

The Market in Five Charts

July 2022

Price-to-Earnings Ratios Have Contracted Significantly in 2022

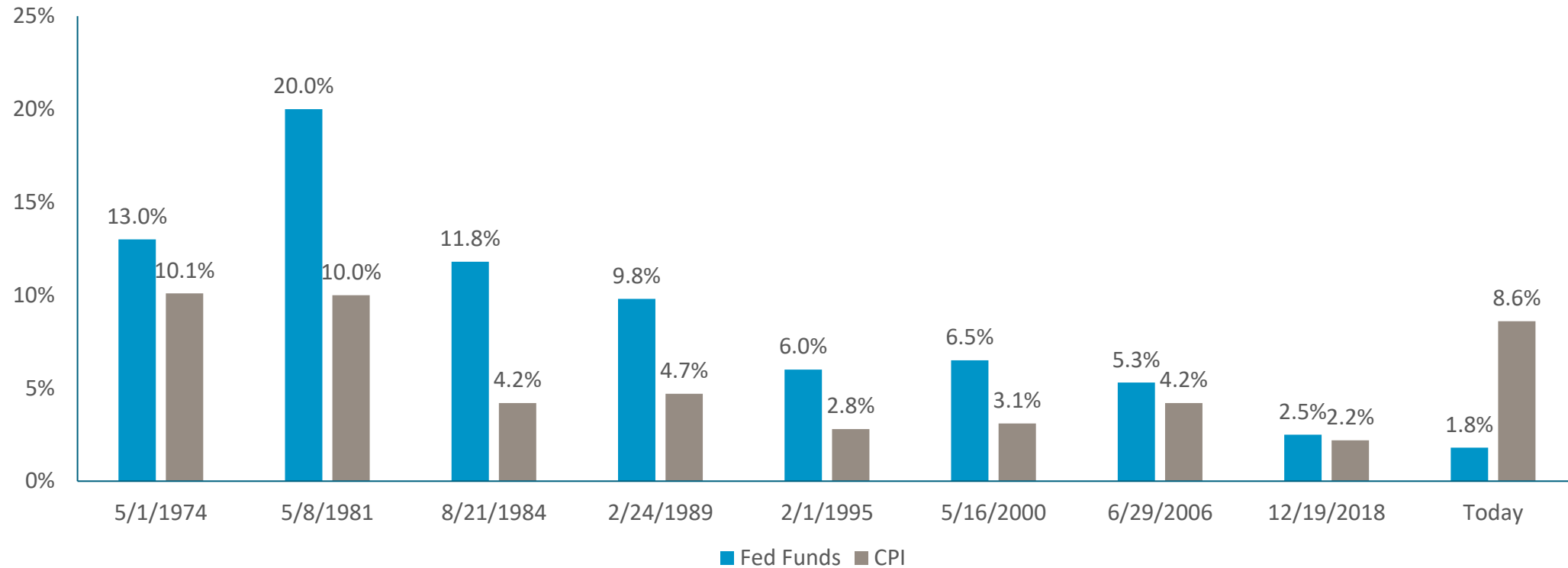
Earnings growth has remained solid to date and will be watched closely throughout the year



Source: Strategas, 2022.

Equity market recovery should be thought of in a long-term context

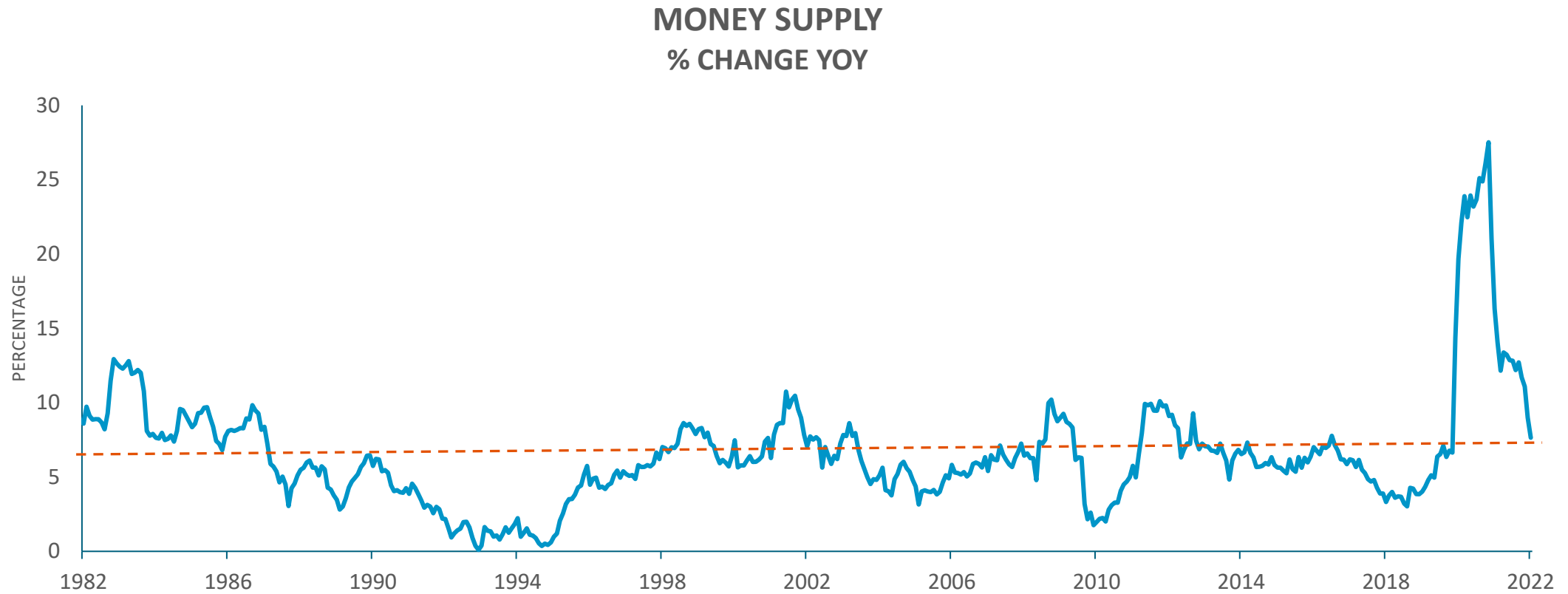
FED FUNDS TARGET RATE AND CPI AT THE END OF PRIOR TIGHTENING CYCLE



Source: Strategas, 2022.

The Liquidity Picture Is Restrictive, the Opposite of 2020

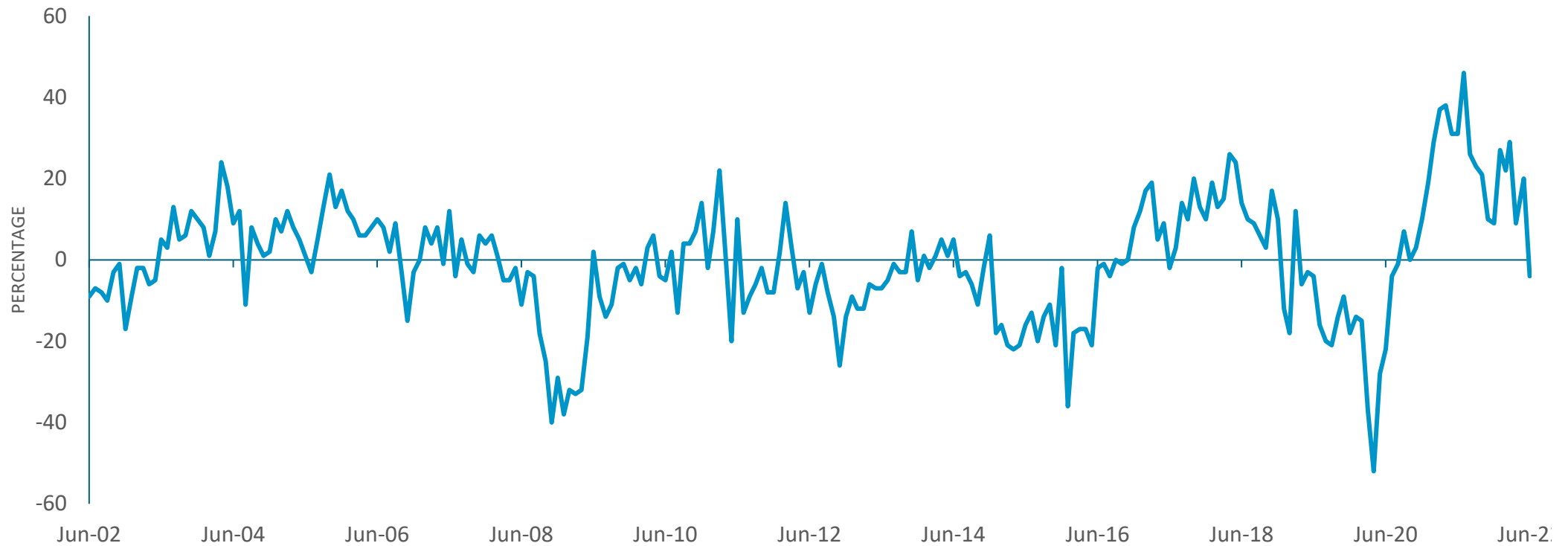
The Federal Reserve's quantitative tightening restricts liquidity as well



Source: St. Louis Fed, FRED data, 2022.

Recent commodities action has also cooled

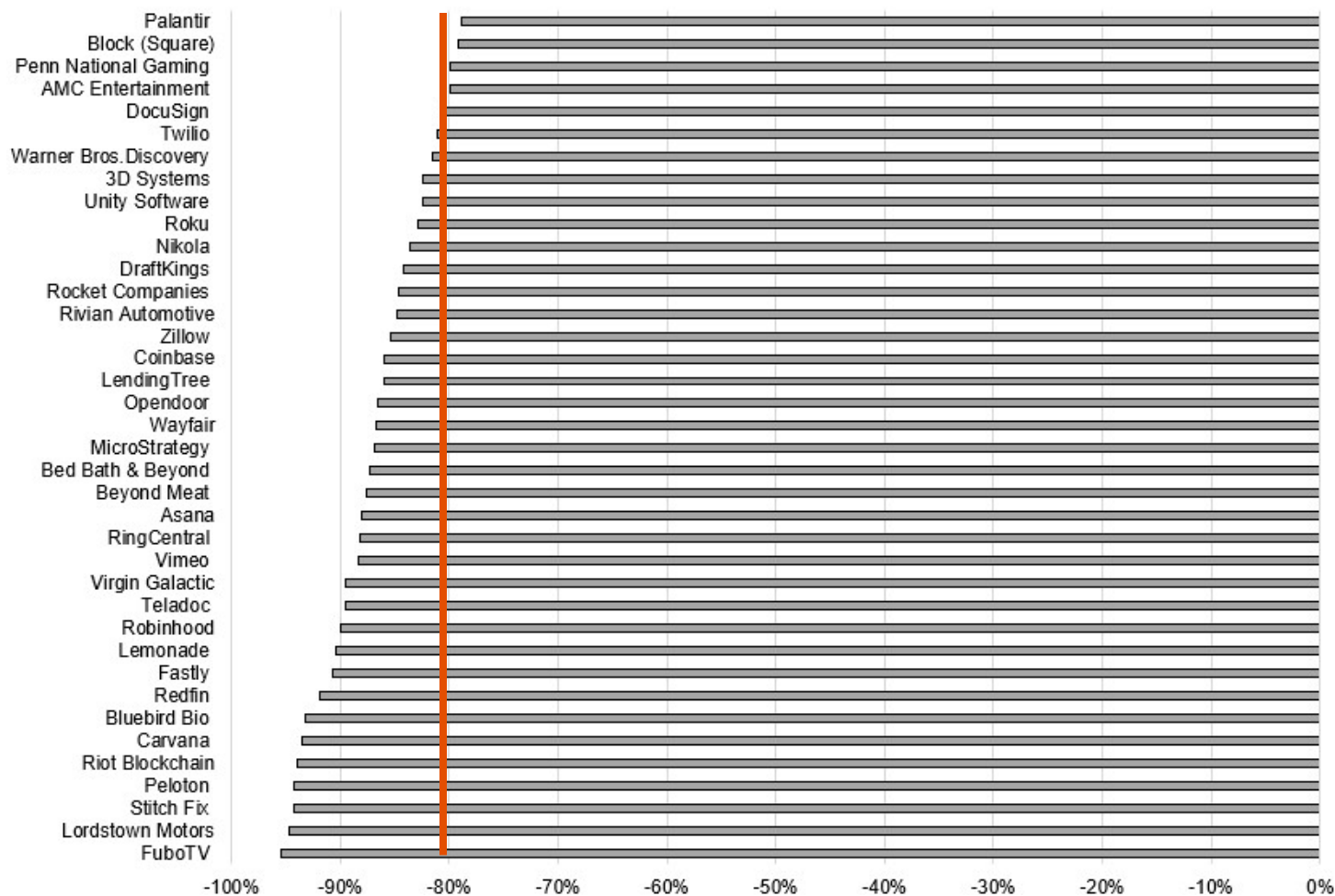
KANSAS CITY FED BACKLOG OF MANUFACTURING ORDERS VS ONE-MONTH AGO



Source: Kansas City Fed, 2022.

Pandemic winners have struggled in the new market environment

PERCENTAGE DECLINES SINCE PANDEMIC HIGHS



Source: Topley's Top 10, June 2022.