

Q2
2025

2025 CALLAHAN FINANCIAL GOLF OUTING

Our Annual Golf Outing will be held on **Monday, August 11th at NCR Country Club.**

Please RSVP w/ Sara Gallagher, Senior Marketing Associate via email @ sara.gallagher@wfafinet.com.

As always, we welcome you to bring a guest.

MARKET COMMENTARY

As we approach the July 9th tariff deadline, market sentiment appears cautious. However, equities have shown resilience, with the Dow Jones Industrial Average up over 17% from its' recent low on April 8th, following the administration's tariff proposals. While this rebound reflects investor optimism, uncertainty around global trade continues to weigh on markets. Progress in trade negotiations offers some hope, but further disruptions to tariff talks could renew market volatility. In addition to concerns surrounding trade, geopolitical tensions between Israel and Iran continue to evolve following aggression from both sides. Risk levels appear to still be elevated, although a temporary ceasefire was agreed upon last week, helping stabilize energy prices and support investor confidence. We expect headline risks are likely to keep markets on edge in the near term. On the economic front, inflation continues to ease. According to the U.S. Bureau of Labor Statistics, the Consumer Price Index (CPI) rose 2.4% in May, which was a meaningful decline from the 3% we saw in January. The Federal Reserve has held interest rates steady at 4.25-4.50% (June FOMC press release) despite pressure from the administration advocating for rate cuts now. While some policy makers are signaling rate cuts sometime soon, we do not expect any changes until Q4. Chair Powell noted that tariff impacts have not fully worked their way into economic data yet, which could continue to delay any changes to policy.

For now, we remain focused on staying aligned within your investment objectives. We are also evaluating opportunities to deploy capital, selectively and thoughtfully, as market volatility persists. The past few months have served as a strong reminder that discipline often proves effective over time.

For additional perspective, the latest weekly commentary from Scott Wren, Senior Global Market Strategist with Wells Fargo Investment Institute, offers further insight into what we may see in the weeks and months ahead. Please see the attached.

We thank you for your continued business and trust.



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