



The Compass Rose Group

at Morgan Stanley

Quarterly Video Series

Q1 Market Summary

With market volatility in the background, team in-house Portfolio Manager, Jake Tolk, and Alternative Investments Director, William Reardon, sat down to review the framework in which our team is analyzing the new administration, and discuss tariffs in more detail with some possible paths forward.

Of course, please contact your primary Financial Advisor with The Compass Rose Group with any questions or comments.

[Watch Here](#)

Cardinal Directions - *Our Thoughts*

July 2025

Geopolitical tensions have most on high alert. But we continue to believe long-term market returns will be driven primarily from economic fundamentals and S&P 500 earnings with lesser weight given to policy initiatives coming out of Congress and the White House (i.e., tariffs, taxes, immigration, among others). Although S&P 500 earnings growth lowered from about 14% to 8% for 2025 primarily due to tariff concerns, we continue to see strong growth estimates for the remainder of the year, into 2026 and 2027. See below this breakdown:

- 2025 S&P 500 Earnings Growth Estimate – 8.69%
- 2026 S&P 500 Earnings Growth Estimate – 13.61%
- 2027 S&P 500 Earnings Growth Estimate – 12.31%¹

As for pressing policy initiatives, taxes continue to garner the most attention. US Senators have turned their attention to the *One Big Beautiful Bill* passed by the House in late May and will likely make significant changes. We expect a bill to pass in Q3.

As we turn the page on the initial half of 2025, let's put the noise and short-term volatility aside and into context as we refocus on the big picture. As of June 23, 2025, the S&P 500 is up 3.1% YTD, the Dow up 1% YTD, and the NASDAQ up 2% YTD. Surely, fits and starts will happen in markets, but long-term investors know how to separate from the noise. Please always call with any questions.

Scheduling Your Next Portfolio Review

The Compass Rose Group operations team is continuing to find solutions to help provide efficient and effective levels of service to clients, including scheduling biannual portfolio review meetings.

In case you have not seen it yet, we are sending out an email every six months inviting clients to schedule time with their primary advisor. When you see "Scheduling Your Next Portfolio Review" in your inbox, simply open the message and click the button "Send Meeting Request" to generate an email to our scheduling team. The email will prompt you to fill in relevant information including your name, preferred day of the week, preferred time of day, and preferred location (i.e., in-person, via Zoom, or by phone). Once you hit send, a service associate will follow-up with a few options that meet your preferences.

You can also schedule directly by calling Craig Jones, our Registered Client Service Associate, at 505-889-2826.

Market Moves

Click the link below to review the recent movements and current standings of the Capital Market Indices (As of 6/30/25)

[Capital Market Indices](#)

42.14	+0.56	1.91%
27.07	+0.17	3.52%
21.18	+0.26	0.89%
27.33	-1.14	-4.08%
31.58	+13.53	3.32%
96.51	+0.82	0.54%
25.32	+0.41	1.62%
29.81	+0.87	2.92%

Personal Notes:

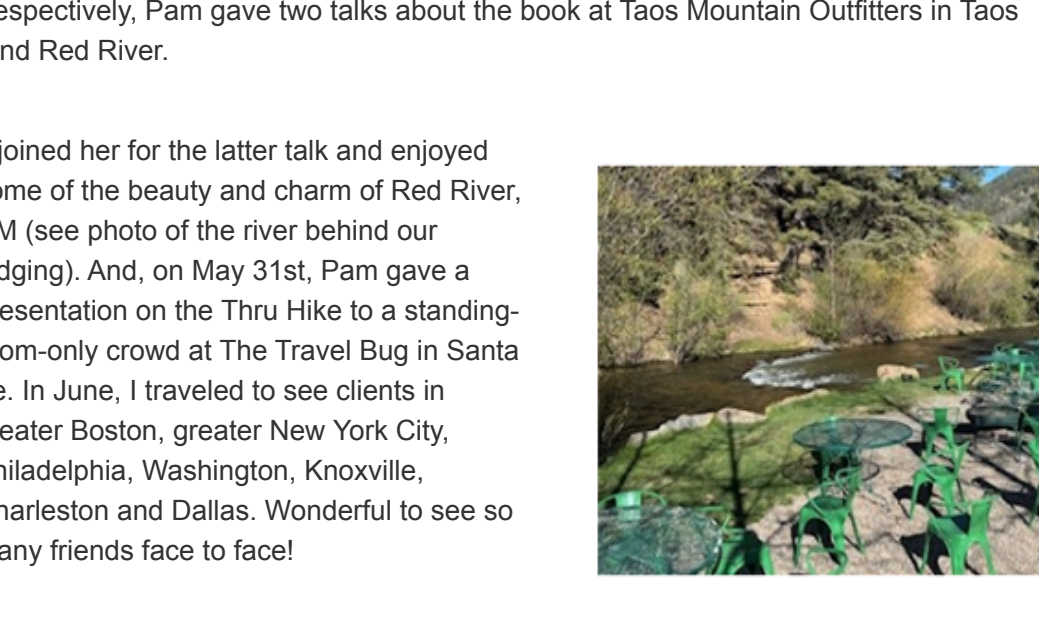
Chuck: June ended with the entire family and all grandkids in town for two birthdays and one anniversary. Four days of family fun. Had a great time having everyone here in ABQ to celebrate together. On to the 4th of July and then family trip to California for a late summer beach getaway. Time in town spent with our vegetable garden. Reconstituted the soil this year and the results have been great. Jalapenos, beans, squash have been great, and the tomatoes are beginning to produce.

Jake: Prudence had her 11th birthday this month and she and I celebrated with a road trip in the camper van. Our first night was in the forest by Angel Fire and she perfected her marshmallow roasting technique. We then headed up to Denver and were greeted with 100-degree weather, which was perfect for the waterslide and roller coaster park. She was nervous at first but then proceeded to find my limit on how many rollercoaster rides I could endure. It was a trip that we will both remember forever.



Will: The end of June allowed my wife, Rachael, and I to celebrate our 7th wedding anniversary. No better time to learn that we will be expecting our fourth little one in early January 2026! We are so blessed and appreciate all the support and kind words from clients, colleagues and friends.

Mark: Kicking off summer the best way we know how – quality time with the grandkids and a staycation close to home!²



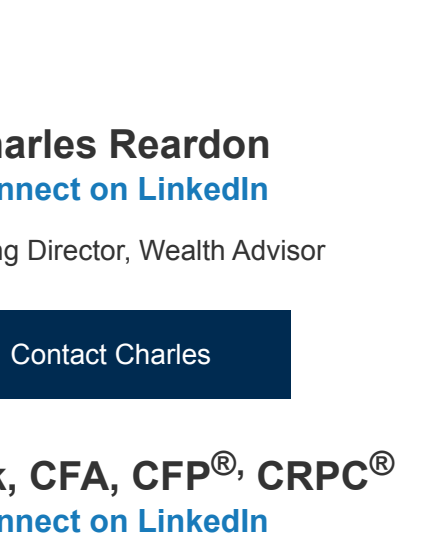
Rob: Pam and I have been very busy of late. The Santa Fe Symphony and Chorus, for whom I perform as a 2nd Tenor, wrapped their 2024/25 season on May 18 with Hector Berlioz' "Damnation of Faust", a truly epic masterwork. Meanwhile on May 19th, Pam's new book, "The Santa Fe to Taos Thru-Hike Guidebook" launched, and was featured in an article in "The Santa Fe New Mexican". On May 22nd and 23rd, respectively, Pam gave two talks about the book at Taos Mountain Outfitters in Taos and Red River.

I joined her for the latter talk and enjoyed some of the beauty and charm of Red River, NM (see photo of the river behind our lodging). And, on May 31st, Pam gave a presentation on the Thru Hike to a standing-room-only crowd at The Travel Bug in Santa Fe. In June, I traveled to see clients in greater Boston, greater New York City, Philadelphia, Washington, Knoxville, Charleston and Dallas. Wonderful to see so many friends face to face!



Fallon: The Peace family finally made it to our first camping trip of 2025. We all enjoyed the time in the mountains. We are looking forward to getting back to the mountains again and plan on camping just about every weekend until Benjamin goes back to school.³

Craig: Well, we finally did it! After our courthouse wedding at the end of April, Paige and I finalized our marriage with a beautiful ceremony and reception in Rincon, Puerto Rico! With a small group of our closest friends and immediate family members, we were able to plan a week-long celebration in one of the most beautiful parts of the country. In addition to the wedding, we also enjoyed snorkeling, paddleboarding, sunset gazing, and good food and drink with some of our favorite people. It was truly the most incredible experience, and we are so excited for a lifetime of love and laughter together!⁴

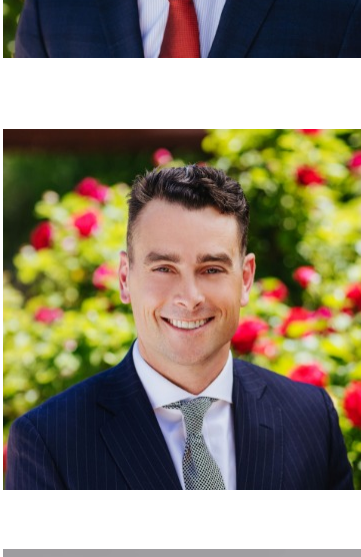


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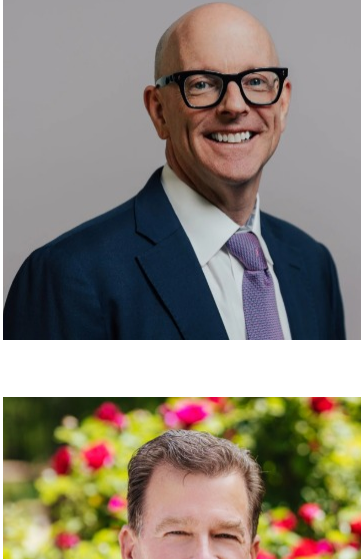


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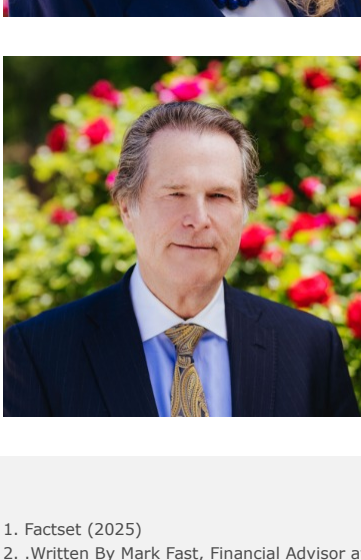


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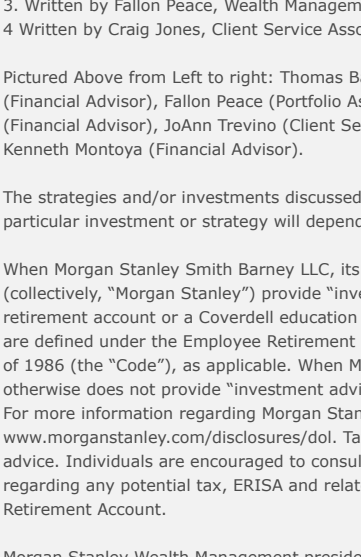


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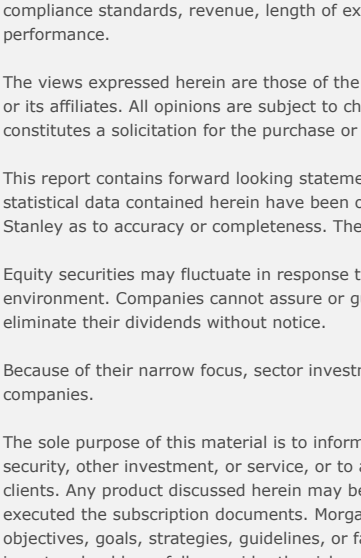


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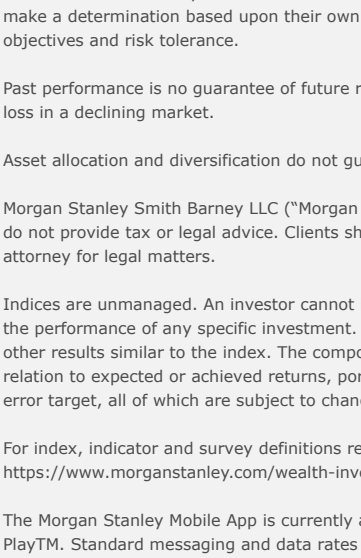


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1. Factset (2025)

2. Written By Mark Fast, Financial Advisor at The Compass Rose Group at Morgan Stanley

3. Written by Fallon Peace, Wealth Management Associate at The Compass Rose Group at Morgan Stanley

4. Written by Craig Jones, Client Service Associate, The Compass Rose Group at Morgan Stanley

Pictured Above from Left to right: Thomas Batson (Financial Advisor), Jesse Casaus (Client Service Associate), Robert Hoffman (Financial Advisor), Fallon Peace (Portfolio Associate), Jake Tolk (Financial Advisor), Charles Reardon (Financial Advisor), Will Reardon (Financial Advisor), JoAnn Trevino (Client Service Associate), Justin Medrano (Financial Advisor), Lisa Obeji (Financial Advisor), Kenneth Montoya (Financial Advisor).

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