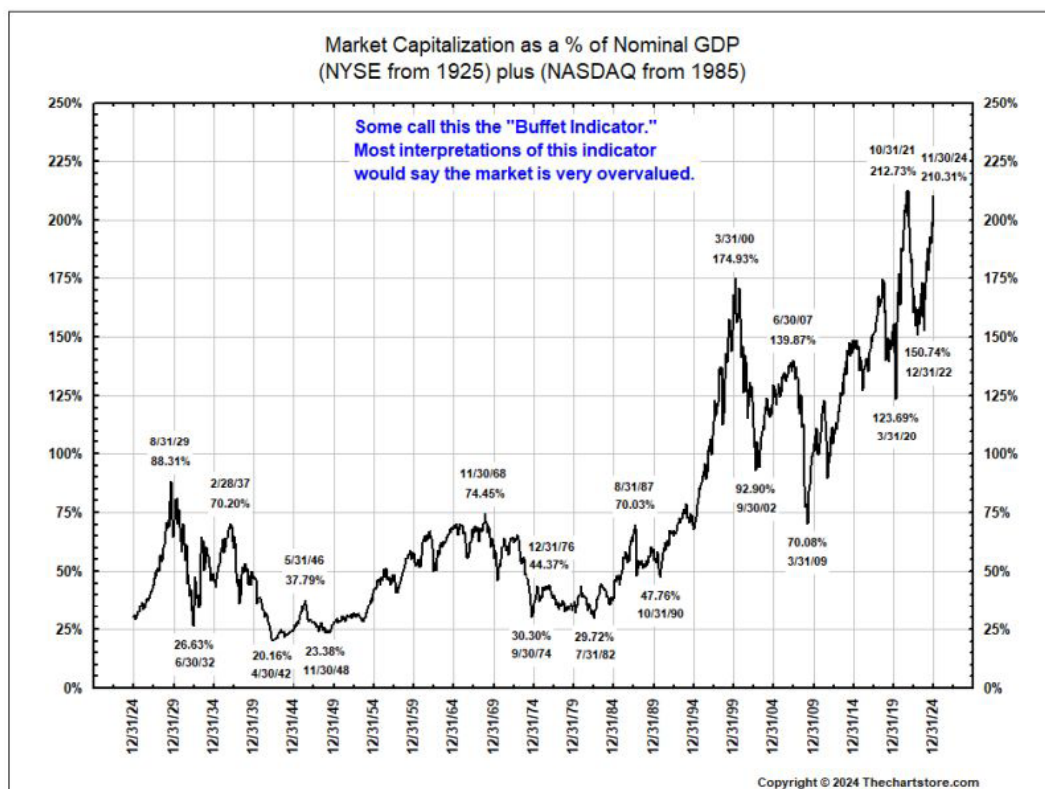


AN OVERVALUED MARKET AND U.S. TREASURY 10-YR & 30-YR Yields trending up

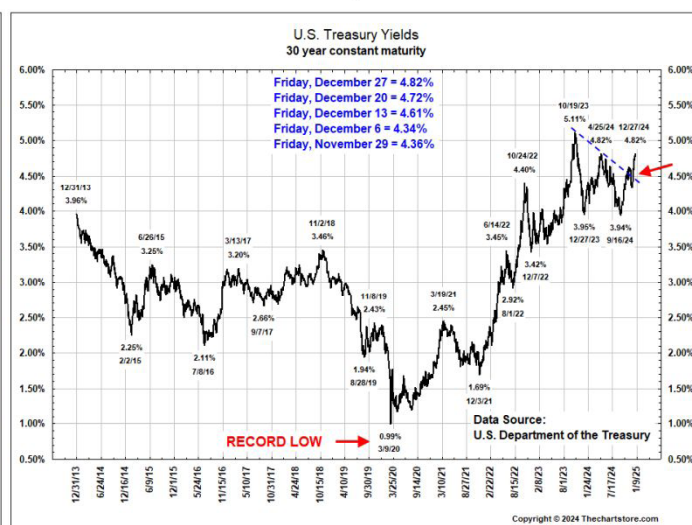
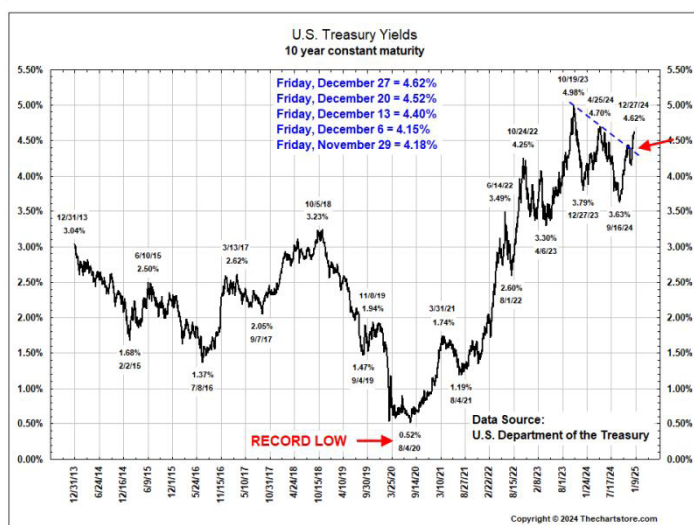
Cosima F. Barone—FINARC SA—Membre du GSCGI



Recently, the talk about U.S. exceptionalism is on media front pages across the globe. However, U.S. stocks weren't the only big winner in 2024, or even the biggest.

Argentina was the champion of 2024, as its Merval stock index nearly tripled in value. Turkey, Hungary, Taiwan and Israel outperformed the S&P 500, which rose a mere 25%.

The first graph (on left) is evidencing that the U.S. market capitalization is almost at its highest level (2021) observed over the last 100 years. Is it a warning of a future peak? When?



Felix Zulauf, a veteran of many Barron's Roundtable sessions said: The market will peak in 2025. After that, things will get ugly.

Historical Graphs: are courtesy of www.thechartstore.com