

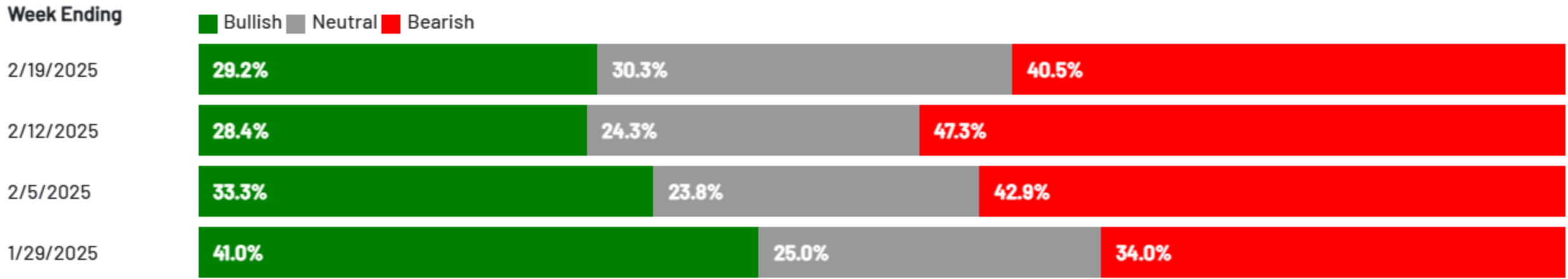


Source:<https://x.com/EricBalchunas/status/1892244079041188065>

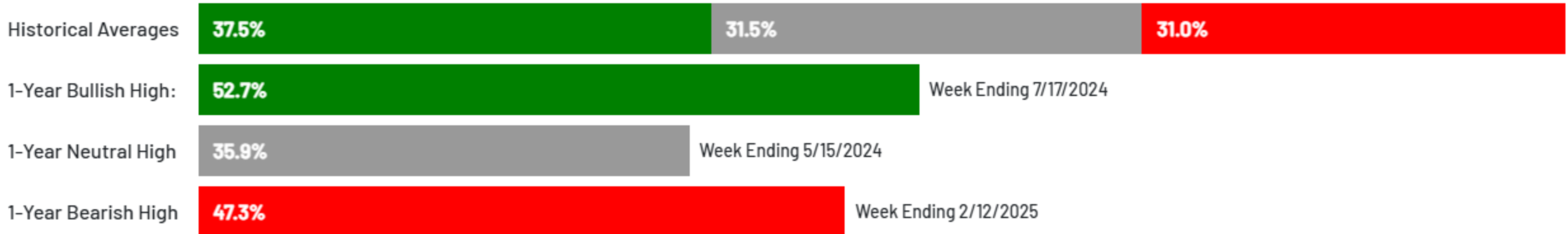
What Direction Do AAI Members Feel The Stock Market Will Be In The Next 6 Months?

Sentiment Votes

■ Bullish ■ Neutral ■ Bearish



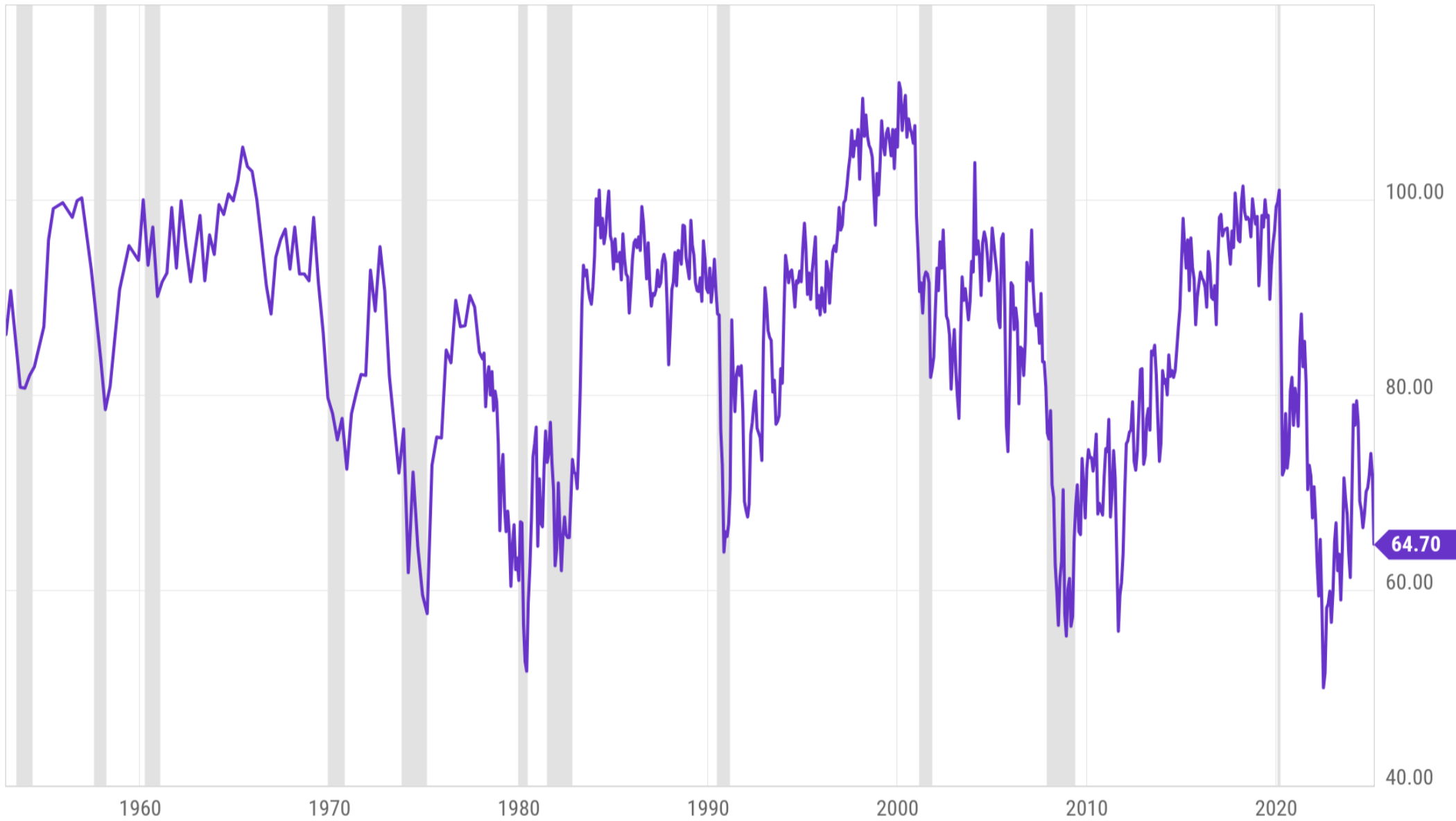
Historical View



[More Historical Sentiment Data](#)

US Index of Consumer Sentiment (I:USCS)

VAL
64.70



Number of Passenger Cars and Light Trucks Imported into U.S.

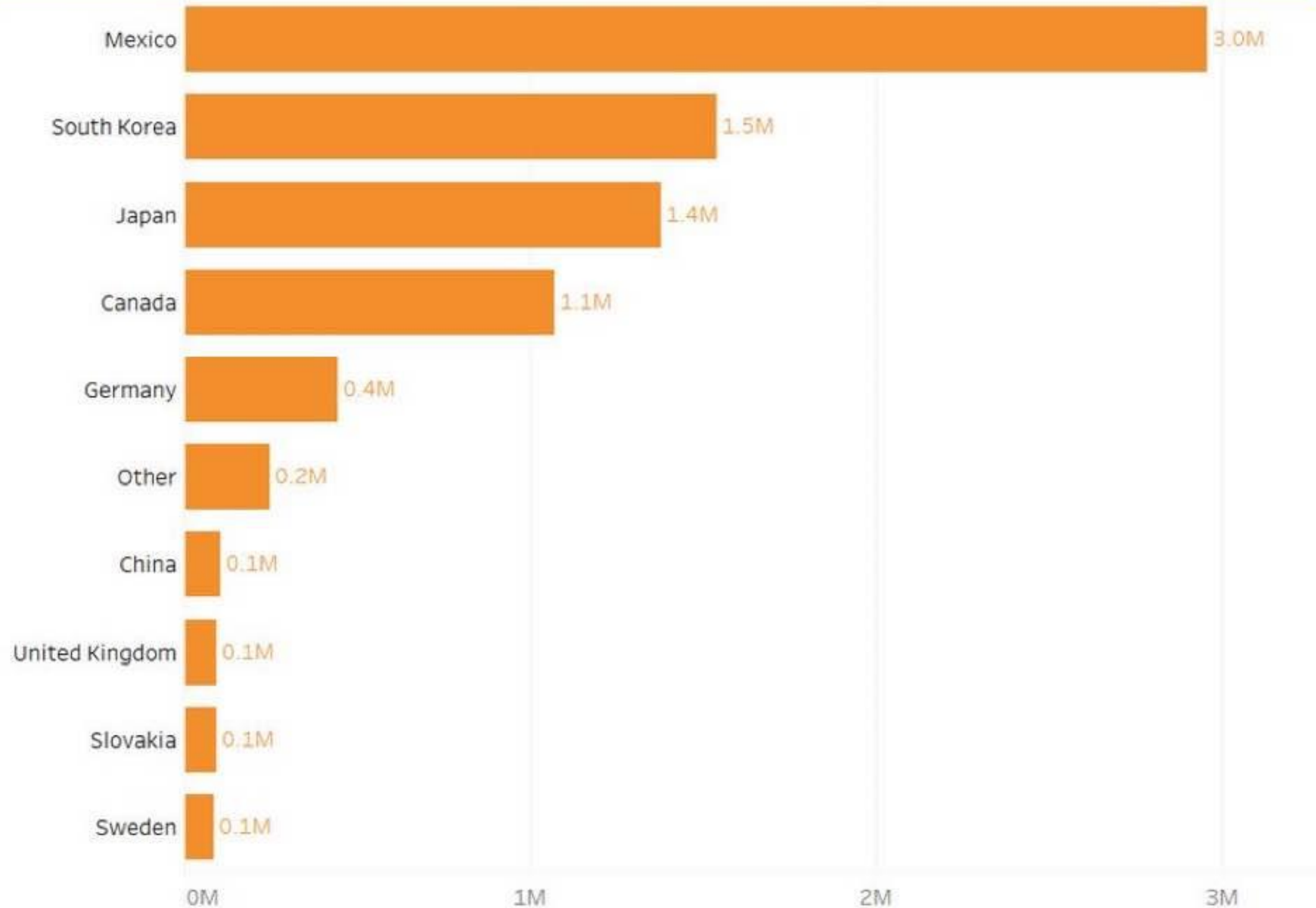
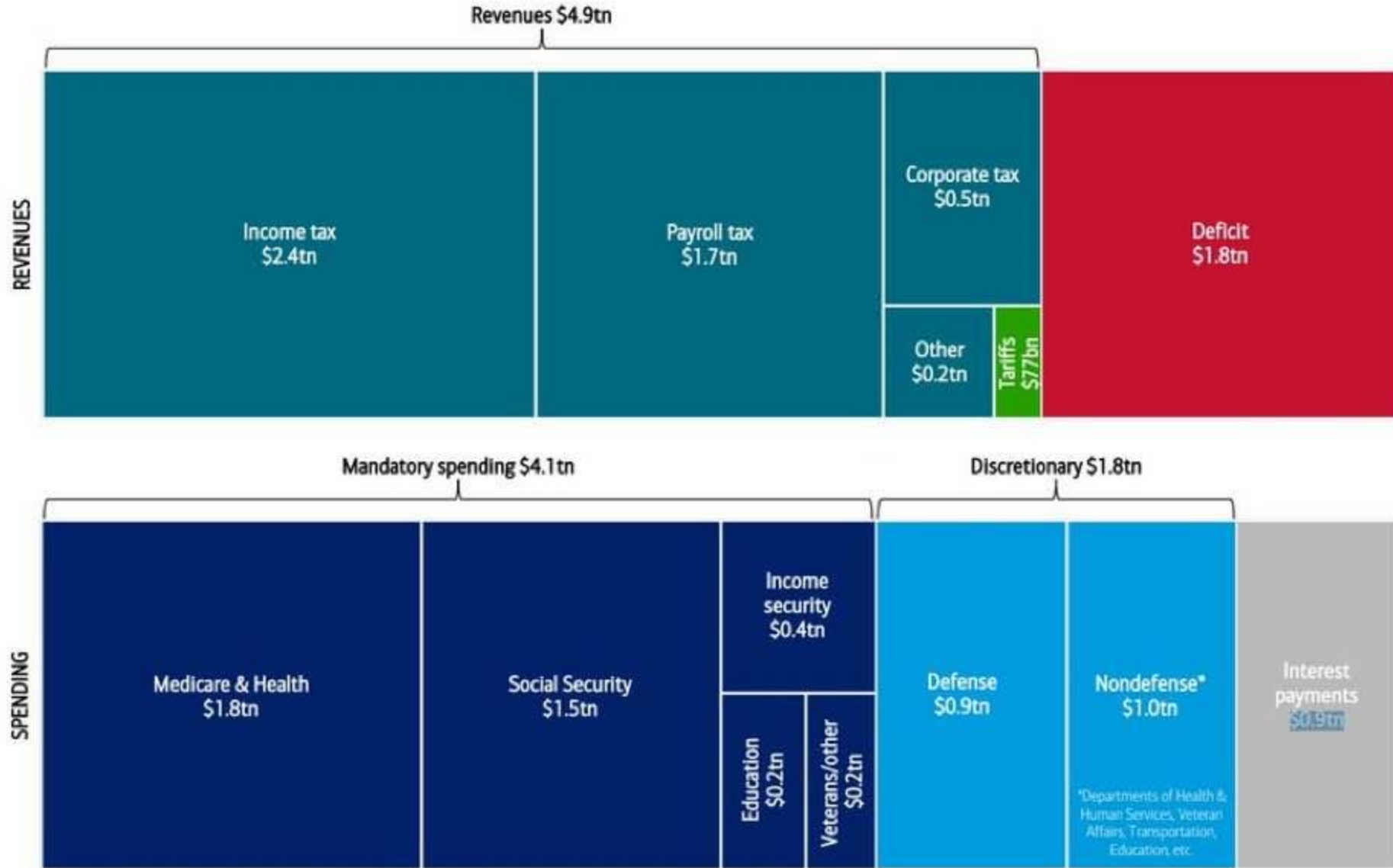


Chart 9: US government by the numbers...

US Federal Government Revenues & Spending (FY2024)



Source: BofA Global Investment Strategy, Congressional Budget Office.

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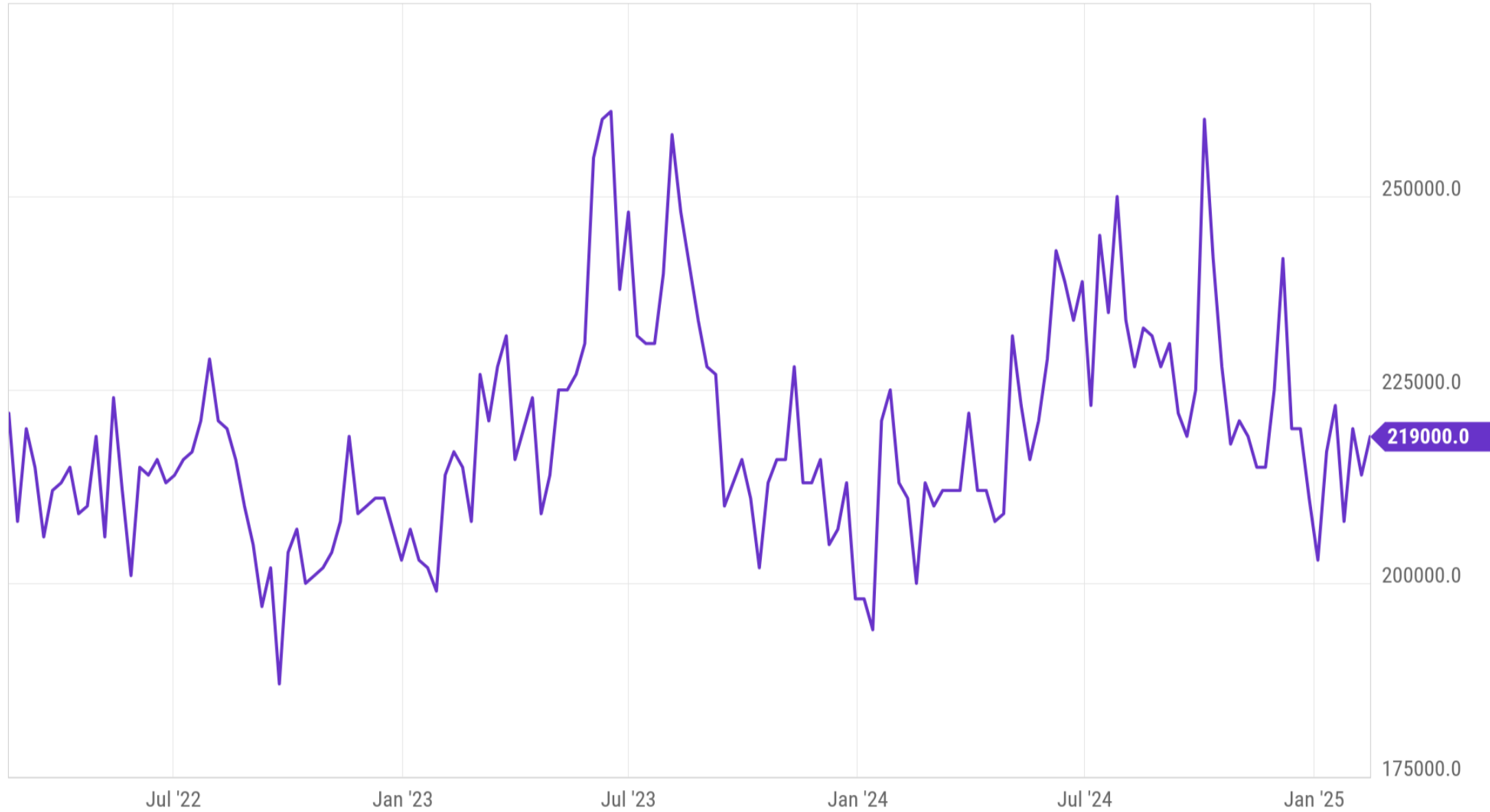
Chart 7: 'Big Government' theme led first half of 2020s

US government expenditures, % of GDP



Source: BofA Global Investment Strategy, GFD Finaeon, Haver

VAL
US Initial Claims for Unemployment Insurance (I:USICUI) 219000.0



Is the S&P 500 expensive?

Statistically speaking, 19 of 20 metrics give an emphatic affirmative response

Exhibit 1: S&P 500 Valuations – on almost any valuation metric is more expensive than historical average (as of 1/25)

S&P 500 valuation metrics

Metric	Current	Average	Avg. ex. Tech Bubble	Min	Max	% Above (below) avg	Z-Score	History
Trailing PE	25.5	14.9	14.6	5.2	30.5	70.6%	2.1	1900-present
Trailing GAAP PE	30.2	15.2	14.9	4.2	122.4	98.6%	1.7	1832-present
Forward Consensus PE	22.1	15.9	15.2	9.8	25.1	38.7%	1.8	1986-present
Trailing Normalized PE	27.8	19.2	18.0	9.2	34.5	45.3%	1.7	9/1987-present
Median Forward P/E	17.8	15.6	15.4	10.0	21.9	14.1%	1.0	1986-present
Shiller PE	37.6	17.6	17.0	4.8	44.2	114.3%	2.7	1881-present
P/BV	5.33	2.72	2.56	0.98	5.34	96.1%	2.4	1978-present
EV/EBITDA	16.4	10.7	10.4	6.0	17.1	54.2%	2.3	1986-present
Trailing PEG	1.84	1.68	1.66	1.05	3.33	9.2%	0.4	1986-present
Forward PEG	1.60	1.45	1.42	0.93	3.50	10.3%	0.4	1986-present
P/OCF	20.2	11.5	11.0	5.4	20.2	75.9%	2.5	1986-present
P/FCF	36.7	28.0	25.2	12.9	65.7	31.2%	0.8	1986-present
EV/Sales	3.36	2.01	1.96	0.86	3.42	66.9%	2.2	1986-present
ERP (Market-Based)	532	507	523	136	880	5.0%	-0.1	11/1980-present
Normalized ERP	178	380	425	-120	929	-53.1%	0.9	1987-present
S&P 500 Dividend Yield vs 10yr Treasury Yield	0.25	1.23	1.24	0.17	4.20	-79.3%	1.6	1792-present
S&P 500 in WTI terms	80.4	27.6	25.5	2.7	175.3	191.1%	2.7	1960-present
S&P 500 in Gold terms	2.15	1.66	1.44	0.17	5.48	29.7%	0.4	1968-present
S&P 500 vs R2000 Fwd. P/E	1.38	1.05	1.00	0.76	1.70	31.8%	1.6	1986-present
S&P 500 Market Cap/GDP	1.72	0.68	0.65	0.22	1.74	154.6%	2.9	1964-present

Source: FactSet/Compustat, Bloomberg, FactSet/First Call, BofA US Equity & Quant Strategy

Figure 1: Premium of US vs. International Equity Valuations (5-Year Average, P/B)

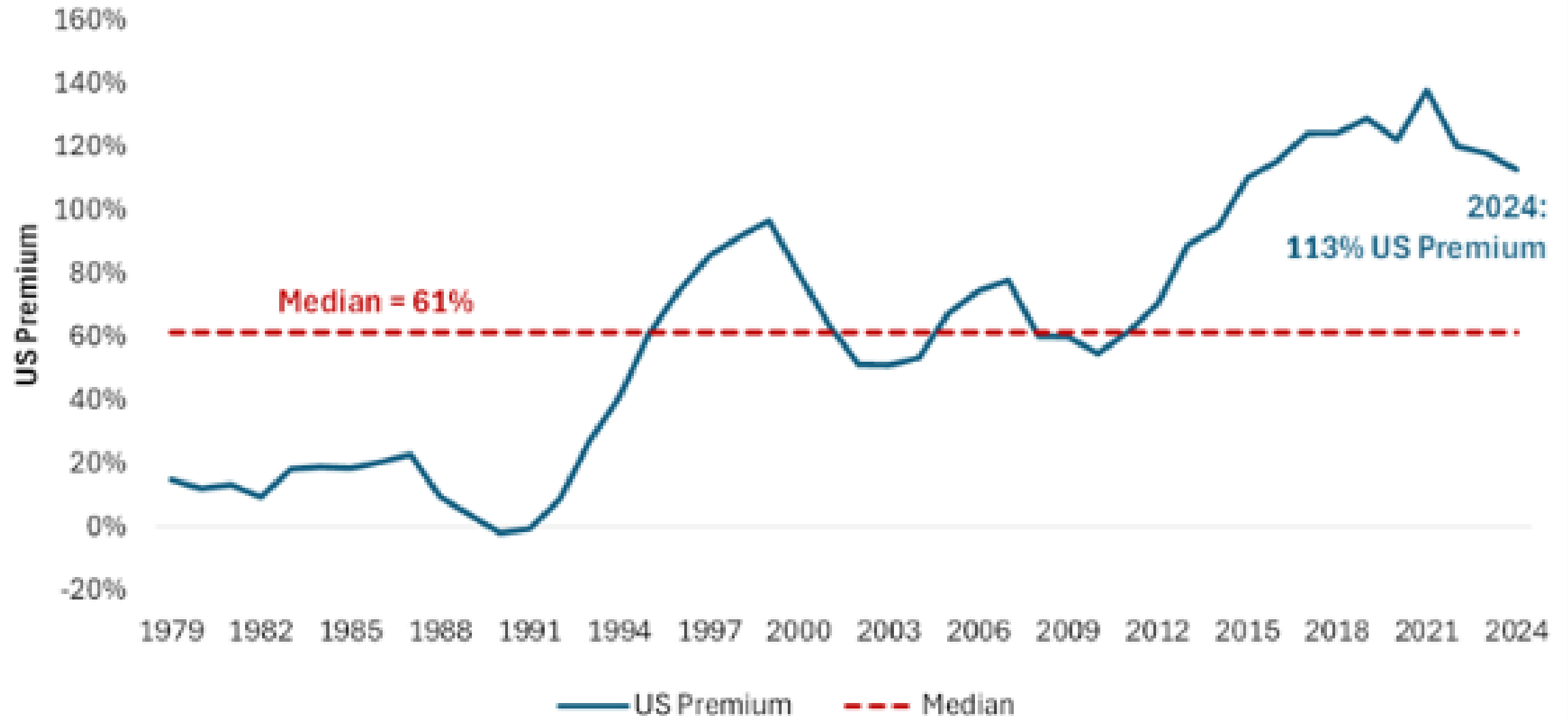


Chart 4: Europe blue-chip index finally above 2000 high

Euro Stoxx 50 Index



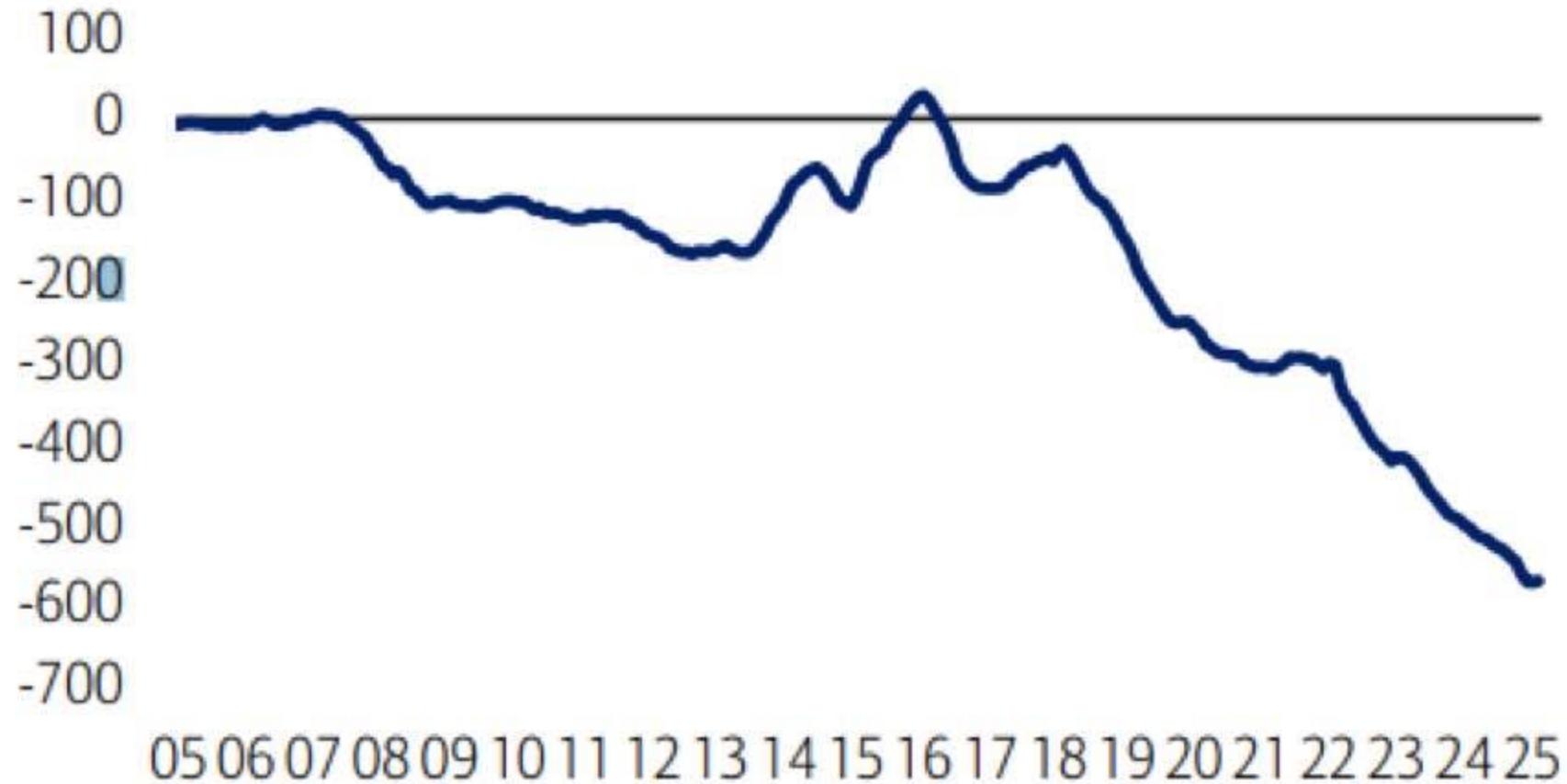
Source: BofA Global Investment Strategy, Bloomberg

Source: <https://x.com/MikeZaccardi/status/1892893082368057438>

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Exhibit 16: Europe-focused equity funds have seen \$561bn of outflows since 2005 (active funds: \$-693bn, passive funds: \$132bn)

Long-term cumulative flows into Europe-focused equity funds (\$bn)

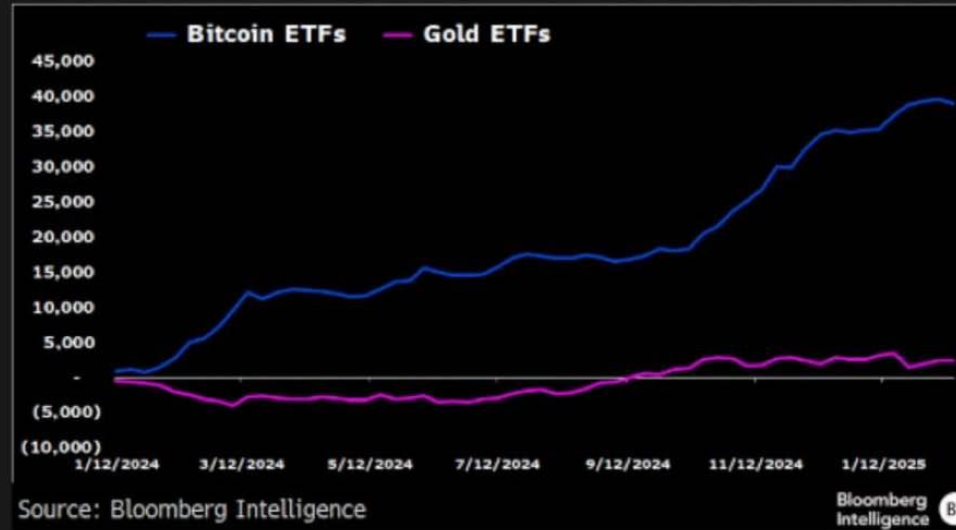


Source: BofA European Equity Quant Strategy, EPFR Global

Source: <https://x.com/mikezaccardi/status/1892195140204138801?s=46&t=U7RrMzPWjCNhv20vMtBVw>

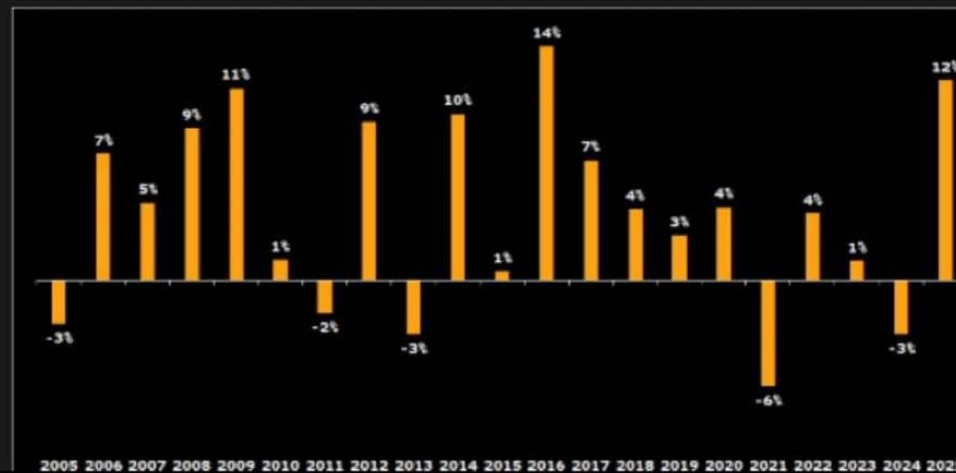
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Flows Since Bitcoin ETF Launches



Any Year

Annual Performance Starts to GLD



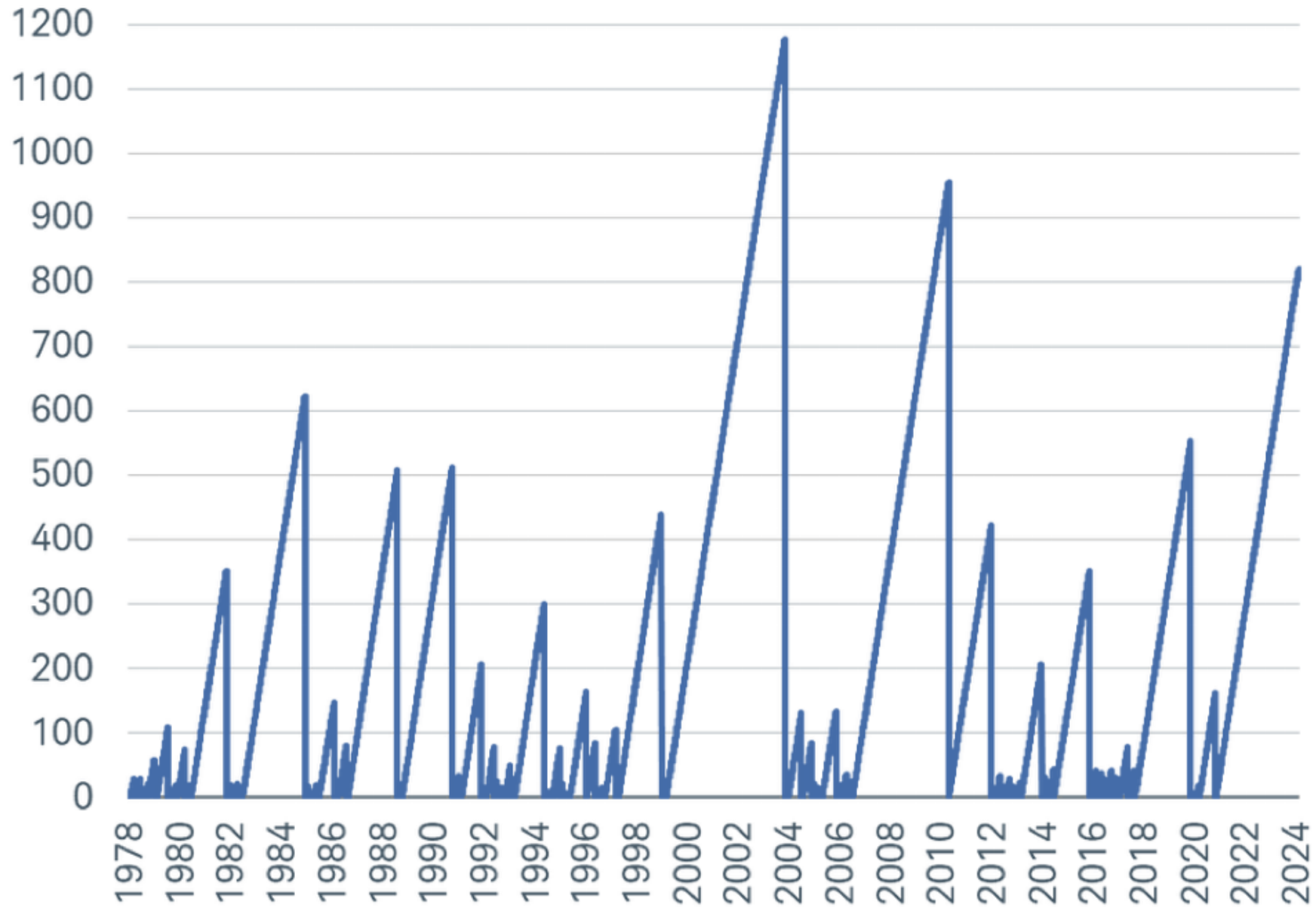
Source:

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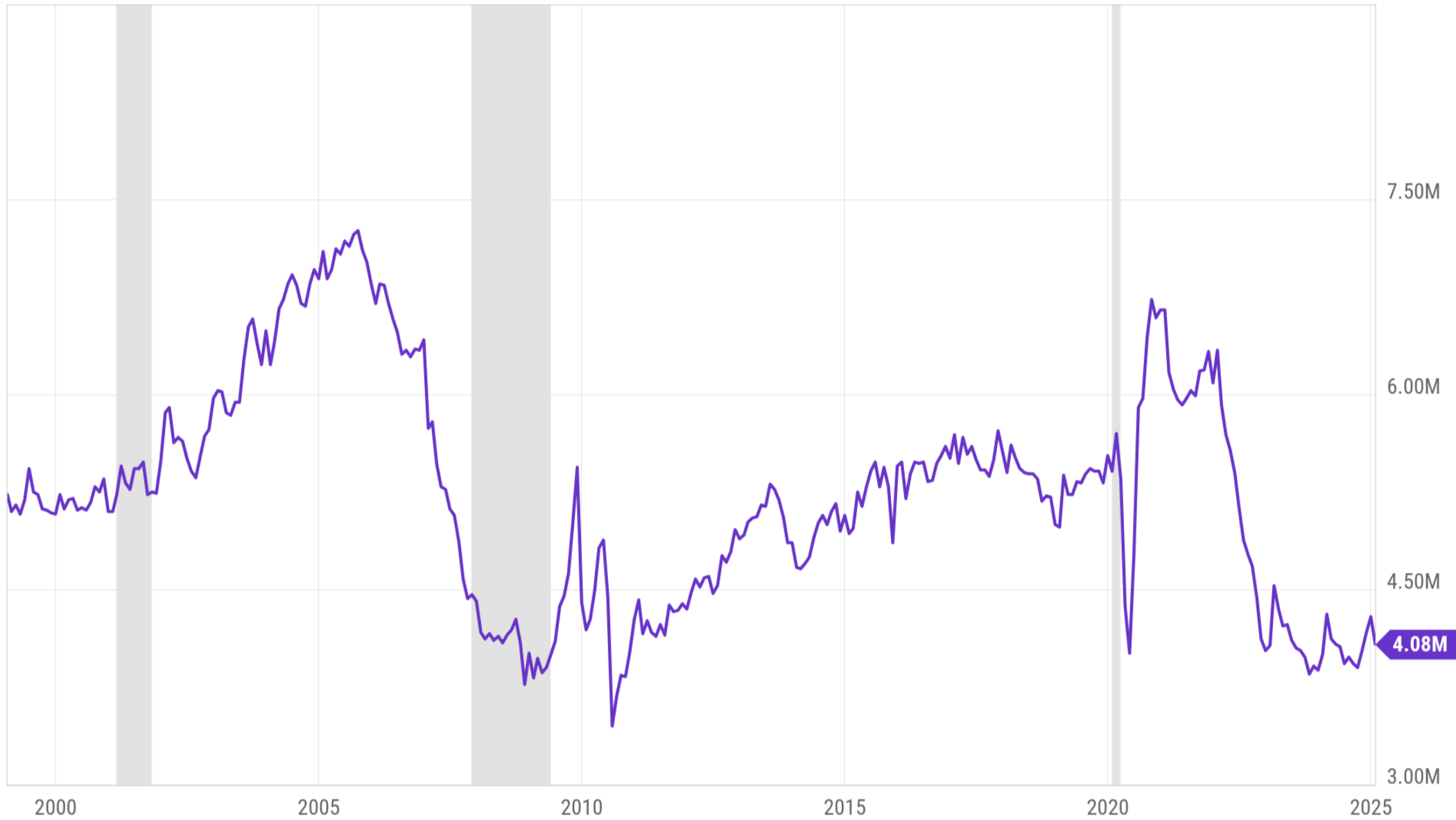
— Number of consecutive days Russell 2000 has not surpassed its prior high



Source: Charles Schwab, Bloomberg, as of 2/18/2025. Past performance is no guarantee of future results.

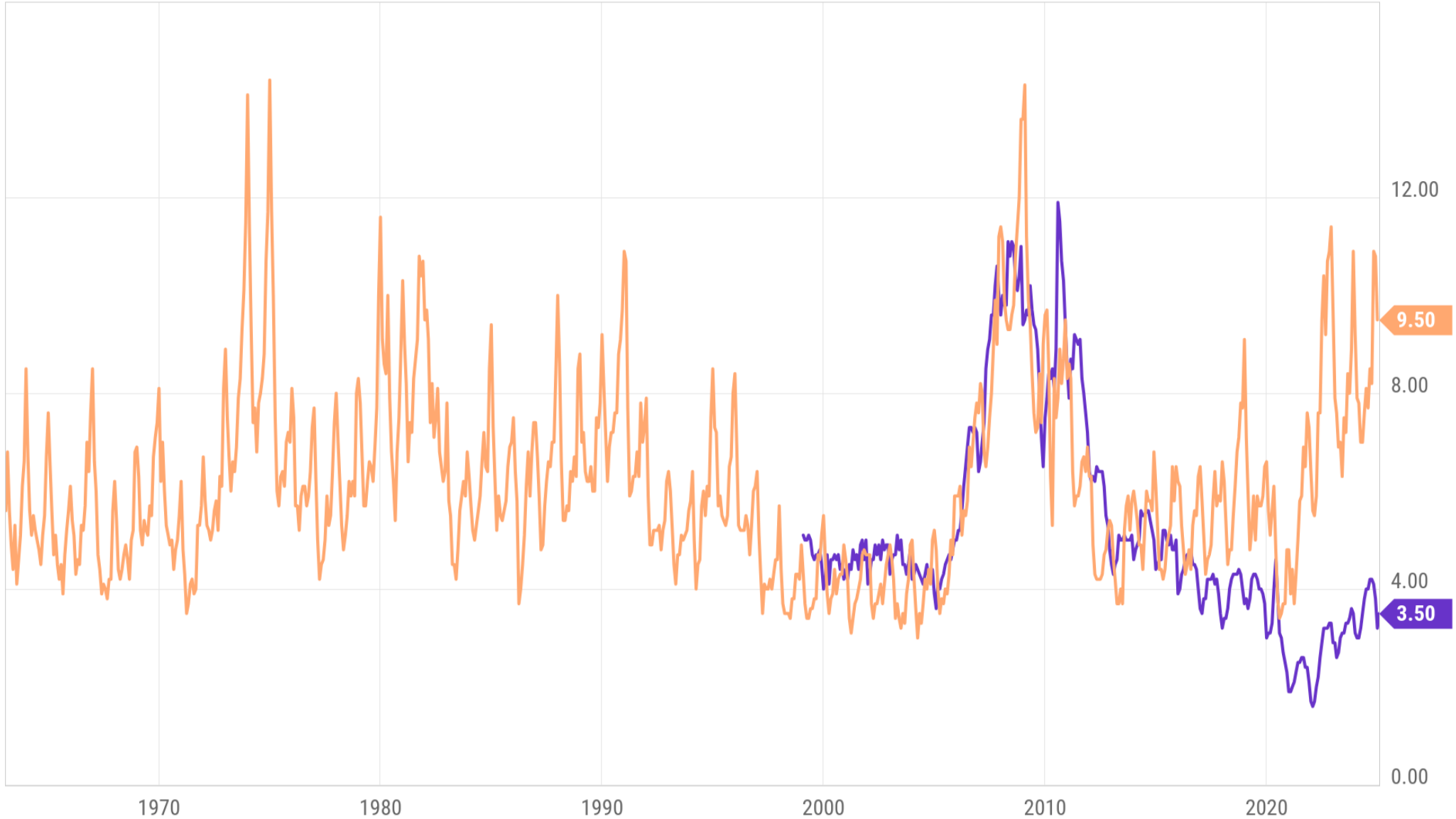
Source: <https://x.com/kevgordon/status/1892196185282117741?s=46&t=U7RrMzPWlCNhv20vMtBVrw>

US Existing Home Sales (I:USEHS) VAL 4.08M



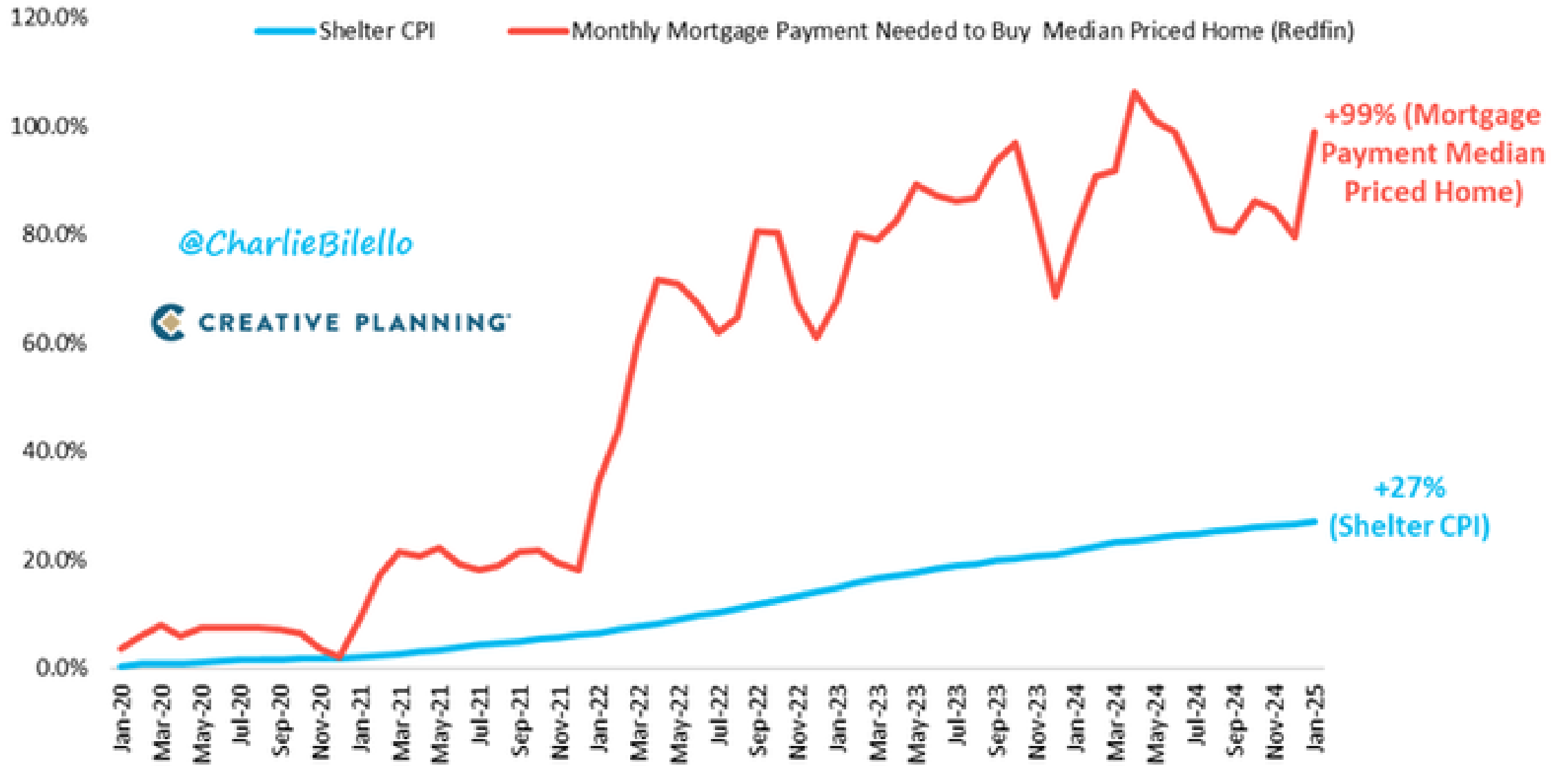
VAL
3.50
9.50

- US Existing Home Months' Supply (I:USEHMSUM)
- US Months Supply of New Single Family Houses (I:USMSNSUM)



U.S. Housing Inflation

Cumulative % Change (Jan 2020 - Jan 2025)



@CharlieBilello



VAL
● S&P 500 (^SPX) Level 6016.44
● S&P 500 (^SPX) 50-Day Simple Moving Average 6011.44
● S&P 500 (^SPX) 200-Day Simple Moving Average 5697.07



VAL

- Nasdaq-100 (^NDX) Level 21616.62
- Nasdaq-100 (^NDX) 50-Day Simple Moving Average 21520.36
- Nasdaq-100 (^NDX) 200-Day Simple Moving Average 20109.43



- Bloomberg US Aggregate (^BBUSATR) Level VAL 2211.57
- Bloomberg US Aggregate (^BBUSATR) 50-Day Simple Moving Average 2194.73
- Bloomberg US Aggregate (^BBUSATR) 200-Day Simple Moving Average 2199.38



	VAL
● MSCI ACWI (^MSACWI) Level	883.73
● MSCI ACWI (^MSACWI) 50-Day Simple Moving Average	860.09
● MSCI ACWI (^MSACWI) 200-Day Simple Moving Average	834.11



VAL
● S&P GSCI Gold (^SG5C) Level 1719.38
● S&P GSCI Gold (^SG5C) 50-Day Simple Moving Average 1608.47
● S&P GSCI Gold (^SG5C) 200-Day Simple Moving Average 1506.77



VAL
● ICE US Dollar Index (^DXY) Level 106.38
● ICE US Dollar Index (^DXY) 50-Day Simple Moving Average 108.04
● ICE US Dollar Index (^DXY) 200-Day Simple Moving Average 104.93

