

Volatility has reached heights that we haven't seen since the last few recessionary periods. Tariffs have raised recession concerns.

Commentary by Jorge Garcia Jr., Head of Market Analysis

Tariffs

A tariff is a tax levied on imported goods. If you don't know what they are by now get out of the rock you've been under! Here is a short list of largest tariffs imposed on notable trade partners on April 9th:

European Union - 20%
China - 34%
Japan - 24%
Vietnam - 46%
South Korea - 25%

In the middle of April 9th's market day, President Trump announced a 90 day pause for all countries except China. This sparked a huge rally in the markets that we talk about more in the fun fact of the week, but it was historic and was the sigh of relief the markets needed. Since then the markets have leveled and stayed stagnant, but depending on your investment strategy it might be valuable to keep track of important dates like the end of the 90 day pause.

Data from BBC News

a/o 4/11/2025

S&P YTD Performance



Data from Federal Reserve Bank of St. Louis

a/o 4/10/2024

Key Indices

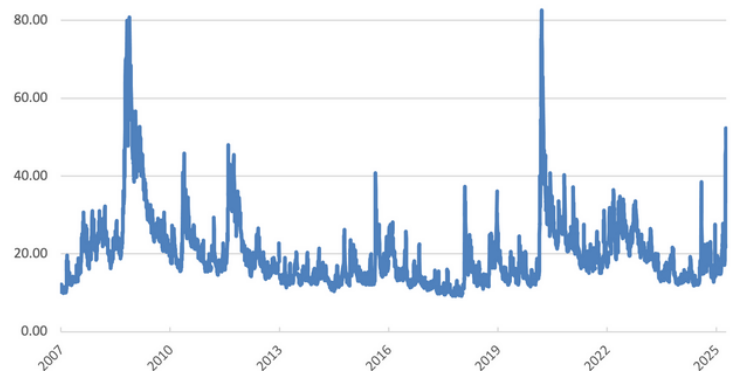
Key Indices	4/11 Close	4/1 Close	% Change
S&P 500	5,363.36	5,633.07	(5.03%)
Nasdaq	16,724.46	17,449.89	(4.34%)
Dow Jones	40,212.71	41,989.46	(4.42%)

Data from Yahoo Finance

a/o 4/11/2025

VIX Volatility Index

The Chicago Board Options Exchange's CBOE Volatility Index, a popular measure of the stock market's expectation of volatility based on S&P 500 index options



Data from Federal Reserve Bank of St. Louis

a/o 4/10/2025

This index basically reflect the amount of anxiety is in the market based on the amount of volatility there is in the performance of the S&P 500 index. The higher the index is the more selling and exchanging is happening, which we can see is the case currently.

Why is this important?

At this time of economic uncertainty, the markets are reacting heavily on news, not actual performance. When the time comes to value companies during the stock pitch we could possibly see a lot of undervalued companies due to the volatility in the markets. The prices we are seeing have the possibility of not being reflective of their true worth when we execute our different valuation techniques.

Fun Fact

As mentioned in the section discussing tariffs, we saw a ridiculous market rally from the 90 day pause. The S&P 500 opened at \$4965.28 and closed at \$5,456.90, a 9.9% jump! This is the highest jump in the S&P since 2008, and is the 3rd largest rally in the S&P in the 20th century!