

YCHARTS

# What History, Valuations & Markets Are Telling Us

With Charlie Bilello



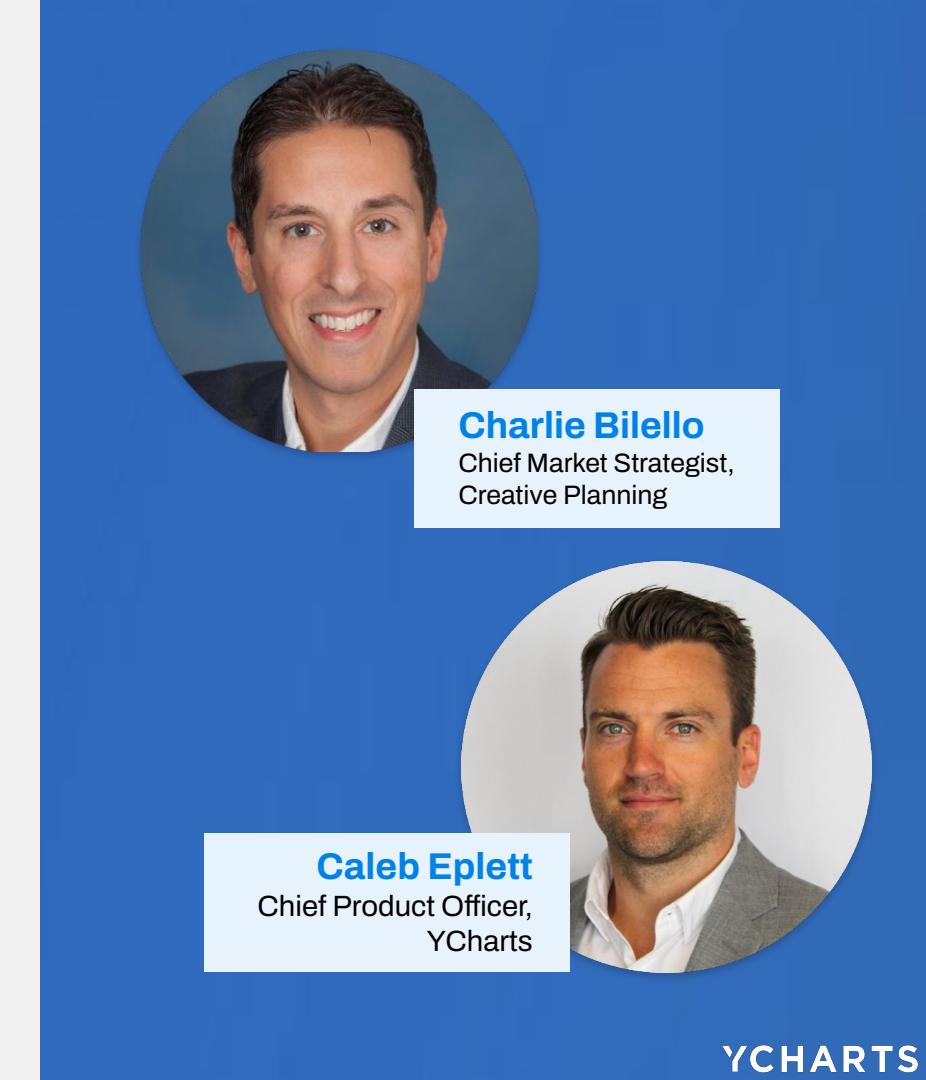
# Introductions & Housekeeping

---

Questions can be submitted using the Q&A feature within the webinar and will be answered during the Q&A.

Please reach out to [hello@ycharts.com](mailto:hello@ycharts.com) for more information or...

***Start a free trial at [ycharts.com](https://ycharts.com)***



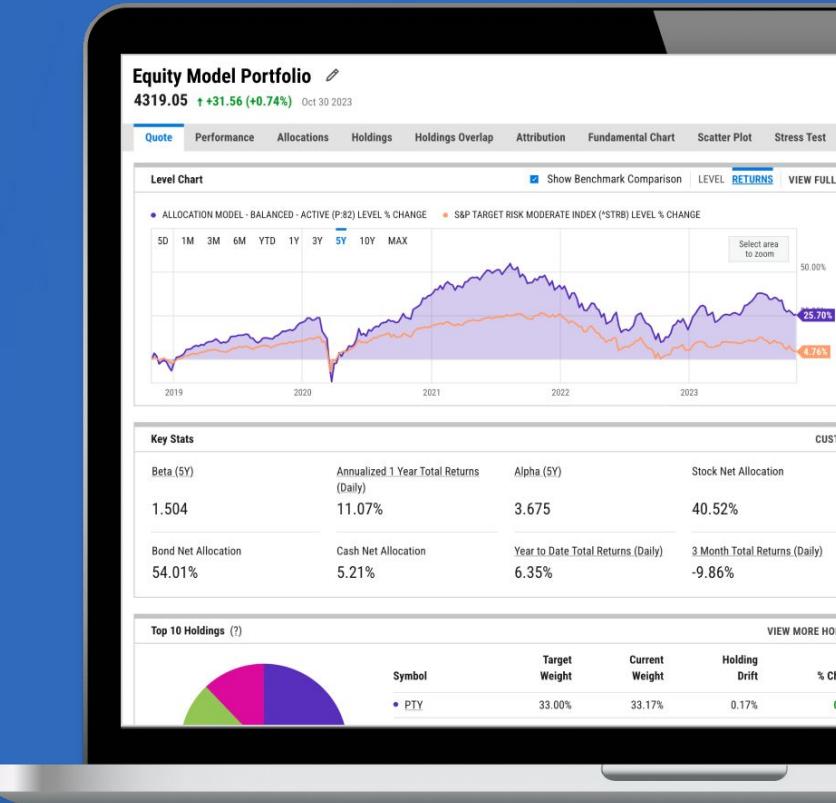
**Charlie Bilello**  
Chief Market Strategist,  
Creative Planning

**Caleb Eplett**  
Chief Product Officer,  
YCharts

# Agenda

---

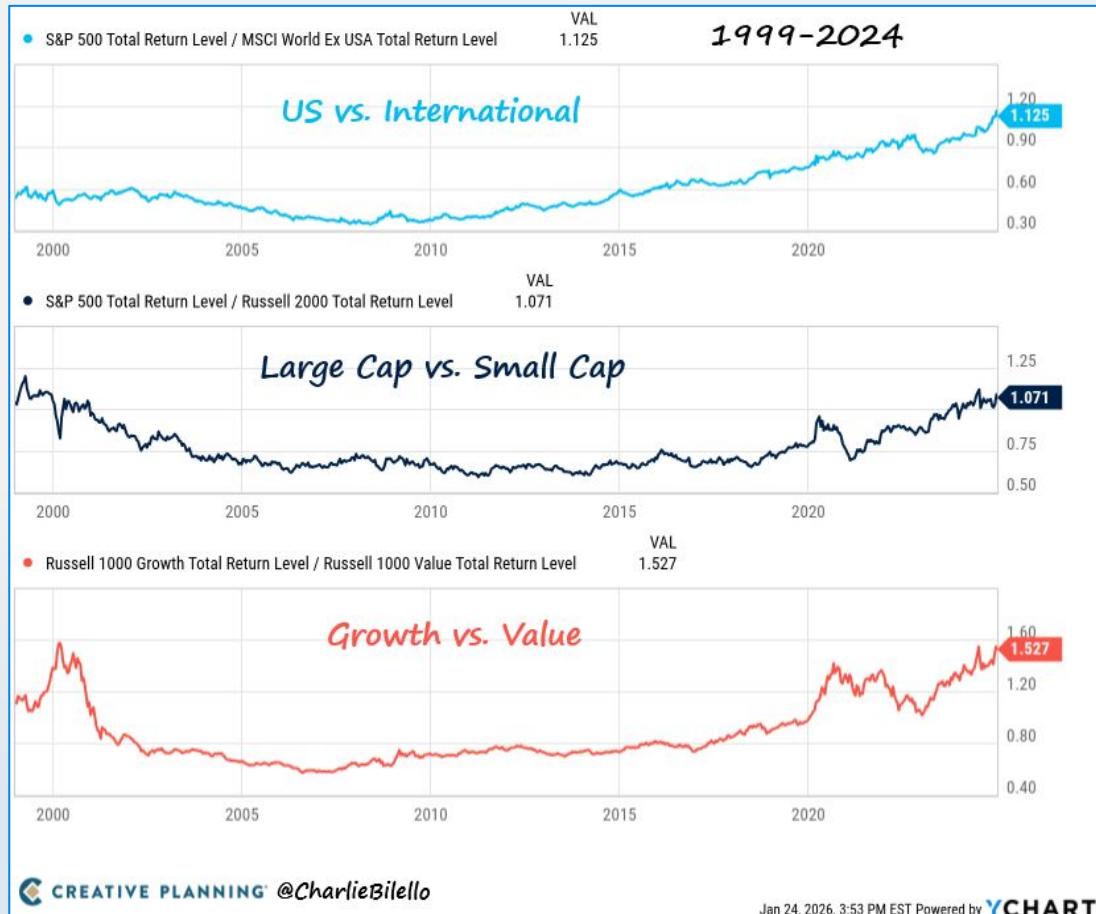
- The Everything Reversal
- Markets Don't Move in Straight Lines
- A Fight at the Fed
- The Golden Age for Gold Investors
- Most Important Charts to Watch in 2026
- Q&A!



---

# The Everything Reversal

# Equity Market Leadership Trends: 1999-2024



# Equity Market Leadership Trends: 2025-2026 YTD



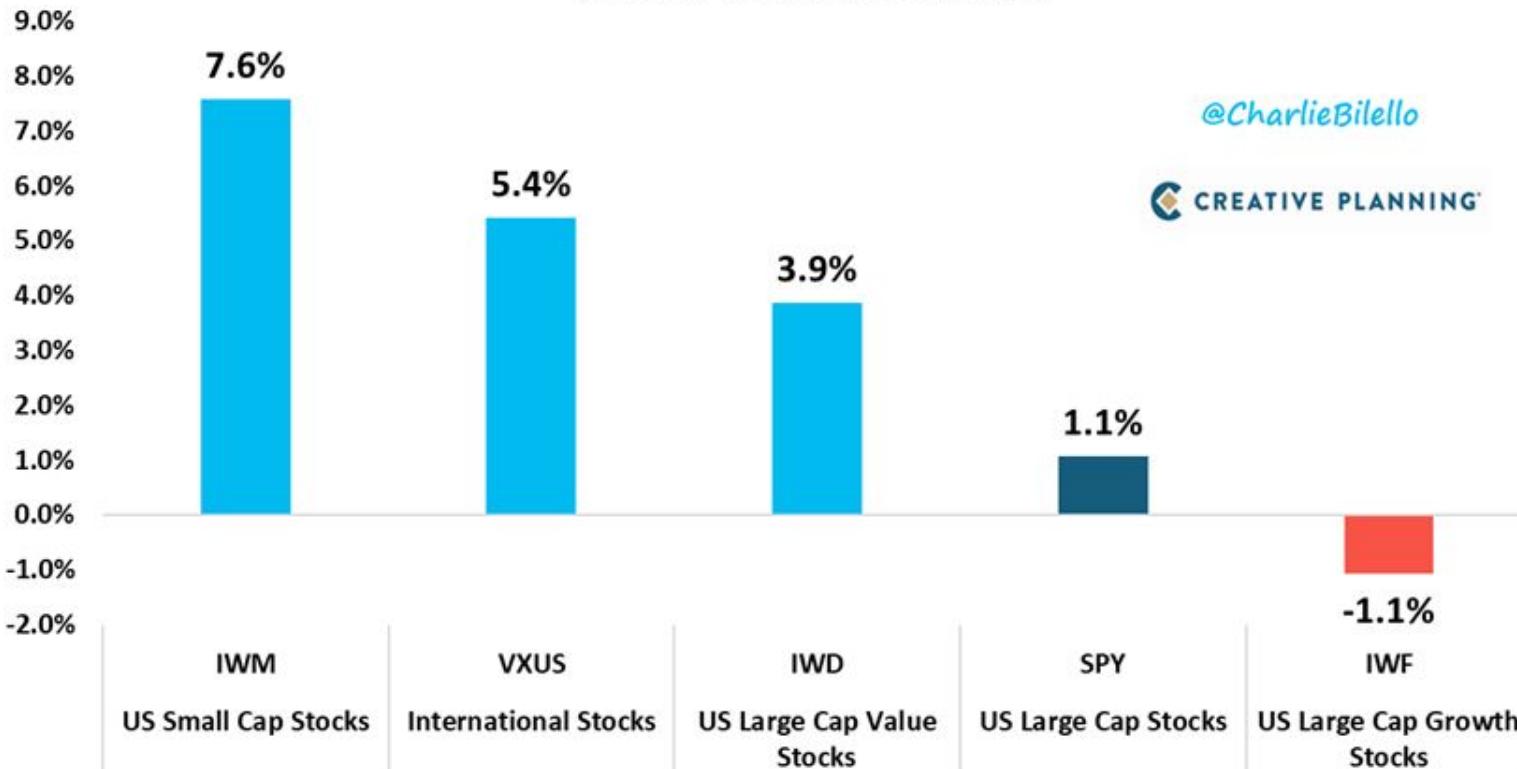
# Is It Finally Time For Small Caps to Shine?

S&P 500 vs. Russell 2000 (RUT) (Total Returns, 1979 - 2025)											
Year	S&P	RUT	S&P - RUT	Year	S&P	RUT	S&P - RUT	Year	S&P	RUT	S&P - RUT
1979	18.5%	43.1%	-24.6%	1995	37.6%	28.5%	9.1%	2011	2.1%	-4.2%	6.3%
1980	31.7%	38.6%	-6.9%	1996	23.0%	16.5%	6.5%	2012	16.0%	16.3%	-0.3%
1981	-4.7%	2.0%	-6.7%	1997	33.4%	22.4%	11.0%	2013	32.4%	38.8%	-6.4%
1982	20.4%	24.9%	-4.5%	1998	28.6%	-2.5%	31.1%	2014	13.7%	4.9%	8.8%
1983	22.3%	29.1%	-6.8%	1999	21.0%	21.3%	-0.2%	2015	1.4%	-4.4%	5.8%
1984	6.1%	-7.3%	13.4%	2000	-9.1%	-3.0%	-6.1%	2016	12.0%	21.3%	-9.3%
1985	31.2%	31.0%	0.2%	2001	-11.9%	2.5%	-14.4%	2017	21.8%	14.6%	7.2%
1986	18.5%	5.7%	12.8%	2002	-22.1%	-20.5%	-1.6%	2018	-4.4%	-11.0%	6.6%
1987	5.8%	-8.8%	14.6%	2003	28.7%	47.3%	-18.6%	2019	31.5%	25.5%	6.0%
1988	16.6%	25.0%	-8.4%	2004	10.9%	18.3%	-7.4%	2020	18.4%	20.0%	-1.6%
1989	31.7%	16.3%	15.4%	2005	4.9%	4.6%	0.4%	2021	28.7%	14.8%	13.9%
1990	-3.1%	-19.5%	16.4%	2006	15.8%	18.4%	-2.6%	2022	-18.1%	-20.4%	2.3%
1991	30.5%	46.0%	-15.6%	2007	5.5%	-1.6%	7.1%	2023	26.3%	16.9%	9.4%
1992	7.6%	18.4%	-10.8%	2008	-37.0%	-33.8%	-3.2%	2024	25.0%	11.5%	13.5%
1993	10.1%	18.9%	-8.8%	2009	26.5%	27.2%	-0.7%	2025	17.9%	12.8%	5.1%
1994	1.3%	-1.8%	3.1%	2010	15.1%	26.9%	-11.8%				

# The Everything Reversal

## 2026 Year-to-Date Total Returns

(Data via YCharts as of 1/23/26)



# The Magnificent Seven Two

## The Magnificent Seven: 2025-2026 Total Returns

(Data via YCharts as of 1/23/26)

73.9%

39.8%

19.0%

12.9%

11.4%

11.2%

9.0%

-0.5%

Google  
(GOOGL)

Nvidia  
(NVDA)

S&P 500 (SPY) Meta (META)

Microsoft  
(MSFT)

Tesla (TSLA)

Amazon  
(AMZN)

Apple (AAPL)

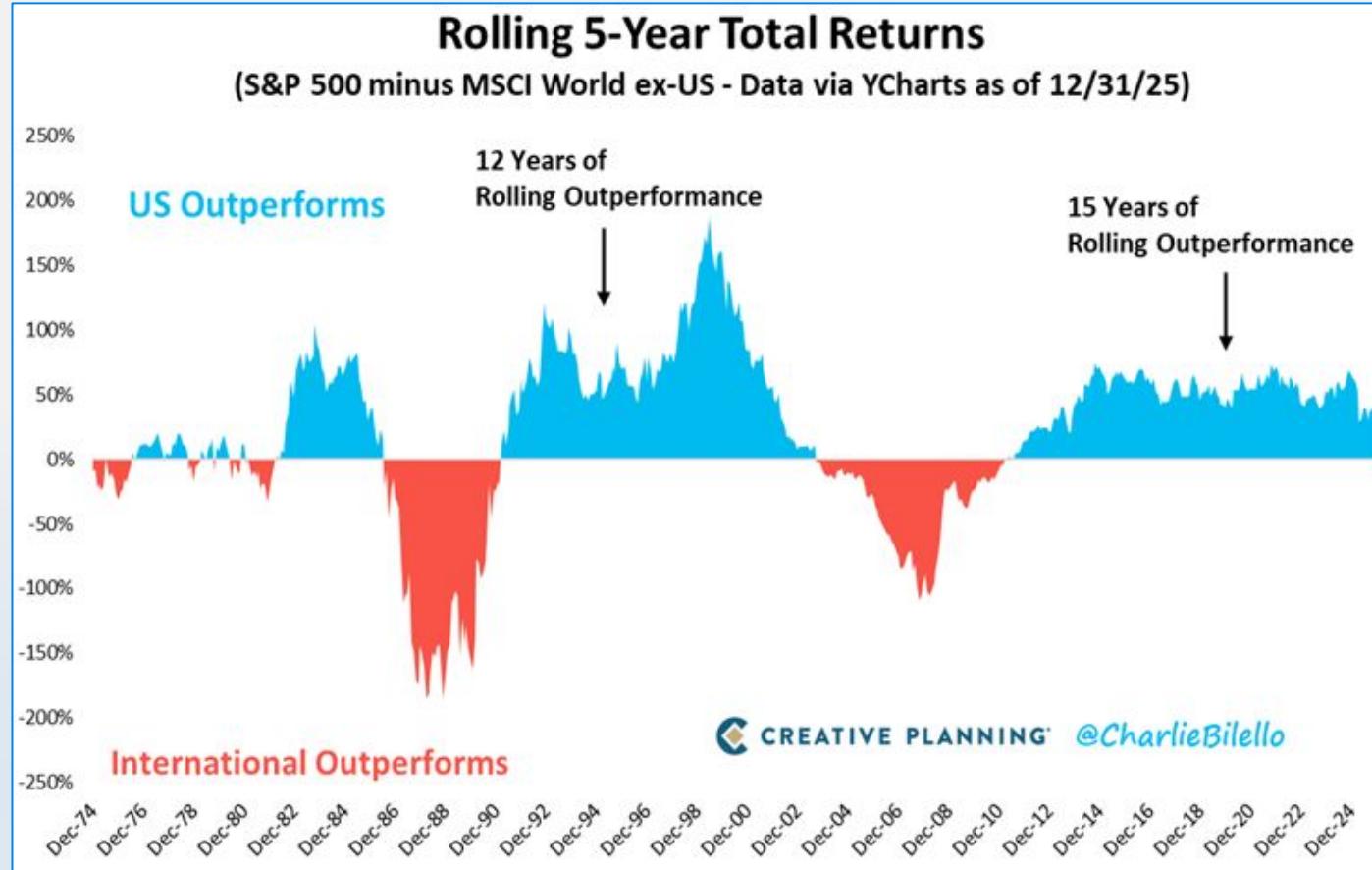
@CharlieBilello



# It's Not Too Late To Diversify...



# It's Not Too Late To Diversify...



# The Valuation Gap...

## CAPE Ratio Comparision: US vs. Europe

Data Source: Barclays (as of December 2025)



---

# Markets Don't Move in Straight Lines

# There's Always Something...

@CharlieBilello		S&P 500 Corrections >5% since March 2009 Low				
Correction Period	# Days	S&P High	S&P Low	% Decline		
2025: Oct 29 - Nov 21	22	6920	6522	-5.8%	"Stocks Fall On..."	
2025: Feb 19 - Apr 7	47	6147	4835	-21.3%	AI Bubble Fears	
2024: Jul 16 - Aug 5	20	5670	5119	-9.7%	Tariffs, Trade Wars and Global Recession Fears	
2024: Mar 28 - Apr 19	22	5265	4954	-5.9%	Recession Fears, Fed Behind Curve, Nikkei Crash	
2022: Jan 4 - Oct 13	282	4819	3492	-27.5%	Stubborn Inflation, Fed Pushing Back Rate Cuts, Iran/Israel Conflict	
2021: Nov 22 - Dec 3	11	4744	4495	-5.2%	Inflation, Rising Rates/Fed Tighening, Russia/Ukraine War, Recession Fears	
2021: Sep 2 - Oct 4	32	4546	4279	-5.9%	Covid Omicron Variant, Fed Taper Fears	
2021: Feb 16 - Mar 4	16	3950	3723	-5.7%	China Contagion Fears, Fed Taper Fears, Covid Delta Variant	
2020: Sep 2 - Sep 24	22	3588	3209	-10.6%	Inflation Fears, Rising Rates	
2020: Feb 19 - Mar 23	33	3394	2192	-35.4%	Coronavirus, No New Stimulus Deal, Election Fears	
2019: Jul 26 - Aug 5	10	3028	2822	-6.8%	Coronavirus, Global Depression Fears	
2019: May 1 - Jun 3	33	2954	2729	-7.6%	Trade War, Tariffs, Yuan Devaluation, Recession Fears	
2018: Sep 21 - Dec 26	96	2941	2347	-20.2%	Trade War, Tariffs, Inverted Yield Curve, Global Slowdown/Recession Fears	
2018: Jan 26 - Feb 9	14	2873	2533	-11.8%	Rising Rates, China Slowdown, Trade War/Tariffs, Housing Slowdown	
2016: Aug 15 - Nov 4	81	2194	2084	-5.0%	Inflation Fears, Rising Rates	
2015/16: May 20 - Feb 11	267	2135	1810	-15.2%	Election Fears/Concerns/Jitters	
2014/15: Dec 29 - Feb 2	35	2094	1981	-5.4%	Greece Default, China Stock Crash, EM Currencies, Falling Oil, North Korea	
2014: Dec 5 - Dec 16	11	2079	1973	-5.1%	Falling Oil, Strong Dollar	
2014: Sep 19 - Oct 15	26	2019	1821	-9.8%	Falling Oil, Strong Dollar	
2014: Jan 15 - Feb 5	21	1851	1738	-6.1%	Ebola, Global Growth Fears, Falling Oil	
2013: May 22 - Jun 24	33	1687	1560	-7.5%	Fed Taper, European Deflation Fears, EM Currency Turmoil	
2012: Sep 14 - Nov 16	63	1475	1343	-8.9%	Fed Taper Fears	
2012: Apr 2 - Jun 4	63	1422	1267	-10.9%	Fiscal Cliff Concerns, Obama's Re-Election	
2011: May 2 - Oct 4	155	1371	1075	-21.6%	Europe's Debt Crisis	
2011: Feb 18 - Mar 16	26	1344	1249	-7.1%	Double-Dip Recession Fears, US Debt Downgrade	
2010: Apr 26 - Jul 1	66	1220	1011	-17.1%	Libyan Civil War, Japan Earthquake/Nuclear Disaster	
2010: Jan 19 - Feb 5	17	1150	1045	-9.2%	Europe's Debt Crisis	
2009: Oct 21 - Nov 2	12	1101	1029	-6.5%	Flash Crash, Growth Concerns	
2009: Sep 23 - Oct 2	9	1080	1020	-5.6%	China's Lending Curbs, Obama Bank Regulation Plan	
2009: Jun 11 - Jul 7	26	956	869	-9.1%	Worries About The Recovery	
2009: May 8 - 15	7	930	879	-5.5%	World Bank Neg Growth Forecast; Fears Market Is Ahead Of Recovery	
Median	26			-7.6%	Worries That Market Has Gotten Ahead Of Itself	

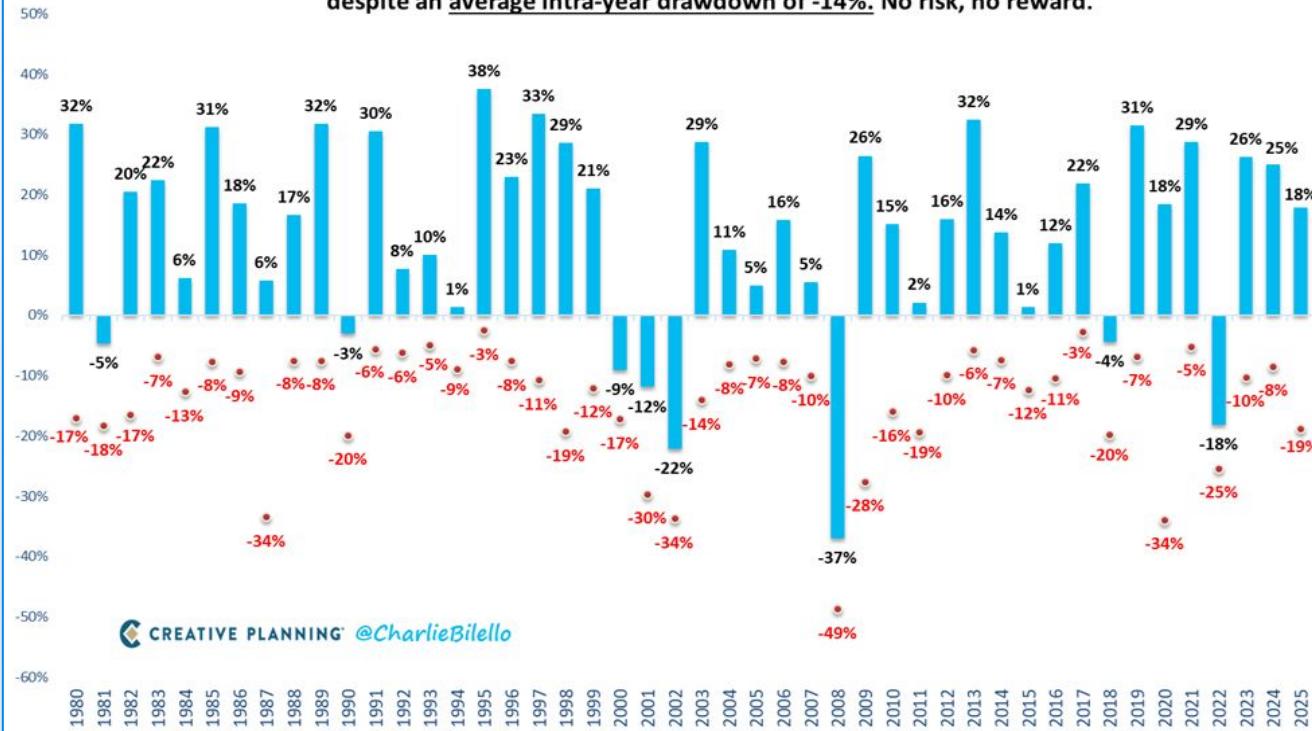
# The One Constant: Risk

## S&P 500: Maximum Intra-Year Year Drawdown vs. End of Year Total Returns

(Data via YCharts, Closing Prices, 1980 - 2025 - as of 12/31/25)

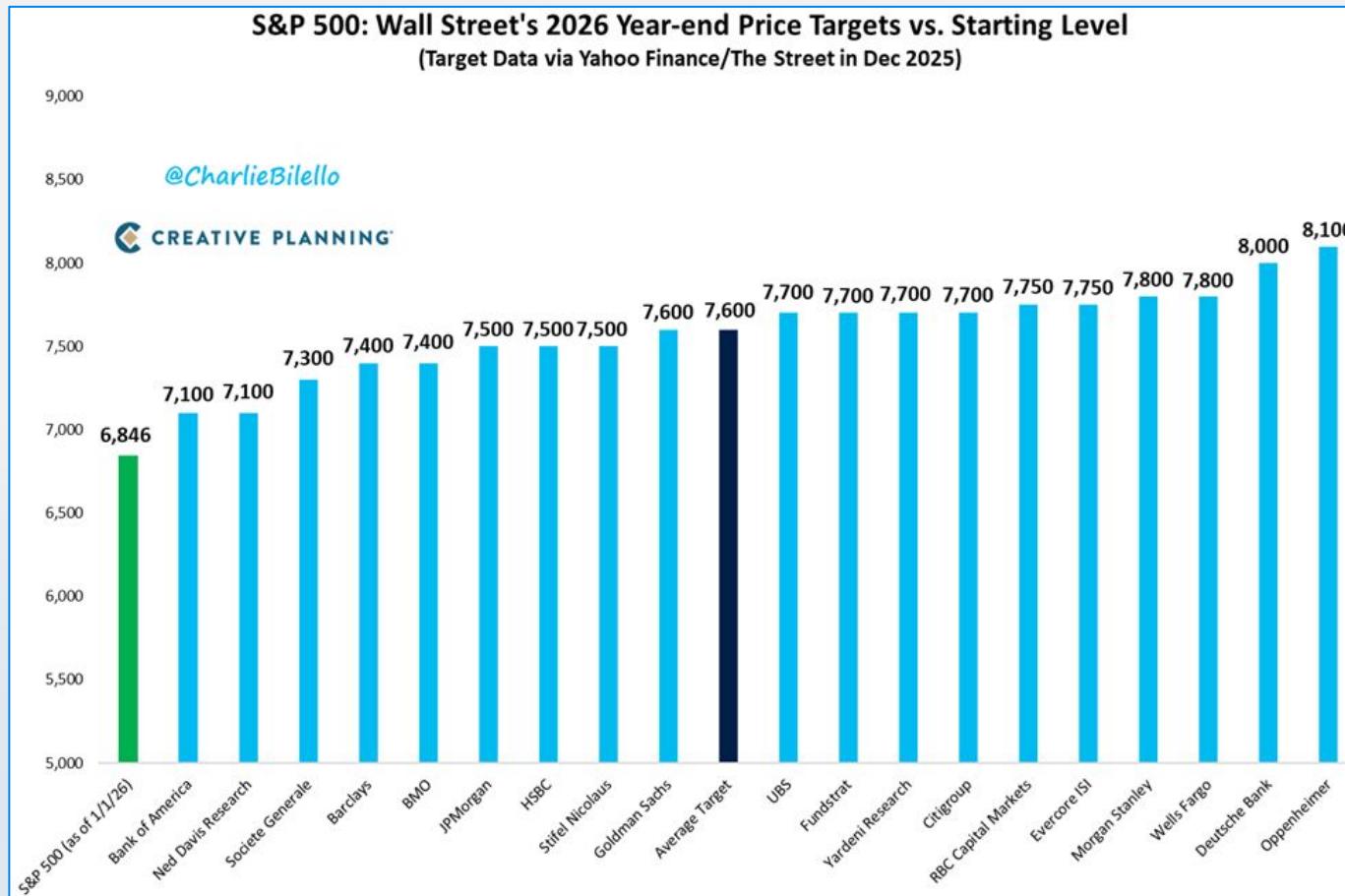
■ S&P 500 End of Year Total Return     ● S&P 500 Max Intra-Year Drawdown

Since 1980, the S&P 500 has an annualized total return of 12%  
despite an average intra-year drawdown of -14%. No risk, no reward.



CREATIVE PLANNING® @CharlieBilello

# Average S&P 500 2026 Forecast: 7,600 (+11%)



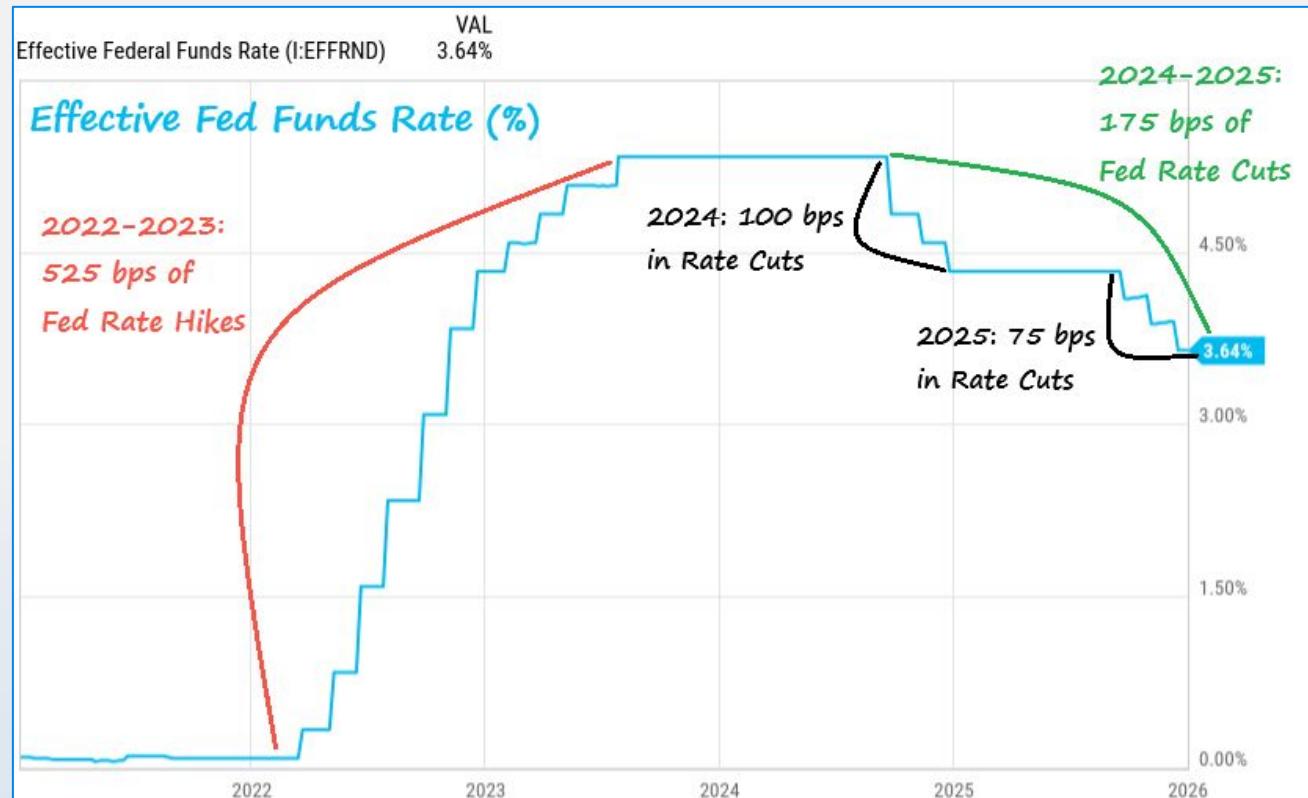
# Returns Are Lumpy

S&P 500 Annual Total Returns (1928 - 2025)																					
<b>Average Annualized Total Return (1928 - 2025): 10%</b> <b>% of Years Within 2% of Average 10% Return: 4%</b>																					
2025	2020	2016	2014	2012	2024	2010	2023	2006	2021	2004	2017										
2018	2015	1993	2009	2000	2011	1988	2003	2019	1990	2007	1986	1999	2013								
1981	2005	1979	1998	1977	1994	1972	1996	1997	1969	1992	1971	1983	1991								
1966	1987	1968	1982	1962	1984	1965	1976	1985	1953	1978	1964	1967	1980								
1931	1937	1930	1940	1929	1947	1942	1938	1936	1928	1954	<-40%	-30% to -40%	-20% to -30%	-10% to -20%	-10% to 0%	0% to 10%	10% to 20%	20% to 30%	30% to 40%	40% to 50%	>50%

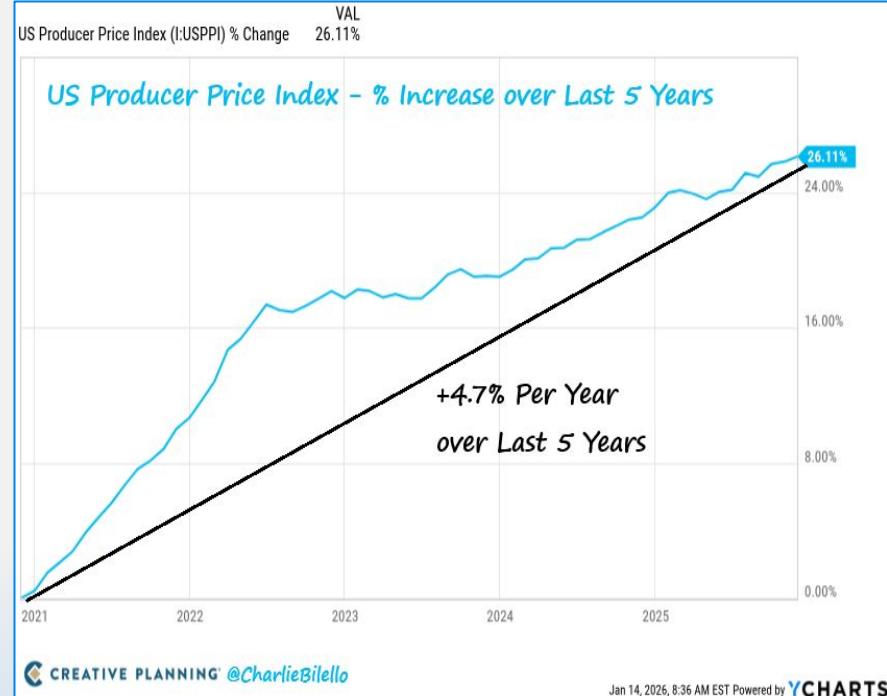
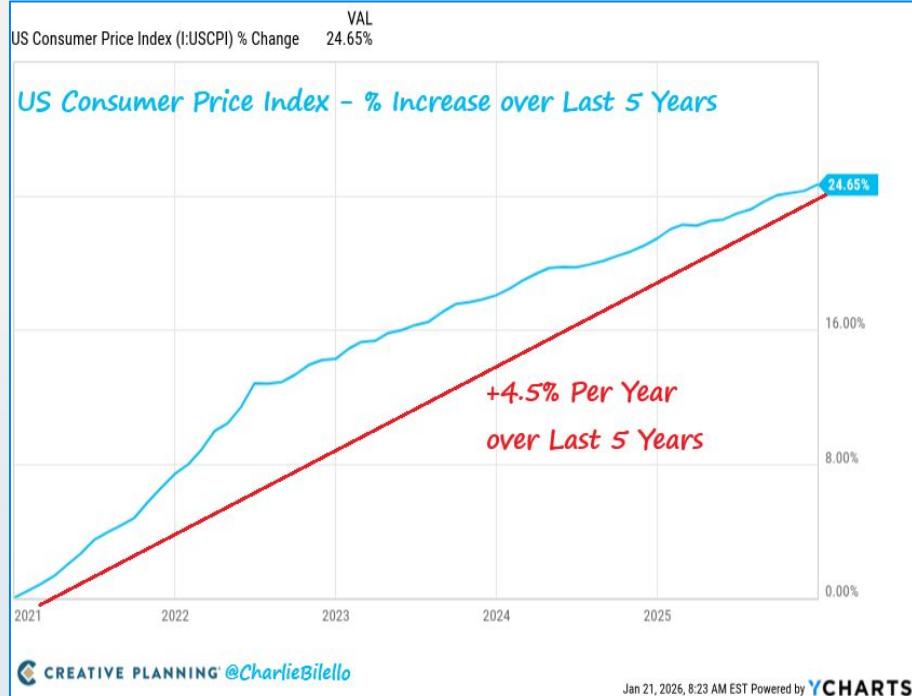
---

# A Fight at the Fed

# The Easing Cycle Continues



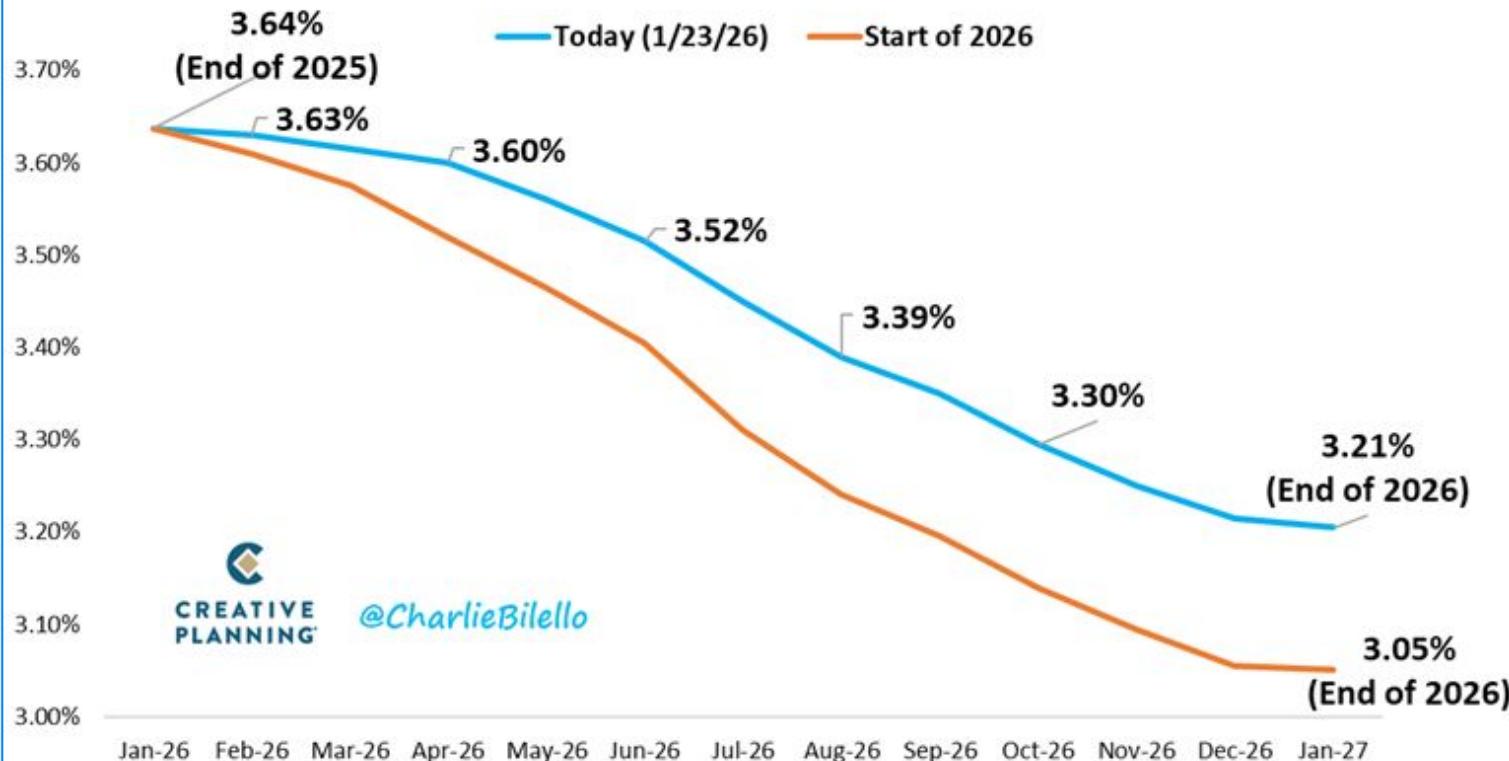
# The 2% Inflation Myth



# Market Expectations: 1-2 Cuts, First in June/July

## Market Expectations for Fed Funds Rate

(Data via Fed Funds Futures, January 2026 - January 2027)



@CharlieBilello

# New Fed Chair: Dovish Bias

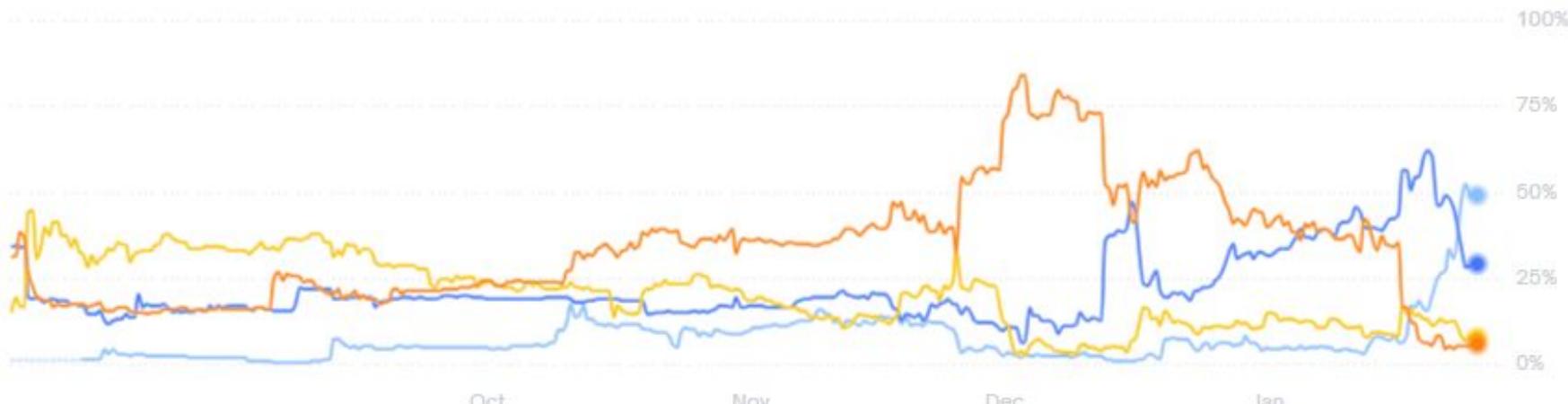


## Who will Trump nominate as Fed Chair?



● Rick Rieder 49.5% ● Kevin Warsh 31% ● Christopher Waller 7.6% ● Kevin Hassett 6.0%

Polymarket



">\$253,414,491 Vol. | Dec 31, 2026

1H 6H 1D 1W 1M ALL ⏪ ⚙

# But Will Be a Fight to Get to Much Lower Rates

Figure 2. FOMC participants' assessments of appropriate monetary policy: Midpoint of target range or target level for the federal funds rate



---

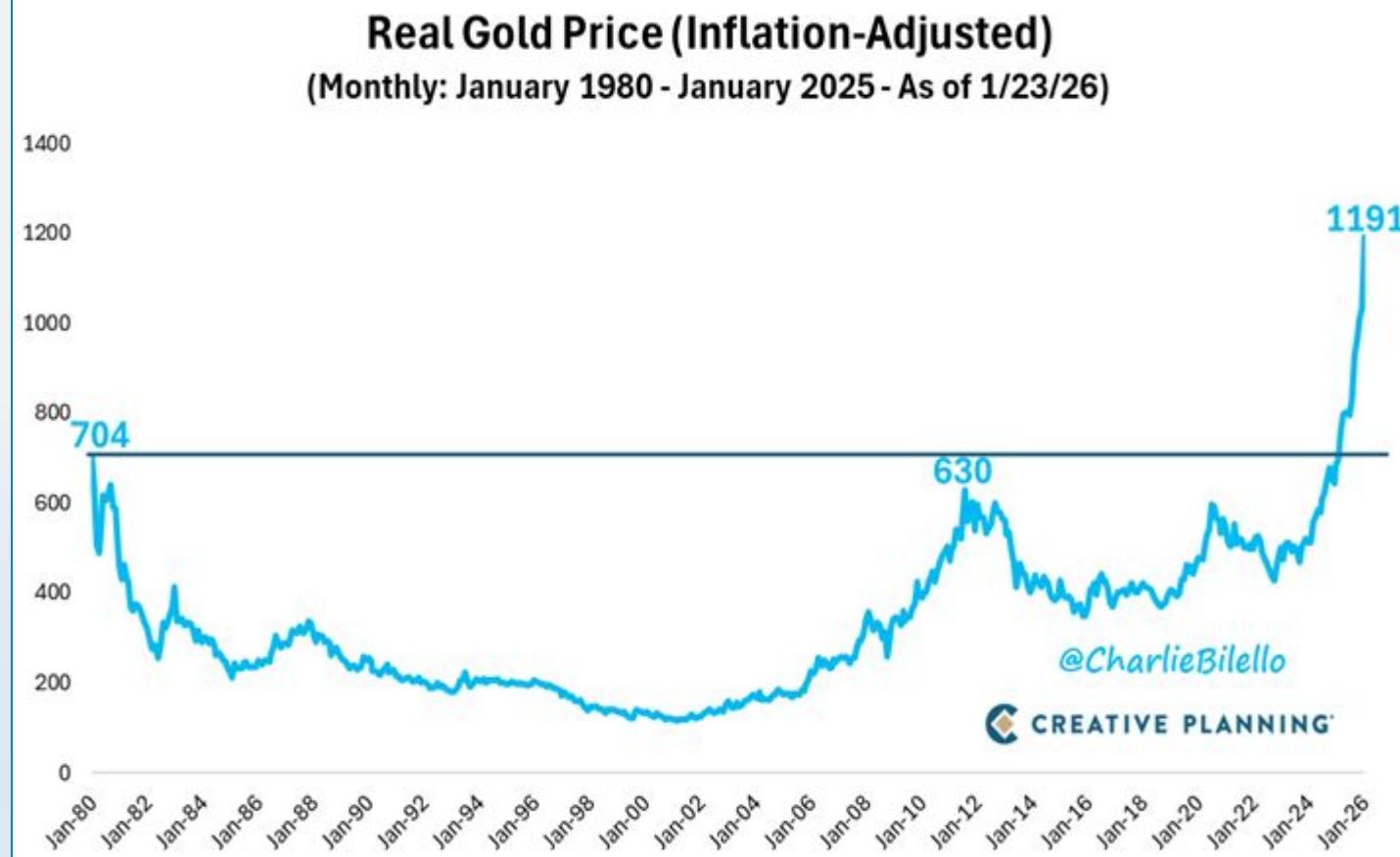
# The Golden Age for Gold Investors

## Narratives to Explain the Move in Gold

- Unnecessary Fed Easing (Lower Real Interest Rates)
- Persistent Government Deficits / Rising National Debt
- Central Bank Buying (>4,000 Tons Since Start of 2022)
- The Debasement Trade (US Dollar Index Down 11% in 2025-26)
- Uncertainty (Tariffs, Trade Wars, Government Shutdowns, Etc.)
- Momentum (+65% in 2025 - Best Year Since 1979)



# 1980-2025: The 45-Year Drought



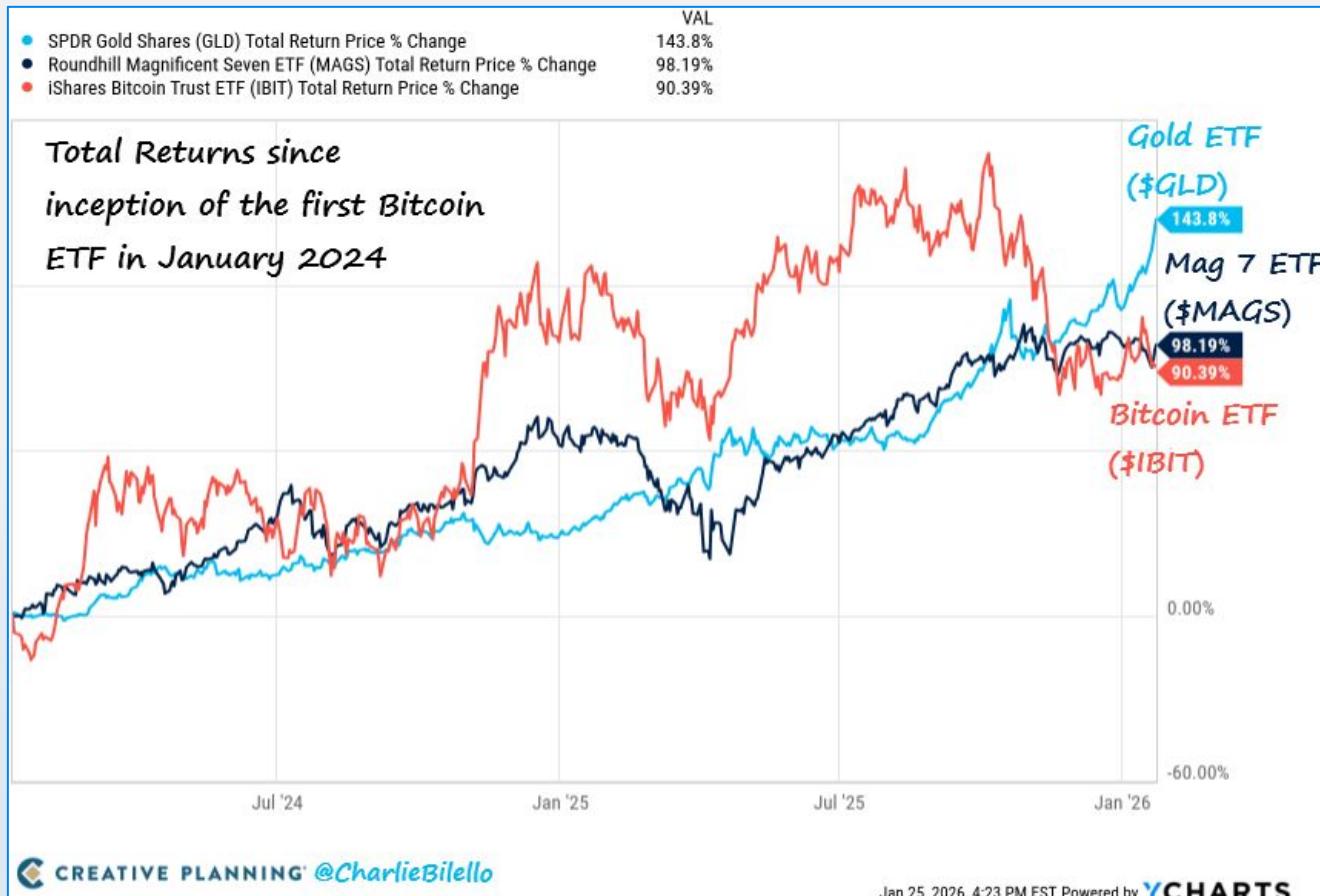
# How Do You Value Gold?

## Gold vs. US Inflation (CPI) Ratio

(Monthly: January 1975 - December 2025 - As of 1/23/26)



# Gold vs. Mag 7 vs. Bitcoin



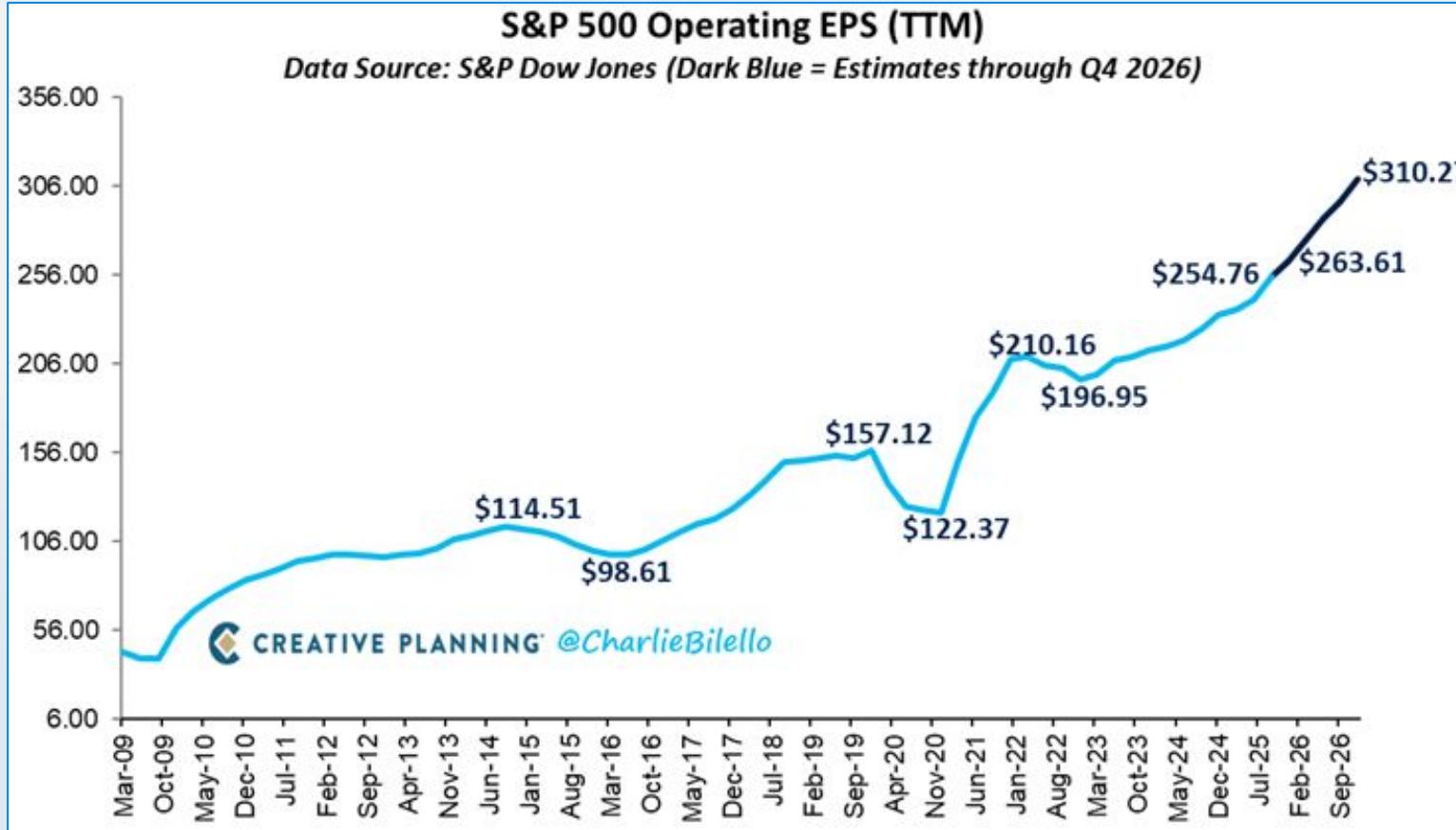
---

# The Most Important Charts to Watch in 2026

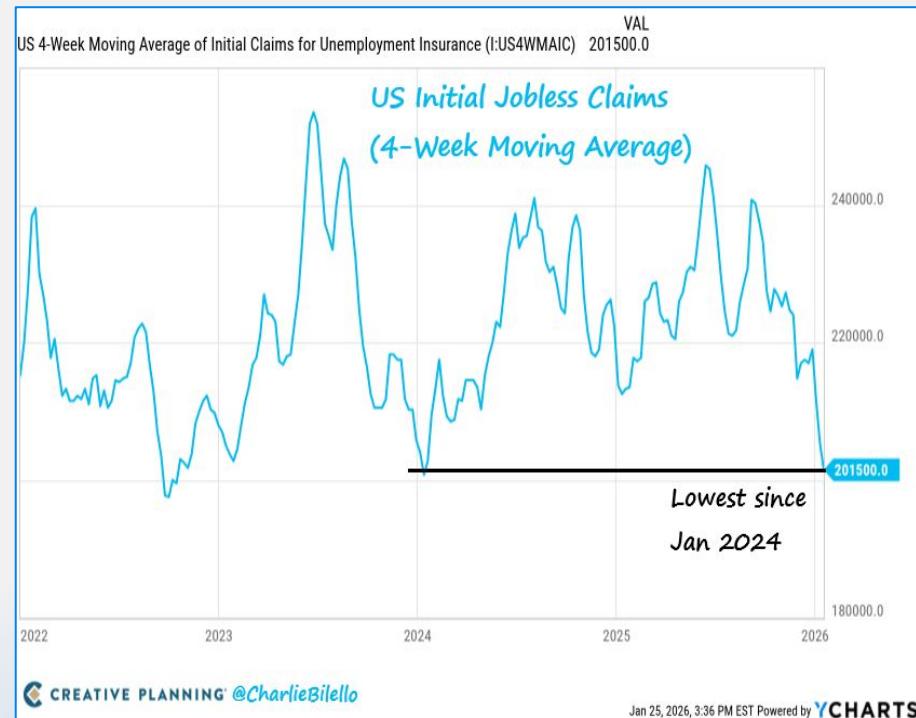
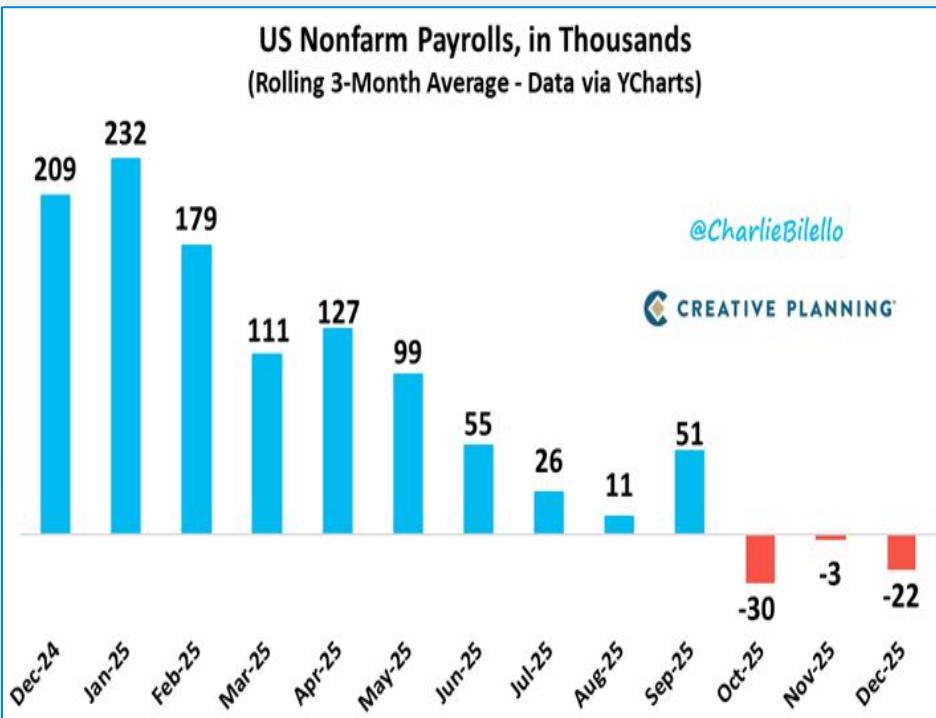
# What's the Real Trade Deficit?



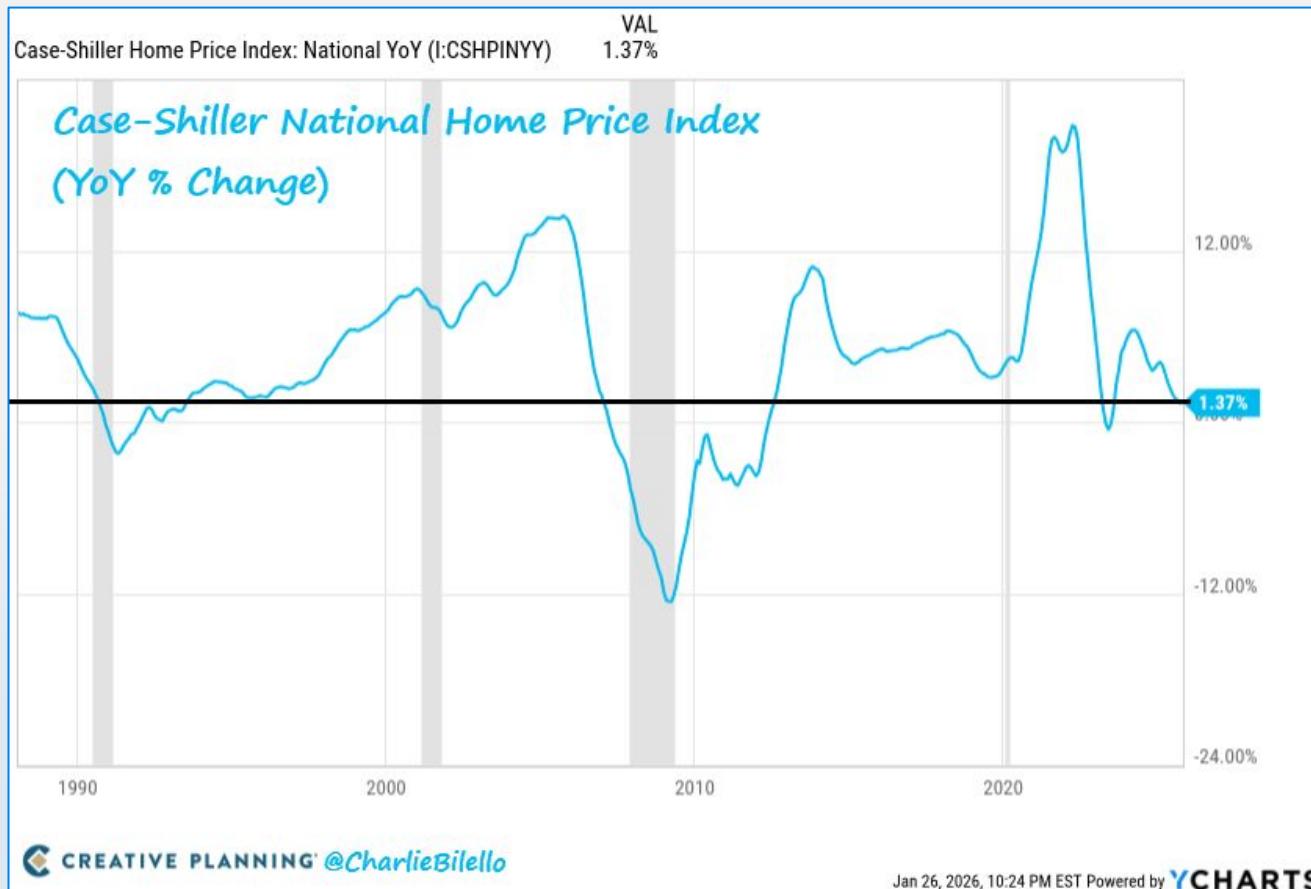
# Will Earnings Live Up to High Expectations?



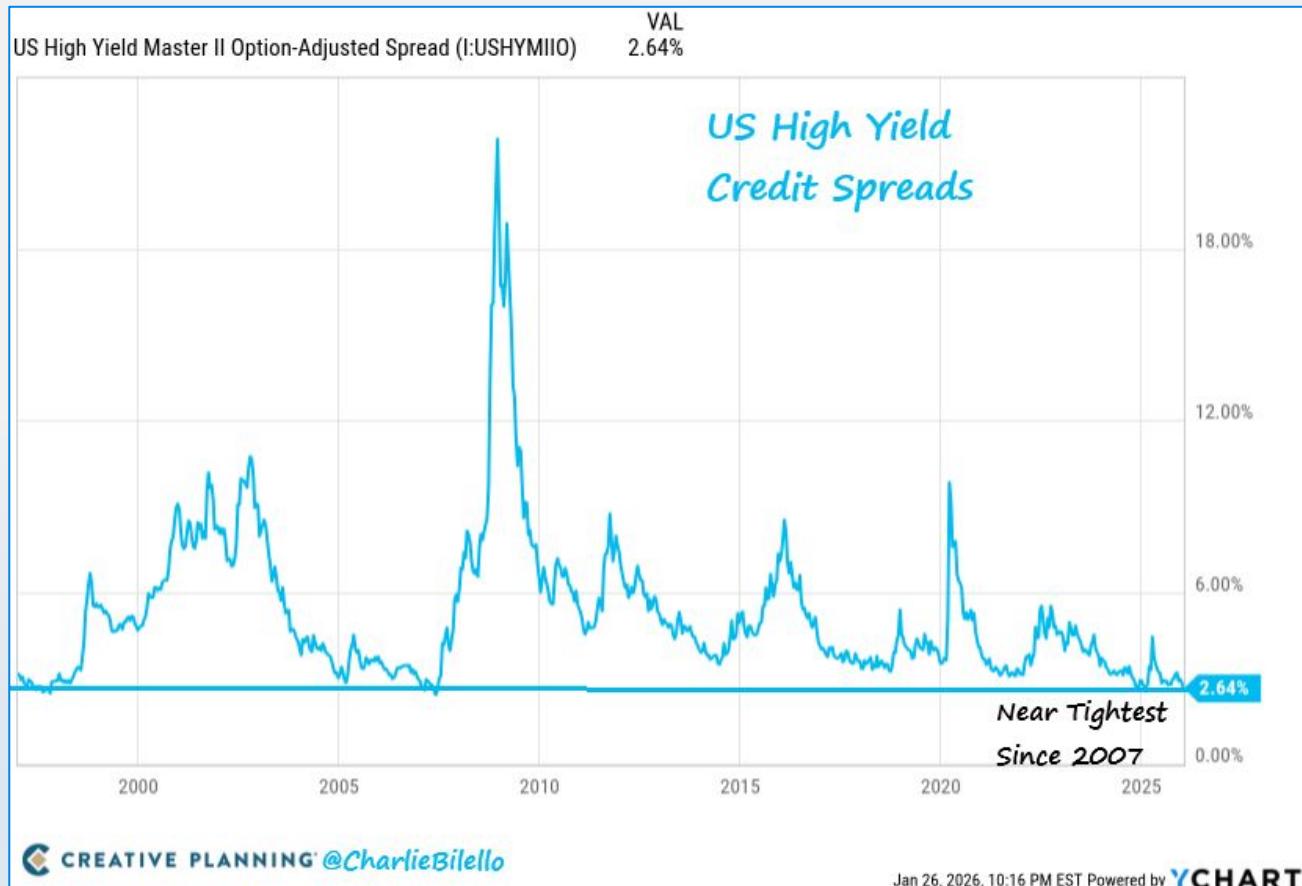
# Will The Low-Hire, Low-Fire Labor Market Continue?



# Are Home Prices Headed Lower?



# Can Credit Spreads Get Any Tighter?



# Will Real Wage Growth Continue?



# Q&A

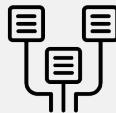
## Charlie's Top YCharts Tools & Use Cases:

- **Creating visuals** to educate others & simplify complex or dense subject matter
- **Sharing insights or data** on Twitter/X to start dialogues
- **Identifying stocks and funds** that meet certain investment criteria

### Proposals



### AI Chat



### Charts



[Start a Free Trial at YCharts.com](https://www.ycharts.com)

Mention “Charlie Bilello” for 20% off YCharts Professional  
*\*new clients only\**



**Start a Free Trial at [YCharts.com](https://YCharts.com)**

**Mention “Charlie Bilello” for 20% off YCharts Professional**

\*new clients only\*