Monetary Masala

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Sage Policy Group, Inc.

On Behalf of
MRA/GTA Client
Appreciation Breakfast

October 3, 2025

The Taking of Inflation 2.0

The Taking of Pelham 123 (2009)—Denzel Washington as Train Dispatcher

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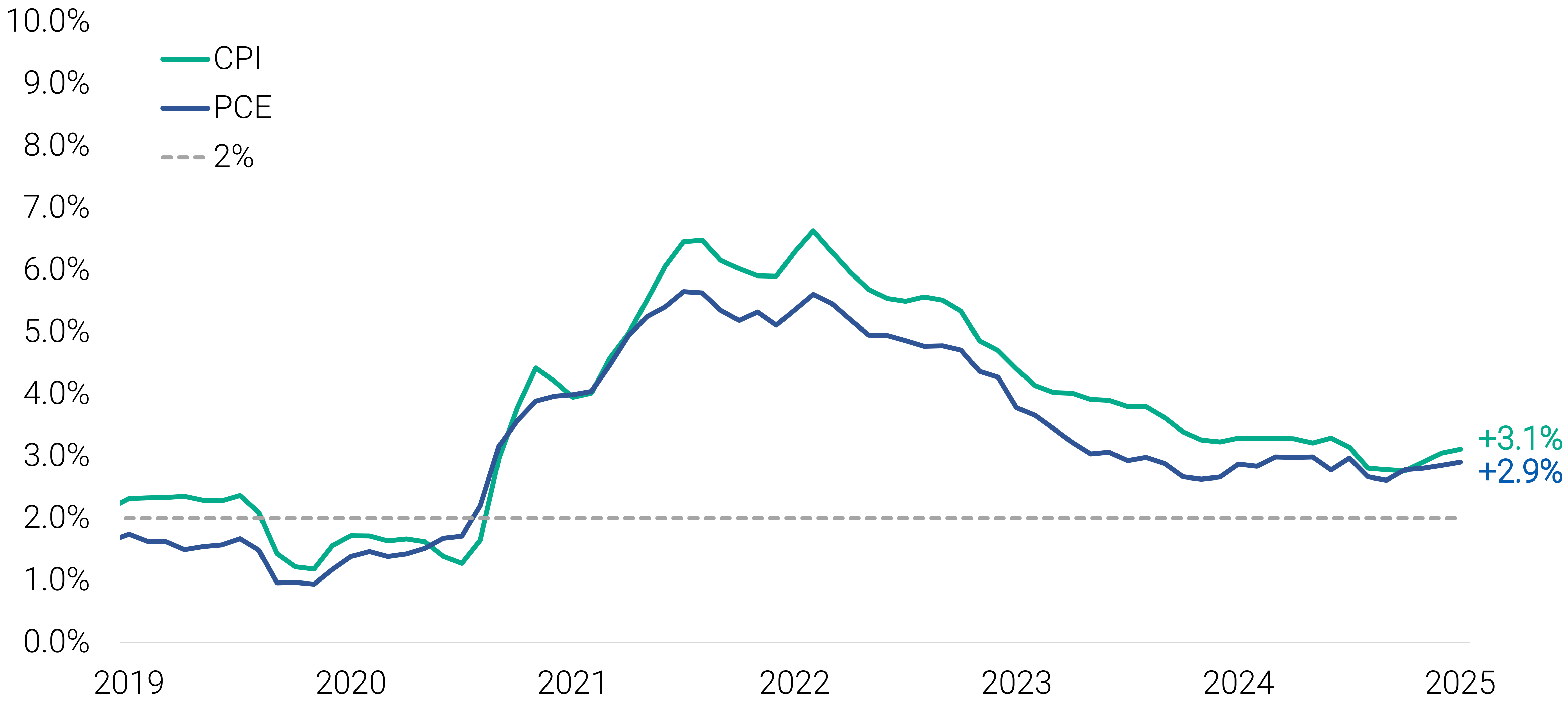
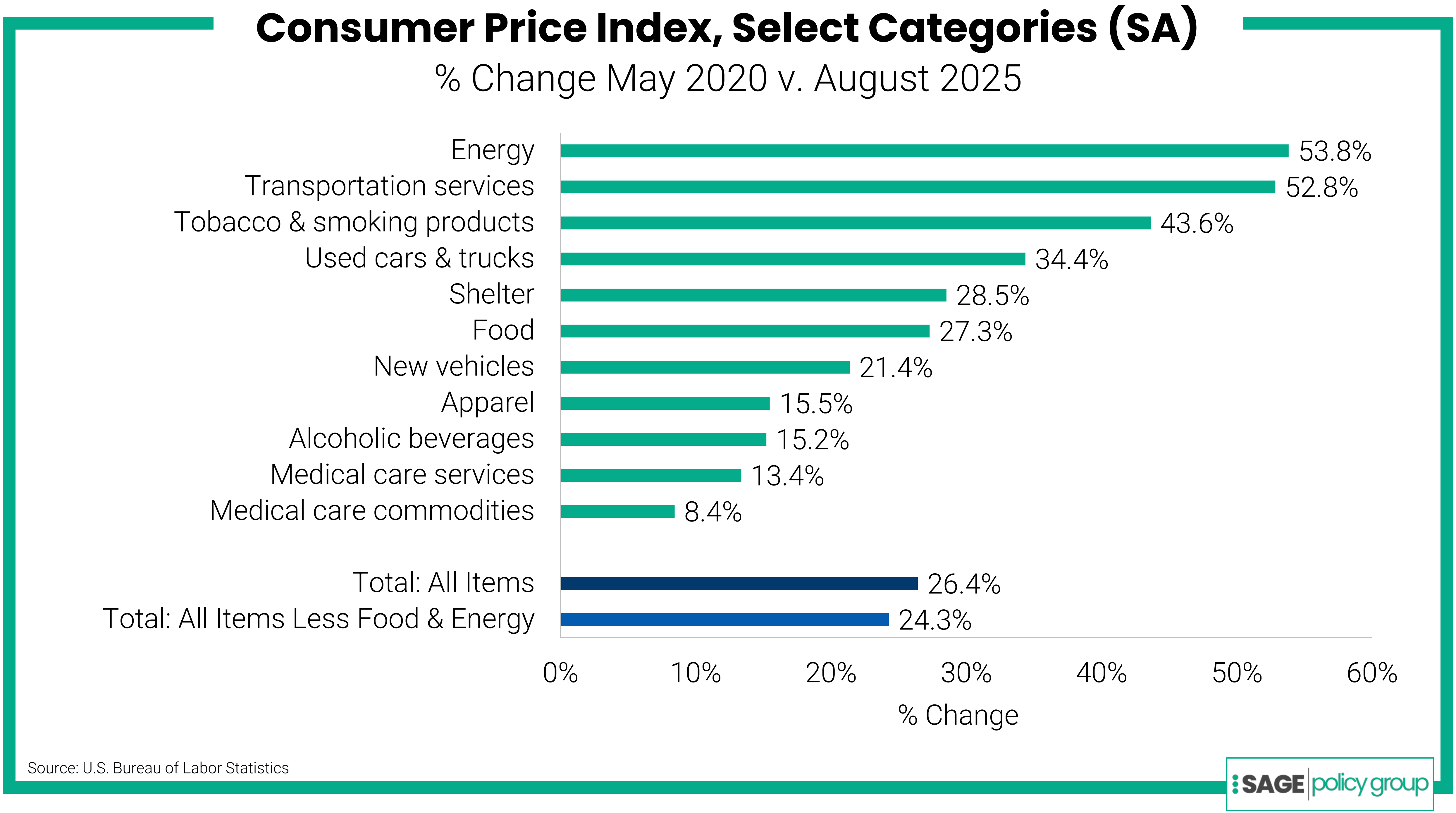
Core CPI & PCE, 12-Month % Change (SA)

2019 – August 2025



Source: U.S. Bureau of Labor Statistics; U.S. Bureau of Economic Analysis *Core: All items less food and energy


Consumer Price Index, Select Categories (SA)
% Change May 2020 v. August 2025
Energy
53.8%
Transportation services
52.8%
Tobacco & smoking products
43.6%
Used cars & trucks
34.4%
Shelter
28.5%
Food
27.3%
New vehicles
21.4%
Apparel
15.5%
Alcoholic beverages
15.2%
Medical care services
13.4%
Medical care commodities
8.4%
Total: All Items
26.4%
Total: All Items Less Food & Energy
24.3%
0%
10%
20%
30%
40%
50%
60%
% Change
Source: U.S. Bureau of Labor Statistics
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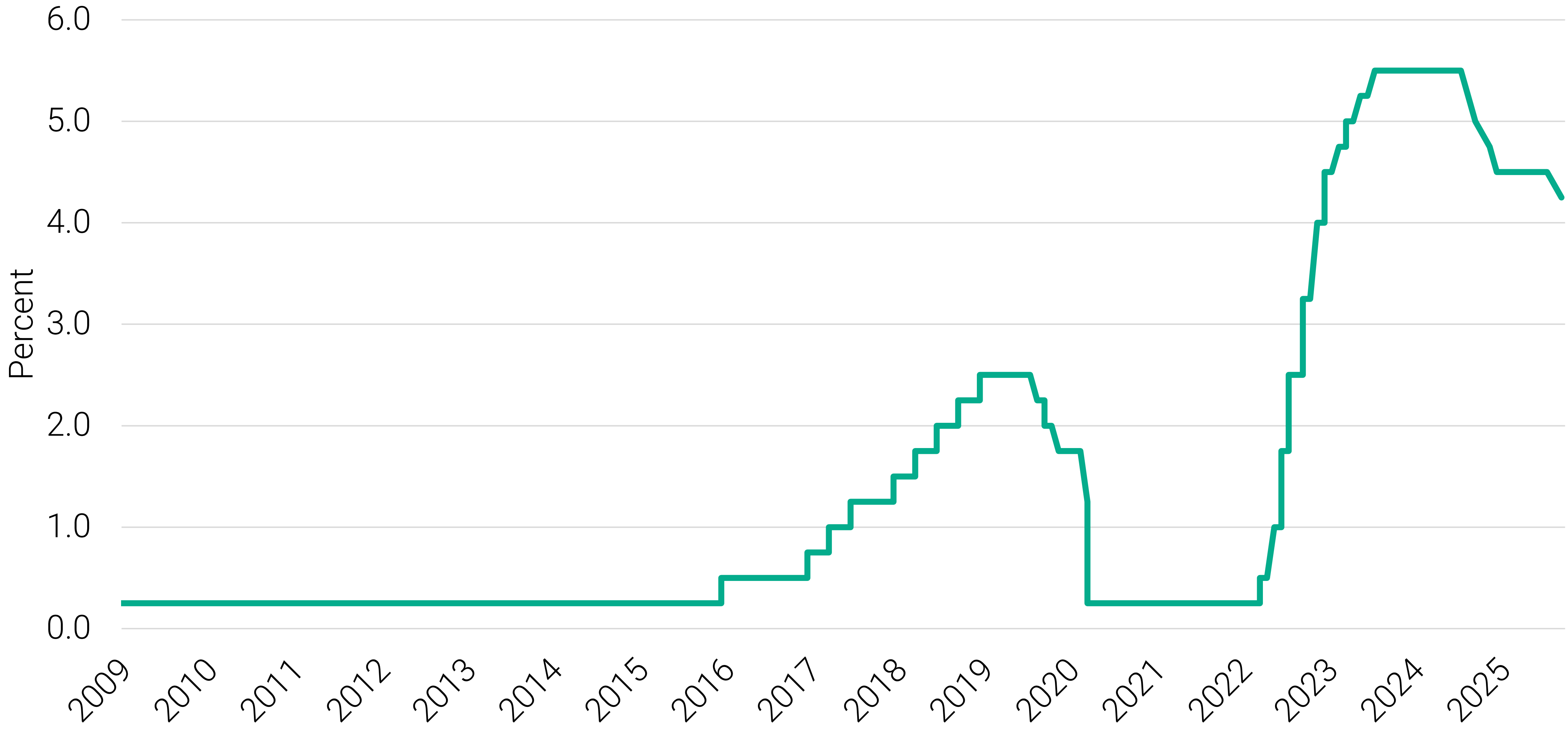
The Manhattan Candidate

- 10% minimum tariffs on all countries; Canada (10-25%); China (10-125%); EU (15%); Mexico (25-30%); some of these delayed during negotiations.
- Tariffs on targeted goods: steel and aluminum (50%); copper (50%); automobiles (25%).
- Big Beautiful Bill: cuts taxes; raises debt ceiling; adds estimated $3.4 trillion to national debt over 10 years.
- Mass deportations: target of 3,000 ICE arrests per day, according to some sources.

*The Manchurian Candidate (2004)—Denzel Washington as Major Bennett Marco

Federal Funds Rate, Target Rate Upper Limit, 2009 – 2025



Source: Board of Governors of the Federal Reserve System

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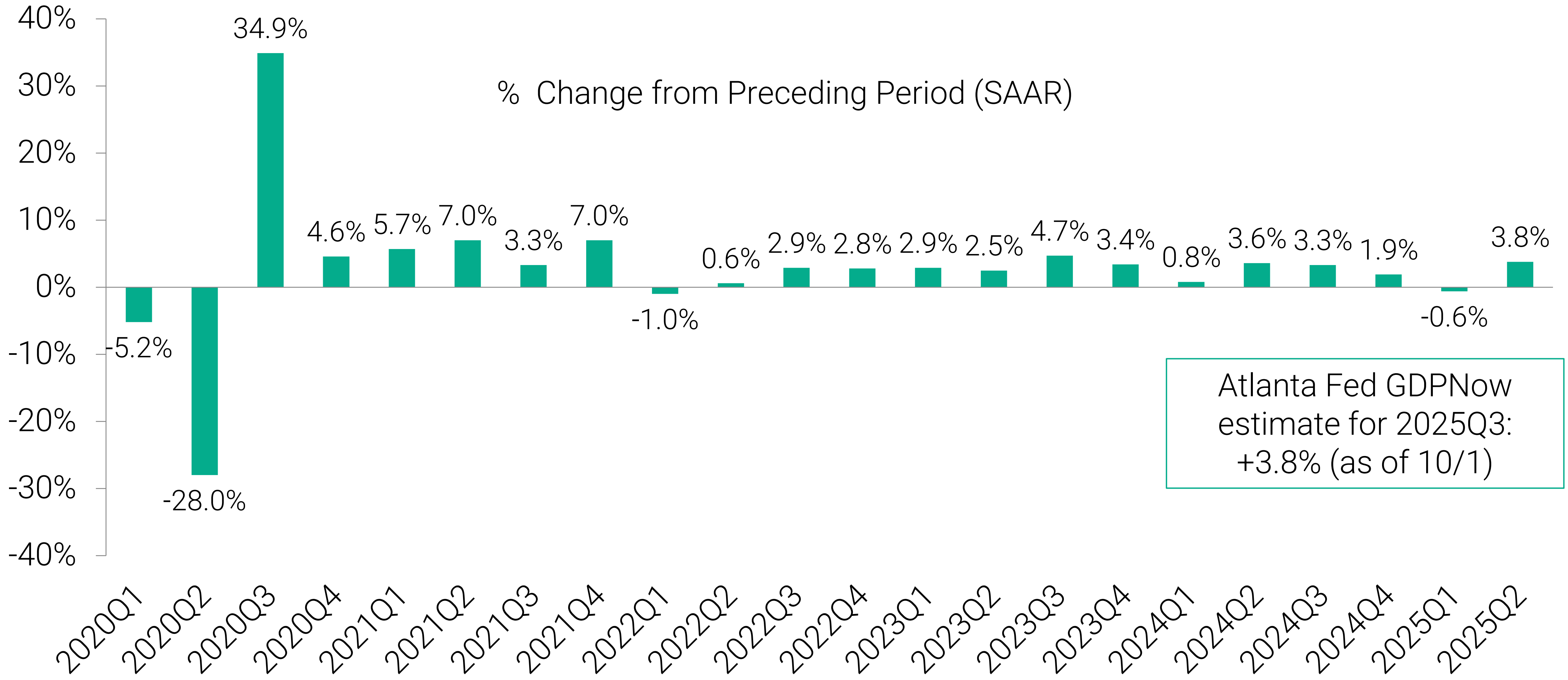
U.S. Gross Domestic Product Growth, 2020 – 2025Q2



Source: U.S. Bureau of Economic Analysis *2025Q2: 3rd (final) estimate

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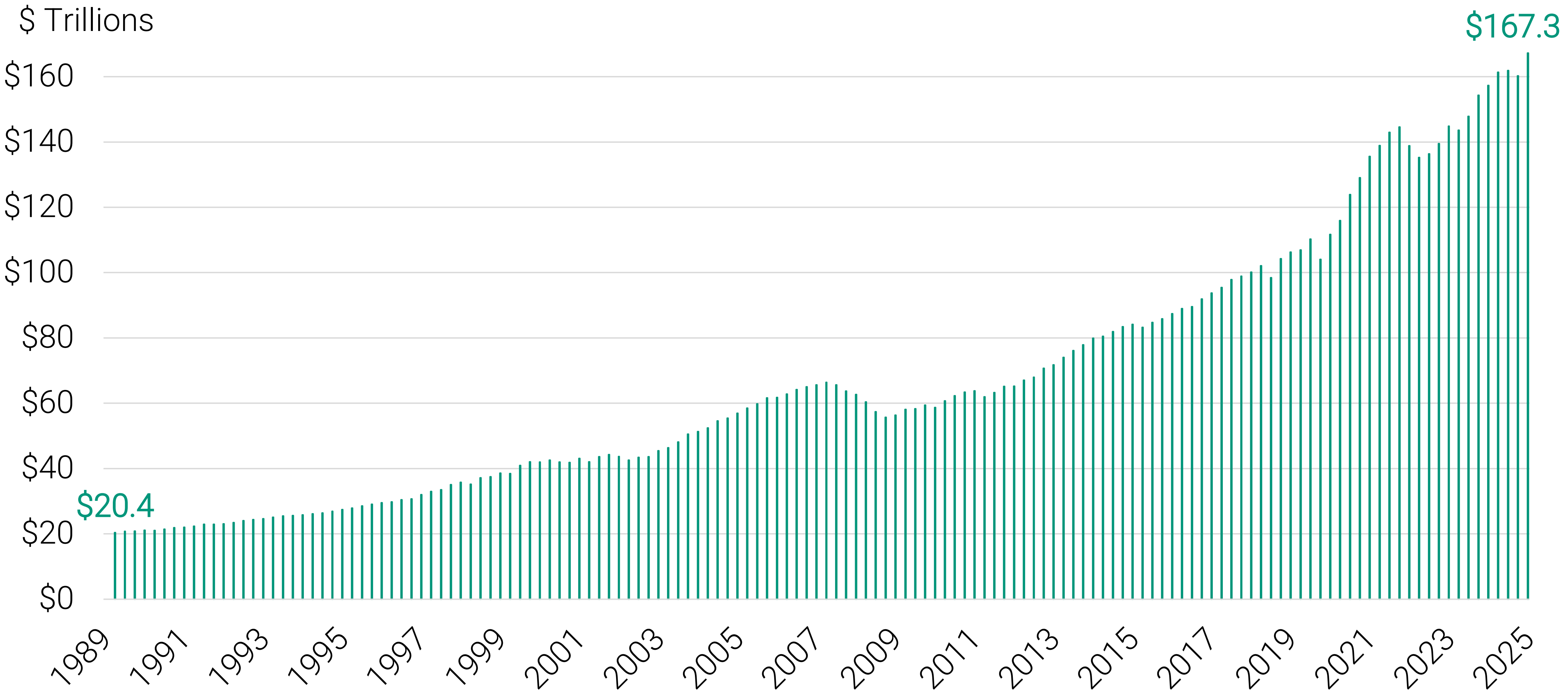
They Got Game

Source: U.S. Census Bureau

Total U.S. Household Wealth, 1989 – 2025



Source: Federal Reserve Board, Distributional Financial Accounts (DFAs)

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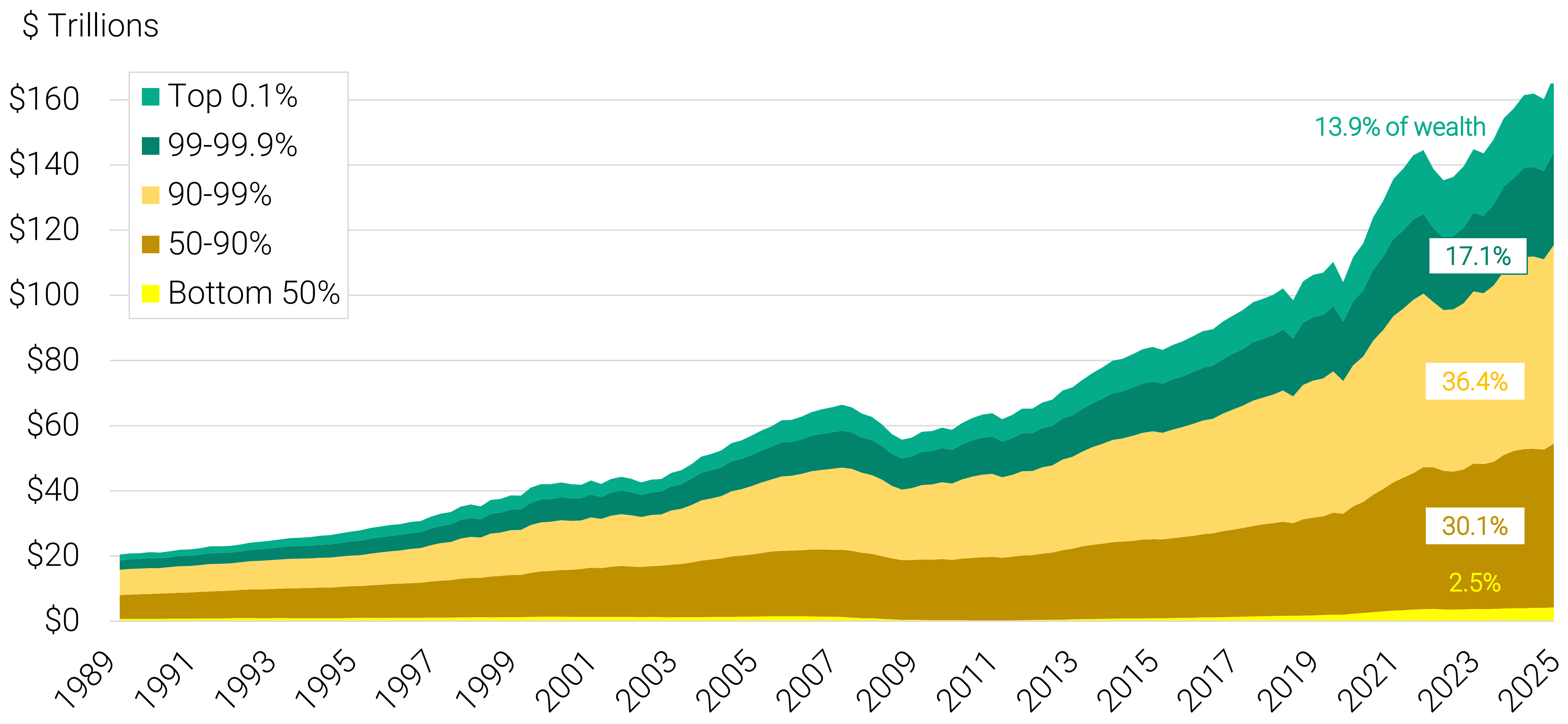
U.S. Household Wealth by Wealth Percentile Group, 1989 – 2025



Source: Federal Reserve Board, Distributional Financial Accounts (DFAs)

The Equalizer

The Equalizer (2014, 2018, and 2023)—Denzel Washington as mystery man Robert McCall

U.S. Job Openings, 2015 – August 2025

Source: U.S. Bureau of Labor Statistics

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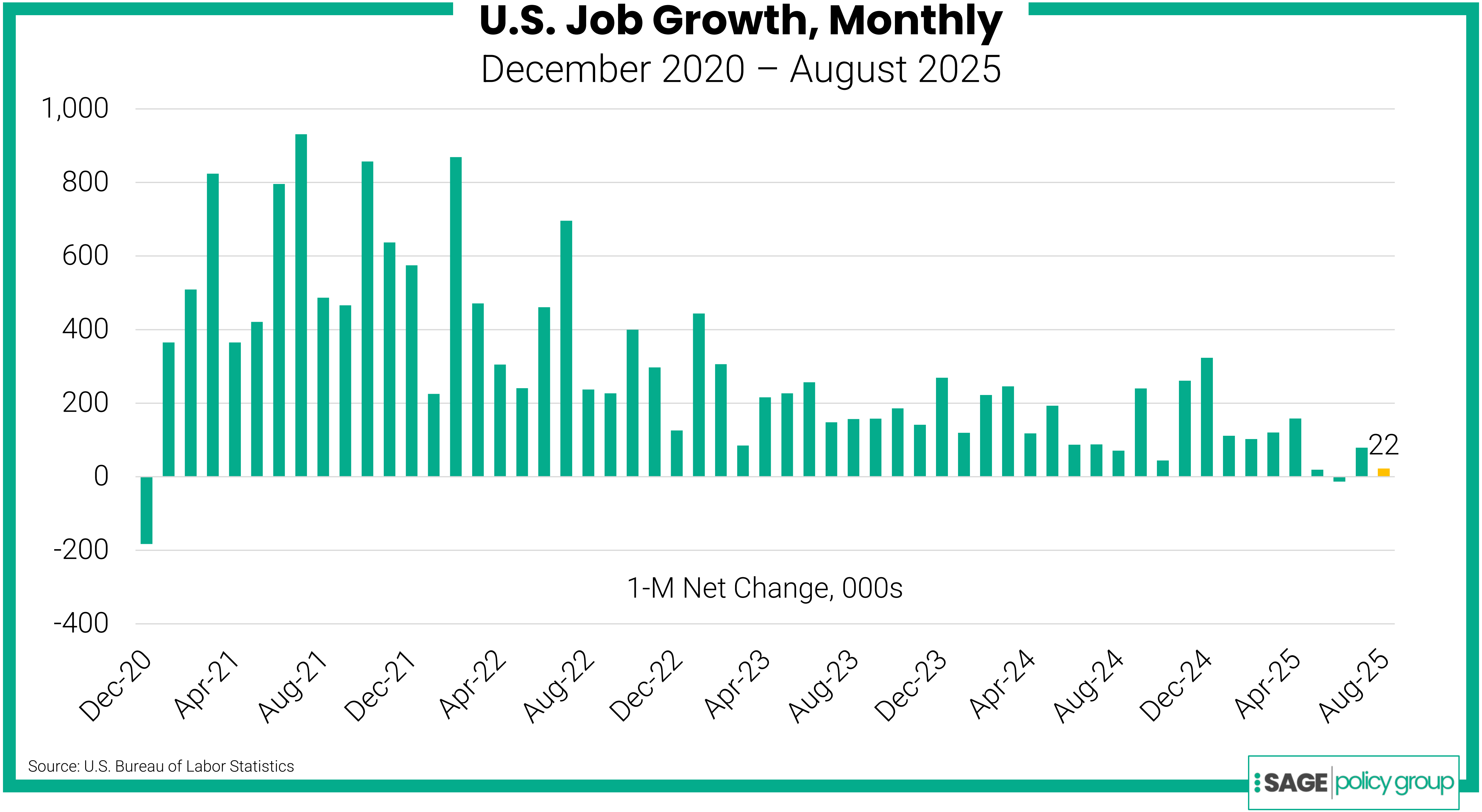

U.S. Job Growth, Monthly
December 2020 – August 2025
1,000
800
600
400
200
0
-200
-400
22
1-M Net Change, 000s
Dec-20
Apr-21
Aug-21
Dec-21
Apr-22
Aug-22
Dec-22
Apr-23
Aug-23
Dec-23
Apr-24
Aug-24
Dec-24
Apr-25
Aug-25
Source: U.S. Bureau of Labor Statistics
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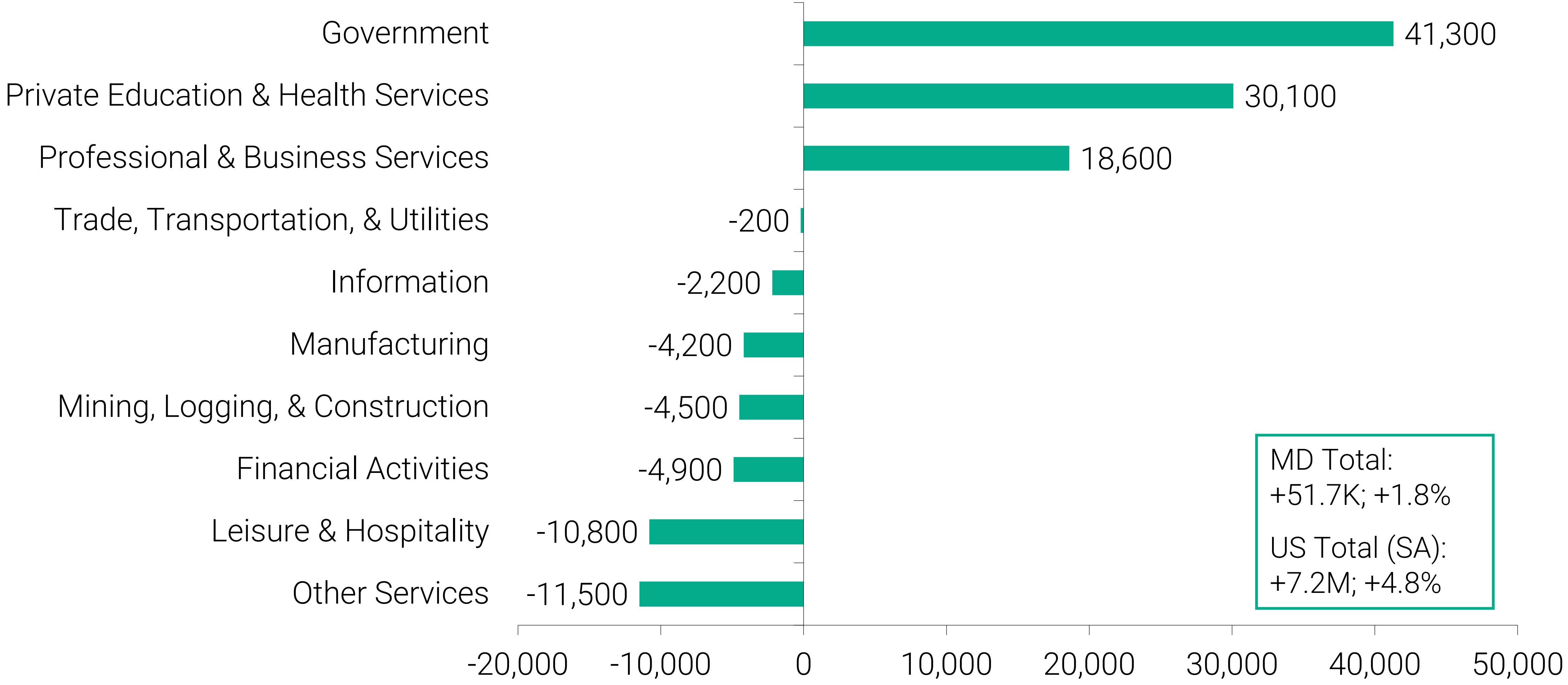
Maryland Nonfarm Employment

February 2020 v. August 2025 Absolute Change

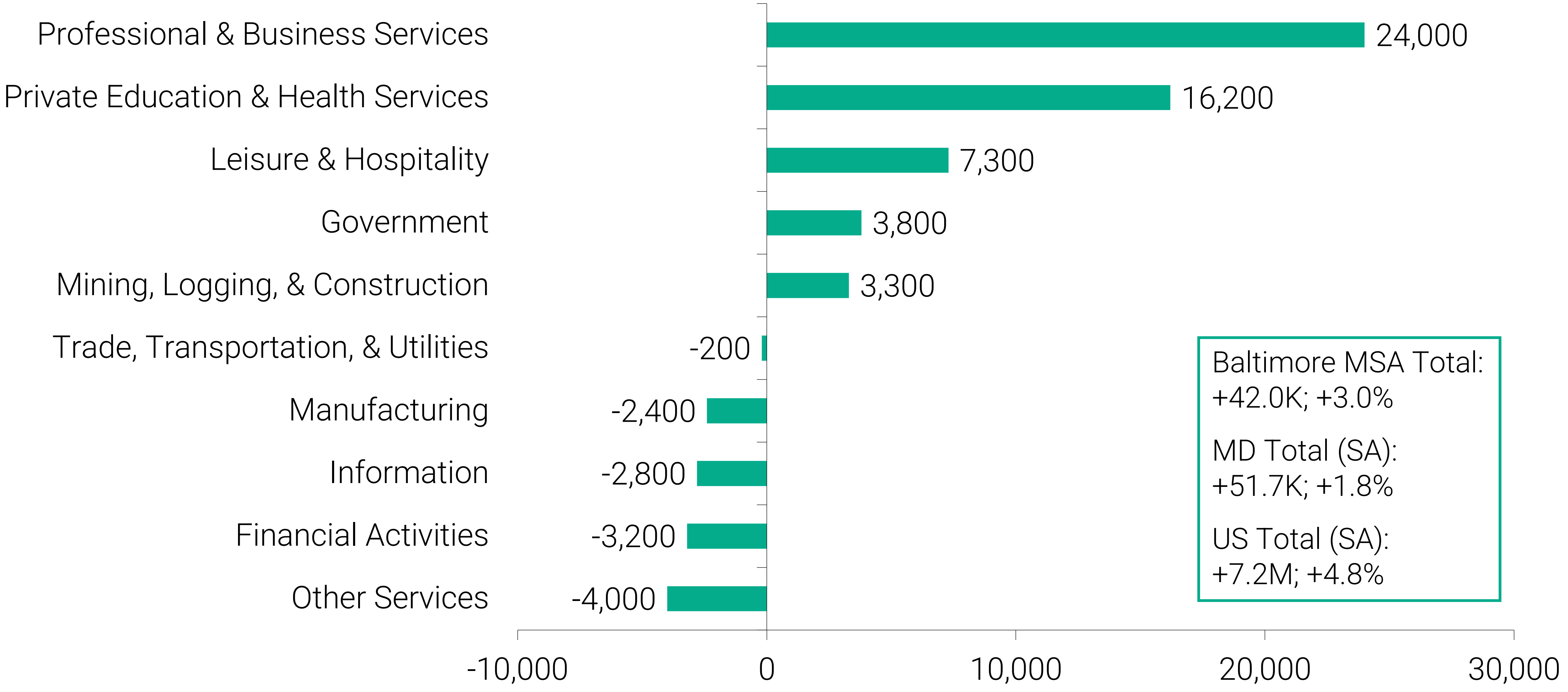


*According to the Local Area Unemployment Statistics (LAUS) program MD lost 127,000 jobs between February 2020 and August 2025.

Source: U.S. Bureau of Labor Statistics
*Data are seasonally adjusted (SA)

Baltimore-Columbia-Towson MSA Nonfarm Employment

February 2020 v. August 2025 Absolute Change



Source: U.S. Bureau of Labor Statistics
*Data are not seasonally adjusted (NSA)

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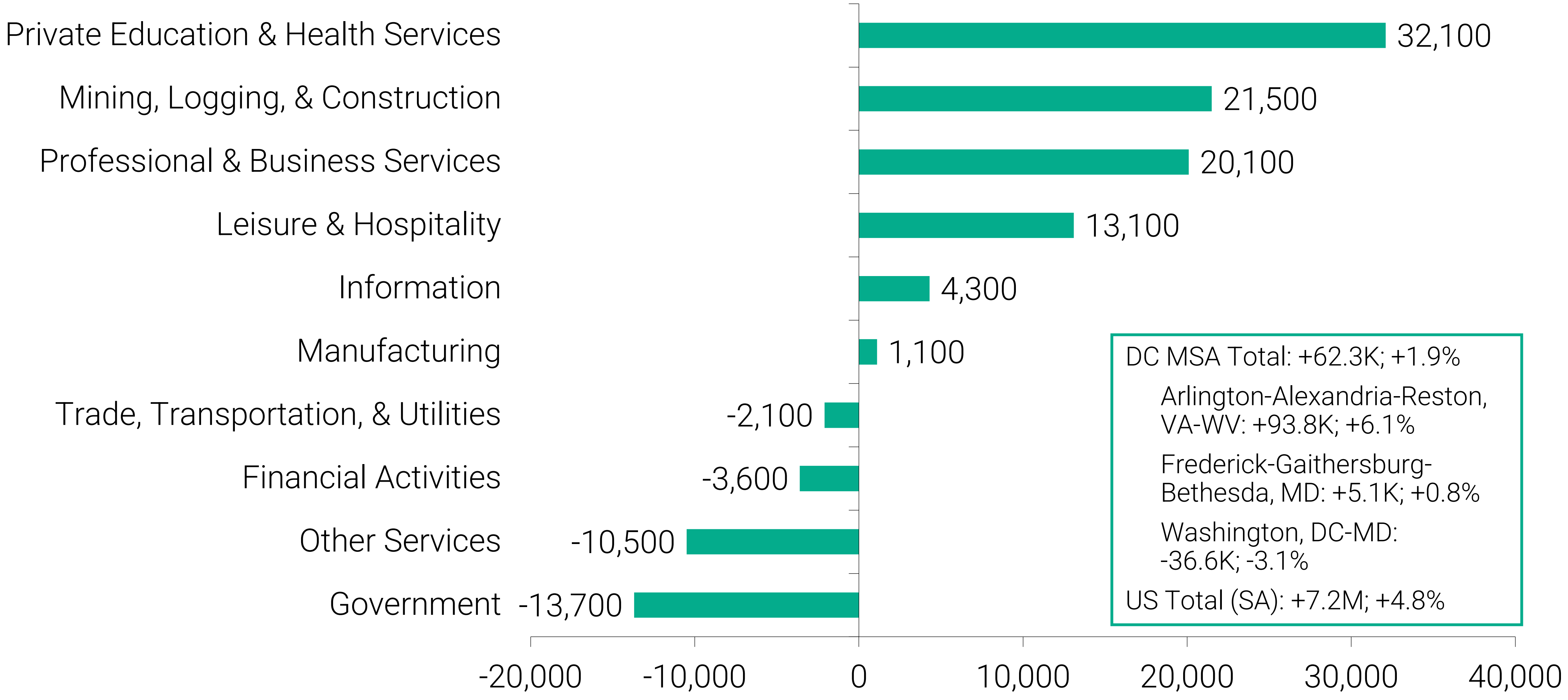
Washington, DC-Arlington-Alexandria MSA Nonfarm Employment

February 2020 v. August 2025 Absolute Change



Source: U.S. Bureau of Labor Statistics
*Data are not seasonally adjusted (NSA)

Employment Growth, 25 Largest Metros

February 2020 v. August 2025 % Change

Rank	MSA	%
1	Austin-Round Rock-San Marcos, TX	19.5%
2	Dallas-Fort Worth-Arlington, TX	12.6%
3	Orlando-Kissimmee-Sanford, FL	11.8%
4	San Antonio-New Braunfels, TX	11.6%
5	Charlotte-Concord-Gastonia, NC-SC	11.3%
6	Tampa-St. Petersburg-Clearwater, FL	10.3%
7	Phoenix-Mesa-Chandler, AZ	9.5%
8	Atlanta-Sandy Springs-Roswell, GA	8.2%
9	Houston-Pasadena-The Woodlands, TX	8.1%
10	Miami-Fort Lauderdale-West Palm Beach, FL	7.5%
11	Riverside-San Bernardino-Ontario, CA	7.1%
12	Denver-Aurora-Centennial, CO	7.0%
13	Philadelphia-Camden-Wilm., PA-NJ-DE-MD	5.5%
14	New York-Newark-Jersey City, NY-NJ	4.1%
15	Chicago-Naperville-Elgin, IL-IN-WI	3.1%
16	**Baltimore-Columbia-Towson, MD**	**3.0%**
16	San Diego-Chula Vista-Carlsbad, CA	3.0%
18	Seattle-Tacoma-Bellevue, WA	2.6%
19	Detroit-Warren-Dearborn, MI	2.0%
20	Minneapolis-St. Paul-Bloomington, MN-WI	1.9%
20	**Washington-Arlington-Alexandria, DC-VA-MD-WV**	**1.9%**
22	St. Louis, MO-IL	1.1%
23	Boston-Cambridge-Newton, MA-NH	0.8%
24	Los Angeles-Long Beach-Anaheim, CA	-0.5%
25	San Francisco-Oakland-Fremont, CA	-3.5%

U.S. % Change 2/2020 v. 8/2025: +4.8%

Current Employment Statistics (CES) Survey. Note: data are not seasonally adjusted.

Unemployment Rates, 25 Largest Metros, August 2025

Rank	MSA	%
1	Atlanta-Sandy Springs-Roswell, GA	3.5%
2	Denver-Aurora-Centennial, CO	3.7%
2	Miami-Fort Lauderdale-West Palm Beach, FL	3.7%
4	Austin-Round Rock-San Marcos, TX	3.9%
5	Charlotte-Concord-Gastonia, NC-SC	4.1%
5	Minneapolis-St. Paul-Bloomington, MN-WI	4.1%
7	Phoenix-Mesa-Chandler, AZ	4.2%
8	**Baltimore-Columbia-Towson, MD**	**4.3%**
8	Detroit-Warren-Dearborn, MI	4.3%
8	Orlando-Kissimmee-Sanford, FL	4.3%
8	**Washington-Arlington-Alexandria, DC-VA-MD-WV**	**4.3%**
12	Dallas-Fort Worth-Arlington, TX	4.4%
12	San Antonio-New Braunfels, TX	4.4%
12	Tampa-St. Petersburg-Clearwater, FL	4.4%
15	Boston-Cambridge-Newton, MA-NH	4.5%
15	St. Louis, MO-IL	4.5%
17	Chicago-Naperville-Elgin, IL-IN-WI	4.6%
17	Seattle-Tacoma-Bellevue, WA	4.6%
19	San Francisco-Oakland-Fremont, CA	4.8%
20	Houston-Pasadena-The Woodlands, TX	5.0%
20	San Diego-Chula Vista-Carlsbad, CA	5.0%
22	Philadelphia-Camden-Wilm., PA-NJ-DE-MD	5.1%
23	New York-Newark-Jersey City, NY-NJ	5.2%
24	Los Angeles-Long Beach-Anaheim, CA	5.9%
25	Riverside-San Bernardino-Ontario, CA	6.1%

U.S. Unemployment Rate: 4.3%

Local Area Unemployment Statistics (LAUS) program. Note: data are not seasonally adjusted

Devil in a Bunch of Data

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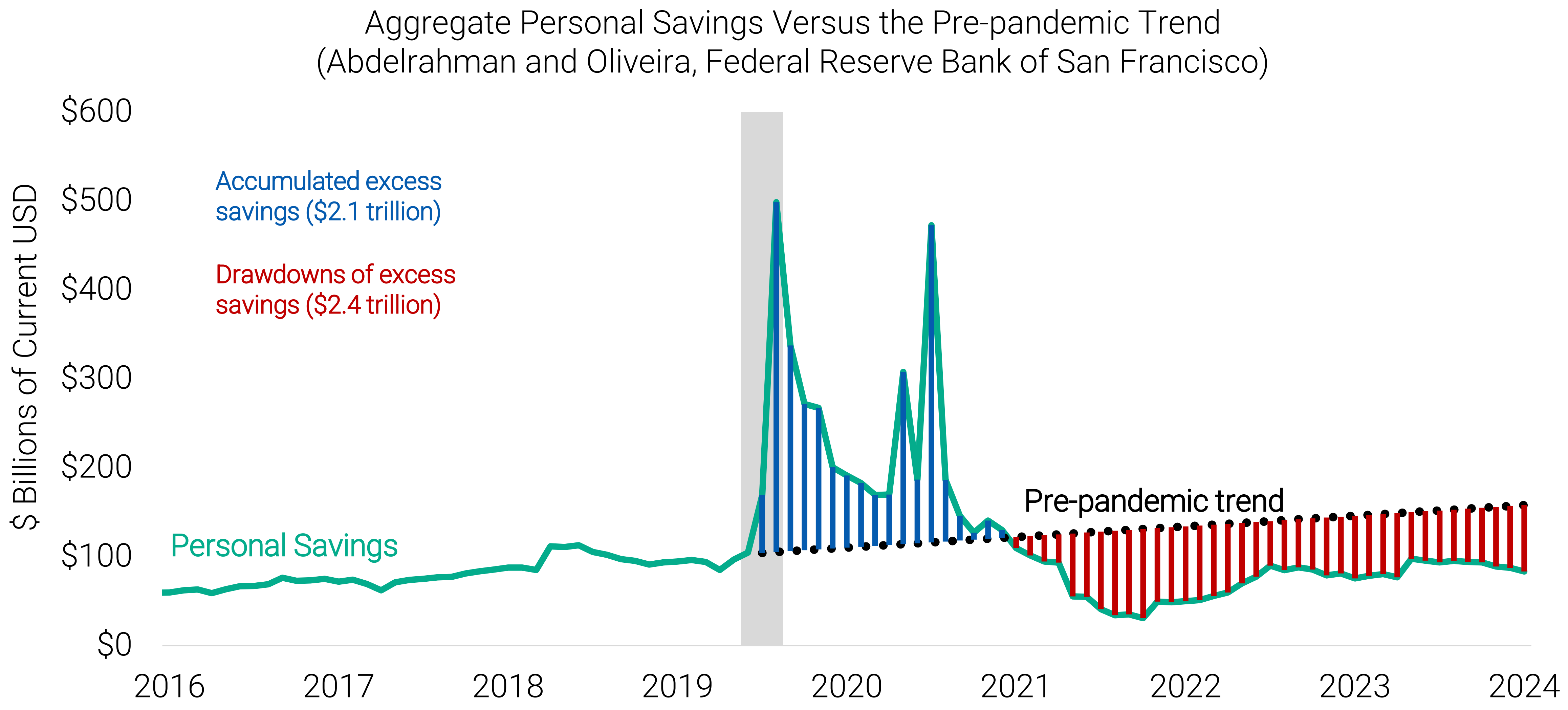
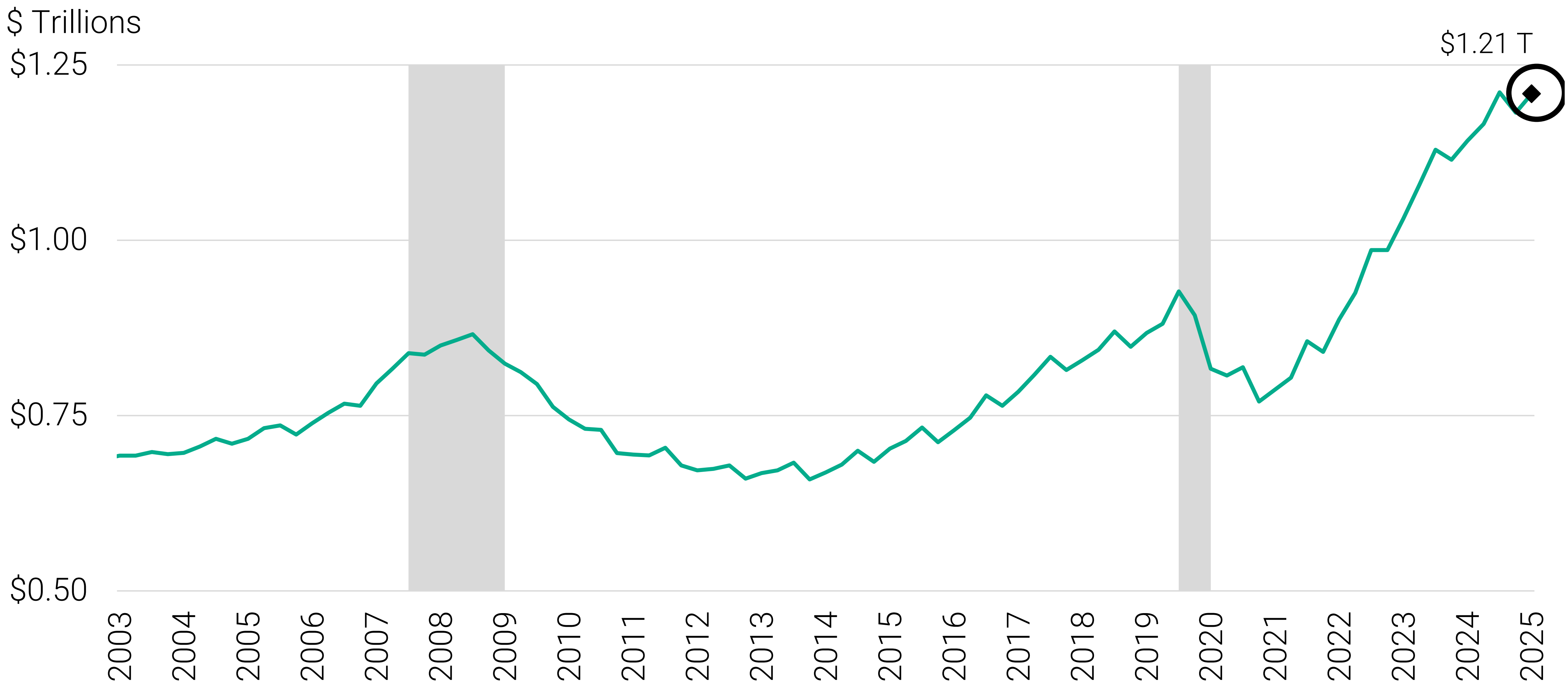
Devil in a Blue Dress (1995)—Denzel Washington as Easy Rawlins

Drawdown of Pandemic Related Excess Savings



Source: Federal Reserve Bank of San Francisco

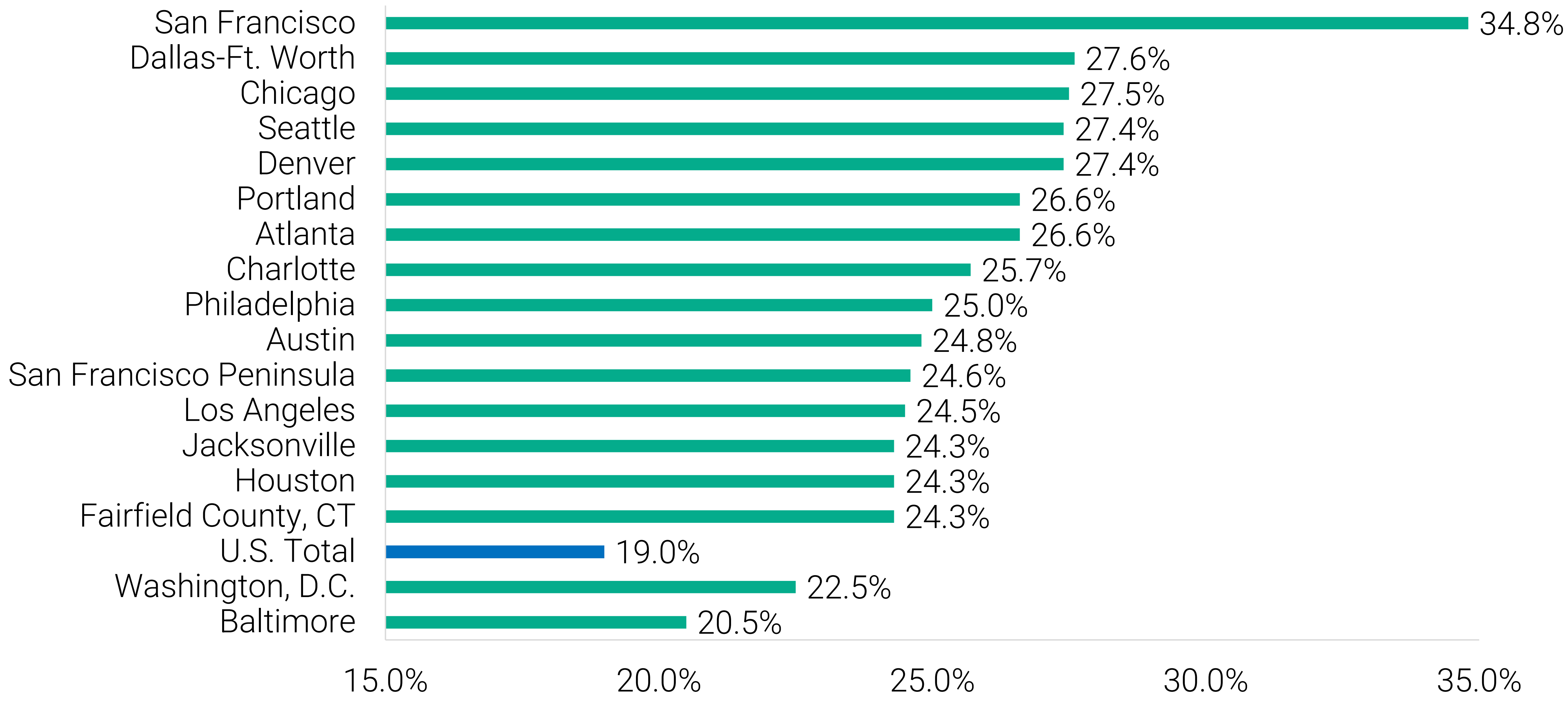
U.S. Credit Card Debt, 2003 – 2025



Shaded areas indicate U.S. recessions

Source: FRED; New York Fed Consumer Credit Panel/Equifax

Highest Office Vacancy Rates, 2025Q2



Source: CBRE

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U.S. Cities Face Fiscal Stress

- With the city facing a projected $1.12 billion shortfall in 2026 Chicago Mayor Brandon Johnson said recently, "We have reached a point of no return".
- Between December 2024 and April 2025, Chicago, Los Angeles, San Francisco, and Washington all experienced credit rating downgrades.
- According to research conducted by The Pew Charitable Trusts, at least 20 of the nation's 25 most populous cities have reported budget gaps for fiscal year 2026—and often beyond.

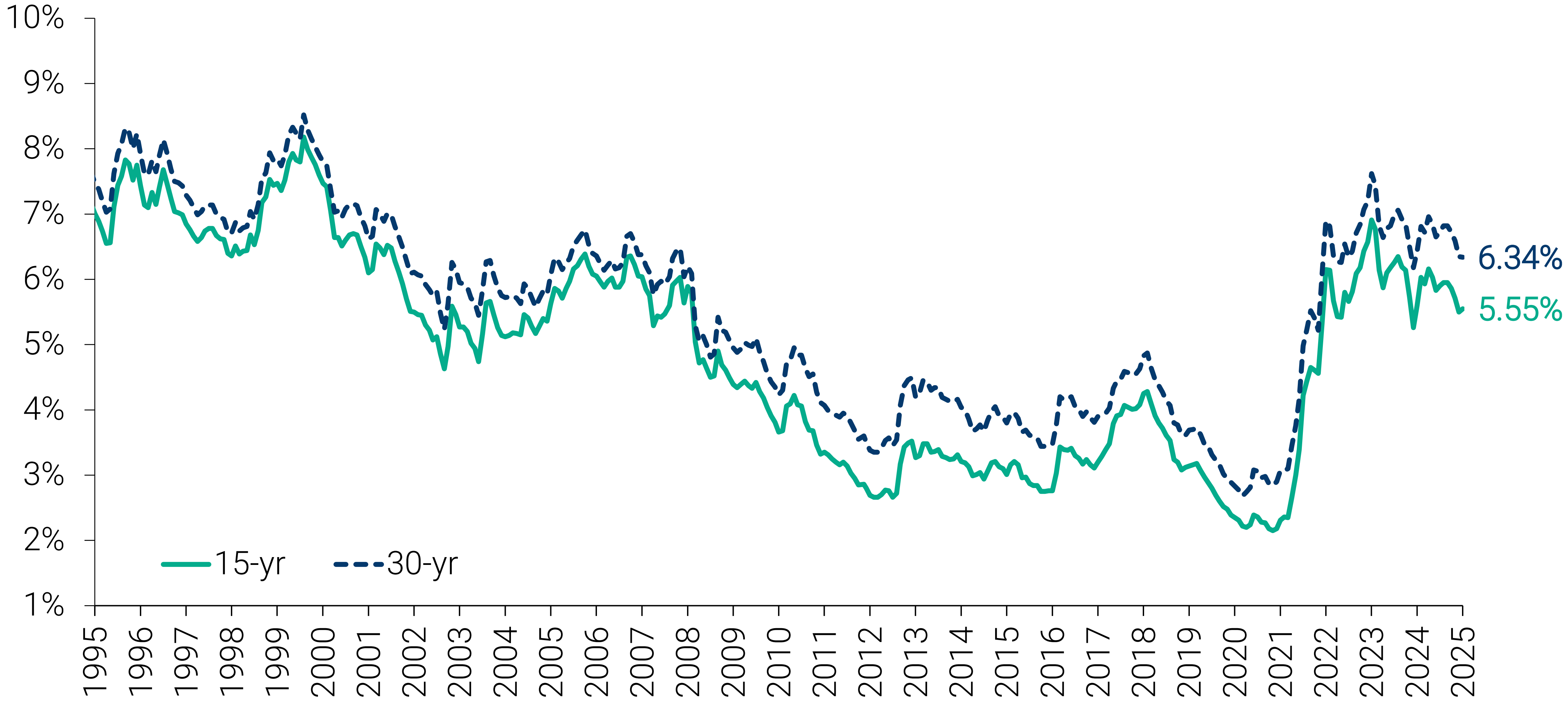
Source: The Pew Charitable Trusts; CBSNews

Fences

Fences (2016)—Denzel Washington as Troy Maxson, Pittsburgh sanitation worker

U.S. 15-Year & 30-Year Fixed Mortgage Rates

1995 – October 2025*



Source: Freddie Mac *Week ending 10/2/2025

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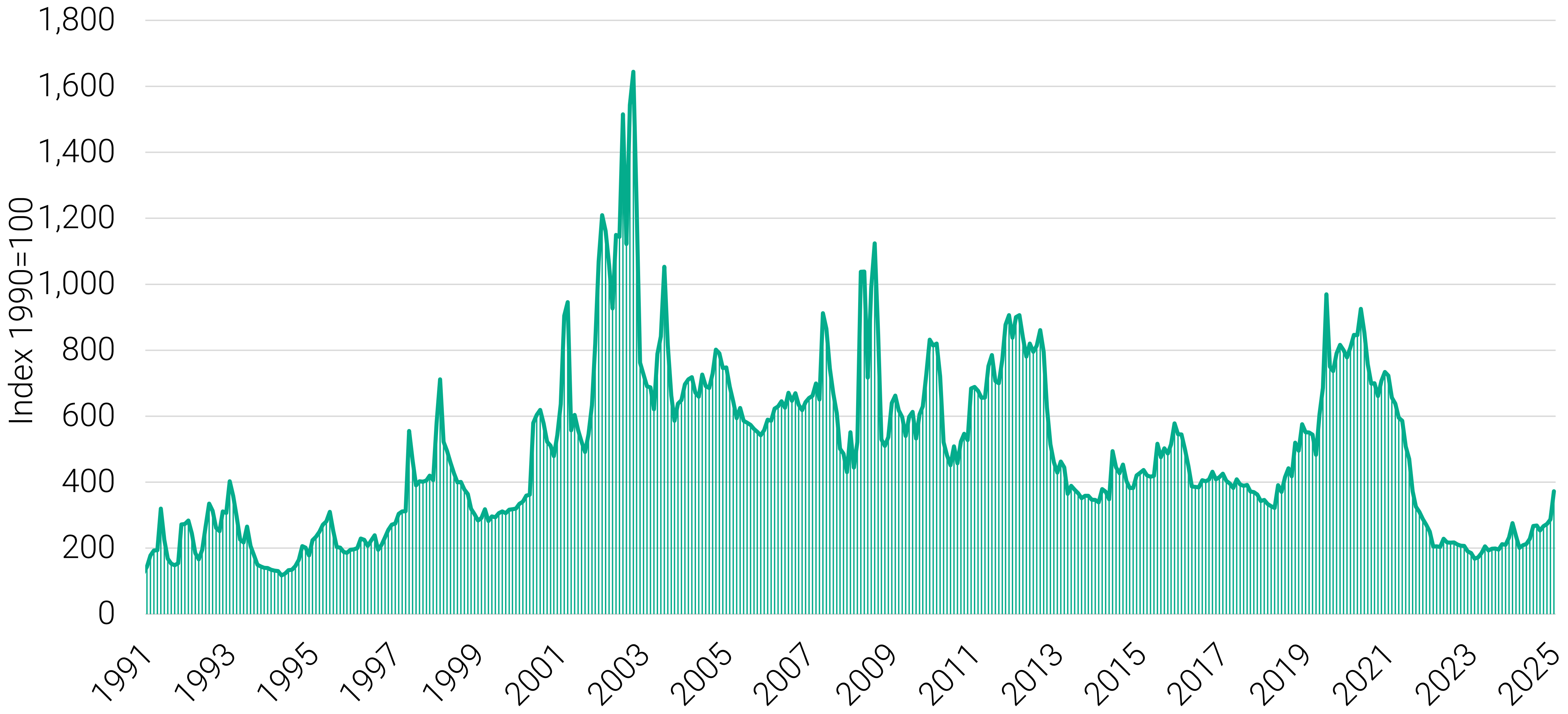
U.S. Mortgage Loan Applications Composite Index

1991 – September 2025



Source: Mortgage Bankers Association (MBA)

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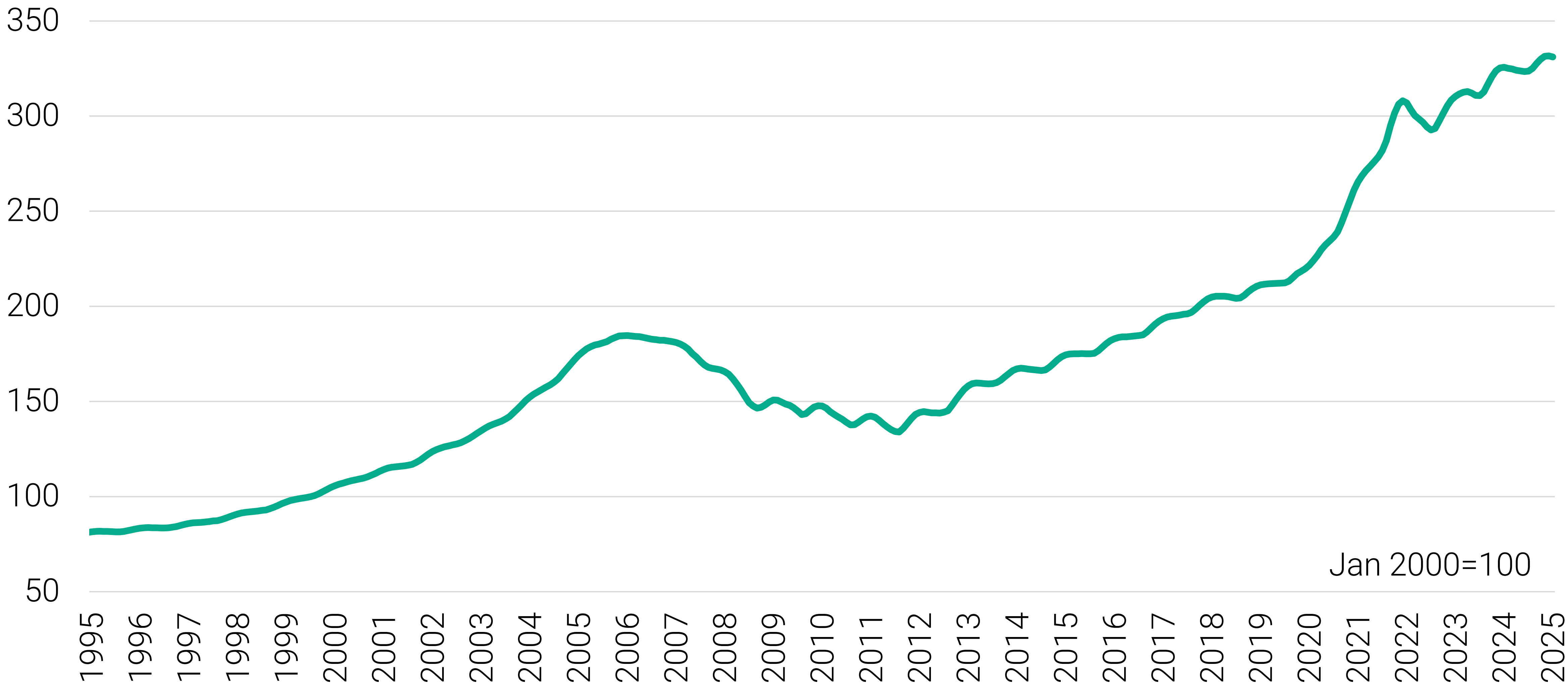
S&P Case-Shiller Home Price Index

1995 – July 2025



Source: Standard & Poor's

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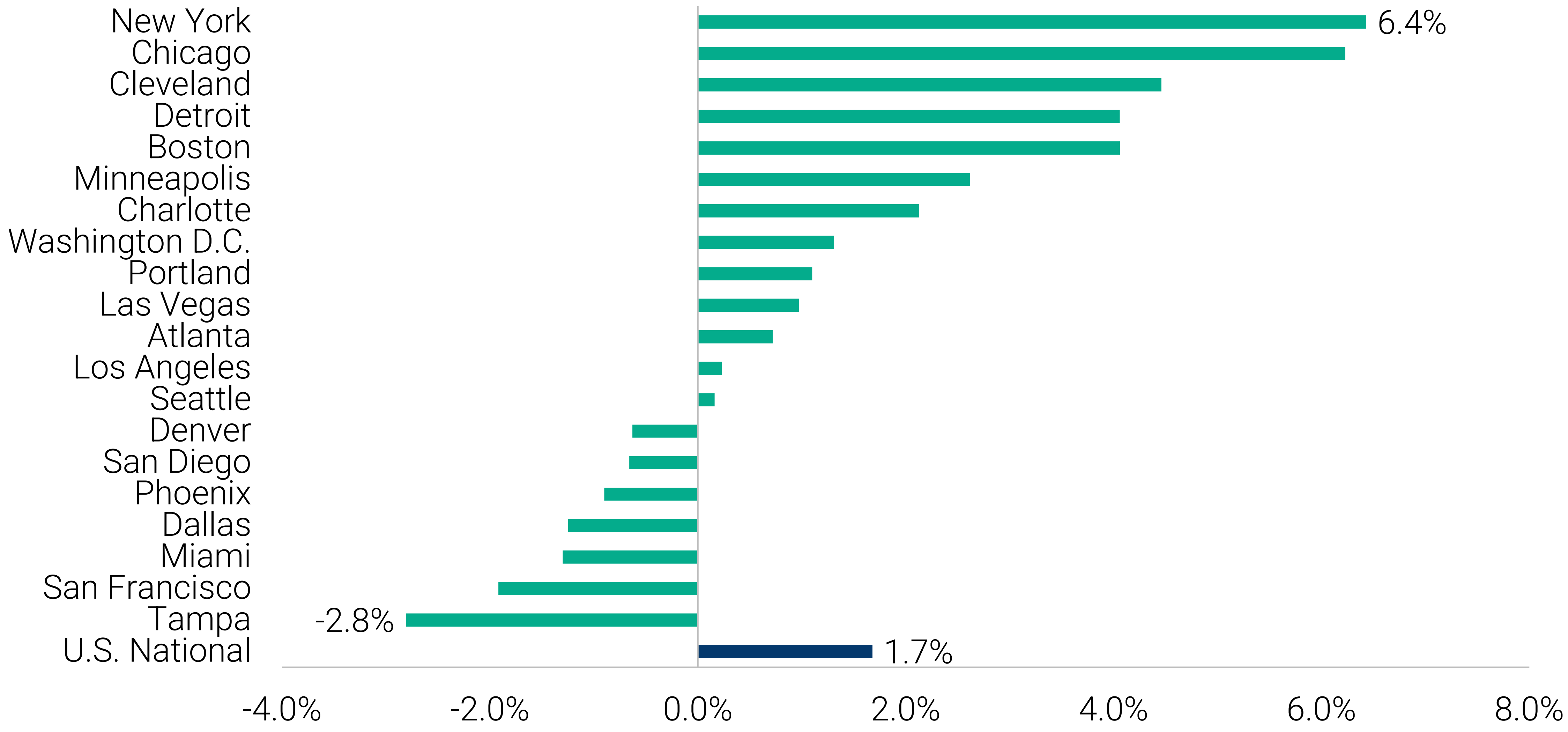
S&P Case-Shiller Home Price Index by Metro Area

12-Month % Change, July 2025



Source: Standard & Poor's

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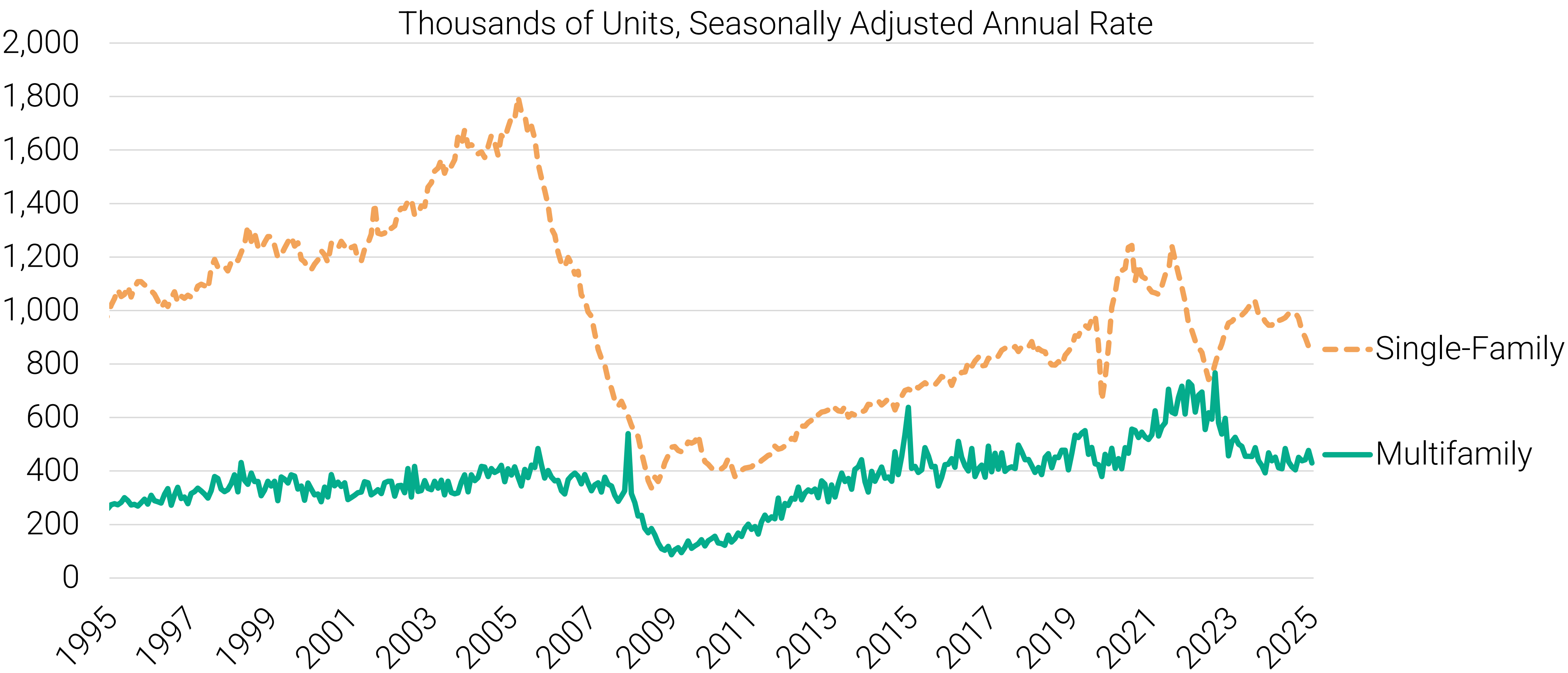
U.S. Residential Building Permits

1995 – July 2025



Source: U.S. Census Bureau

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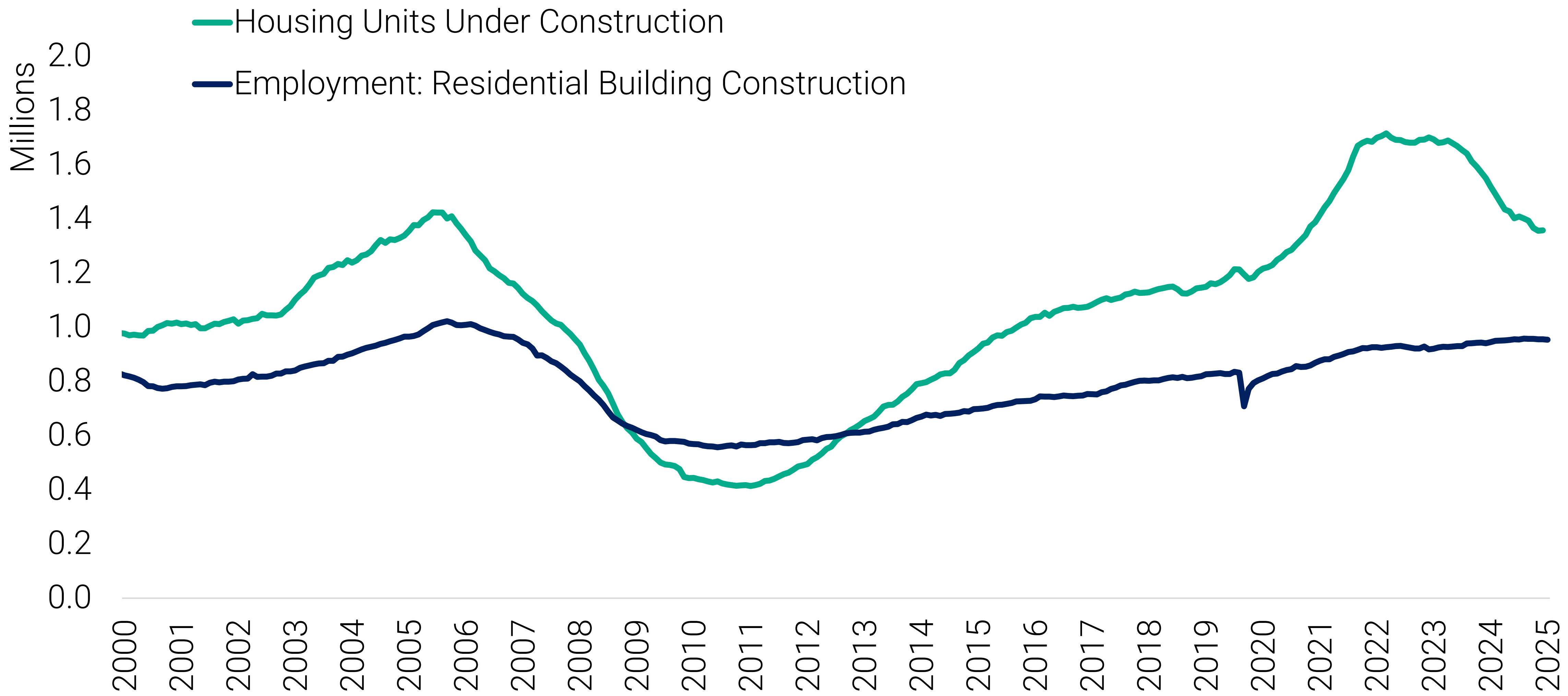
Housing Units Under Construction vs. Residential Employment

2000 – July/August 2025



Source: U.S. Census Bureau; U.S. Bureau of Labor Statistics

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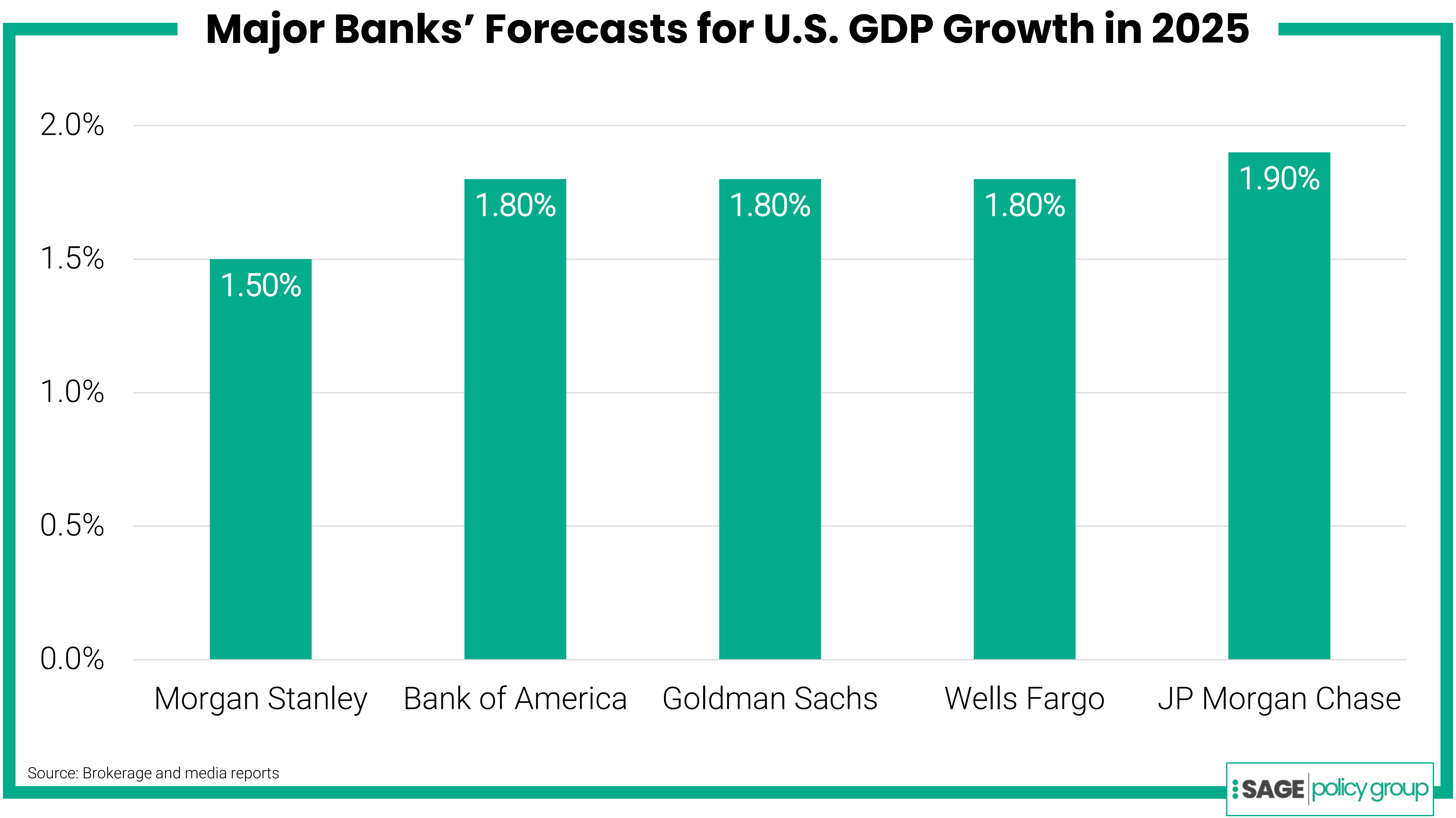
Glory

Glory (1989)—Denzel Washington as Trip, a member of the 54th Massachusetts infantry regiment


Major Banks' Forecasts for U.S. GDP Growth in 2025
2.0%
1.5%
1.0%
0.5%
0.0%
1.50%
1.80%
1.80%
1.80%
1.90%
Morgan Stanley
Bank of America
Goldman Sachs
Wells Fargo
JP Morgan Chase
Source: Brokerage and media reports
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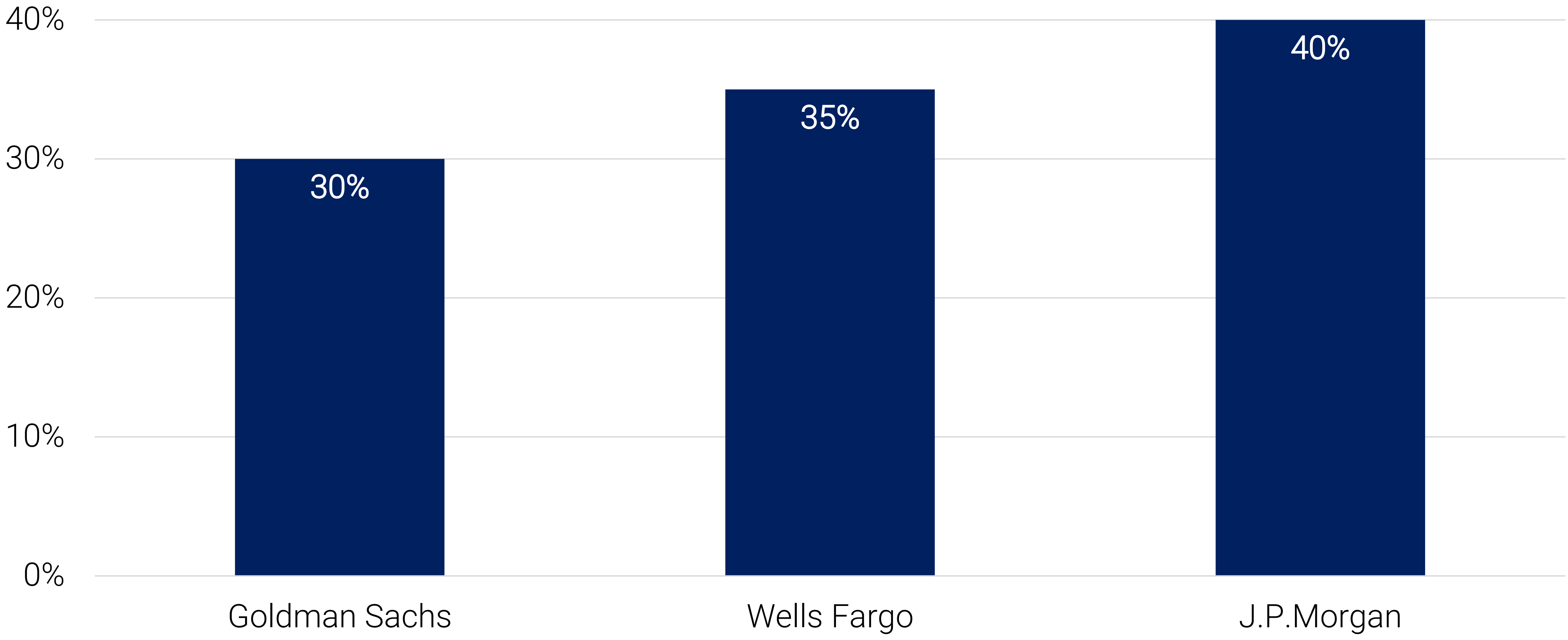
2025 Recession Probability, Major Brokerage Forecasts



Source: Reuters

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Out of Time

Could N. American Economy Surprise to the Downside?

- Inflation poised to stage a comeback – blame tariffs;
- Interest rates will be higher for longer – ditto;
- Many consumers now exhausted financially, and circumstances could worsen – right, because of tariffs;
- Are asset prices overextended? This may have something to do with tariffs;
- So forecast was for growth in 2025, but there are risks, including rising interest rates and falling asset prices, and that's because of . . . well you know.

*Out of Time (2003)—Denzel Washington as police chief Matt Lee Whitlock

Thank You

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Q&A