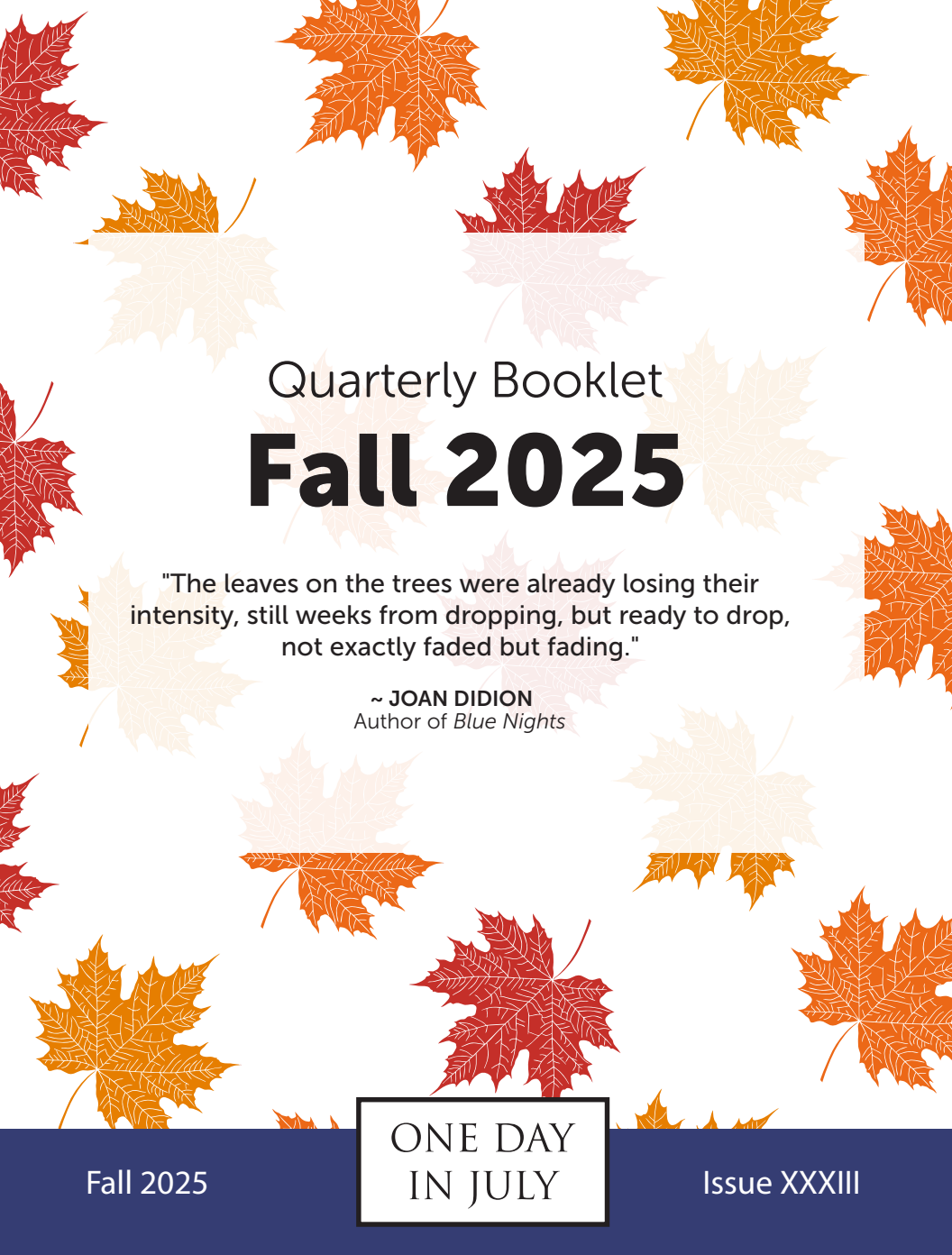




Quarterly Booklet **Fall 2025**

"The leaves on the trees were already losing their intensity, still weeks from dropping, but ready to drop, not exactly faded but fading."

~ JOAN DIDION
Author of Blue Nights

ONE DAY
IN JULY

Fall 2025

Issue XXXIII

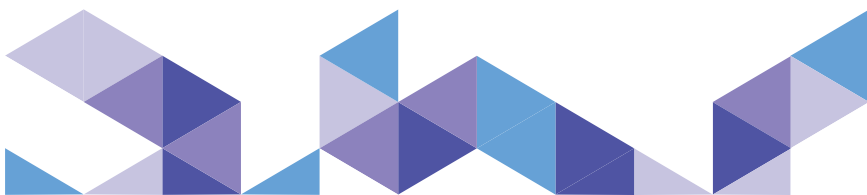
A Note from our Founder

A few thoughts on pages within this booklet.

The graph on page 6 regarding investor sentiment stands out. Usually in a year when assets rise, sentiment rises with them. In 2025 investors have largely done well while remaining pessimistic almost all year.

I want to point two things out regarding the long-term logarithmic graph of the S&P 500 on pages 8-9. First, small vertical differences on this graph equate to large swings in market values. Second, you likely would have been okay if you had held long term. However, multi-year periods of underperformance are wearing on the investor. A decade or more is a long time to wait for returns, especially after inflation. On a positive note, if you are reinvesting dividends or adding cash to investments as bad news rages, the result can turn positive much more quickly.

~ **Dan Cunningham**
Founder, One Day In July



But what if...?

When it comes to investing, absolutes are rare. But here's one bet we'll take every time: if you read the news enough, you'll always find a reason why you shouldn't be investing. In today's heavily saturated environment, news outlets use sensationalized headlines to draw readers to their articles instead of those from competitors. We've all clicked a link or flipped open a magazine whose cover promised to reveal the most lurid, shocking story since [insert previous world event here], only to be left wondering, "Is that it? Didn't I know all of this already?"

These techniques are designed to be invisible to consumers, relying on our negativity bias that first evolved as a survival tactic. After all, if we know about the bad thing that's coming our way, we can avoid or defeat it. This was a great asset when we were trying to survive out in the wild, but unfortunately it does not net the same results when we're sitting inside checking the market returns on our phones.



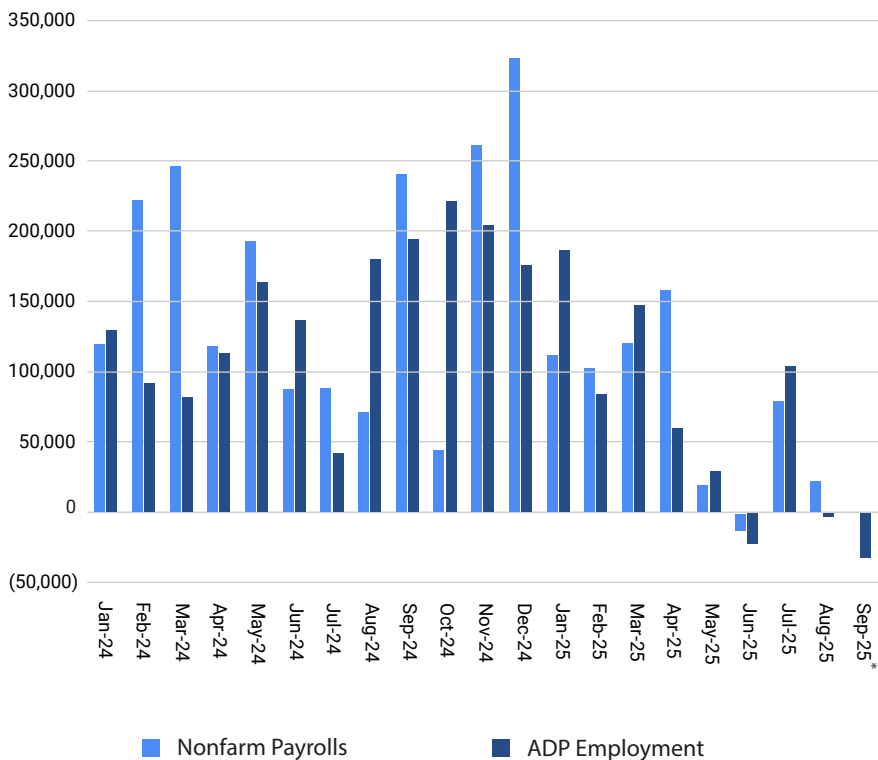
Are we breaking even?

The susurrations of leaf litter underfoot mark the coming winter in the Northeast; a rustling in labor demand may be signaling cooling in the economy ahead. U.S. job growth in Q3 2025 totaled just 69,000—a far cry from 416,000 over the same period last year. While the drop is concerning, job creation must be viewed in the context of breakeven employment growth.

Breakeven employment is the level of job creation needed to absorb new entrants into the labor force without raising the unemployment rate. New entrants stem from population growth and shifts in the labor participation rate. Last year, the Congressional Budget Office estimated monthly population growth of 312,000, implying a breakeven level near 183,000. Current estimates for 2025 vary widely, from 10,000 to 82,000 jobs per month.

With immigration slowing, the participation rate relatively stable, and birth rates below replacement, it's no surprise that breakeven employment growth has declined. Expanding the labor force remains vital for long-term GDP growth; however, today's weaker job creation numbers don't signal a crisis yet. Unlike the seasons in the northern U.S., cooling in the labor market does not guarantee an economic winter.

Nonfarm Payroll and ADP Employment Monthly Job Growth



*Nonfarm Payroll data was not available for September 2025 due to the government shutdown.

Sources: fred.stlouisfed.org, "All Employees, Total Nonfarm Payroll," 9.5.2025

adpemploymentreport.com, "ADP National Employment Report," 10.1.2025

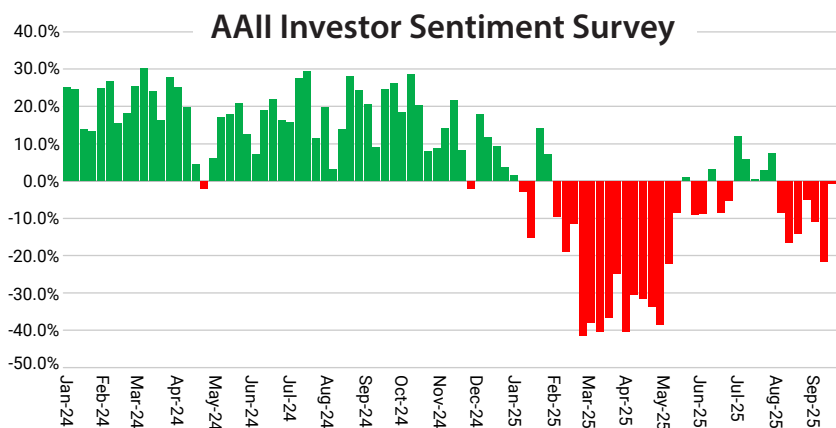
stlouisfed.org, "Breakeven Employment Growth: A Simple but Useful Benchmark," 4.15.2025

stlouisfed.org, "Lower Immigration Projections Mean Lower Breakeven Employment Growth Estimates," 9.28.2025

aei.org, "Immigration Policy and Its Macroeconomic Effects in the Second Trump Administration," 7.2.2025

Investor Sentiment in Flux

The American Association of Individual Investors (AII) Investor Sentiment Survey probes thousands of retail investors weekly. It asks participants how optimistic (bullish) or pessimistic (bearish) they are on markets over the next six months. The bull-bear spread highlights the dispersion of investors' views, with a positive spread indicating that there are more bullish investors than bearish. 2025 has seen large fluctuations in the spread, specifically around the market drawdown in early April. The end of summer was also marked by increased bearishness, likely the result of soft payroll data, which included large downward revisions of previous reads. Coming into the fall, investor sentiment has grown more neutral, underscoring the uncertainty within the retail crowd. The survey is a reminder that the pessimism (or optimism) of others should not change your investment plan.



Sources: aaii.com, "The AII Investor Sentiment Survey," 9.24.2025

bls.gov, "Current Employment Statistics Preliminary Benchmark (National) - March 2025," 9.9.2025

bls.gov, "The Employment Situation - August 2025," 9.5.2025

"Far more money has been lost by investors trying to anticipate corrections, than lost in the corrections themselves."

Peter Lynch

American Investor & Mutual Fund Manager

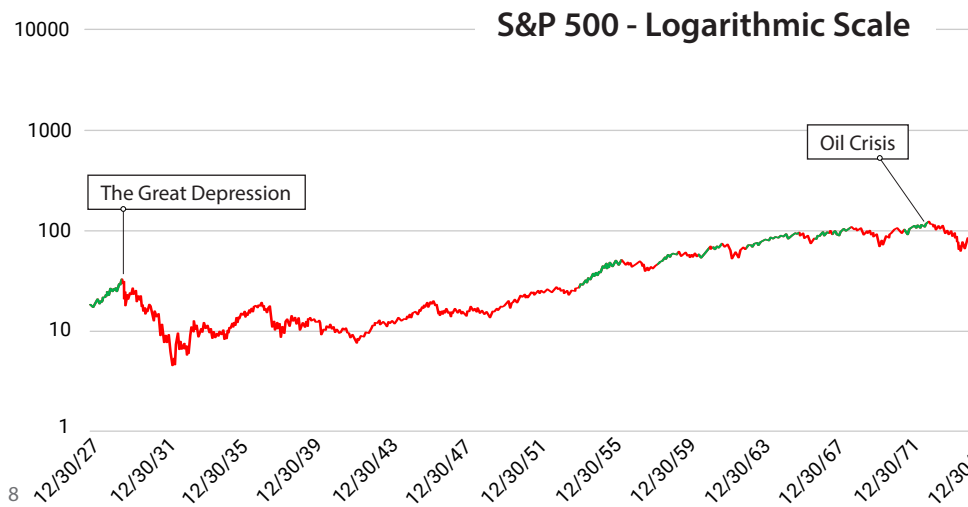
Attempting to time the market costs you more than just a few nights of sleep lost in an effort to absorb the news of the day; it can also cause you to lose out on future returns. Downturns and minimal returns are common in investing. We know this, and we design your portfolio to account for this inevitability by covering broad portions of the market as a whole. But we don't know when the market will surge again or which companies might be responsible for that surge. So, for the sake of your savings—if not your sanity—try to have faith in the consistency of a diversified portfolio.

Sources: [wsj.com](https://www.wsj.com), "Market Timing Has Picked Up Since Covid. It Has Cost Investors Dearly,"
Derek Horstmeyer, 12.5.2024
DALBAR, "2022 Quantitative Analysis of Investor Behavior"

Investing During a Crisis

People often worry about investing at the top—that they will put extra cash into the market only to see a sizable portion vanish (at least on paper) overnight. These fears are not entirely unfounded. The Great Depression resulted in the largest drawdown of U.S. assets ever recorded. Yet, if an investor had bought a U.S. equity index just before the crash and held on, the compounded return since then has exceeded 20,000%.

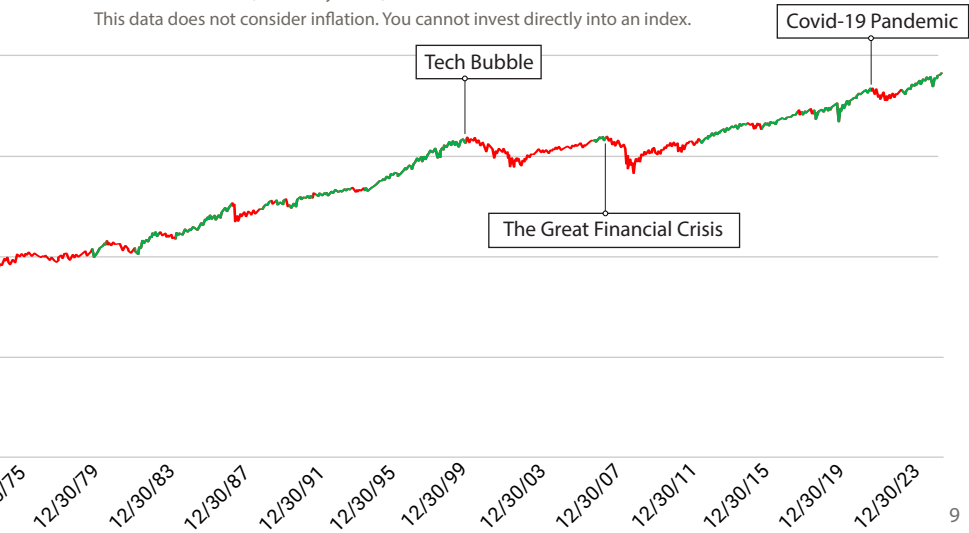
Another concern is prolonged stagnation. This is not the fear of dramatic losses, but rather that assets may not appreciate over the next 5–10 years. History provides numerous examples, such as the “lost decade” from 2000 to 2010. However, an investor who held the S&P 500 from the peak of the tech bubble to today could have seen a gain significantly over 300%.



The trend of U.S. equities recovering has held true through other economic events including the 1973 oil crisis, the global financial crisis, and the Covid-19 pandemic. In every case, the economy eventually stabilized, and equities found new all-time highs. Whether the shock stemmed from asset bubbles, geopolitics, or financial turmoil, the result was the same. Many investors who withstood the drawdowns were rewarded in the years that followed, regardless of the initial timing of their investment.

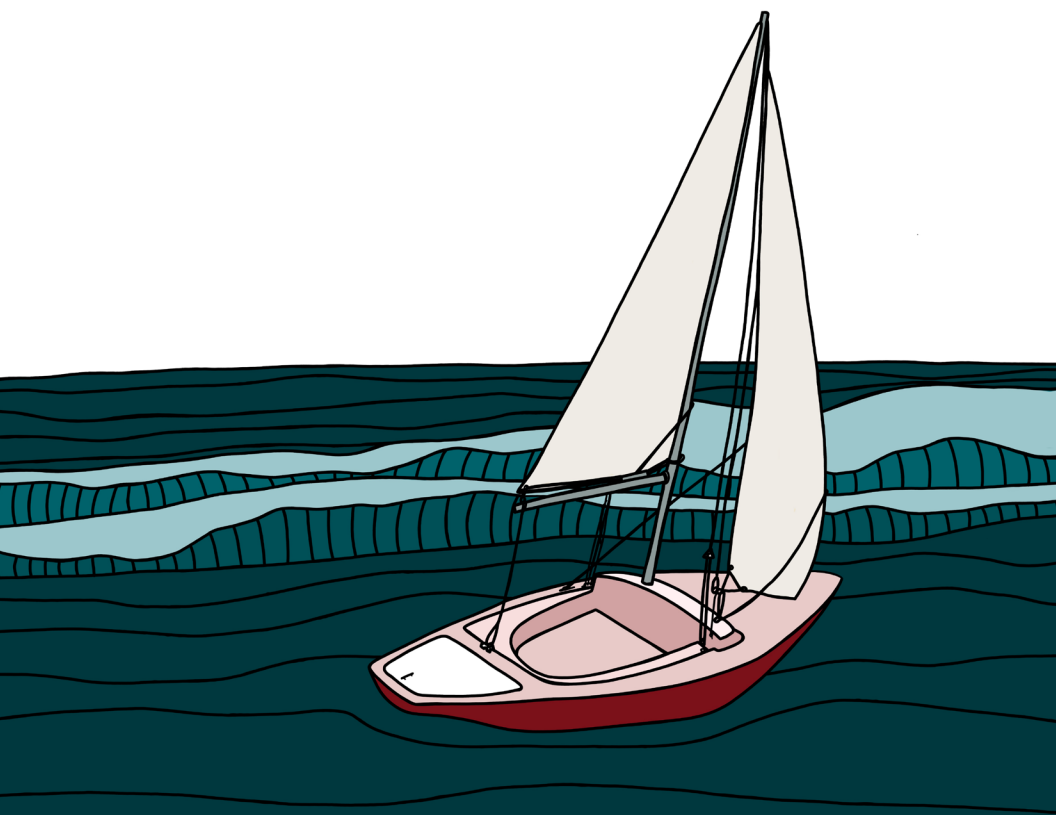
S&P 500: Following a Crisis					
Event	Start Date	S&P 500 (Start)	End Date	S&P 500 (End)	Return
The Great Depression	8/1/1929	29.08	9/30/2025	6,688.46	22,900%
Oil Crisis	10/1/1973	108.21	9/30/2025	6,688.46	6,081%
Tech Bubble	3/1/2000	1,379.19	9/30/2025	6,688.46	385%
The Great Financial Crisis	12/1/2007	1,481.14	9/30/2025	6,688.46	352%
Covid-19 Pandemic	3/1/2020	2,954.22	9/30/2025	6,688.46	126%

Source: Macrotrends, S&P Daily Index, retrieved 9.30.2025
This data does not consider inflation. You cannot invest directly into an index.

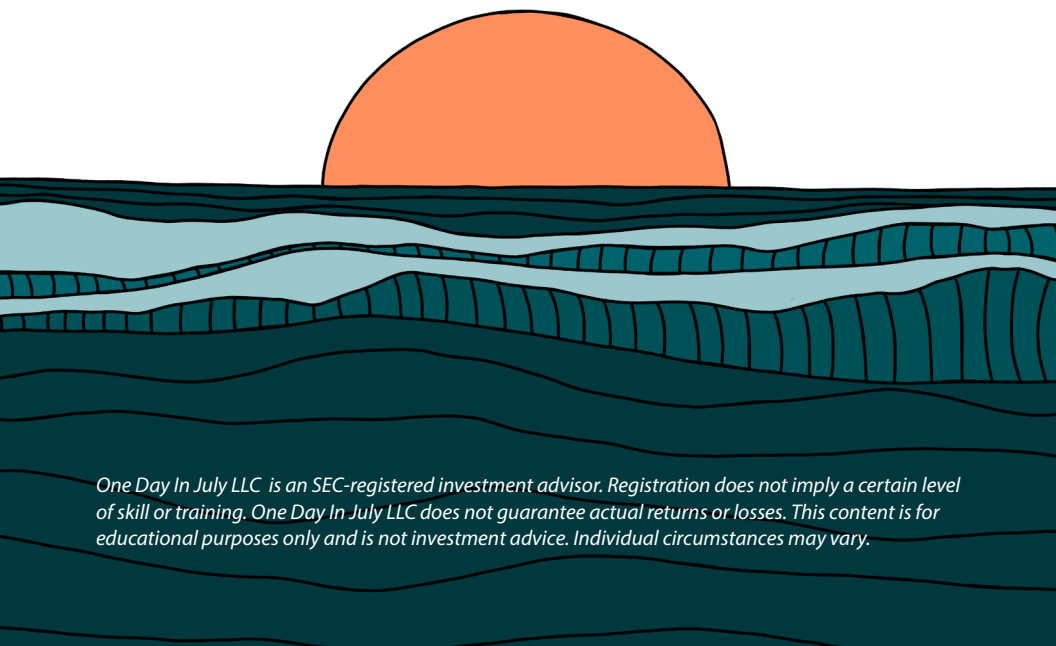


Staying the course.

You may not realize it, but doing nothing actually requires a lot of effort. The phrase “stay the course” comes from sailing. In this context, to stay doesn’t mean to remain in place, but to maintain progress in an intended direction. The wind sometimes makes it very easy for sailors to stay, but at other times it’s nearly impossible. When the wind is especially strong or there’s fog on the horizon, sailors have to rely on their crew to help them maintain forward motion.



Every sailboat also has a rudder, which can be moved to change the direction of the water flowing around and below it. These slight corrections keep the back end of the boat steady, so that the sails aren't having to work overtime. Imagine your advisor as the steady hand on the rudder of your sailboat. You're still the captain, but we're here to make your job a little easier, especially when there are outside interferences trying to blow you off course.



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ONE DAY IN JULY

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"Change is inevitable, growth is optional."

JOHN C. MAXWELL, Author

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