

# I know that I do not know

Report for the week ending March 07, 2026

Dylan Smith

## Key Takeaways

- **MONOLOGUE:** The fog of war is thickening, but the key "known unknown" that needs an answer is crystal clear: can Trump de-escalate, or is it too late? Domestic political pressure says he'll have to try, and until then, the economic damage from higher oil prices (~0.1 to 0.3pp impact on US prices) should be manageable absent catastrophic disruption to production and transit facilities.
- **MACRO:** February's -92k payroll decline was driven by weather and a strike and should be ignored; ISM data tell a more optimistic story of an economy in Goldilocks mode.
- **MARKETS:** Gold failed its test as an inflation hedge, bonds sold off as rate-cut expectations reversed, and equities fell — but corporate credit held firm and the dollar strengthened, with market narratives from before the war looking a little stale.
- **MEMO:** The weak pass-through from tariffs to final prices was initially attributable to stockpiling, and more recently to margin compression. Both countermeasures are now fading, and we expect tariff pass-through to goods prices to be an inflation driver over the next six months, to the tune of around 0.25 to 0.5 percentage points on an annualized basis.

## Monologue

It probably wasn't bad enough to gain the infamy of a "black" modifier, but Friday, March 6th, was a dark day for markets. The price of Brent crude oil crossed \$90 per barrel, the benchmark 10-year Treasury yield closed the week 18 basis points higher than it started (a 90th percentile move), and the US Bureau of Labor Statistics published data showing that the economy lost more jobs in February than in any other month since 2010, aside from those affected by a government shutdown or COVID-19 lockdown.

All this just two days after South Africa crashed out of the T20 Cricket World Cup (I'll allow that this may be more of a personal tragedy).

We'll address the state of the labor market in the Macro Monitor section (it's not nearly as bad as the headlines suggest) and take a closer look at what public market movements are telling us in the Market Monitor.

But first things first. After a week of bombing in the Middle East, the uncertainties created by the Iran War have multiplied by the day. Rather than lifting, the fog of war has thickened.

Last week, writing as news of Ayatollah Ali Khamenei's death was just breaking, I said that "as significant as the strikes feel, this war is unlikely to have much of an impact on the global economy."

Oil prices are up more than I anticipated. Nonetheless, that view remains at the center of my analysis, albeit with far lower conviction than I had after the first salvos of the war. Until key uncertainties are resolved (one above all), the significant and justified premiums that have been built into oil and gas prices as the sense of confusion has increased will remain in place.

**The single most important question for the global economy now is this: Can President Trump find a way to de-escalate the Iran conflict, or at a minimum guarantee safe shipping through the Strait of Hormuz?**

Using the Donald Rumsfeld taxonomy, this question is a "known unknown"—clearly identifiable but without a definitive answer. Or to use Socrates' more literary musing on the nature of wisdom, it forces us to acknowledge the limitations of our judgment; "I know that I do not know."

There are many "known unknowns" stalking markets:

- *Who is directing the war against Iran?* At various points throughout the week, it has looked like Israel, not the US, is in the driving seat. There were hints of this dynamic in President Trump's statements after the initial attacks and throughout the week, when Prime Minister Netanyahu repeatedly provided major strategic updates with clear objectives, while President Trump and Secretary of War Hegseth flailed seemingly at random between a host of threats and justifications.
- *Who is directing Iran's strategy?* Iran has yet to announce the next Ayatollah, and we can't know how open what remains of its leadership is to a de-escalation in hostilities (and on what terms) until a leader is announced.
- *How stable is Iran's leadership?* Calls from the West for the Iranian people to overthrow the Islamist regime have so far not been taken up. The internal situation is fragile and unpredictable, and the presence of the external threat may be either helpful or counterproductive.
- *For how long can Iran credibly threaten regional infrastructure, energy facilities, and shipping routes?* Estimates vary from a few days to essentially indefinitely.
- *What are the chances of this morphing into a ground war?* Armed insurgencies supported by Western powers could lead to the "Syriafication" of Iran, permanently destabilizing the region and compromising shipping safety Houthi-style. Thankfully, this looks low-probability for now (leaks suggesting the US is arming Kurdish militias on the Iraq/Iran border appear to have been overstated), but it's not off the table.

**All of these "known unknowns" fundamentally link back to the core question up top: how much control does the US administration have over the progression of hostilities?** More narrowly, if President Trump wants to normalize energy markets, is there a way to put the genie back in the bottle?

That question is currently unanswerable – there are too many contingencies at play. But an answer will emerge relatively quickly, over the next week or two. Progress (or lack thereof) toward resolving this uncertainty will set the tone in public markets.

**The importance of the "de-escalation question" rests on one key "known known," or at least a high-conviction view I hold: that powerful domestic political pressures will soon lead President Trump to attempt to settle energy markets. The President will not be able to tolerate the current situation for long.**

Of all the freedoms famously available to them, the one Americans value most highly might well be the ability to tank up their trucks, SUVs, and jet skis with cheap gasoline and burn baby, burn.

In the [first Monologue of the year](#), I wrote that the midterms are already upon us, and that President Trump was crafting the Republican strategy around affordability. That strategy could rapidly fall apart at the pumps, and the President would have no scapegoat this time.

Prediction markets now have a Democrat-majority House and Senate as the most likely outcome of the November vote (43%), followed by a Democrat/Republican House/Senate split (41%). President Trump will soon be feeling the heat from candidates in tight races to find a way to get gas prices down and the US out of another war in the Middle East that their constituents don't want.

Bloomberg [reports](#) that Trump's core "MAGA" constituency is split on the war. His National Economic Council Director Kevin Hassett has reassured us that the administration has "got a whole flow chart of tools to use" to prevent inflation from rising (thank heavens).

In other words, there is plenty of evidence that political temperature at home is already rising.

If you also take into account the President's demonstrably short attention span and his history of backing down soon after initially aggressive action on the global stage (e.g., pulling back from Greenland seizure threats in Davos), it's clear he'll soon be looking for a way to declare victory and shift focus elsewhere.

Case in point: the US will apparently "soon be coming to Cuba," the President declared this weekend — already losing focus on Iran.

**While we wait for an answer to the "de-escalation" question to emerge, we should be guided by some "known knowns."** These have been the subject of a lot of analyst notes this week, but they're actually the easiest and most tractable of the questions facing markets, so we can deal with them in bullet form.

- *First, oil and gas price moves are not as severe as they seem at first blush.* The ~25% and ~60% moves in Brent crude oil and European gas prices, respectively, are still orders of magnitude less than the major disruptions caused by Russia's invasion of Ukraine.
- *Second, price increases need to be sustained to have any serious impact.* My quick-and-dirty analysis suggests that a 10% increase in WTI crude prices has just a 0.1 percentage point impact on US price levels if sustained for a month, rising to 0.28pp over 3 months and 0.32pp over six. So, we have another source of moderate upside pressure to add to the "cosmic inflation background", but not a true supply-side crisis.
- *Third, oil supply is more elastic than it used to be, especially in North America,* where higher prices are met with higher output piped in from Canada (and shipped from Venezuela?). OPEC has announced higher production quotas. America's position as a net exporter of refined petroleum also takes recession risk off the table.

Hence, my core view that, absent continual and catastrophic disruption of the global energy sector, the impact on the global economy will be contained.

There is plenty more I could say – about the implications for interest rates, about what post-war market moves might look like – but we'll save those for future reports, once we have more insight into the core "de-escalation" question.

In closing, we've dealt with that big "known unknown" and several "known knowns." What about the "unknown unknowns?" By definition, these can't be analyzed, but there are a lot of them swirling around in the ether, occasionally coalescing into the form of a Russian bear or a flaming aircraft carrier before shifting again into formlessness.

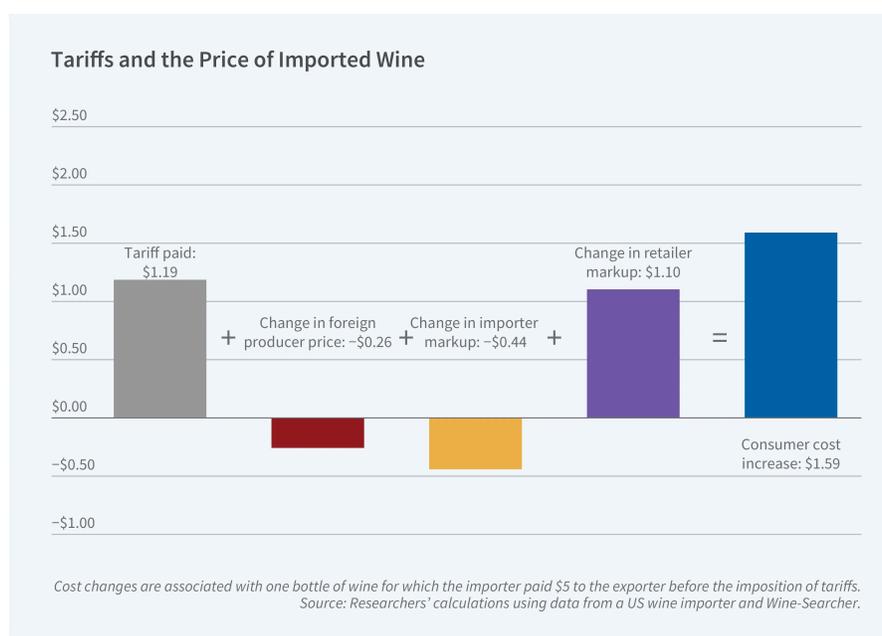
These visions are the curse of our times.

**Dylan Smith**

## Marginal Movers

### Rising 🙌

- **AI-powered labor** — [Artificial Intelligence: friend or foe for hiring in Europe today?](#) — "Investment in and the intensive use of AI are not yet replacing jobs. In fact, some firms are hiring additional employees."
- **Prices!** — [Pass-Through of Tariffs: Evidence from European Wine Imports](#) — A chart says a thousand words:



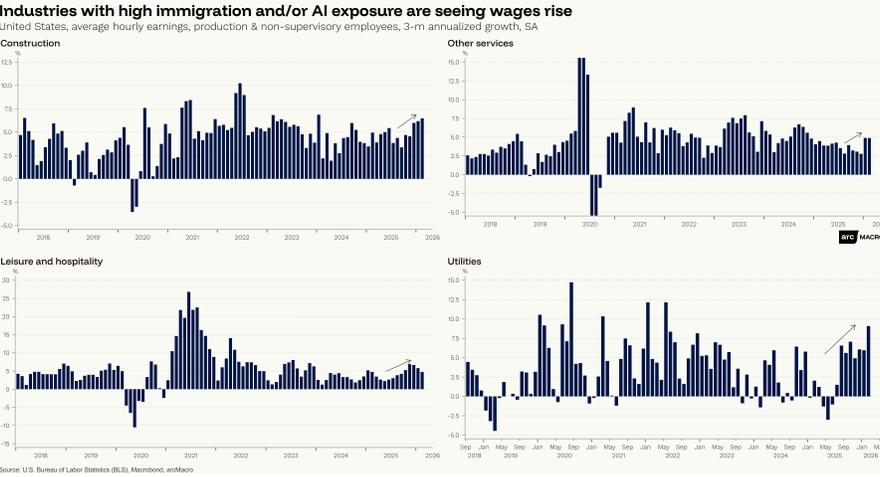
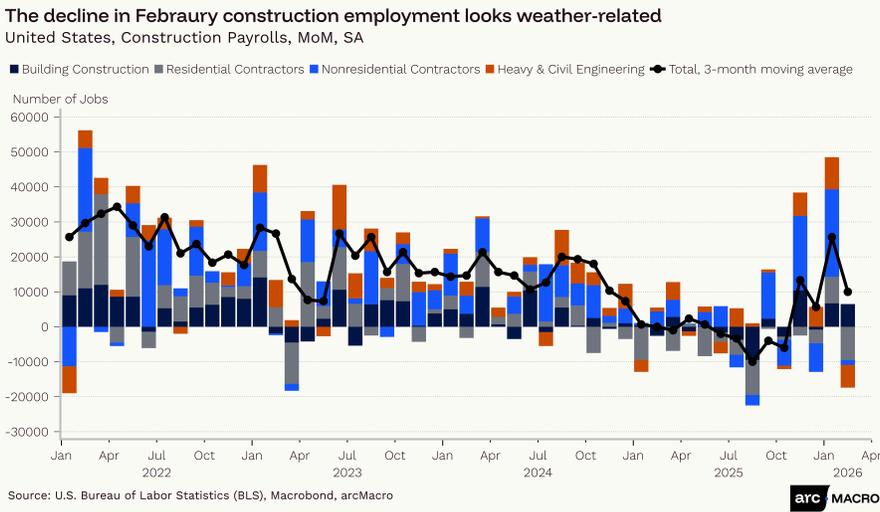
### Falling 🙋

- **Official Chinese ambition:** [China cuts growth target to between 4.5 and 5%](#) — China's latest 5-year plan has the lowest growth target for decades.
  - **Open-ended funds:** [About a third of European GPs plan to retreat from retail distribution—survey](#) — "Evergreen structures can be powerful, but only when the operational foundations are strong enough to handle the additional oversight and reporting they demand."
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# Macro Monitor

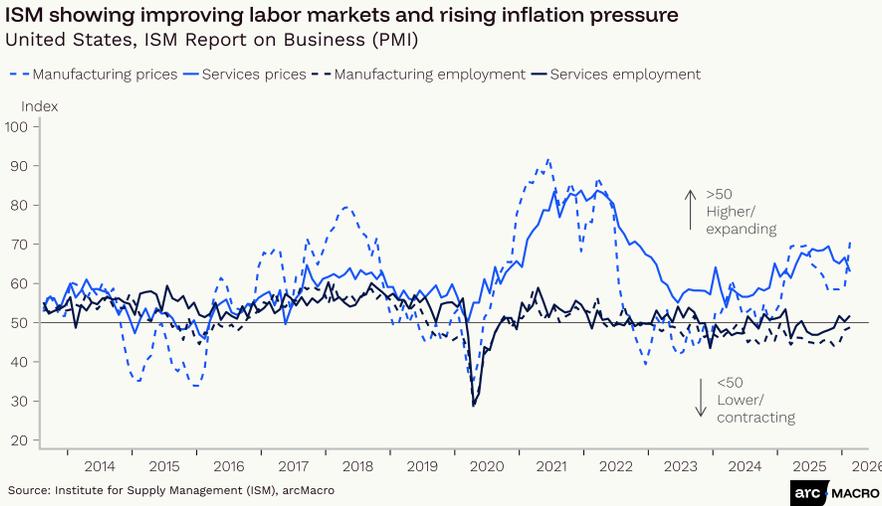
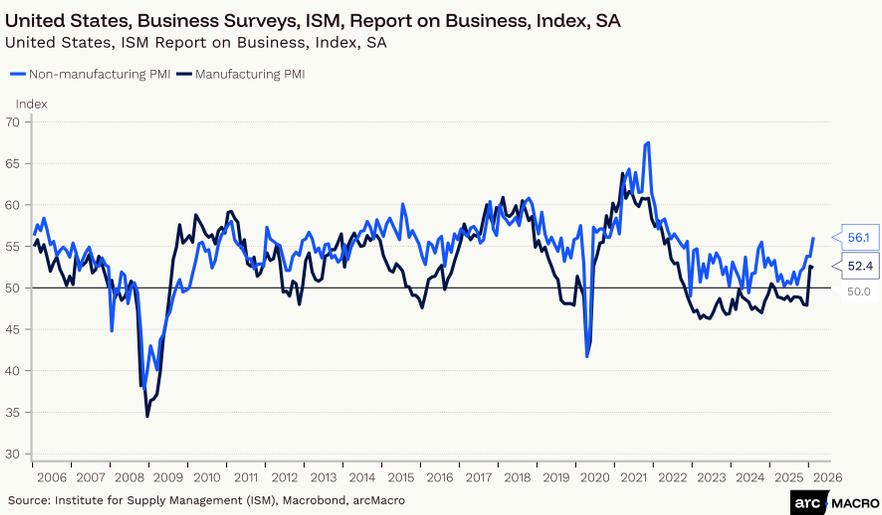
## The labors of Sisyphus

That's the title of a full run-down of the US labor market picture we [posted on the Tangents blog](#) on Friday. In summary, the -92k decline in employment reported in Friday's February jobs report reflected adverse weather and a one-off strike. It does not square with other data on recent job market trends. This was a report to ignore – expect an offsetting overperformance in March. The totality of other labor market indicators is fairly optimistic.



## Reasons for optimism

The ISM Purchasing Managers Index improved notably in February, with the non-manufacturing index rising from 53.8 to a decidedly expansionary level of 56.1 (where 50 signals no change in activity). That growth signal is in line with the "Goldilocks" state of the US economy at present. The ISM's labor market indicators moved into positive territory (countering the nonfarm payrolls report), though price pressures remain elevated.



See the appendix for arcMacro proprietary Factors and the Key Macroeconomic Indicators tracking chart.

## Market Monitor

If we step back from the immediacy of the Iran War, there is a lot to learn from how markets have traded this week. **Some of the prevailing narratives before last week's strikes have not held up under pressure and might deserve a rethink.**

Oil prices were, of course, the main focus. Brent Crude prices rose by 26% to \$92.6 per barrel, while WTI crude prices were up 19.9% to \$78.2 per barrel. The growing margin between the two reflects the strategic importance of America's energy independence.

Seneca said that as fire tests gold, adversity tests brave men. The jury is out on the men, but gold has failed its test. As expected, its price initially rose on news of a new war, up from \$5,222 per ounce last Friday to intraday highs of \$5,422 on Monday. But the supposed inflation hedge in fact *lost* value as the oil price rose, ending the week lower than it started (down 1.2% to close at \$5,104 per ounce).

We've been hinting that the gold price has become unstuck from its usual role as a pure inflation and risk hedge, taking on speculative characteristics as its price has gone vertical. This week's price action appears to validate that view. Higher interest rates didn't help either, increasing the opportunity cost of holding gold.

Indeed, the assets that typically benefit most from pure "risk-off" markets alongside gold – sovereign bonds, especially US Treasuries – had a terrible week as traders reversed prior expectations of lower interest rates. Rising energy-driven inflation risk has made rate cuts in Europe unlikely and reduced the odds that the Fed will deliver more than one cut this year. This trade overpowered "flight to safety" dynamics. The biggest psychological victim was the 10-year Treasury note, which, after finally moving to a 3-handle last week, is back up above 4.1%, though European bond yields rose by more.

Notably, corporate credit shrugged off the negativity in sovereign rates, with both public bonds and leveraged loan yields compressing. This has helped keep financial conditions from tightening excessively.

It was a different story in equities, where earlier bets on small-caps and cyclical stocks were reversed, with higher interest rate expectations weighing on the stock market as a whole. The small-cap Russell 2000 index dropped by 3.4% this week, and the S&P 500 by 1.1% (a 2.5% increase in energy stocks preventing a steeper

aggregate drop).

Meanwhile, the DXY dollar index strengthened by 1.6%, a throwback to the old days when it was a reliable risk-off safe haven. That said, this move was more a mechanical reflection of deteriorating prospects of America's trading partners than an endorsement of the greenback. Energy price volatility will hurt growth and inflation in Europe and emerging markets.

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*See the appendix for the market monitor table*

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## Memo

### **Marginal Gains Fading: Tariff-Related Inflation was Delayed, not Avoided**

**Bottom line:** *The weak pass-through from tariffs to final prices was initially attributable to stockpiling, and more recently to margin compression. Both countermeasures are now fading, and we expect tariff pass-through to goods prices to be an inflation driver over the next six months, to the tune of around 0.25 to 0.5 percentage points on an annualized basis.*

**What it means for investors:** *We're not out of the woods yet. In fact, we're deep in the jungle. Tariff pass-through is happening now, with almost a year's delay from their initial imposition. The upward pressure on inflation will make it harder for the Federal Reserve to justify further rate cuts.*

Higher tariffs on US imports have not had the explosive effect on consumer prices that many feared on "Liberation Day," when President Trump introduced his (now illegal) global tariff policies.

The most commonly cited reason, backed up by qualitative research such as the Federal Reserve's Beige Book, is that US firms along the supply chain have been absorbing most of the tariff impact, rather than passing it on to consumers.

Additionally, a surge in imports and inventories large enough to turn GDP growth negative as firms stockpiled ahead of anticipated tariffs has helped keep costs indexed to pre-tariff levels.

It's starting to look like we're past the "delay and absorb" phase of the tariff response. Take a look at the national summary of price dynamics from the latest Beige Book, published on March 4th:

*"Prices grew at a moderate rate across a large majority of Districts, with only two Districts reporting slight price growth. Cost pressures due to tariffs were a consistent theme across all Districts. Several contacts that initially absorbed tariff-related costs were beginning to pass them on to customers as pre-tariff inventories became depleted or as pressures to preserve margins grew more acute."*

This narrative evidence is useful, but hard numbers are struggling to back it up, at least on the surface. Headlines from the latest corporate earnings season (the final quarter of 2025) trumpeted record margins. According to FactSet, net profit margins for companies on the S&P 500 hit a post-2009 record of 13.2%.

Dig a little deeper, and some important nuance emerges. That record number was driven almost exclusively by the Technology (AI) and Finance (volatility plus the M&A pickup) sectors. The same FactSet data also show that eight of the eleven S&P 500 sectors in fact saw margins contract.

The S&P 500 index only tells us what's happening at the largest and best-run firms in the world. What about the long tail of smaller firms that comprise the bulk of the economy? Data on gross profits from the National Accounts do in fact suggest that margins fell in the first part of 2025, before partially recovering in most industries by Q3.

**Import-exposed industries are seeing the tightest margin compression**  
United States, corporate profit growth, % YoY

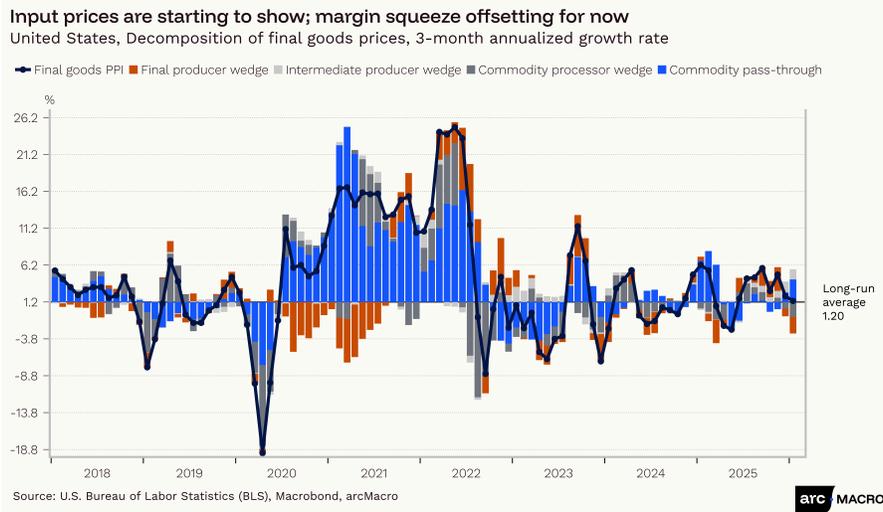


These data aren't great either. For one thing, they're already out of date. For another, they're too high-level. They don't give us any insight into supply chain dynamics, and we can't attribute changes in profitability.

With a bit of work, we can fix this using the Producer Price Index (PPI), which contains information on the input prices faced by industries in different phases along the supply chain. Using a series of linked regressions, we can decompose final producer prices into the contributions made by changes in commodity prices and the "wedge" between the different segments of the supply chain.

This "wedge" consists of a combination of the non-commodity prices faced by firms in each stage of production and the margin they charge when they sell to the next phase. If you're willing to accept that non-commodity prices move fairly slowly (e.g., wages, overheads), then you can treat this wedge as a rough proxy for margins.

The results of this decomposition for final goods prices are shown in the chart below, which indicates whether commodity prices and the producer "wedges" are adding to or subtracting from long-run average goods price inflation.



The historical decomposition captures the COVID-19 inflation narrative well, giving us the confidence to draw inferences from its contemporaneous signal.

- The 2021–22 inflation surge was triggered by commodity/import price pass-through, with the intermediate and commodity processor industry wedges amplifying and extending it.
- By contrast, final goods producers were absorbing costs rather than expanding margins; firms along the value chain were affected differently.
- 2022–23 disinflation was driven by the collapse of commodity pass-through, with upstream wedges following.
- Until the latest (January) data, there has been no evidence of commodity pass-through to final prices, suggesting that stockpiling strategies have been successful.
- The "commodity processor" wedge is negative and growing, suggesting tariff-related cost pressures and margin compression are still concentrated at this early stage in the supply chain.
- The final producer wedge has also turned negative, suggesting that margin compression and cost absorption are moving downstream.

## Conclusion: A year-long delay

The weak pass-through from tariffs to final prices has owed more to initial stockpiling than margin compression until very recently. In the past three months, however, margins have indeed contracted to offset the delayed impact of higher prices.

Going forward, we anticipate that commodity/import-based pressures will rise more than margins will compress. Based on the ranges in our estimates, we put the final impact on PPI at +0.25 to +0.5 percentage points on an annualized basis.

### **Addendum: model specification and validation**

The model decomposes Final Demand PPI into four components using a sequential residual framework applied to the BLS FD-ID production flow system. Changes in Stage 3 Intermediate Demand (intermediate producers) are regressed on raw inputs faced by Stage 2 (commodity processors like refineries) with lags; the residual captures the Stage 3 processing wedge. That residual and commodity inputs are then put in a regression of Stage 4 Intermediate Demand (final goods producers like assembly plants); the new residual captures the Stage 4 wedge. Finally, Final Demand is regressed on commodity inputs and both upstream residuals, with the terminal residual representing the final producer margin. All series are month-over-month annualized rates, smoothed with a three-month moving average for presentation. Orthogonality at each stage guarantees an additive decomposition with no double-counting.

The final equation achieves an  $R^2$  of 0.75 with a Durbin-Watson statistic of 1.99, indicating well-specified dynamics with no residual autocorrelation. All regressors are significant. Commodity pass-through operates over lags 0–2 with monotonically declining coefficients and a cumulative direct effect of 0.16 percentage points on Final Demand Goods. Both upstream wedges transmit contemporaneously — the Stage 3 wedge at a coefficient of 0.59, the Stage 4 wedge at 0.38. The estimation sample runs from March 2010 to January 2026 (191 observations). The intercept of 1.17 represents residual trend goods inflation not attributable to upstream cost dynamics.

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# Appendix

## Proprietary Factor and Regime Model and Key Macro Indicators

### The Week in Markets

	Latest*	Change since last week (units)	Change since last week (%)	3-month change (units)	3-month change (%)	Year-to-date change (units)	Year-to-date change (%)
<b>Equity</b>							
S&P 500	6831	-78.1	-1.1	-26	-0.4	-14.8	-0.2
Information Technology			-0.7		-5.3		-4.2
Financials			-2.4		-4.5		-6.7
Consumer Discretionary			0.6		-3.0		-3.3
Communication Services			0.4		-1.7		-0.8
Health Care			-2.2		0.1		-0.8
Industrials			-2.6		11.1		10.8
Consumer Staples			-3.8		9.1		10.0
Energy			2.5		23.3		25.5
Utilities			-0.7		7.4		9.4
Real Estate			-0.7		6.4		7.8
Materials			-4.6		14.9		11.3
Nasdaq Composite	22749	-129	-0.6	-756	-3.2	-493	-2.1
Dow Jones Industrial Average	47955	-1544	-3.1	104	0.2	-109	-0.2
Russell 2000	6426	-228	-3.4	135	2.1	258	4.2
<b>Sovereign Fixed Income</b>							
US: 2-year Treasury Note	3.56	0.18		0.040		0.090	
US: 5-year Treasury Note	3.72	0.21		0.040		-0.0100	
US: 10-year Treasury Note	4.15	0.18		0.040		-0.030	
FRA: 10-year OAT benchmark	3.47	0.21		-0.050		-0.090	
GER: 10-year Bund benchmark	2.85	0.16		0.1		0	
CHN: 10-year CGB benchmark	1.78	-0.01		-0.00250		-0.0663	
CAN: 10-year GoC benchmark	3.26	0.09		0.040		-0.16	
<b>Corporate Bond Spreads</b>							
US: A-rated	72.6	-0.9		-0.5		2.8	
US: BBB-rated	109	0.1		1.3		4.8	
<b>Leveraged Loan Spreads</b>							
US: B-rated	459	-3.03		57		67.3	
US: BB rated	255	-2.01		-4.7		-0.604	
US: CCC-rated	1803	-114		276		239	
<b>Foreign Exchange Rates</b>							
DXY US Dollar Index	99.3		1.6		0.3		1.0
EUR/USD	1.16		-1.7		-0.4		-1.1
USD/CAD	1.37		-0.1		-1.9		-0.2
USD/CNY	6.9		0.8		-2.4		-1.4
USD/JPY	157		0.3		0.9		0.2
GBP/USD	1.34		-1.3		0.0		-0.7
USD/CHF	0.78		0.7		-2.4		-1.5
<b>Commodities</b>							
WTI Crude	78.2	13	19.9	19	31.4	20.8	36.3
Gold	5104	-63.3	-1.2	903	21.5	736	16.9
S&P GSCI Commodities			11.5		19.9		22.6
S&P GSCI Industrial Metals			-0.6		11.2		5.1
S&P GSCI Agriculture			1.6		-3.5		0.0

\* Weekly closing value. Color indicates positive (green) or negative (red) change since prior week.

Source: S&P Global, Russell Investment Group, Nasdaq, U.S. Department of Treasury, Macrobond Financial AB, Central Bank of Germany (Deutsche Bundesbank), Bank of Canada, Intercontinental Exchange (ICE), International Monetary Fund (IMF), LBMA (London Bullion Market Association), Robert Shiller, Chicago Board Options Exchange (CBOE), U.S. Department of Labor, U.S. Bureau of Labor Statistics (BLS), Federal Reserve Bank of Atlanta, Citi, Federal Reserve Bank of St. Louis, Energy Information Administration (EIA), Pitchbook | LCD, arcMacro



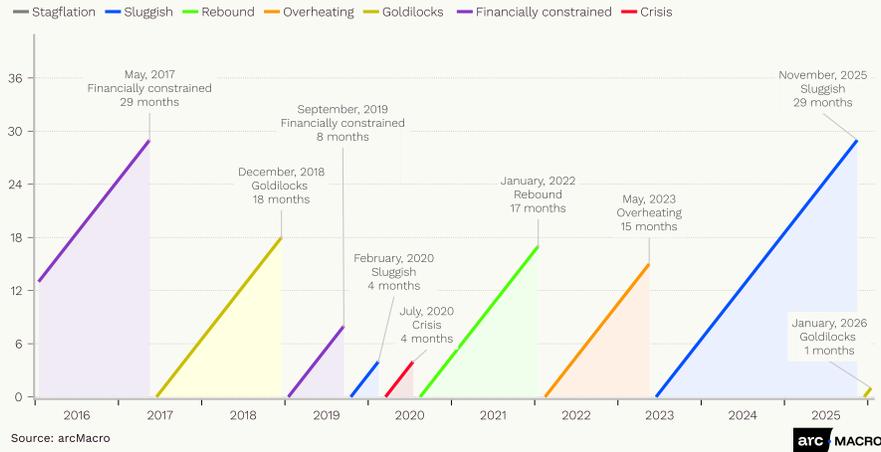
### arcMacro Real Time Factors

United States, z-score



Source: arcMacro

**arcMacro Regime Summary**  
United States, Cumulative Months in Regime



**arcMacro Factor Input Monitor**  
Top 10 inputs by factor loading

Indicator	Unit	Latest*	Three months prior	One year prior	Normalized Level (Standard Deviations from Historical Mean)
<b>arcMacro Real Factor</b>	<b>Standard deviations</b>	<b>0.6</b>	<b>-0.7</b>	<b>0.9</b>	
Underemployment (U-6)	%	7.9	8.7	8.0	
Capacity Utilization	%	78	75.6	75.6	
Industrial Production (IP)	%, YoY	2.2	1.8	0.9	
Employment-to-Population Ratio	%	59.3	59.6	59.9	
Dallas Fed Services Index	%, YoY	-3.2	-4.1	2.8	
Unemployment Rate	%	4.4	4.5	4.2	
Transportation Services Index	%, YoY	0.2	0.7	0.7	
Employment	Thousands, MoM	-185.0	104.0	-493.0	
Construction Employment	Thousands, MoM	-11.0	36.0	3.0	
Philadelphia Fed Manufacturing Index	%, YoY	16.3	0.6	13.4	
<b>arcMacro Price Factor</b>	<b>Standard deviations</b>	<b>0.1</b>	<b>-0.1</b>	<b>0.4</b>	
Trimmed CPI	%, MoM, SA	0.2	0.1	0.4	
"Sticky" CPI	%, MoM, SA	0.4	0.1	0.4	
PCE	%, MoM, SA	0.4	0.3	0.3	
Inflation Expectations (NY Fed)	%, Annual	3.1	3.2	3.0	
Inflation Expectations (U-Mich)	%, Annual	3.4	4.5	4.3	
Core CPI	%, MoM, SA	0.3	0.2	0.4	
Services PCE	%, MoM, SA	0.3	0.2	0.3	
Market-based PCE	%, MoM, SA	0.3	0.3	0.2	
Richmond Fed Services Price Index	%, Annual	5.2	4.8	5.3	
5 Year Break-Even Inflation Rate	%, Annual	2.5	2.3	2.6	
<b>arcMacro Financial Factor</b>	<b>Standard deviations</b>	<b>0.6</b>	<b>0.6</b>	<b>0.7</b>	
Financial Stress Index (KC Fed)	Index (>0: higher stress)	-0.6	-0.7	-0.8	
Financial Stress Index (OFR)	Index (>0: higher stress)	-2.3	-2.0	-1.9	
Gold Volatility Index	%	34.3	22.7	16.9	
Bank Lending Standards	% (>0: net tightening)	-8.5	-7.1	-0.2	
Anxious Index (SPF)	% (Probability of recession)	20.9	24.0	15.4	
Dividend growth	%, YoY	7.9	8.4	6.2	
Bank Loan Demand	% (>0: net increase)	12.0	18.0	8.7	
Household Debt-to-Income Ratio	Ratio	8.5	8.6	8.9	
IPO Underwriting Activity	US\$ Billions	4.9	2.2	2.9	
Household Debt Growth	%, QoQ, Annualized	4.1	3.9	3.0	
<b>arcMacro Sentiment Factor</b>	<b>Standard deviations</b>	<b>0.1</b>	<b>0.0</b>	<b>-0.1</b>	
Cyclically-Adjusted PE Ratio (S&P 500)	Ratio	38.9	39.6	34.8	
Dividend Yield (S&P 500)	Ratio	1.2	1.2	1.2	
12-month Forward PE Ratio (S&P 500)	Ratio	21.6	21.5	21.2	
Price/Book Ratio (S&P 500)	Ratio	5.3	5.0	4.9	
Crude Oil Volatility Index	%	53.7	35.9	33.5	
Economic Policy Uncertainty Index	Index	356.9	336.5	318.8	
MOVE Index	Index	64.5	76.1	90.8	
VIX	%	19.2	19.9	17.1	
Bull-Bear Spread (AAII)	% (>0: net bullish)	0.5	-9.4	-20.2	
Equity Risk Premium (NYU Stern)	%	1.2	1.1	1.2	

\* 10th-90th Percentile ■ 25th to 75th Percentile ● Mean of past 5 years ◆ Latest Value  
Source: arcMacro, BLS, Fed, Dallas Fed, DOT, Philadelphia Fed, Cleveland Fed, Atlanta Fed, BEA, New York Fed, University of Michigan, Richmond Fed, Macrobond, Kansas City Fed, The Office of Financial Research (OFR), CBOE, S&P Global, SIFMA, Robert Shiller, Economic Policy Uncertainty, ICE BofAML, LJMfma, AAI  
\*Most recent published data point. Time period and frequency do not necessarily align.

# ***Disclosures***

## ***AI Declaration***

*All written content, analysis, and opinions are original and ascribed to the author. AI tools were used for proofreading and summarization purposes only. AI tools may also have been used in the development (codebase) of the analytical models reported in this document.*

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