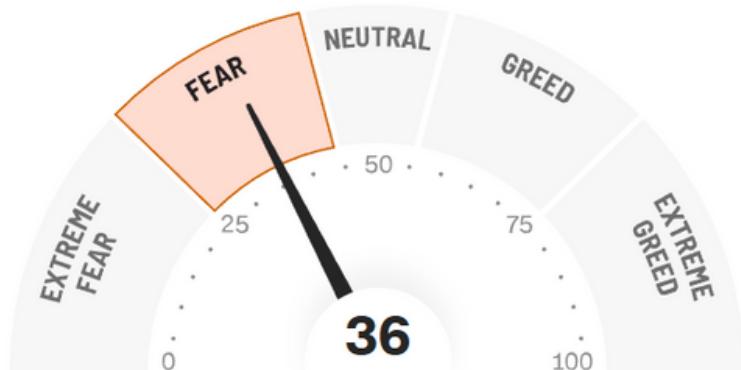


Investors find Relief with Tariff Clarity and Volatility Slows. April Welcomes the First Green Week of the month.

Commentary by Jorge Garcia, Head of Market Analysis

Fear and Greed Index

The Fear and Greed index is a tool we as researchers can use to gauge how anxious the market is on a scale of 0-100. 0 being complete loss of confidence in the stock market and 100 means peak bull market and expensive stock. This index is based on several different factors. These factors include:



Graph from CNN

a/o 4/28/2025

Market Momentum - Measure of the performance of securities in the S&P 500

Stock Price Strength - Advances and declines of stocks in the S&P 500

Stock Price Breadth - Number of securities seeing increases/declines in the S&P 500

Put and Call Options - Gauges market sentiment by comparing the volume of put options traded to call options

Junk Bond Demand - Demand for higher risk bonds

Market Volatility - How much up and down movement the S&P 500 is experiencing

Safe Haven Demand - Higher demand for tangible and lower risk assets

S&P YTD Performance

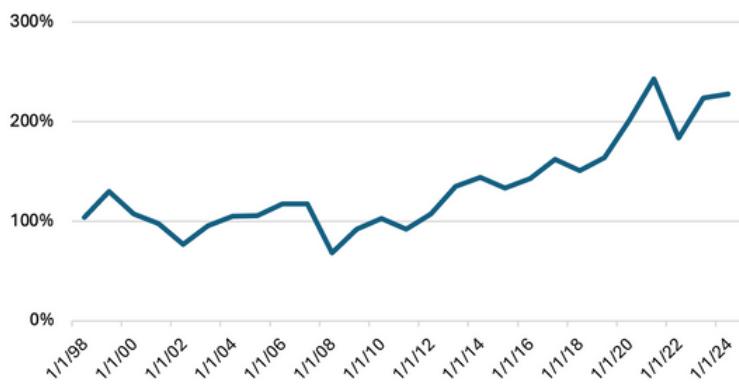
Key Indices	4/25 Close	4/1 Close	% Change
S&P 500	5,525.21	5,633.07	(1.91%)
Nasdaq	17,382.94	17,449.89	(0.38%)
Dow Jones	40,113.50	41,989.96	(4.47%)

Data from Yahoo Finance

a/o 4/25/2025

Buffet Indicator

The Buffet Indicator is calculated by diving the total US Market Cap in the stock market by the total US GDP. This Index was named after Warren Buffet himself, as he believes it is the best way to deduce market value at any point of time. You can assume that the market is overvalued when there is more cap in the stock market than gross product produced in the US based on this index.



Data from Federal Reserve Bank of St. Louis

a/o 4/28/2025

What this graph is telling us is that we were seeing incredible growth in the stock market for the past few years. The last huge dips we saw were in recessionary periods, including 2002, 2008 and the pandemic years. Based on how much the market is moving on news and headlines, we can deduce that the market was overinflated and stock prices were too high.

Why are these indicators important?

Volatility is the narrative this quarter. Luckily we finally have some calm in the markets after such a hectic month with an increase in the Fear and Greed Index. Whatever snapshots we can get of what type of market we are in, bull or bear, will help us understand what type of assumptions are appropriate to make. If the trends of tariff anxiety and loss of confidence in the US market continues, one could argue that we should brace for a bear market. If the economy proves to be resilient like it has been and earnings season gives investors back their confidence, we could possibly see a rally.