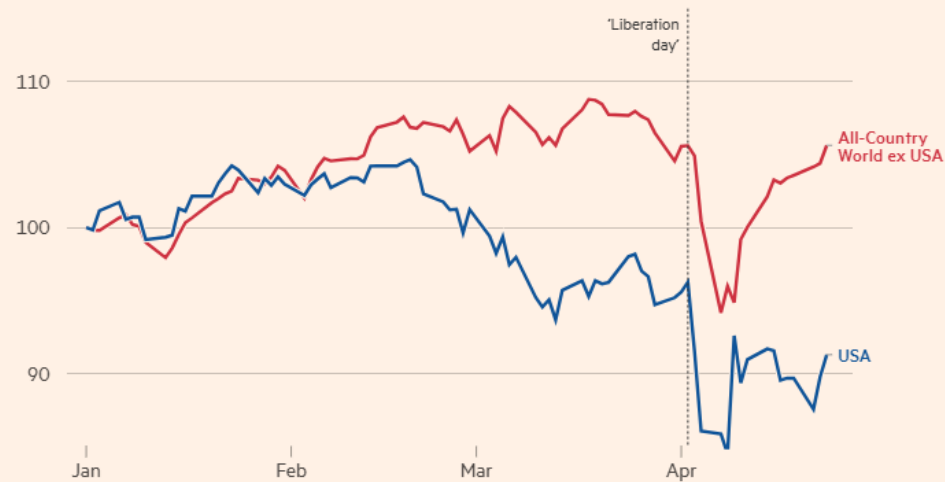
# International Stocks Continue to Shine

A major trend this year has been the resurgence of international stocks relative to the US. Throughout the year, international stocks have been outpacing US stocks, and that continued throughout the onset of tariffs, and in the recovery after they were paused. There are a variety of reasons why. Foreign companies had lower starting valuations, other countries are repatriating capital away from the US and back in their home country, and there is an increased willingness for foreign governments to hike spend on themselves.

Another major factor is US dollar weakness. The US dollar has weakened about 8% YTD, give or take depending on which currency pair you focus on. When the dollar is strong, US markets tend to outperform, and when it weakens, foreign stocks tend to outperform. See the right chart below.

**Non-US stocks** bounced back faster after Trump's tariff announcement

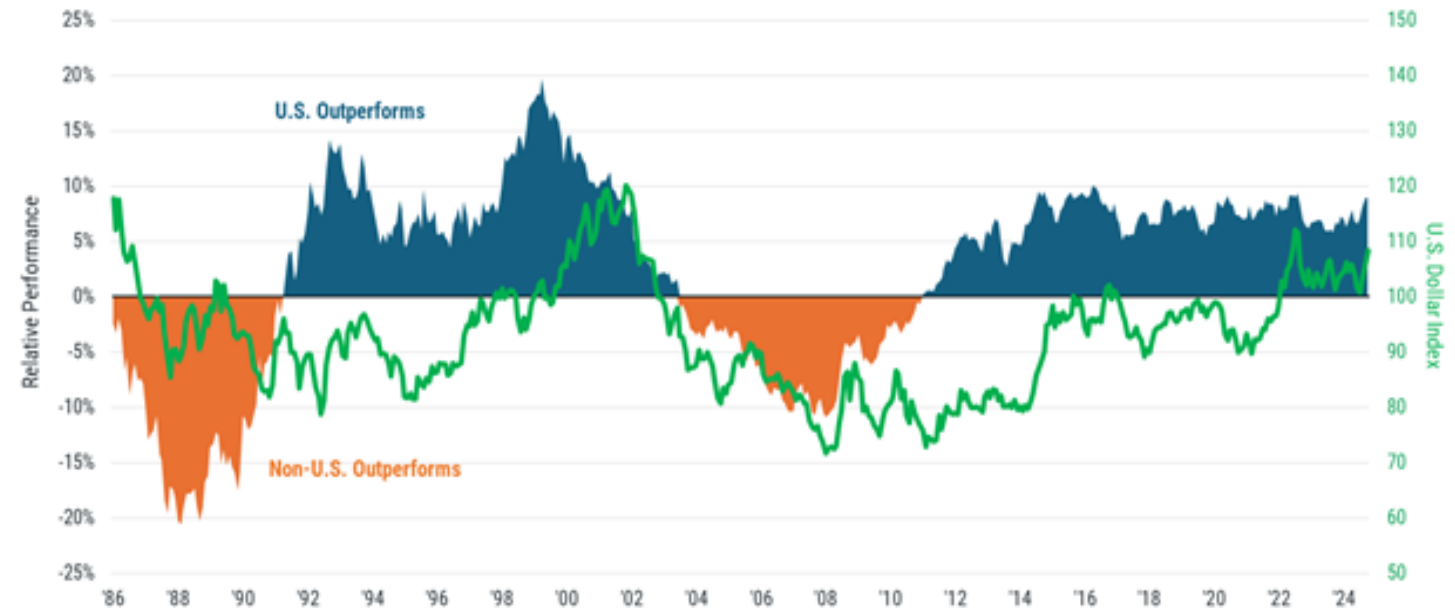
MSCI indices rebased (\$)



FINANCIAL TIMES

Source: Bloomberg

**Past Periods of Non-U.S. Outperformance Have Tended to Coincide with a Weakening Dollar**  
*5-Year Rolling Returns (MSCI USA – MSCI World ex-USA) vs. U.S. Dollar Index*





# Warren Buffett Retires

Mr. Buffett, who turns 95 in August, has announced that he is going to retire as CEO of Berkshire Hathaway. Anyone who's ever invested professionally regards him as one of the best investors of all time and tries to learn from his teachings. His track record speaks for itself (top).

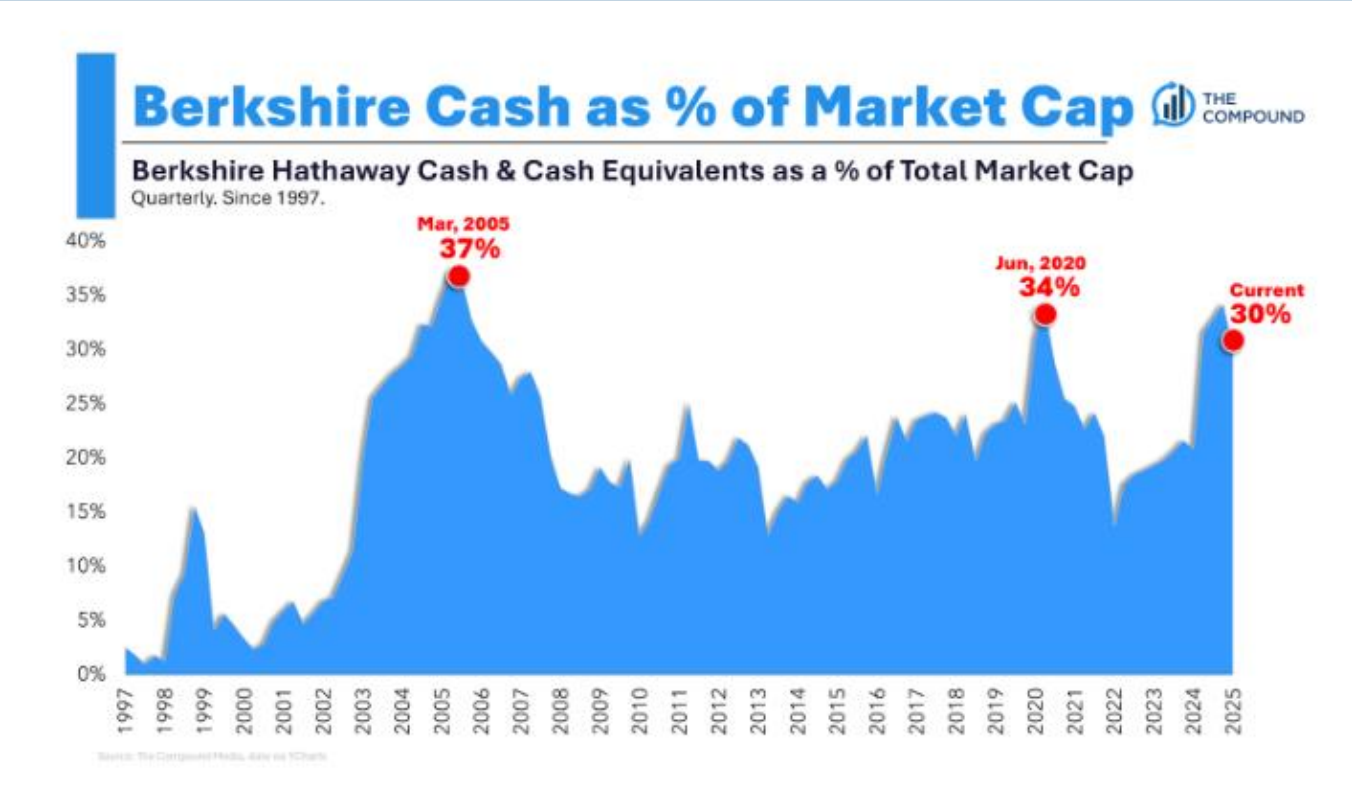
He generally likes to buy and hold companies for very long periods of time but will raise cash when he feels there are no opportunities. It's interesting to note the level of cash held at Berkshire right now. (bottom chart).

I'll leave you with some of his most famous quotes:

- "Be fearful when others are greedy and greedy when others are fearful."
- "It's far better to buy a wonderful company at a fair price than a fair company at a wonderful price."
- "Our favorite holding period is forever."
- "Time is the friend of the wonderful company, the enemy of the mediocre."
- "It takes 20 years to build a reputation and five minutes to ruin it."
- "The chains of habit are too light to be felt until they are too heavy to be broken."
- "Someone is sitting in the shade today because someone planted a tree a long time ago."

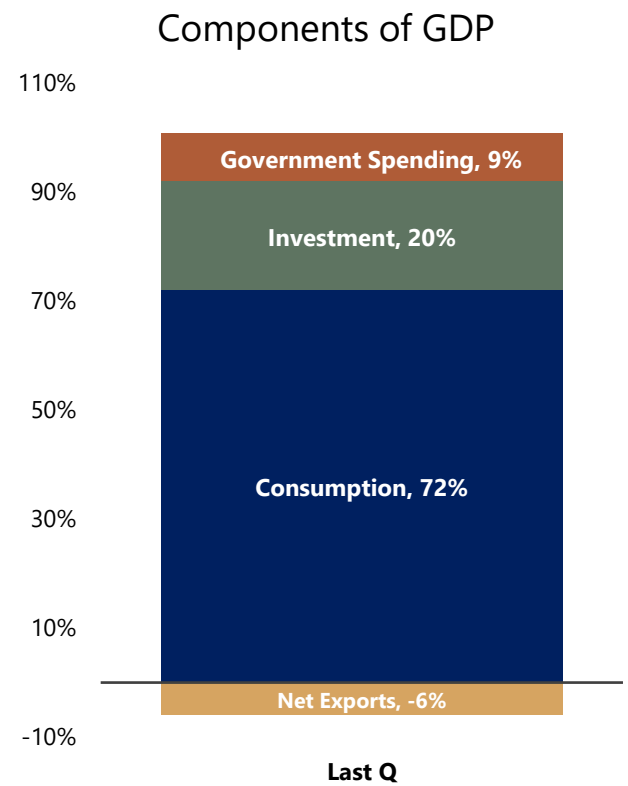
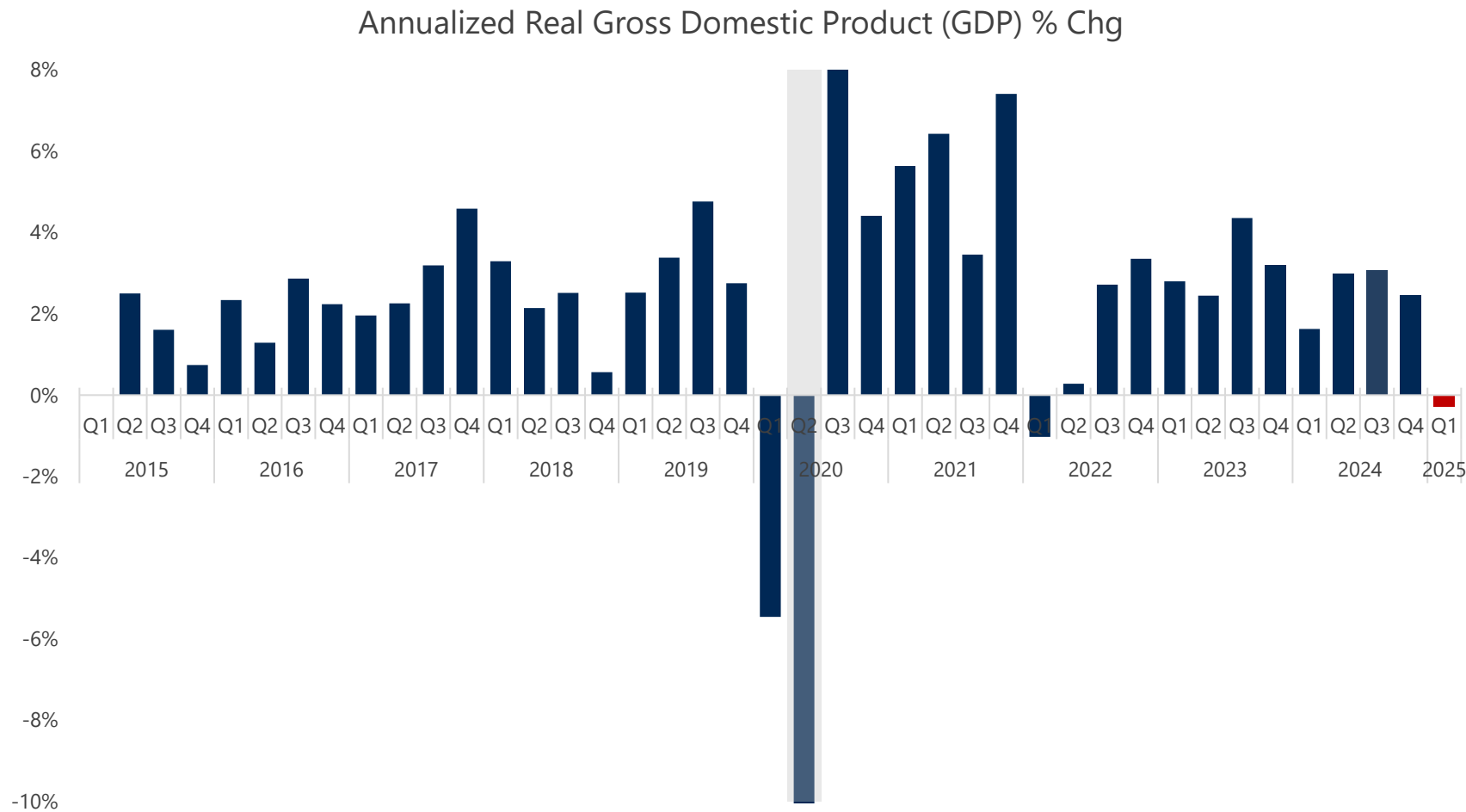
Berkshire's Performance vs. the S&P 500

| Year                                     | Annual Percentage Change               |                                    |
|--|--|------------------------------------|
|  | in Per-Share Market Value of Berkshire | in S&P 500 with Dividends Included |
| Compounded Annual Gain – 1965-2024 ..... | 19.9%                                  | 10.4%                              |
| Overall Gain – 1964-2024 .....           | 5,502,284%                             | 39,054%                            |

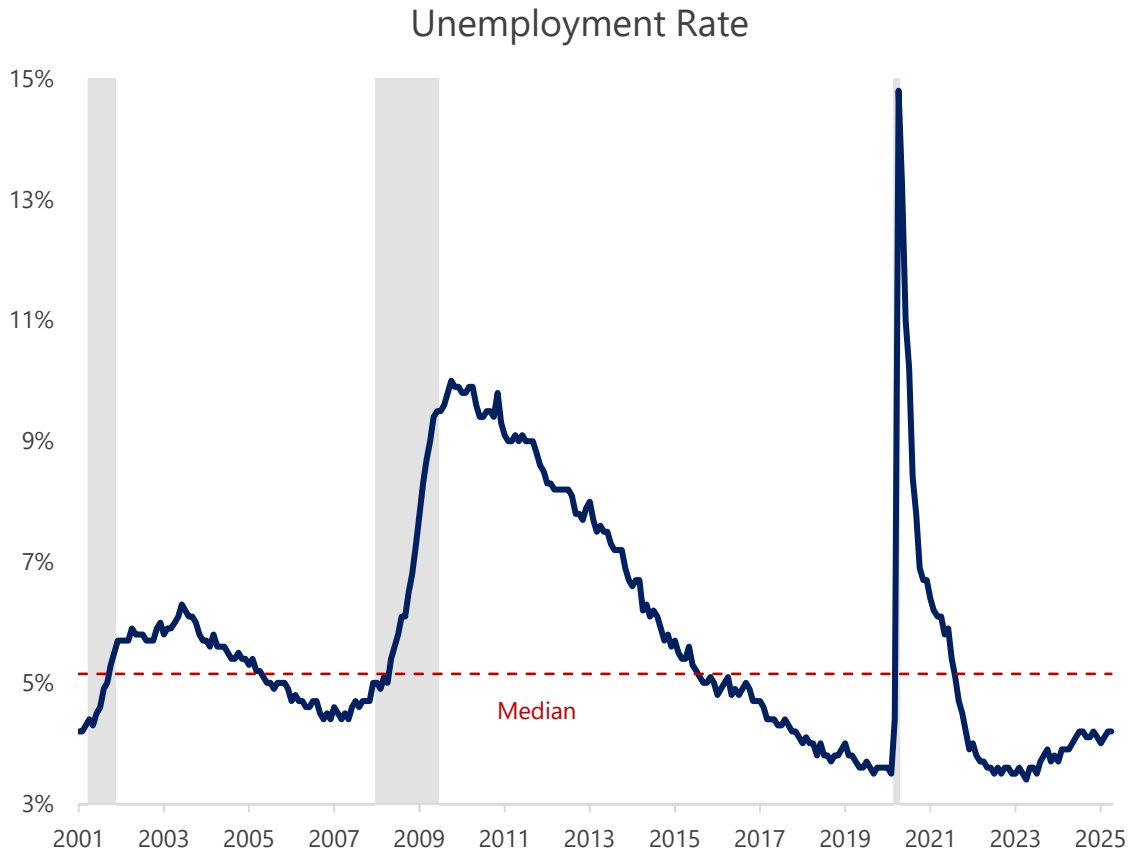


# WJ State of the Economy

# Q1 GDP Turns Negative, -0.3%

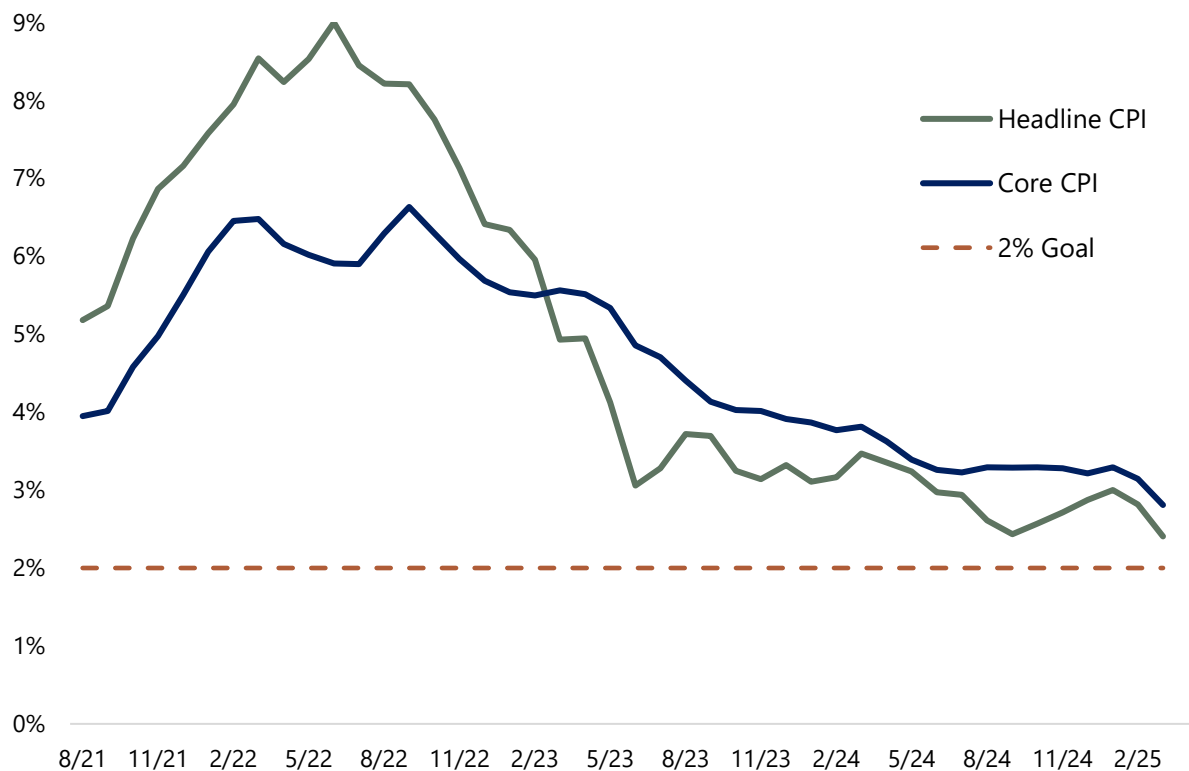


# Employment Situation Still Solid

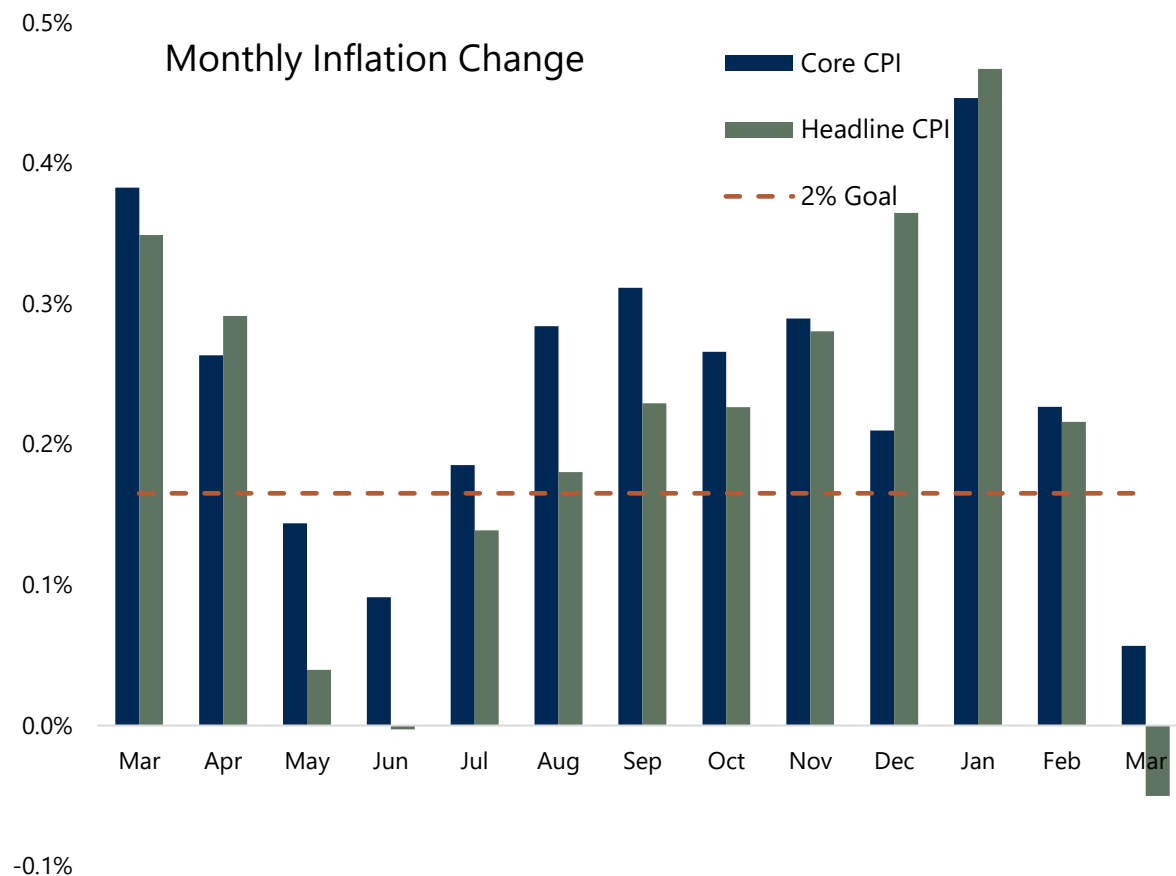


# A Solid Inflation Report, But Future Prints Uncertain

## Annual Inflation Change



## Monthly Inflation Change

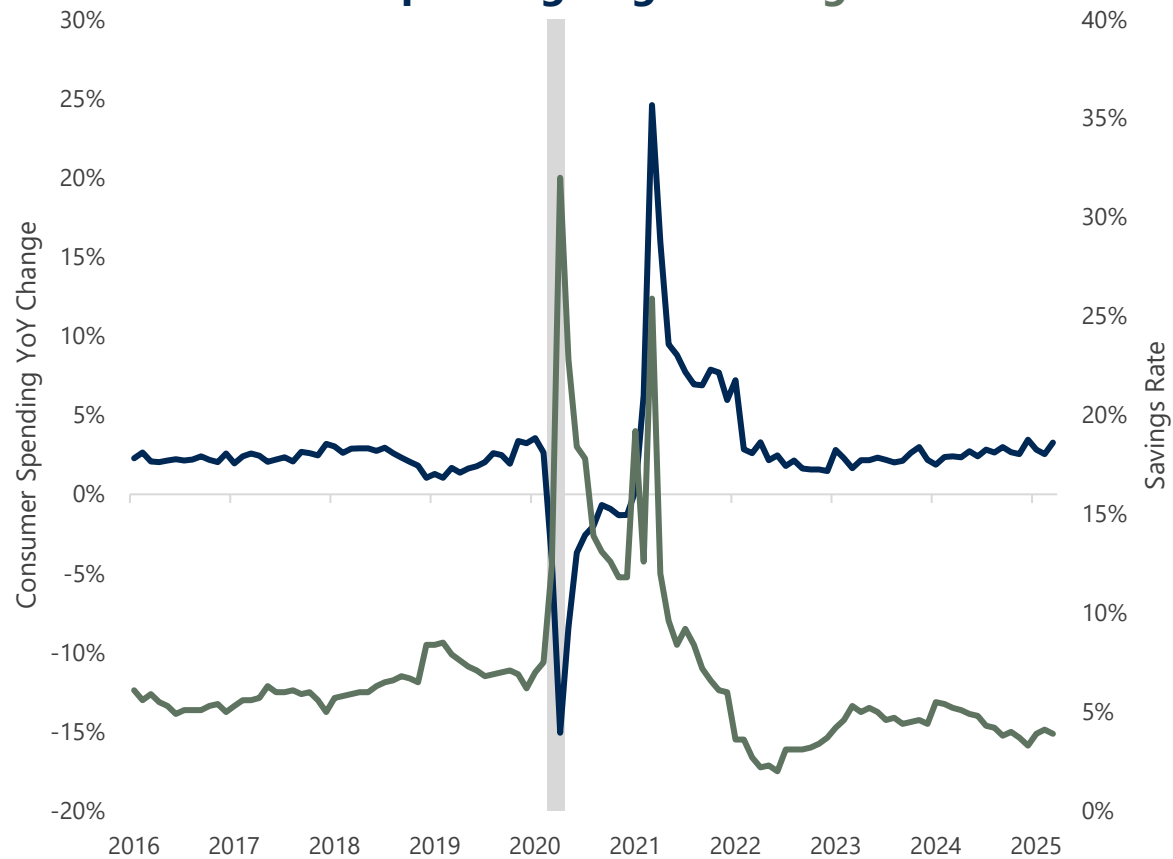


Source: Federal Reserve Economic Database (FRED). Consumer Price Index. Annual CPI Forecasts are made by WJ using past month over month CPI data and extrapolating forward with different growth rates.

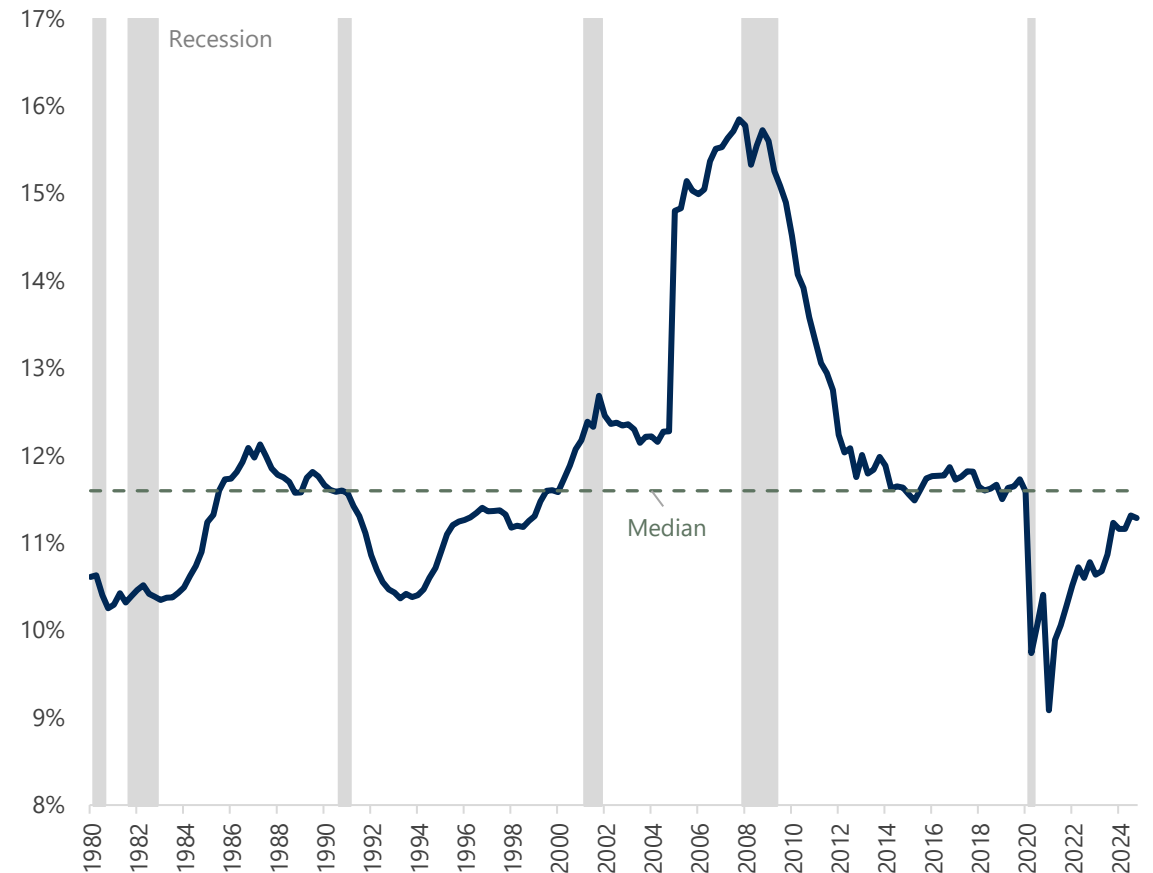


# Consumer is Still Strong

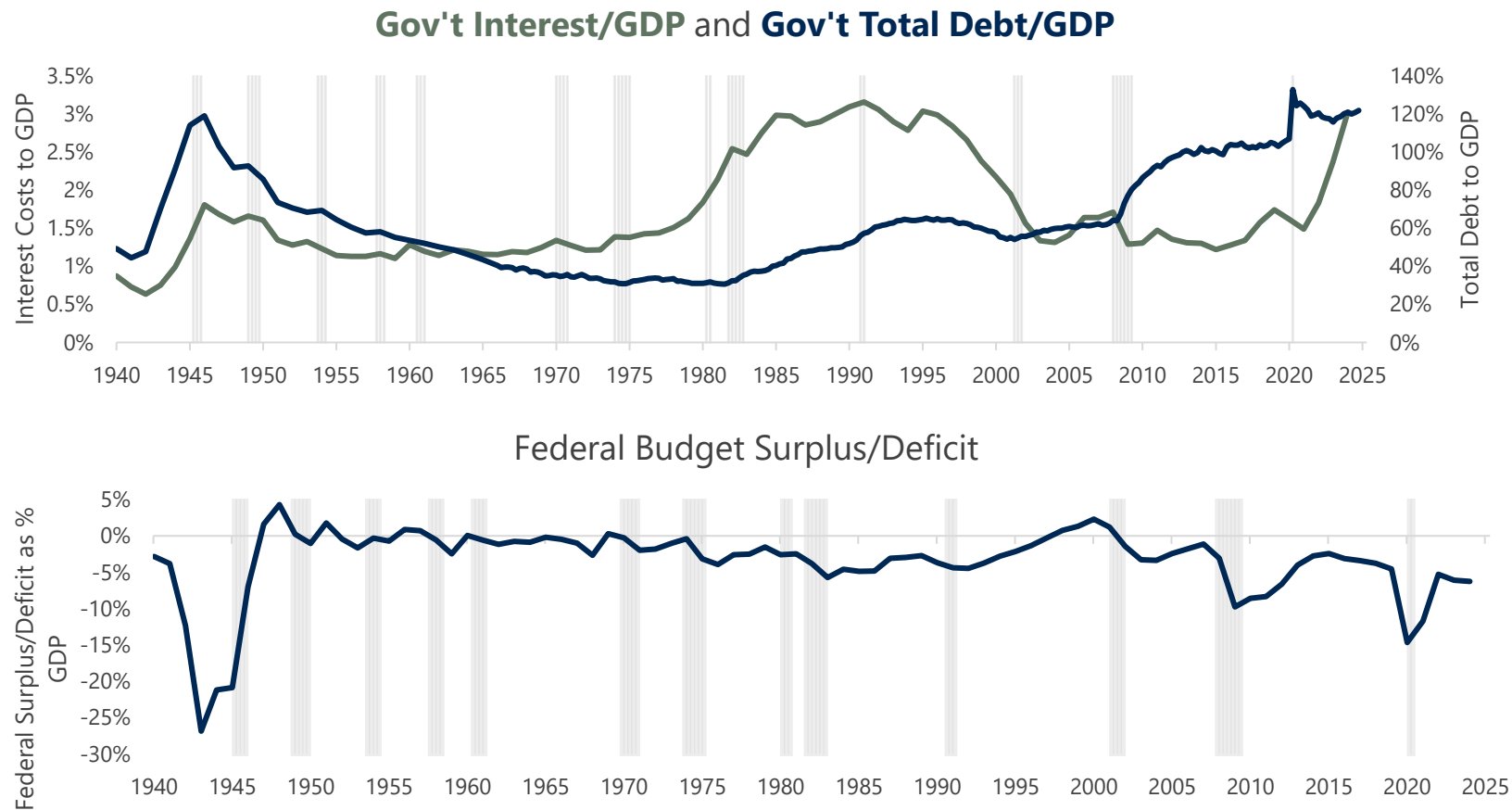
## Consumer Spending Chg vs Savings Rate



## Household Debt Service Payments as % of Income



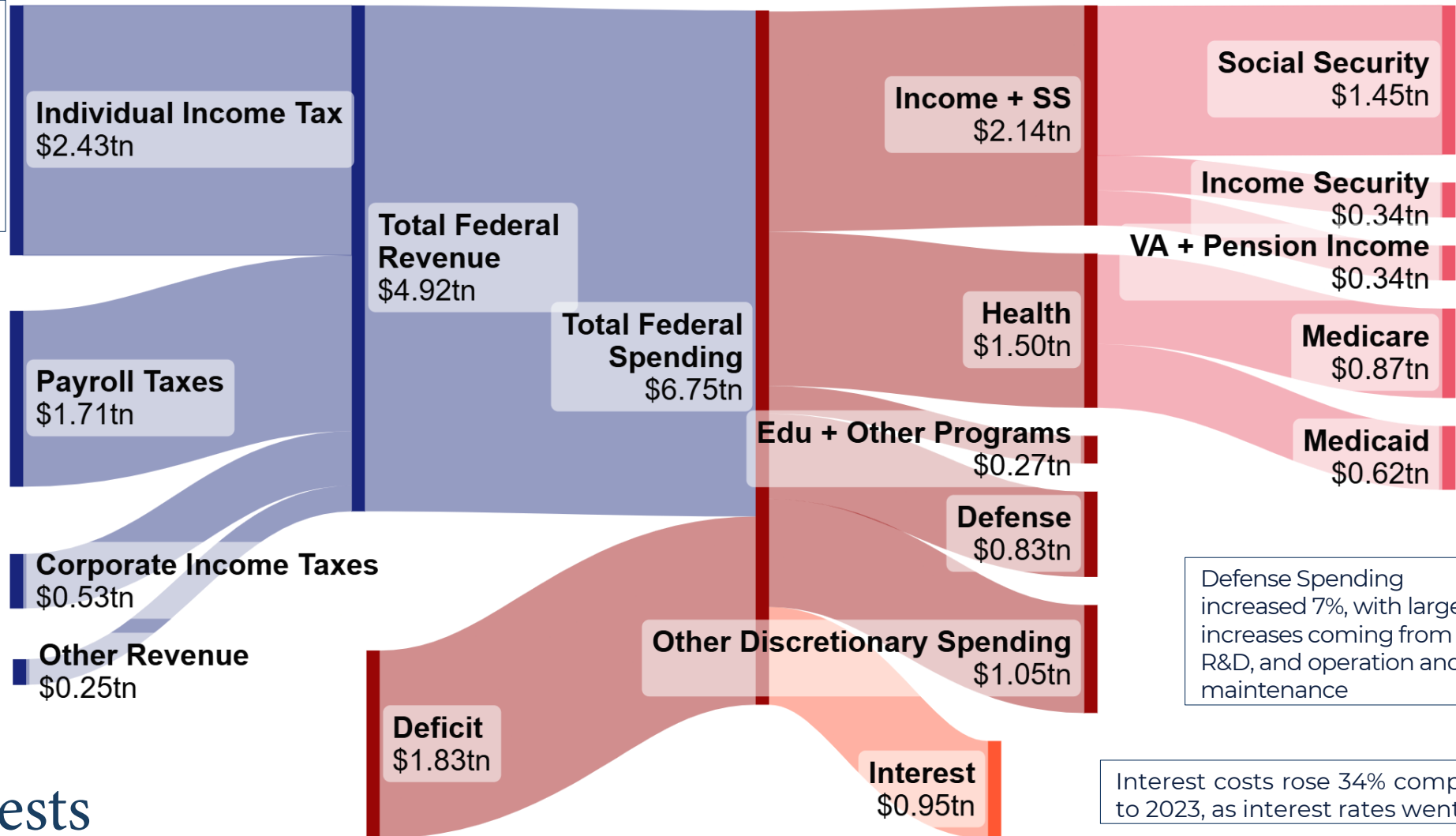
# Interest Costs and the Deficit Rising



# Government Expenditures 2024

This is an in depth look at how the US makes and spends money. On the spending side, the top 3 categories are known as “mandatory spending” and are unable to change without major reform. That leaves “Defense” and “Other Discretionary Spending” as the two categories congress can change on any year.

Total Receipts were up 11% in fiscal year 2024 compared to 2023. Most of these came from higher income tax receipts, and deferrals from 2023 that were paid in 2024.



Total Outlays were up 10% in fiscal year 2024 compared to 2023

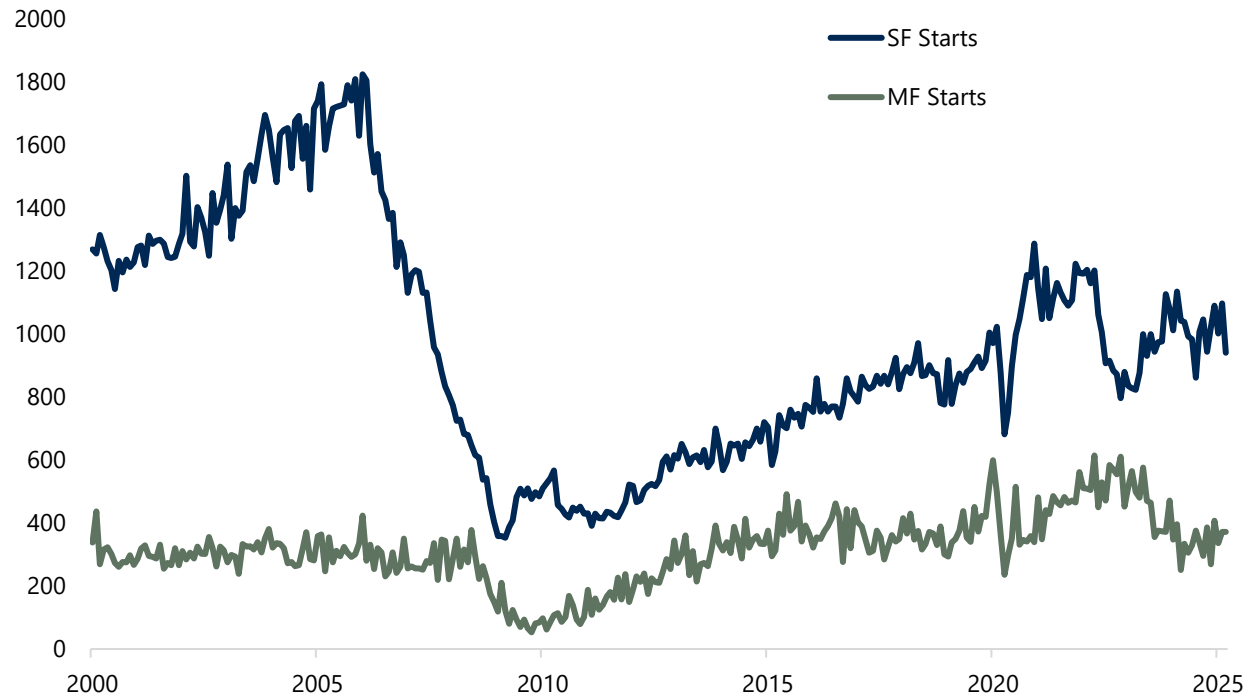
SS and Medicare rose 8% and 9% respectively, due to cost of living adjustments and more beneficiaries.

Defense Spending increased 7%, with largest increases coming from R&D, and operation and maintenance

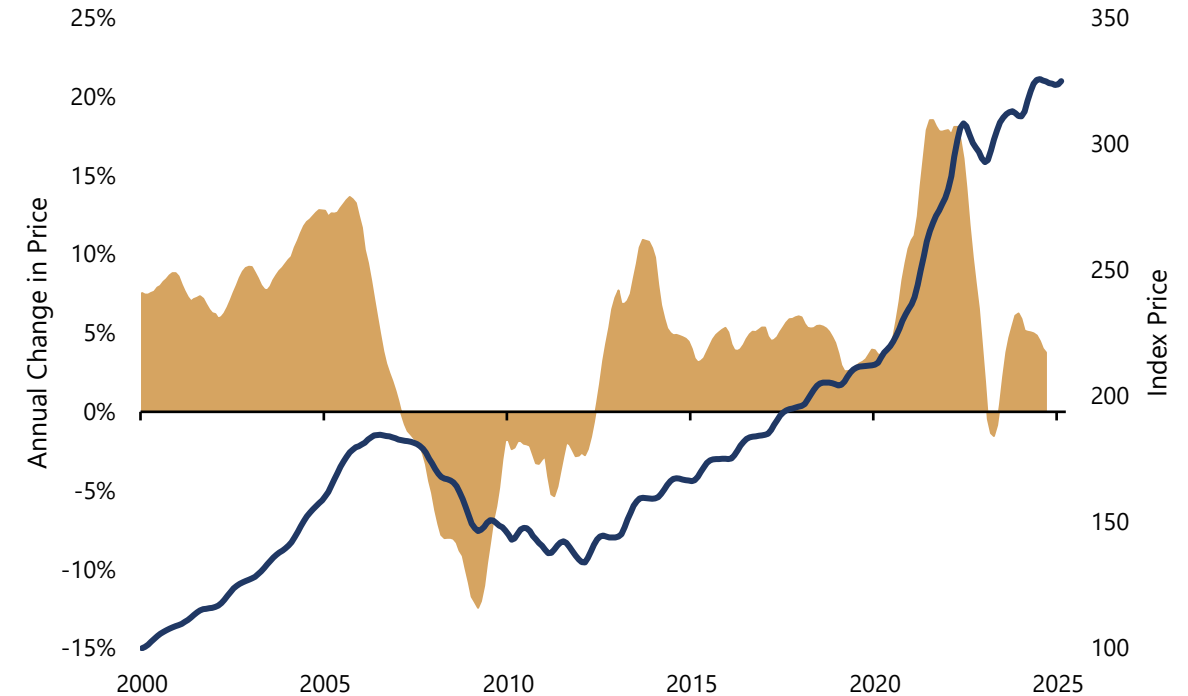
Interest costs rose 34% compared to 2023, as interest rates went up.

# SF Starts Starting to Slow

## Housing Starts and Completes



## Home Prices

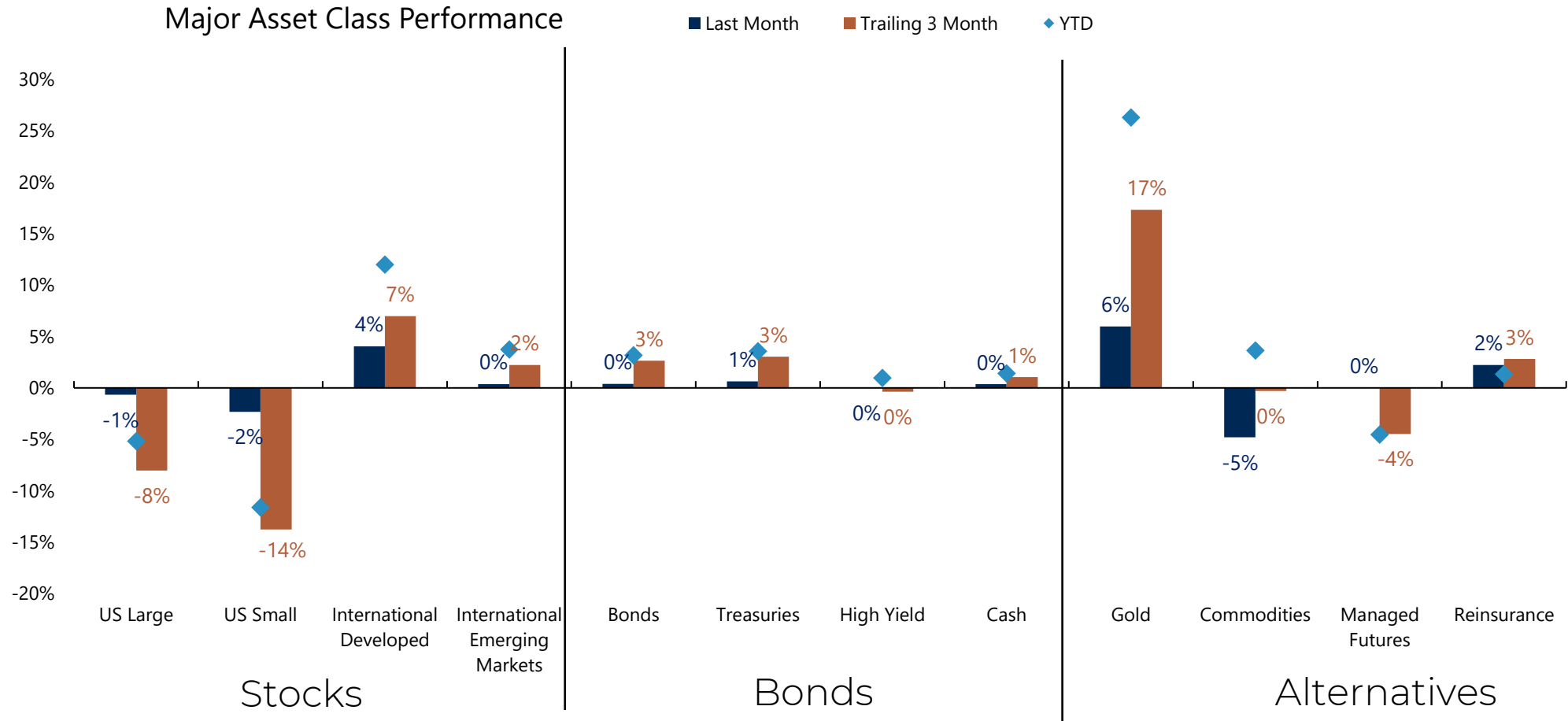


A housing start is the beginning of construction on a new residential housing unit and indicates how much new housing supply is on the horizon. On the right we show home prices over time, as well as the annual rate of change. Prices surged in 2021-2022 but have stopped growing altogether. What they do next will depend on how much pent-up demand there is, and how much housing we build going forward. Note of how significantly starts dropped after the 2008 crisis, and led to the undersupply we have today.

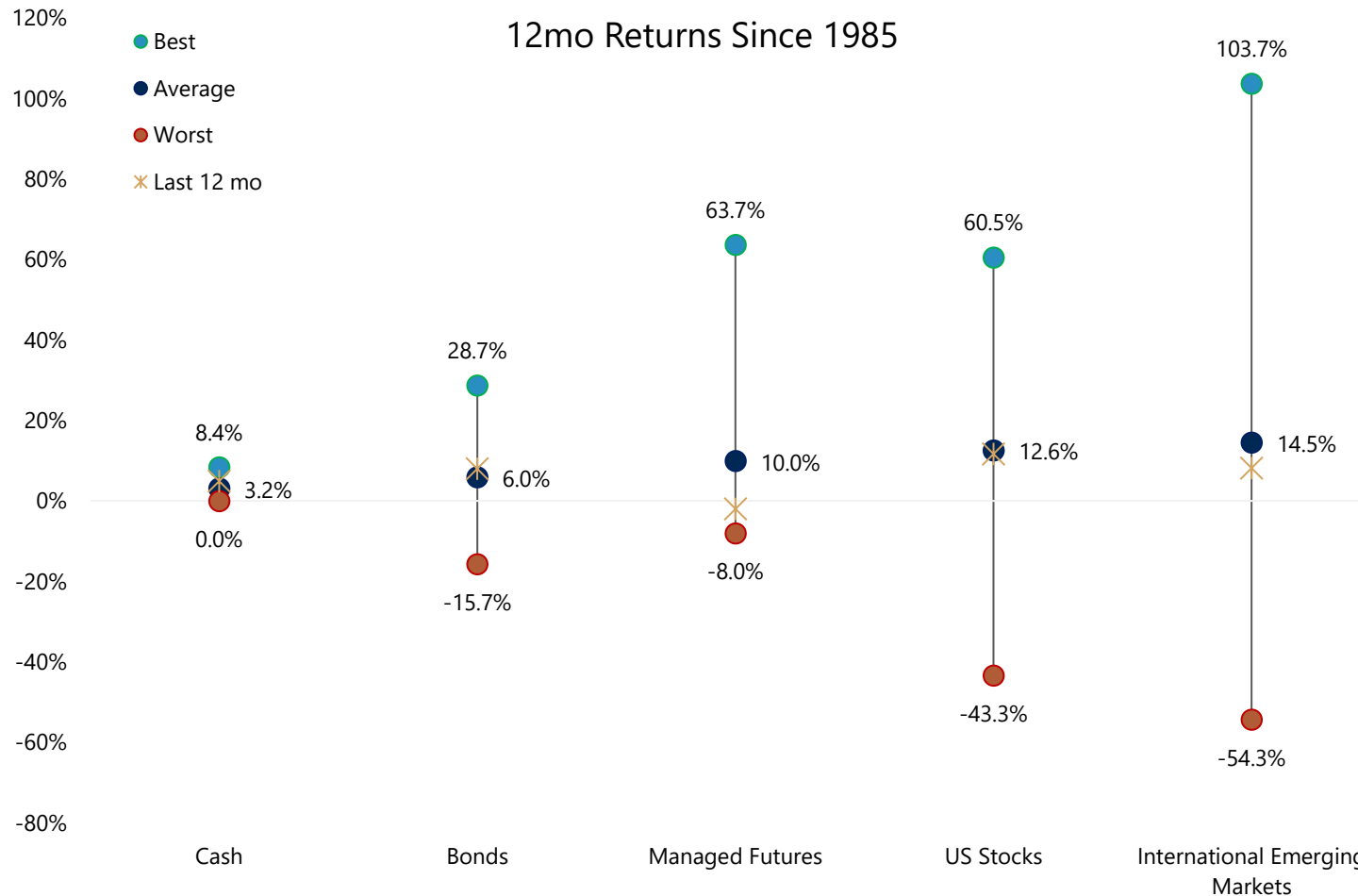
# WJ State of the Markets



# Foreign Stocks, Bonds, Commodities Off to Good Start








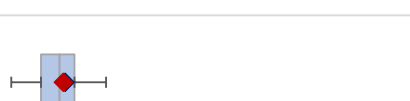
# Historical Asset Class Return Range



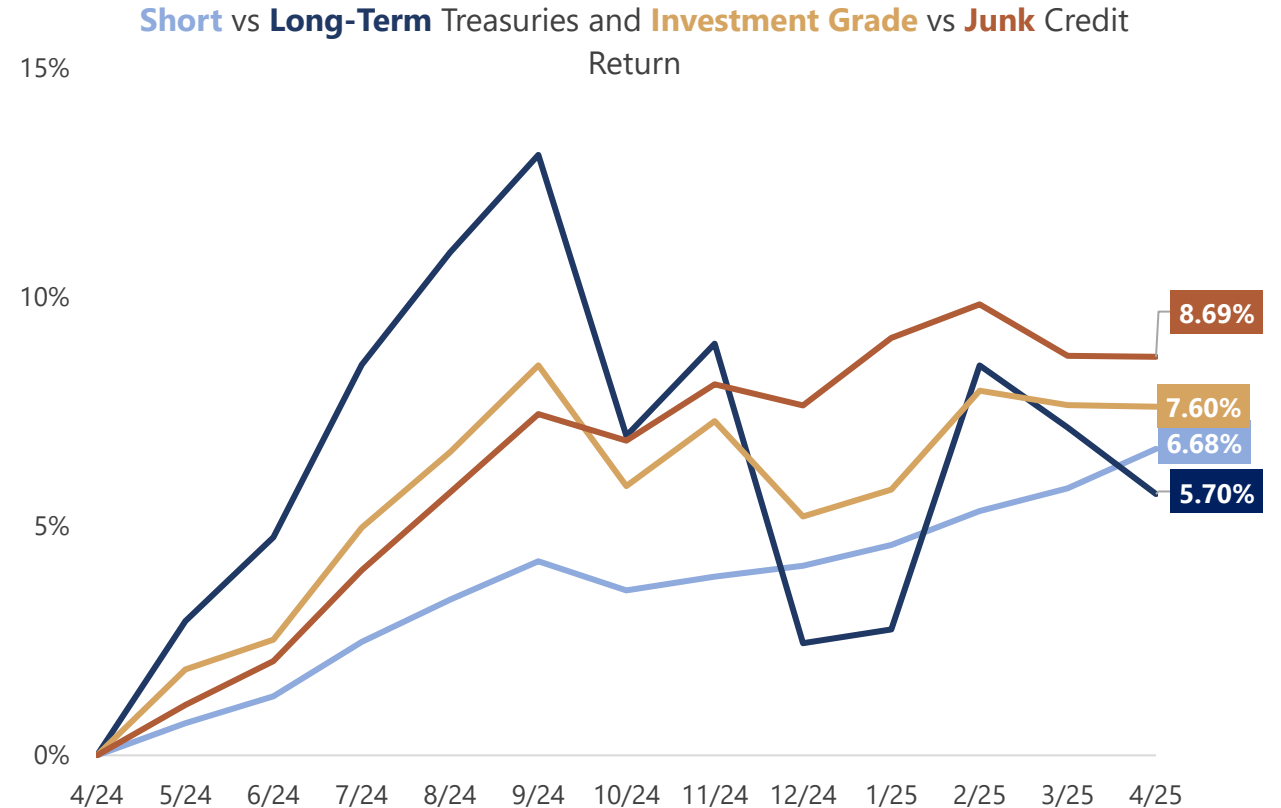
This chart shows the range of 12 month returns historically, by asset class. As you'd expect, the riskier investment leads to a greater potential gain, as well as loss.

The X on the line represents the last 12 months.

# A Volatile, but Solid Year for Bonds

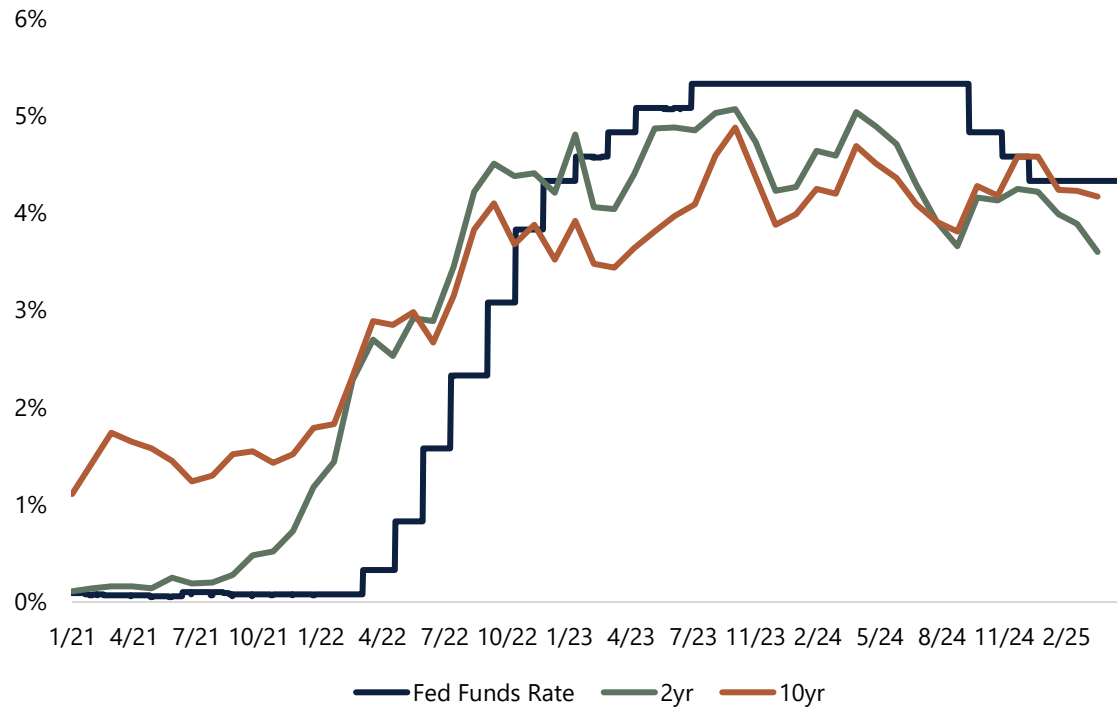
| Bond Type        | Yield (%)  |           |        | Yield History  |
|------------------|------------|-----------|--------|--|
|                  | Last Month | Last Year | Change |  |
| ST Treasury      | 3.66       | 4.9       | -1.24  |    |
| LT Treasury      | 4.77       | 4.7       | 0.07   |    |
| Investment Grade | 5.14       | 5.52      | -0.38  |    |
| High-Yield       | 7.9        | 8         | -0.1   |    |
| Mortgage-Backed  | 4.93       | 5.34      | -0.41  |   |
| Municipal Bonds  | 4.06       | 3.93      | 0.13   |  |

0% 5% 10% 15% 20% 25%

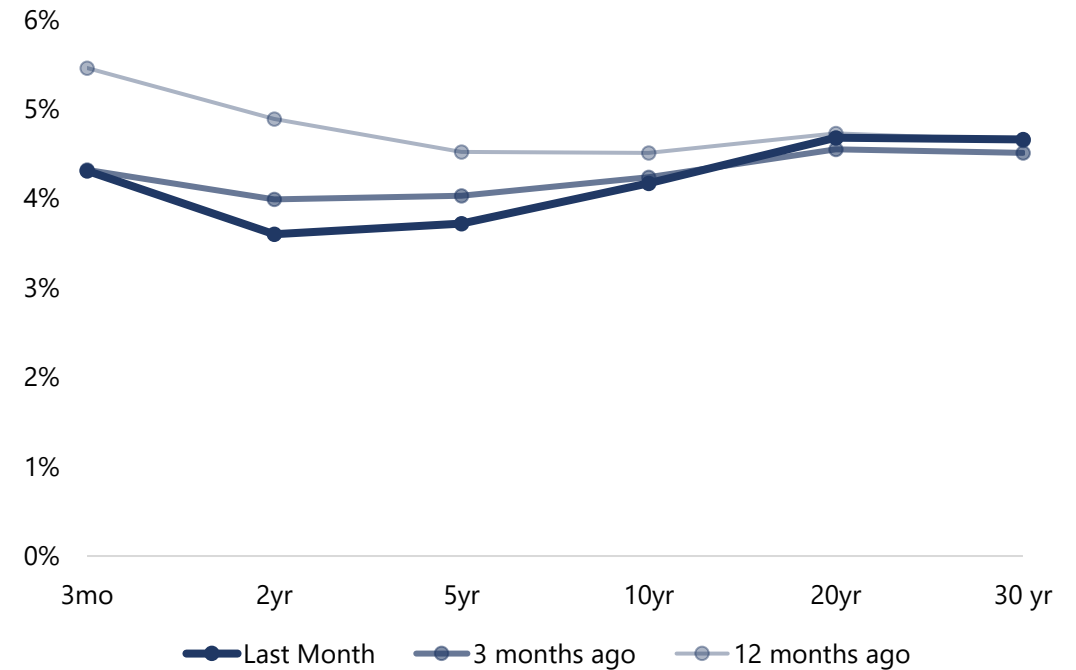


# Fed continues to Pause, Longer Rates Steady

## Key Treasury Yields



## Treasury Yield Curve

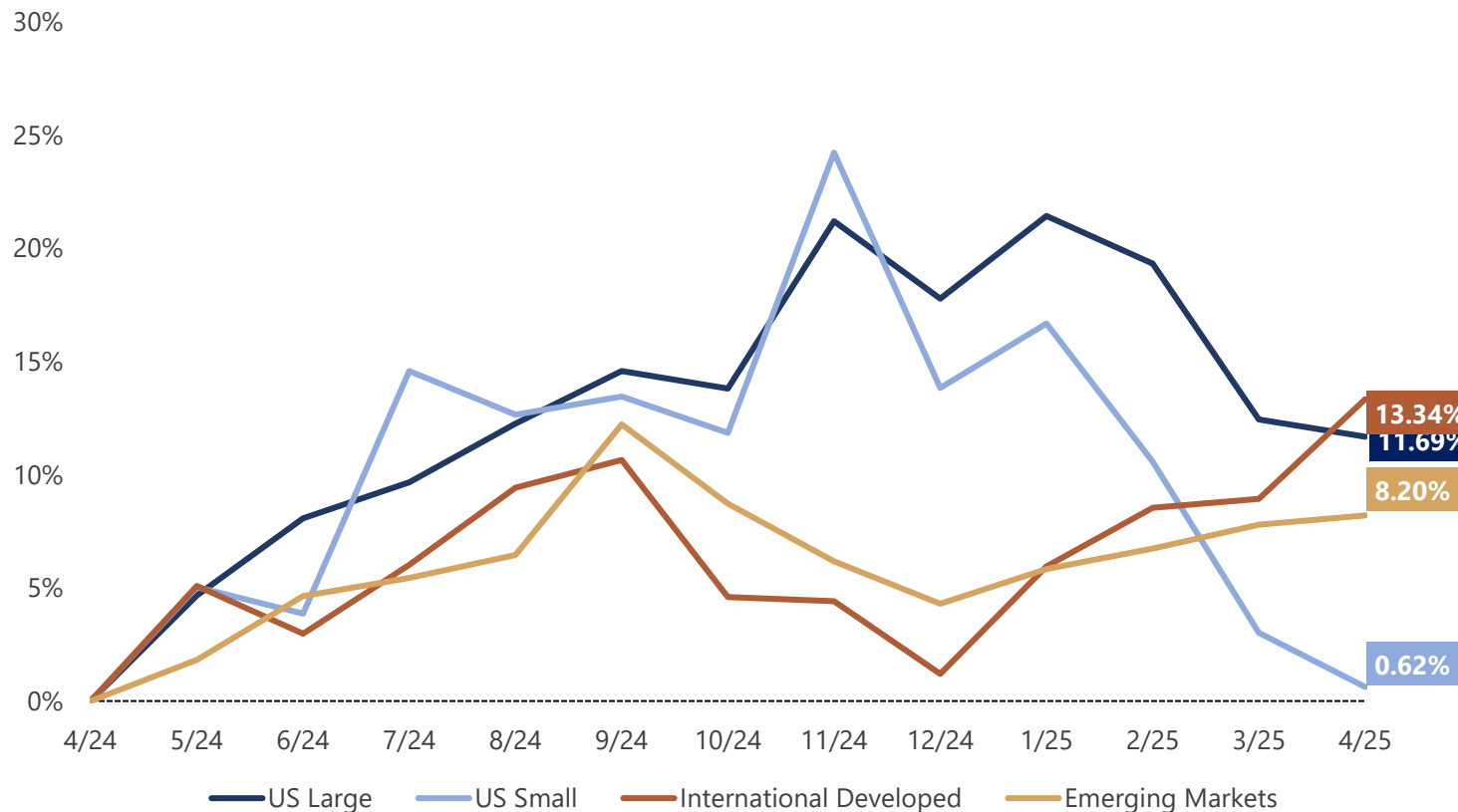


|               | 3mo  | 2yr  | 5yr  | 10yr | 20yr | 30 yr |
|---------------|------|------|------|------|------|-------|
| Last Month    | 4.3% | 3.9% | 3.9% | 4.2% | 4.6% | 4.6%  |
| 3 months ago  | 4.3% | 4.2% | 4.3% | 4.6% | 4.9% | 4.8%  |
| 12 months ago | 5.5% | 5.0% | 4.7% | 4.7% | 4.9% | 4.8%  |

# Int'l Stocks Finally Beat US over 12 Months

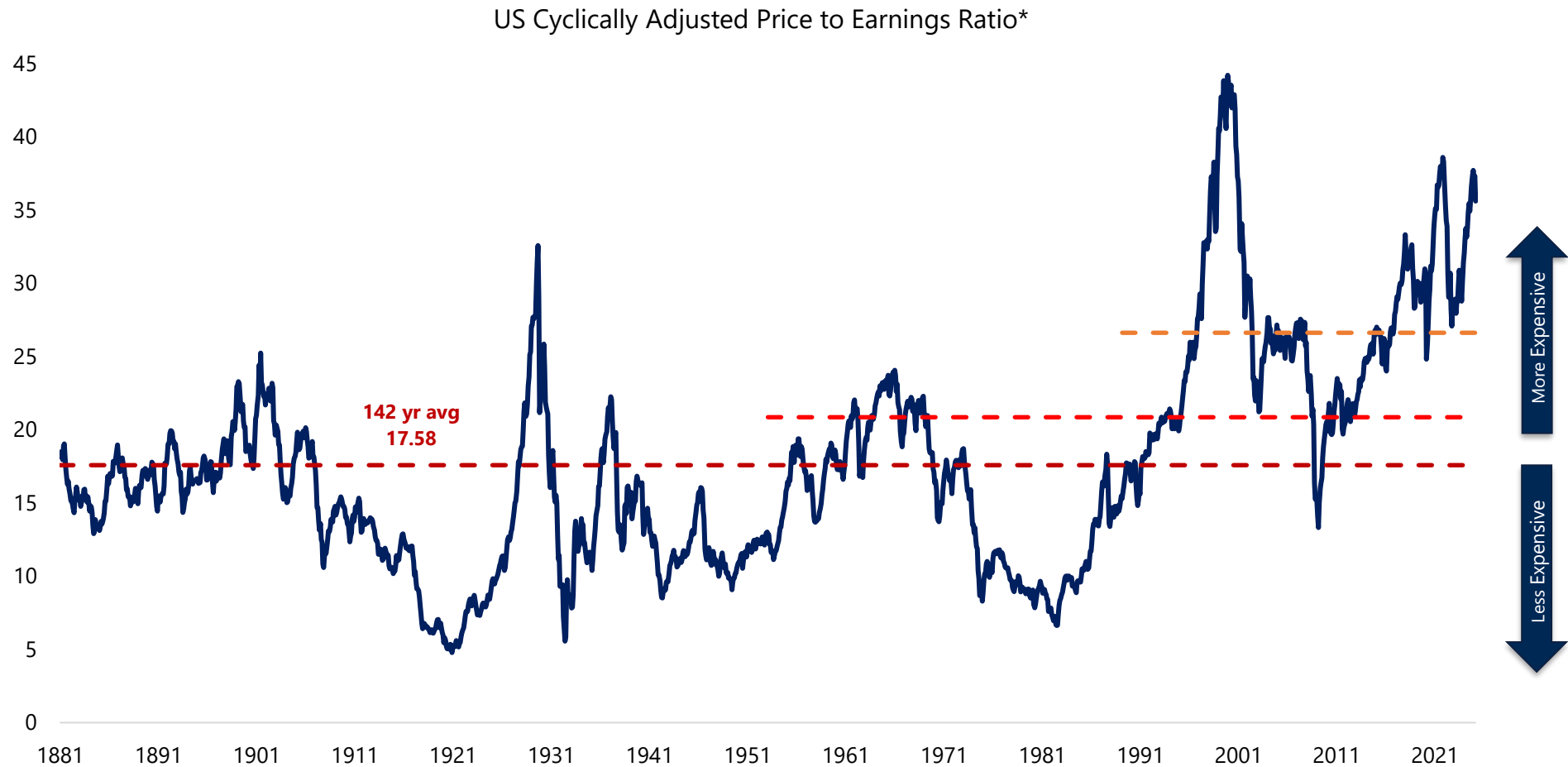
|       | Stock Type              | Last Month | Last 3 Months | Last 12 Months |
|-------|-------------------------|------------|---------------|----------------|
| Core  | US Large                | -0.7%      | -8.0%         | 11.7%          |
|       | US Small                | -2.3%      | -13.8%        | 0.6%           |
|       | International Developed | 4.0%       | 7.0%          | 13.3%          |
|       | International Emerging  | 0.4%       | 2.2%          | 8.2%           |
| Other | US Value                | -3.1%      | -5.4%         | 8.4%           |
|       | US Growth               | 1.8%       | -10.2%        | 14.3%          |
|       | Nasdaq                  | 1.5%       | -8.7%         | 12.9%          |

US vs International Stock Performance





# US Stock Valuations Remain High



# Energy Prices Falling Fast

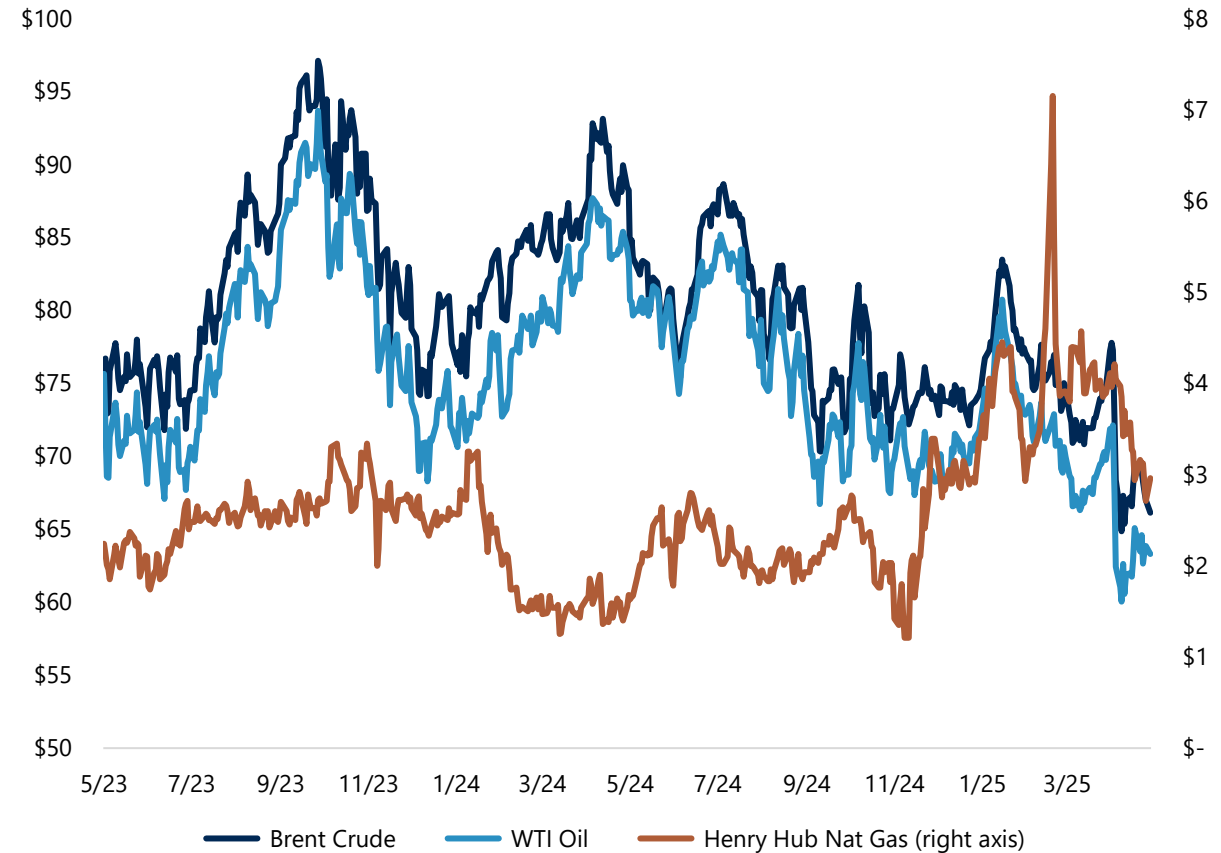
Bloomberg Commodity Index



Oil and Natural Gas prices are falling quickly on a combination of things. First, oil prices tend to fall as expected demand weakens, as is the case during a recession.

In addition, OPEC+ has also announced they are increasing production for the second month in a row. The combination of weak demand and increased supply could mean low energy prices for the foreseeable future. This is of course good for the consumer, but bad for energy companies.

Energy Prices



# Periodic Table of Asset Class Returns



|                             |                             |                              |                              |                              |                              |                              |                               |                              |                              |                             | Through Last Month End<br>4/30/2025 |                             |
|-----------------------------|-----------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|-------------------------------|------------------------------|------------------------------|-----------------------------|-------------------------------------|-----------------------------|
| 2015                        | 2016                        | 2017                         | 2018                         | 2019                         | 2020                         | 2021                         | 2022                          | 2023                         | 2024                         | 2025 YTD                    | 5 Yr                                | 10 Yr                       |
| Reinsurance<br>8%           | US Small Stock<br>22%       | Intl Emerging Stk<br>37%     | Cash<br>2%                   | US Large Stock<br>31%        | US Large Stock<br>21%        | US Large Stock<br>26%        | Trend Following<br>22%        | Reinsurance<br>44%           | Reinsurance<br>31%           | Intl Developed Stk<br>12%   | US Large Stock<br>15%               | US Large Stock<br>12%       |
| Bonds<br>2%                 | US Large Stock<br>12%       | Intl Developed Stk<br>27%    | Bonds<br>0%                  | US Small Stock<br>25%        | US Small Stock<br>20%        | US Small Stock<br>15%        | Reinsurance<br>3%             | US Large Stock<br>26%        | US Large Stock<br>24%        | Intl Emerging Stk<br>4%     | Reinsurance<br>15%                  | Reinsurance<br>6%           |
| US Large Stock<br>1%        | Intl Emerging Stk<br>10%    | US Large Stock<br>22%        | US Large Stock<br>-5%        | Intl Developed Stk<br>23%    | Intl Emerging Stk<br>18%     | Intl Developed Stk<br>12%    | Cash<br>2%                    | Intl Developed Stk<br>18%    | TAA<br>12%                   | Bonds<br>3%                 | Intl Developed Stk<br>11%           | US Small Stock<br>6%        |
| Cash<br>0%                  | Reinsurance<br>6%           | TAA<br>19%                   | Reinsurance<br>-6%           | TAA<br>20%                   | Moderate Blended Port<br>13% | Moderate Blended Port<br>11% | Bonds<br>-12%                 | US Small Stock<br>17%        | US Small Stock<br>11%        | Moderate Blended Port<br>2% | US Small Stock<br>10%               | Moderate Blended Port<br>6% |
| Intl Developed Stk<br>0%    | Moderate Blended Port<br>6% | Moderate Blended Port<br>17% | Moderate Blended Port<br>-7% | Moderate Blended Port<br>20% | Intl Developed Stk<br>8%     | TAA<br>10%                   | TAA<br>-12%                   | Moderate Blended Port<br>17% | Moderate Blended Port<br>10% | Cash<br>1%                  | Moderate Blended Port<br>9%         | Intl Developed Stk<br>6%    |
| Trend Following<br>0%       | TAA<br>5%                   | US Small Stock<br>15%        | TAA<br>-8%                   | Intl Emerging Stk<br>18%     | Reinsurance<br>7%            | Trend Following<br>5%        | Moderate Blended Port<br>-15% | Intl Emerging Stk<br>12%     | Intl Emerging Stk<br>7%      | Reinsurance<br>1%           | TAA<br>8%                           | TAA<br>5%                   |
| Moderate Blended Port<br>0% | Intl Developed Stk<br>2%    | Bonds<br>5%                  | US Small Stock<br>-11%       | Bonds<br>8%                  | Bonds<br>7%                  | Cash<br>0%                   | Intl Developed Stk<br>-15%    | TAA<br>12%                   | Cash<br>5%                   | TAA<br>1%                   | Intl Emerging Stk<br>7%             | Intl Emerging Stk<br>3%     |
| TAA<br>-4%                  | Bonds<br>1%                 | Trend Following<br>2%        | Trend Following<br>-13%      | Trend Following<br>4%        | Trend Following<br>3%        | Bonds<br>-1%                 | US Large Stock<br>-19%        | Bonds<br>6%                  | Intl Developed Stk<br>3%     | US Large Stock<br>-5%       | Trend Following<br>3%               | Cash<br>2%                  |
| US Small Stock<br>-4%       | Cash<br>0%                  | Cash<br>1%                   | Intl Developed Stk<br>-14%   | Cash<br>2%                   | Cash<br>0%                   | Intl Emerging Stk<br>-1%     | Intl Emerging Stk<br>-20%     | Cash<br>5%                   | Trend Following<br>3%        | Trend Following<br>-11%     | Cash<br>3%                          | Bonds<br>2%                 |
| Intl Emerging Stk<br>-14%   | Trend Following<br>-6%      | Reinsurance<br>-11%          | Intl Emerging Stk<br>-15%    | Reinsurance<br>-4%           | TAA<br>-2%                   | Reinsurance<br>-5%           | US Small Stock<br>-20%        | Trend Following<br>-3%       | Bonds<br>1%                  | US Small Stock<br>-12%      | Bonds<br>0%                         | Trend Following<br>0%       |

# Disclaimer

PAST PERFORMANCE IS NOT A GUARANTEE OF CURRENT OR FUTURE RESULTS. Examples of historical information included in this presentation do not, nor are they intended to, constitute a promise of similar future results. Specific client portfolio allocations, risks and returns can and may deviate from these examples depending on accounts and types of investments available through each account. Future market views by WJ Interests, LLC may vary significantly from the historical examples presented herein and no one receiving this summary should assume that WJ Interests, LLC will be able to replicate successful views in the future.

Moderate Blended Portfolio is for illustrative purposes only. It is calculated by taking a weighted average of the following asset classes and represents a moderate risk portfolio incorporating leverage and the asset classes in the table:

|      |                      |   |
|------|----------------------|---|
| 27%  | US Large Stock       | iShares Russell 1000 (IWB)  |
| 6%   | US Small Stock       | iShares Russell 2000 (IWM)  |
| 21%  | Intl Developed Stock | iShares Core MSCI EAFE (IEFA)   |
| 6%   | Intl Emerging Stock  | iShares Core MSCI Emerging Markets (IEMG)   |
| 40%  | Bonds                | Vanguard Total Bond Market (BND)  |
| -15% | Cash                 | Morningstar USD 1M Cash TR USD  |
| 5%   | Reinsurance          | Stone Ridge Reinsurance Fund (SRRIX)  |
| 5%   | Managed Futures      | SG Trend Index, PIMCO Trends (PQTIX), Virtus Alphasimplex (ASFYX), Standpoint (BLNDX) |
| 5%   | TAA                  | GMO Benchmark Free (GBMIX) and Strategy Shares Nwfd/Rslv Rbt ETF (ROMO)               |

Assumes annual rebalancing. All data represents total return for stated period.