

## Macro Roundup Article

Headline: [Sea Changes](#)

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**Tweet:** Howard Marks notes the S&P; 500 delivered a 10.3% compound return from August 1982 through the start of 2022. Marks suspects that the 2000 basis point decrease in interest rates over the past forty years is the primary driver of this performance.

**Summary:** We've gone from the low-return world of 2009-21 to a full-return world, and it may become more so in the near term. Investors can now potentially get solid returns from credit instruments, meaning they no longer have to rely as heavily on riskier investments to achieve their overall return targets. Here's one example: In the low-return world of just one year ago, high-yield bonds offered yields of 4-5%. A lot of issuances was at yields in the 3s, and at least one new bond came to the market with a "handle" of 2. Today these securities yield roughly 8%.

**Primary Topic:** Growth

**Topics:** Business Cycle, Financial Markets, GDP, Growth, Op-Ed/Blog Post, Sell-by Date, Theory

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