

VIDEO TRANSCRIPT: Salem Five Wealth Management and Trust: Mid-Year 2025 Economic Update

Video Title: Salem Five Wealth Management and Trust: Mid-Year 2025 Economic Update

Speaker: JP Pontbriand

Channel: [YouTube](#)

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Video Duration: 3:00

[00:00] [Opening Music – upbeat instrumental background]

[Visual: Gray background and title in white “2025 Mid-Year Update” Salem Five Wealth Management & Trust appear in lower right corner. The screen transitions to JP Pontbriand facing the camera and standing in front of Wall TVs with Salem Five Wealth Management & Trust logo displaying.]

[Visual: JP Pontbriand is standing, speaking directly to camera. TV screens in the background with Salem Five Wealth Management & Trust logo displayed.]

[00:06 to 00:51] Hello. My name is JP Pontbriand; I am the Chief Investment Officer for Salem Five Wealth Management & Trust Thank you for tuning in to our mid-year update; the past six months certainly have been interesting. Geopolitical tensions, the prospect of significant new tariffs, and concerns over Federal Reserve policy stand out among the many worries within the market. The market’s resilience in the face of these crosscurrents has been impressive, proving yet again that the fundamentals of the U.S. economy and corporate America can withstand a lot. In a volatile first half, the S&P 500 completed an impressive recovery from the April lows to end June at a fresh record high.

Visual [00:51 to 1:02] Transition to graph chart titled “2025 Stock and Bond Market Return (through 6/30)”

The round trip from the February 19 high to the April 8 low and back, in slightly over four months, was one of the fastest recoveries on record from a 10-20% correction.

[01:03 to 01:20] Transition to JP Pontbriand facing the camera

Importantly, history tells us stocks tend to go higher after recovering correction losses, with average gains of 9.6% in the subsequent six months, and 16.2% in the subsequent 12 months. Several factors helped fuel this rally: [bullet point chart]

Visual [01:21 to 01:45] Transition to a numbered bullet point chart

1. Progress on trade deals and, so far, little evidence of tariff-driven inflation
2. Stimulus from the recently passed tax cut and spending legislation

3. Firming expectations of Federal Reserve (Fed) rate cuts
4. Robust demand for artificial intelligence (AI) investments
5. Strength of corporate revenue and earnings growth

Visual [01:46 to 02:55] Transition to JP Pontbriand facing camera

But just as we saw in the first half of the year, we expect the coming months may face some obstacles. With stock valuations elevated (as they've been for a while), continued earnings growth will be key to further upside. Also, further weakness in the US dollar and the risk of elevated inflation are potential headwinds for both the stock market and the bond market. We expect to see the Fed resume cutting rates by the end of the year, the economy to expand modestly, and inflation and employment to remain near their current levels, all of which bodes well for long-term investment results. As always, we stay alert regarding the macroeconomic environment, remembering that consistent execution of sound investment practices is the best path to achieving our clients' goals. Staying invested and well-diversified while maintaining sufficient liquidity for near-term needs remains the prudent course. At Salem Five we are here to help you and thank you for your continued trust.

[02:56 to 3:00] [Visual: Transition to gray background with Salem Five Wealth Management & Trust logo reappears with disclosures: Not Insured by FDIC or Any Other Government Agency, Not Bank Guaranteed, Not Bank Deposits or Obligations, May Lose Value.]