Bank Stress Tests and Liquidity Strains

July 6, 2025

By Lyn Alden

The macro section of this report covers the Big Beautiful Bill, the US business cycle, and liquidity conditions.

The digital asset section provides a bitcoin sentiment check and discusses the recent trend of corporate bitcoin treasury strategies.

The investment analysis section discusses platinum's price outbreak and the recent Fed stress test results for banks.

Macro View

The One Big Beautiful Bill Act

Congress passed the One Big Beautiful Bill Act, and it has been signed by President Trump.

This bill extends some of the aspects of the signature fiscal legislation that was signed into law under Trump's first term (known as the Tax Cuts and Jobs Act) and makes various other changes.

Back in May, I commented on the version of this that was passed by the House at the time:

> Last week, the House of Representatives narrowly passed a budget package that extends many tax cuts, adds to some of them, trims some other areas, and raises the debt ceiling by $4 trillion. Among other things, the bill would have the following effects:

- *Extend the income tax cuts from Trump's first term.*
- *Increase the deduction limit for state and local tax (SALT).*
- *Increase the childcare tax credit.*
- *Eliminate taxes on tips and overtime pay.*
- *Boost military spending and direct additional funds towards deportation efforts.*
- *Tighten funding and increase requirements for Medicaid and food stamps.*
- *Tighten student loan assistance.*
- *Eliminate tax incentives for EVs and solar/wind energy.*
- *Increase the debt ceiling by $4 trillion.*

> The net result is an increase in the expected cumulative deficit over the next decade. The Wall Street Journal estimates it'll result in a $2.75 trillion cumulative deficit increase, while other sources point toward between $3 trillion and $4 trillion. This amounts to some hundreds of billions of dollars per year, which may partially be offset by new tariff revenue.
>
> President Trump has urged the bill to be passed, but it has to go through the Senate first, and its fate there is unclear.
>
> I'm not a political analyst so I'll be following the news on this particular package to see if it passes in this form or gets tweaked first. Either way, I expect some similar version of this to pass, which gives us a good directional view on what to expect for the next few years of federal expenditure and revenue.
>
> Nothing in the bill is particularly surprising, and it reinforces my "nothing stops this train" thesis that US fiscal deficits will indeed stay large for many years to come.
>
> -May 25, 2025 premium report

There have been a handful of tweaks since then during the reconciliation process, but in aggregate for overall investment purposes it's largely the same thing, which fits with my point that "some similar version of this" would pass. CNBC has a rather extensive point-by-point breakdown of what passed, if you want to dig into it, which I do recommend.

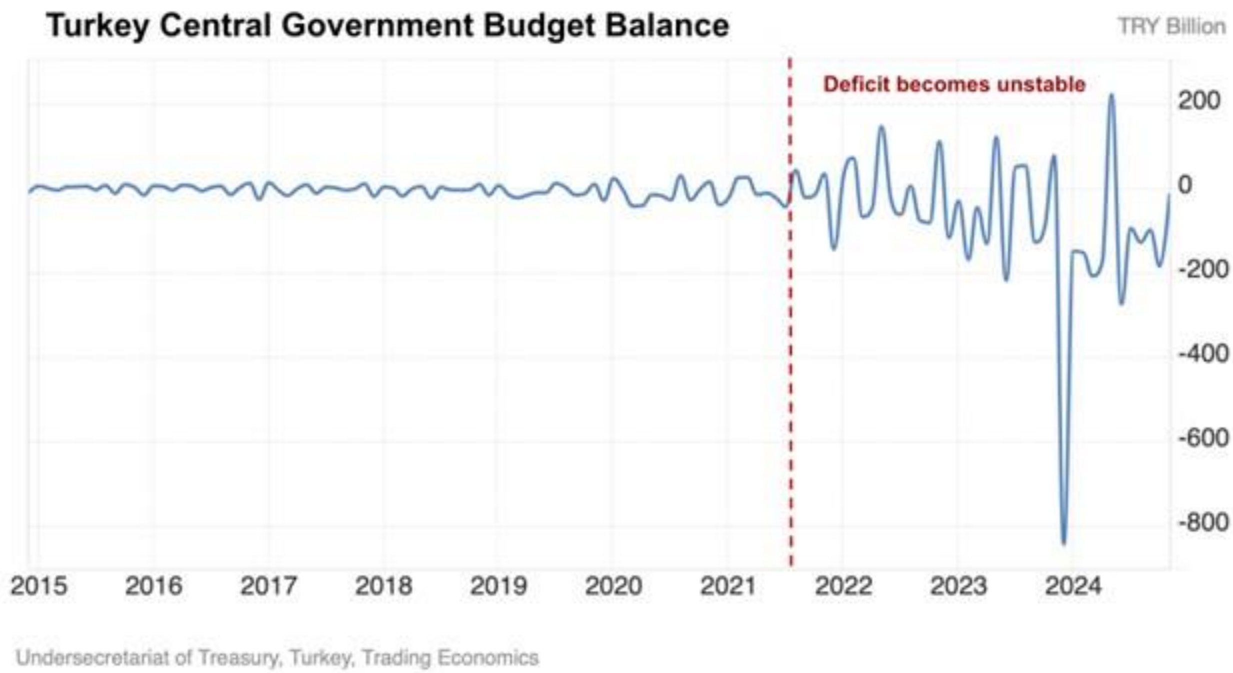
Most independent estimates are that this bill will increase the cumulative deficit over the next ten years compared to if nothing was passed. In response, Treasury Secretary Scott Bessent has argued that it'll boost economic growth enough to offset the nominal increase in debt.

In my view, the important comparison from a macro/investing standpoint is not particularly about the percentage-of-GDP deficit impact that this bill will cause. Instead, the important aspects from that perspective are twofold:

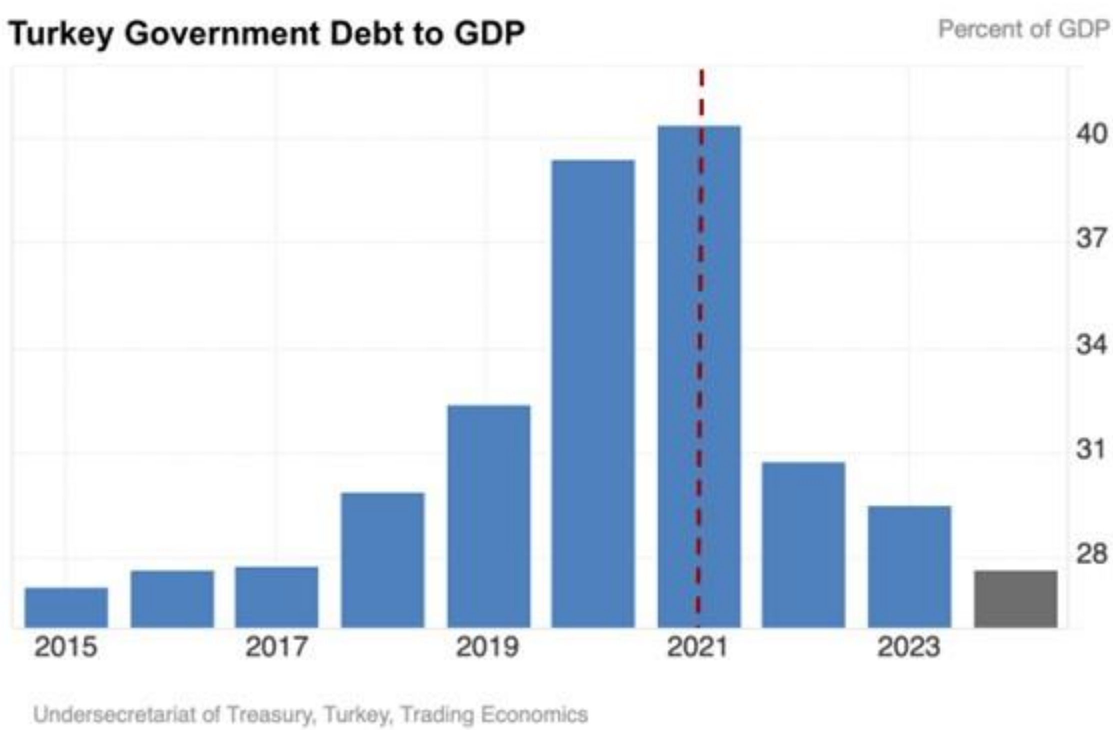
-A significant subset of commentators thought that this administration would reduce deficit spending, and indeed DOGE was a big portion of that narrative. I spent significant chunks of reports explaining why that would likely not be the case. This bill locked in the concept that deficits won't be going down for the foreseeable future. Thus, the comparison is not just versus baseline deficits, but instead is versus the idea that deficits would have been reduced, which represents a wider delta. It's now increasingly understood that they won't be reduced in any material way in any sort of investable time horizon.

-While analysts are mostly focused on percentage-of-GDP metrics, investment outcomes are more driven by nominal changes. Large nominal deficits can indeed fuel higher nominal GDP growth, and in that sort of "run it hot" playbook, being long scarce assets and short debt is generally the right approach. In Sam Callahan's fiscal analysis that I commissioned and advised, one of my advisory points was to emphasize the difference between percentage-of-GDP and nominal, because that nominal impact is often overlooked:

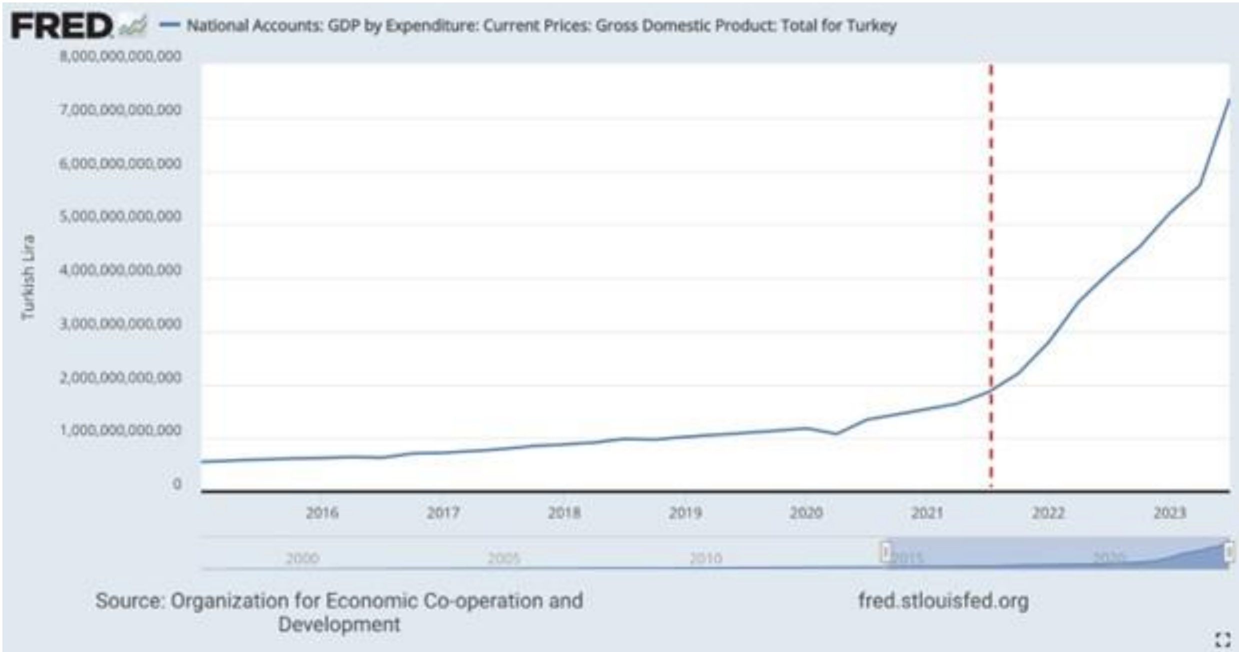
> However, debt-to-GDP has limitations that are often overlooked. While much attention focuses on the 'debt' side of the equation, the 'GDP' component can also distort the picture. GDP growth can arise from genuine factors like productivity gains or an expanding labor force, but it can also be driven by large monetized deficits. These deficits can fuel nominal GDP growth, artificially stabilizing or even reducing debt-to-GDP ratios despite significant underlying inflation and nominal debt accumulation.
>
> Let's look at Turkey as an extreme example of this dynamic. In mid-2021, its fiscal deficit became unstable and began to balloon:



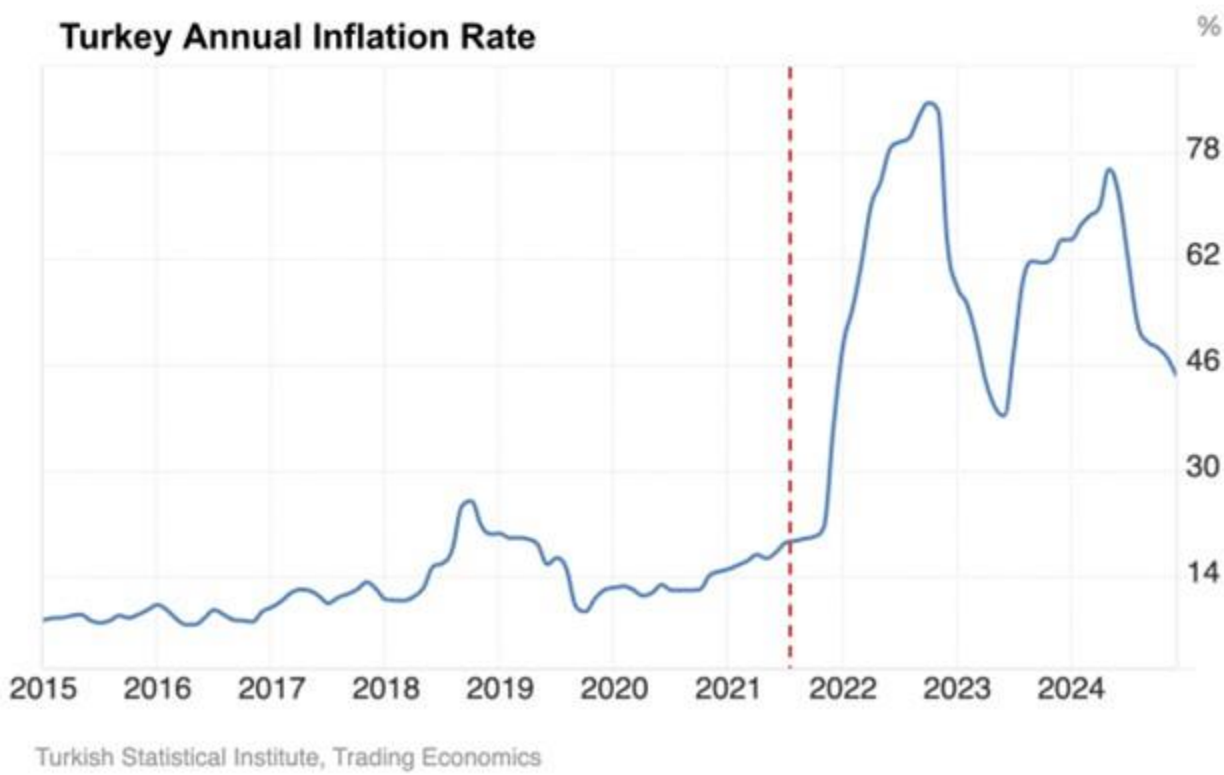
Yet, despite its deficit blowing out, Turkey's debt-to-GDP ratio actually declined during this period, falling from 40% in 2021 to 27%:



This may initially seem counterintuitive until one considers the parabolic nominal GDP growth that occurred fueled by rampant inflation and deficit spending:



Annual inflation surged above 80% year-over-year, eroding the Turkish lira's purchasing power while boosting nominal GDP figures:



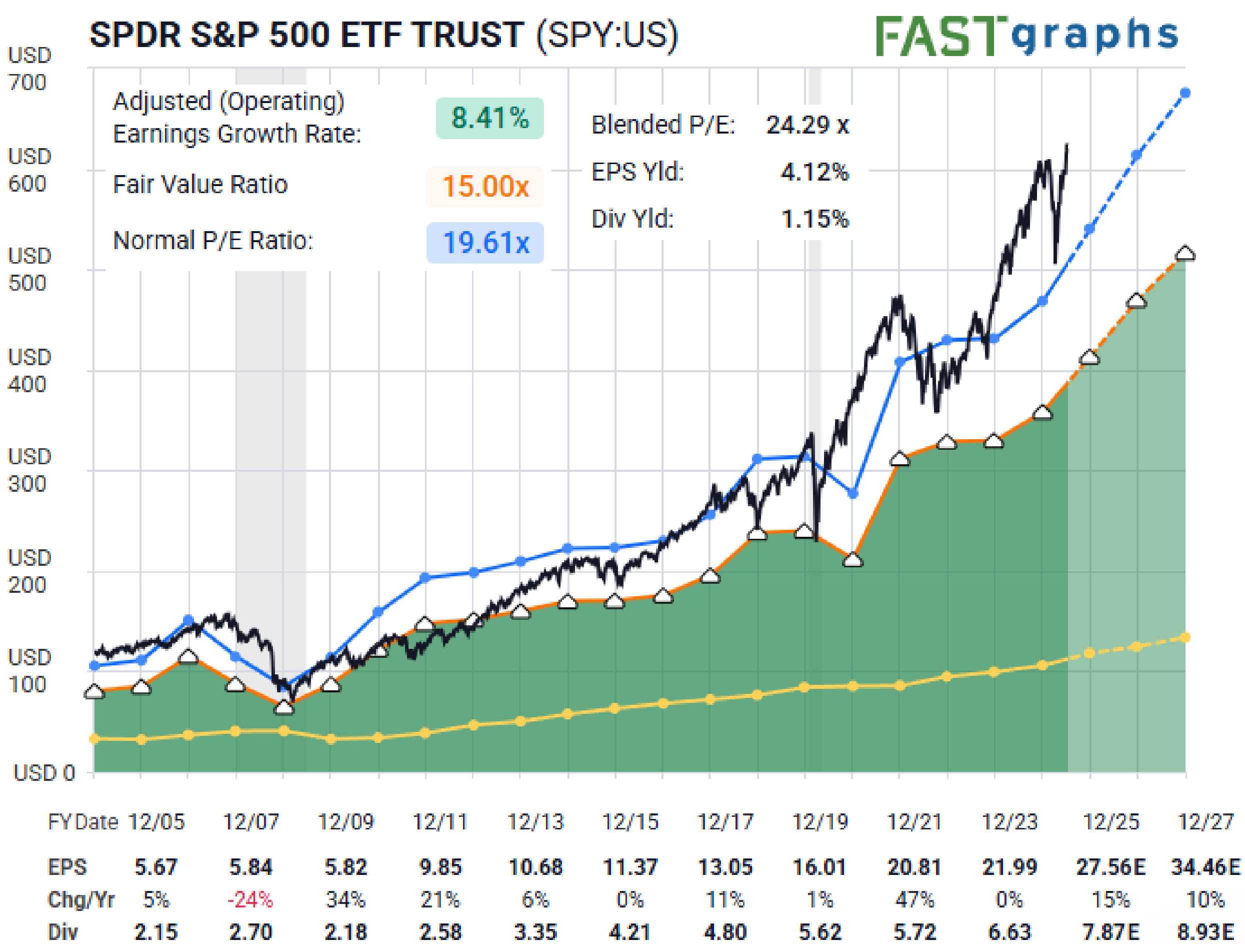
On the surface, Turkey's debt-to-GDP metrics appeared reasonable, but these figures masked a deeper issue: the fiscal deficit was driving currency debasement, which in turn inflated nominal GDP. This dynamic created the illusion of fiscal stability, even as nominal debt and inflation spiraled out of control.

The U.S. may experience a muted version of this dynamic in an environment of fiscal dominance. As nominal GDP and inflation run hot, debt-to-GDP ratios may appear stable or even decline, masking the extent of nominal debt accumulation and inflation in various forms.

–Full Steam Ahead: All Aboard Fiscal Dominance, January 2025

I'd continue to make the case that portfolios are best geared toward a fiscally dominant run-it-hot type of environment.

However, high equity valuations and new nominal highs in the S&P 500 give the Trump Administration more flexibility to press harder on tariff negotiations, which are ongoing. Those were the primary focus back during the springtime, temporarily took a backseat during this first half of summer, but now are likely to be back in focus as some deadlines are reached.



F.A.S.T. Graphs 101:

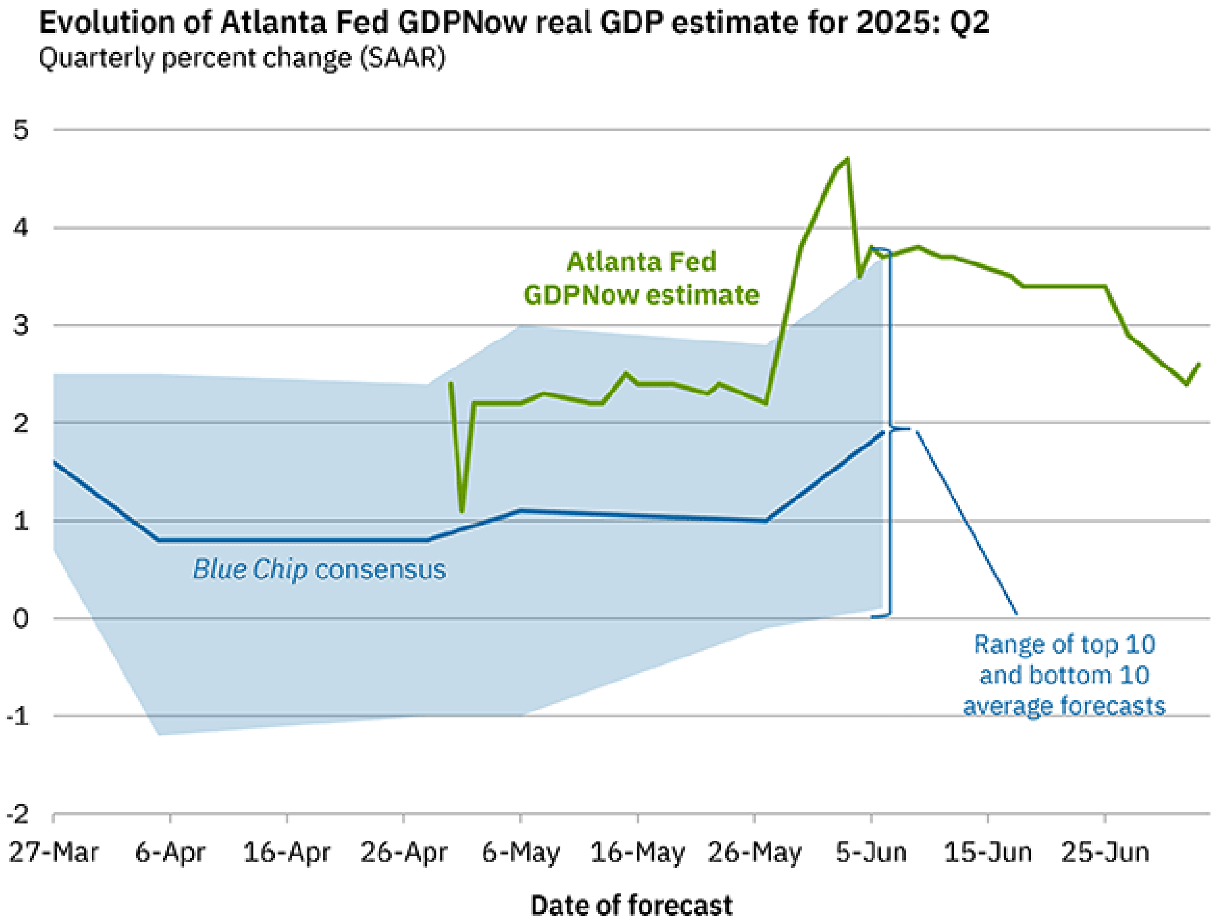
- black line: the current and historical stock price
- blue line: what the stock price would be if were at its historically average price/earnings ratio
- orange line: a conservative measure of valuation (a 15x price/earnings in this case)
- yellow line: dividends paid that year (and the payout ratio is relative to the orange line)
- dark/light green: the transition between historical earnings numbers and consensus analysts' forecast earnings numbers

As a base case, I don't expect tariff-related turmoil of a magnitude that was experienced in April of this year, but I do think it could pick up a bit relative to the past month or two.

When the stock market is selling off and the bond market is experiencing high volatility, the administration has a strong incentive to put out the fire. However, when the stock market is pumping and the bond market is in a lower-volatility state, it gives the administration more ammo to test some of their pro-tariff negotiation tactics.

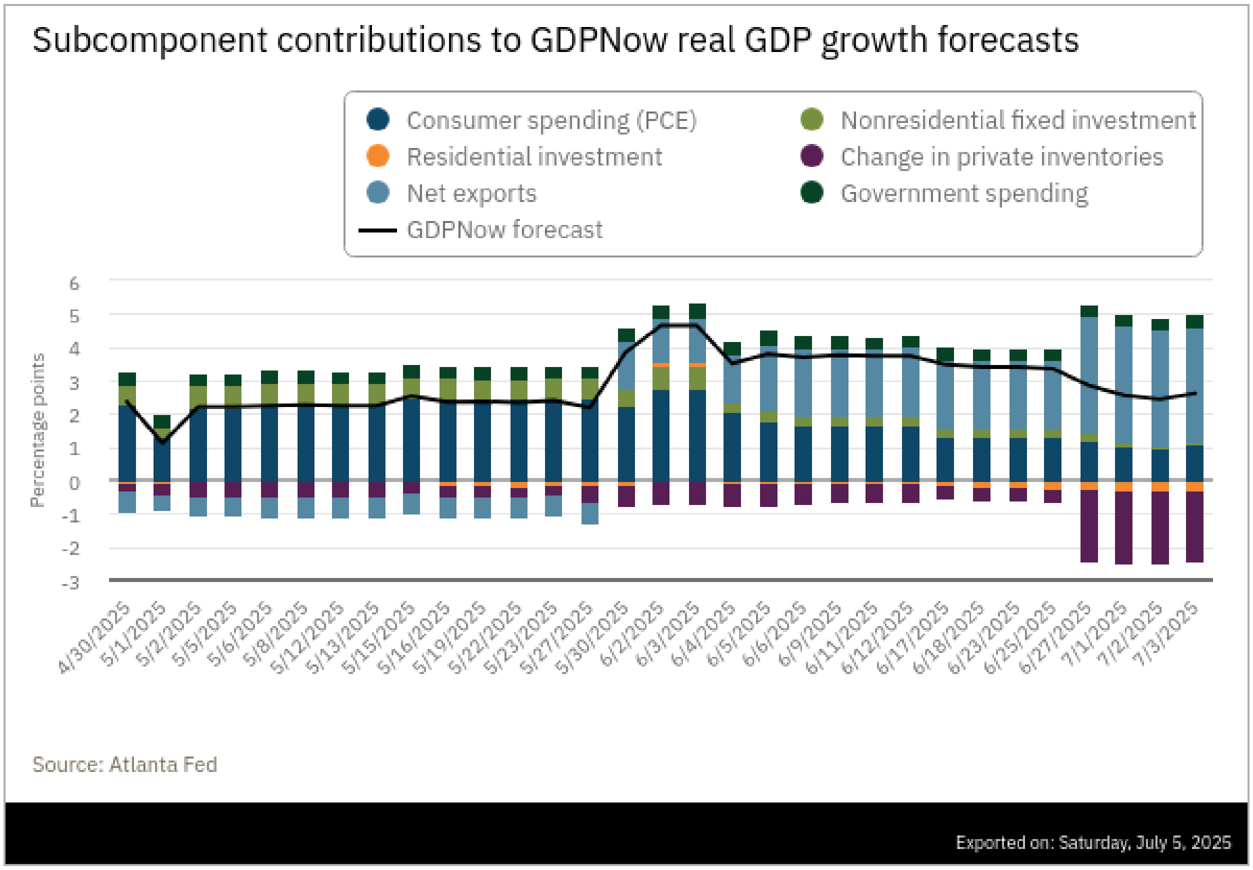
US Business Cycle Status

The Atlanta Fed's GDPNow estimator currently expects decent real GDP numbers for the quarter that just ended (which has not yet been tallied up and reported):

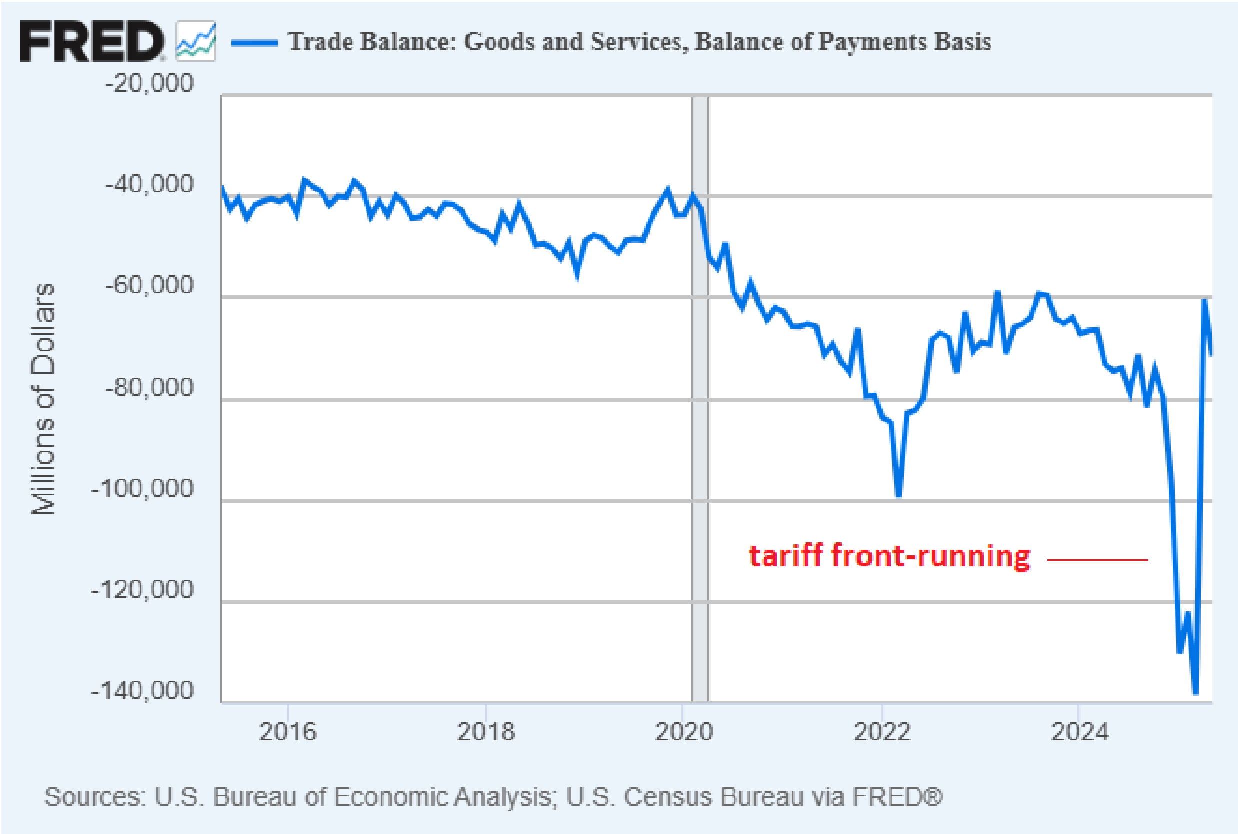


Sources: *Blue Chip Economic Indicators* and *Blue Chip Financial Forecasts*
Note: The top (bottom) 10 average forecast is an average of the highest (lowest) 10 forecasts in the *Blue Chip* survey.

The subcomponent data shows that the quarter benefitted from a tighter trade balance (the aftermath of tariff frontrunning), but has lately been harmed by inventory stockpiling:



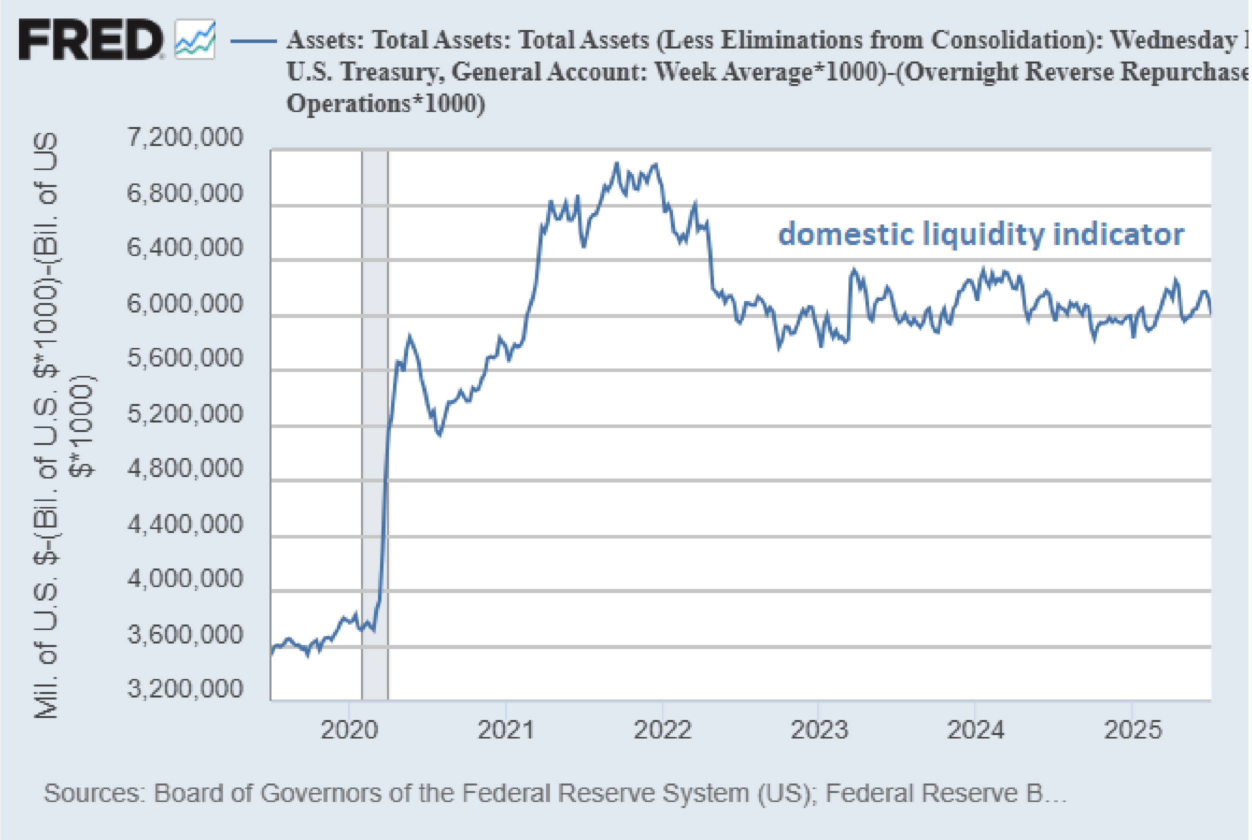
The tariff frontrunning is most clear when looking at the trade balance itself. From late 2024 and throughout the first quarter of 2025, businesses imported extra goods before tariffs went into effect. As a result, in Q2 they had high stockpiles and far less need to import:



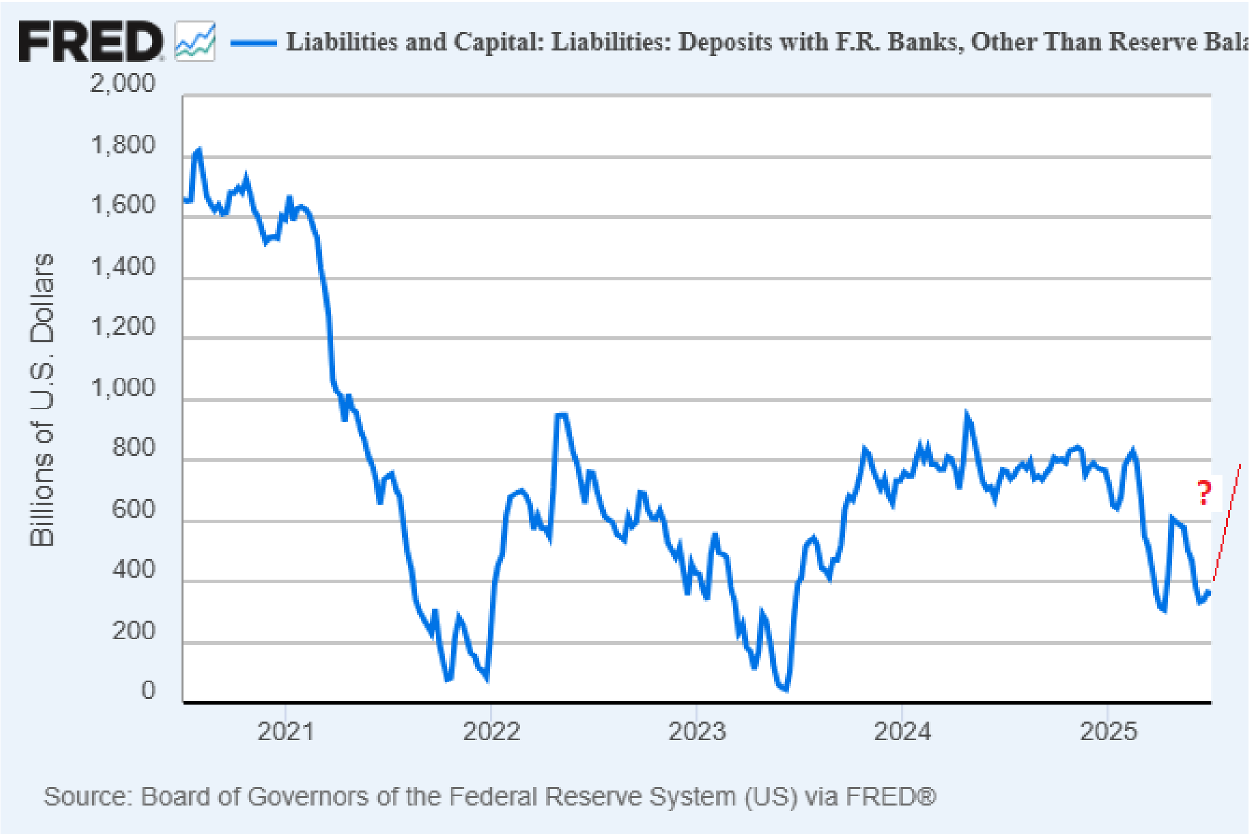
Overall, I continue to view the US economy as being of two speeds. Demographic segments and industries that are on the receiving side of the large deficits are generally doing well. On the other hand, segments and industries that are more affected by the Fed's tight monetary policy (such as housing and commercial real estate and younger or lower-income groups) have been struggling more.

Domestic Liquidity

Domestic liquidity conditions continue to be flat, but we do have some new catalysts coming up.



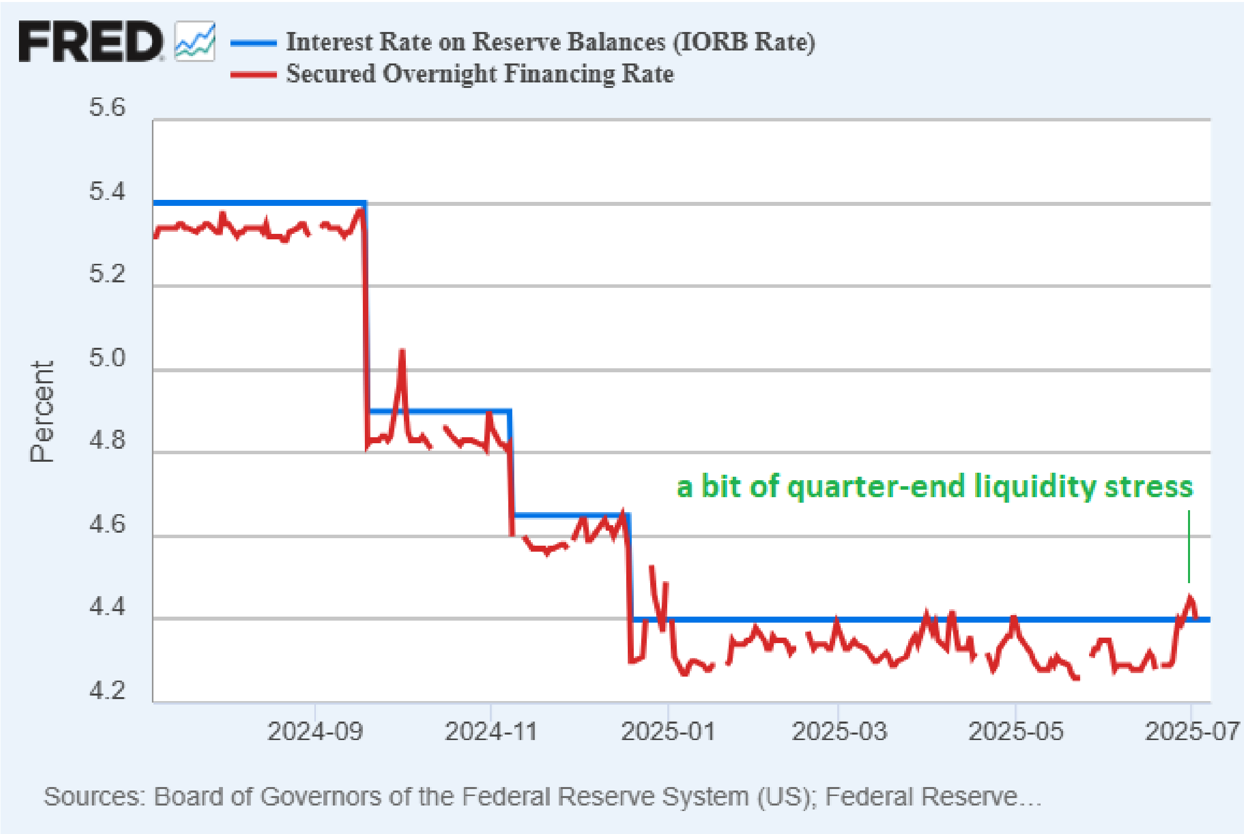
The One Big Beautiful Bill includes the largest-ever debt ceiling increase of $5 trillion, so Secretary Bessent will be able to start issuing net new debt again. That's potentially bad for liquidity when it happens, because it can pull liquidity out of the banking system. We'll have more information at the end of the month when the Treasury issues its quarterly refunding information; that will give us a look at how quickly they intend to refill it.

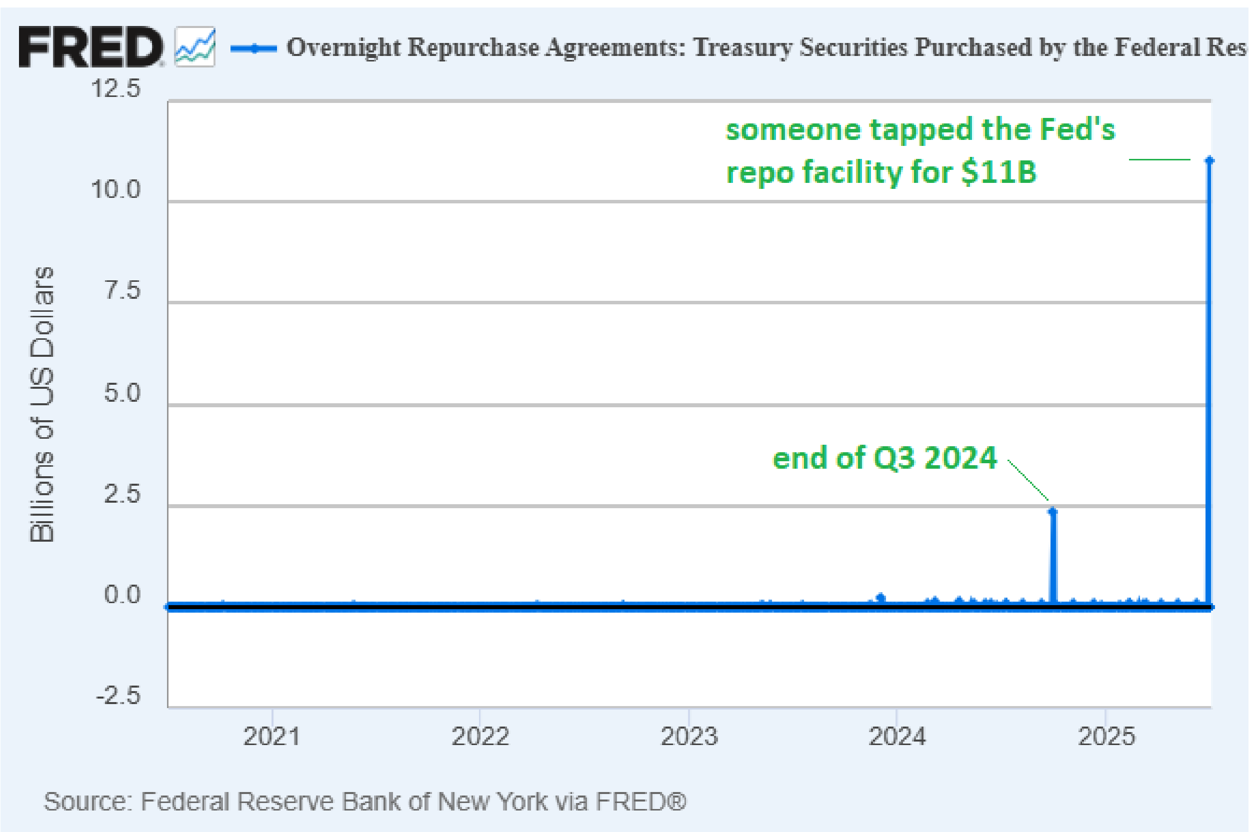


Secretary Bessent had been critical of former Secretary Yellen's reliance on Tbills to fund the deficit, but he increasingly is sticking to the same policy. All else being equal, shifting the debt toward more Tbill issuance tends to be a pro-liquidity move, because Tbills are cash-like whereas longer duration treasuries have a lot more volatility and interest rate risk for their holders. In addition, there's still about $200 billion in excess liquidity in the Fed's reverse repo facility, which can be pulled out with excess Tbill issuance.

During the end of each quarter, financial institutions want to make their liquidity profiles look good for quarterly reporting ("window dressing"), so there tends to be a bit of a scramble for liquidity.

This resulted in the secured overnight financing rate between banks spiking up a bit at the end of June, and $11 billion being used from the Fed's standing repo facility which is basically a liquidity facility of last resort. While not a giant deal, this quarter-end period was the most liquidity-stressed in years:


FRED
Interest Rate on Reserve Balances (IORB Rate)
Secured Overnight Financing Rate
5.6
5.4
5.2
5.0
4.8
4.6
4.4
4.2
Percent
a bit of quarter-end liquidity stress
2024-09
2024-11
2025-01
2025-03
2025-05
2025-07
Sources: Board of Governors of the Federal Reserve System (US); Federal Reserve…


FRED
Overnight Repurchase Agreements: Treasury Securities Purchased by the Federal Res
12.5
10.0
7.5
5.0
2.5
0.0
-2.5
Billions of US Dollars
someone tapped the Fed's
repo facility for $11B
end of Q3 2024
2021
2022
2023
2024
2025
Source: Federal Reserve Bank of New York via FRED®

As this starts to happen more frequently, it will serve as a sign to the Fed that they're nearing their effective liquidity floor for banks, at which point they'll likely end quantitative tightening. I don't think we're there quite yet, but it's getting closer.

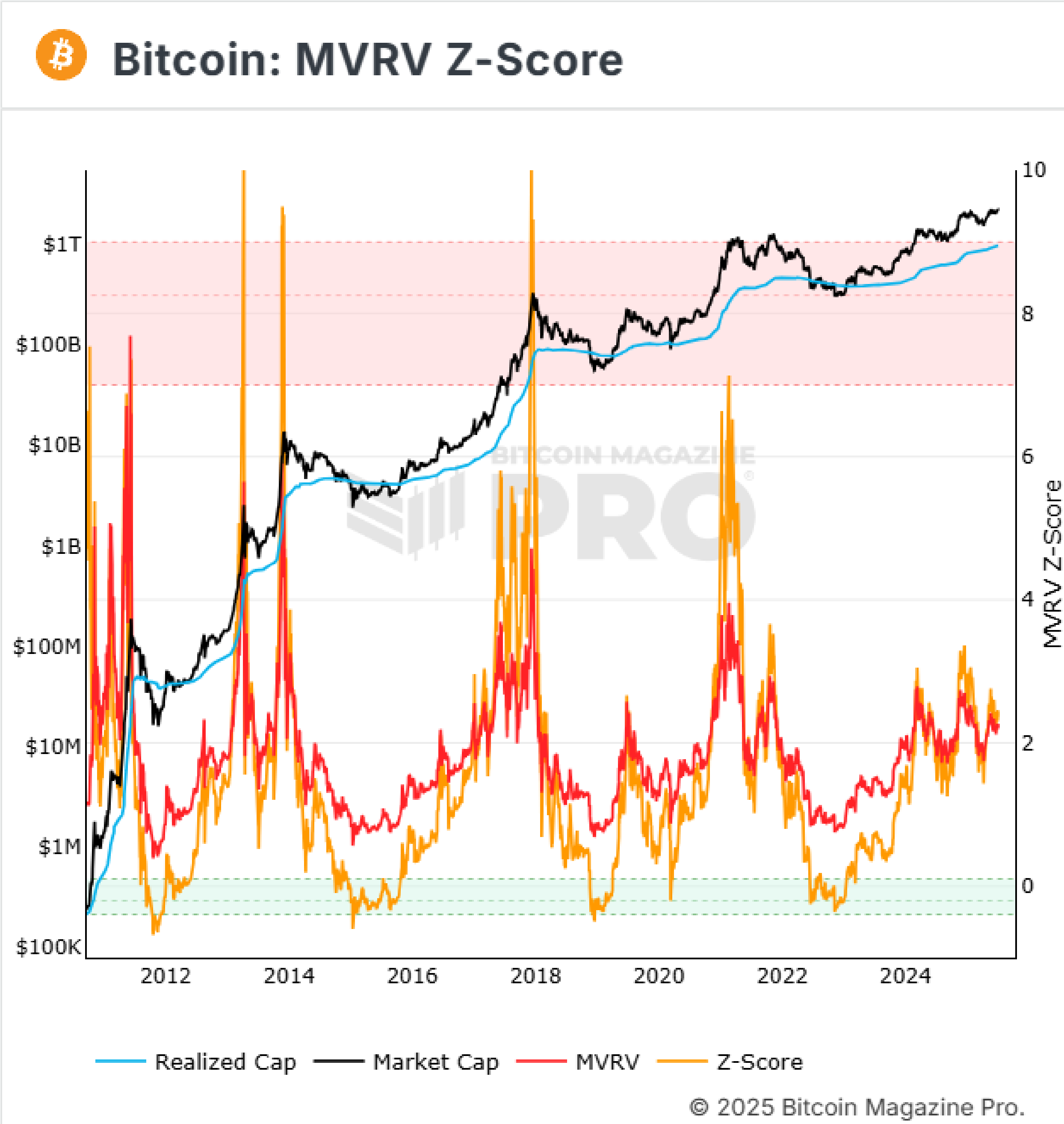
Global Liquidity

With the dollar index touching below 97, global liquidity is in decent shape. A weaker dollar takes pressure off of emerging markets in particular, and allows them to ease their monetary policy and focus more on growth-oriented policy.

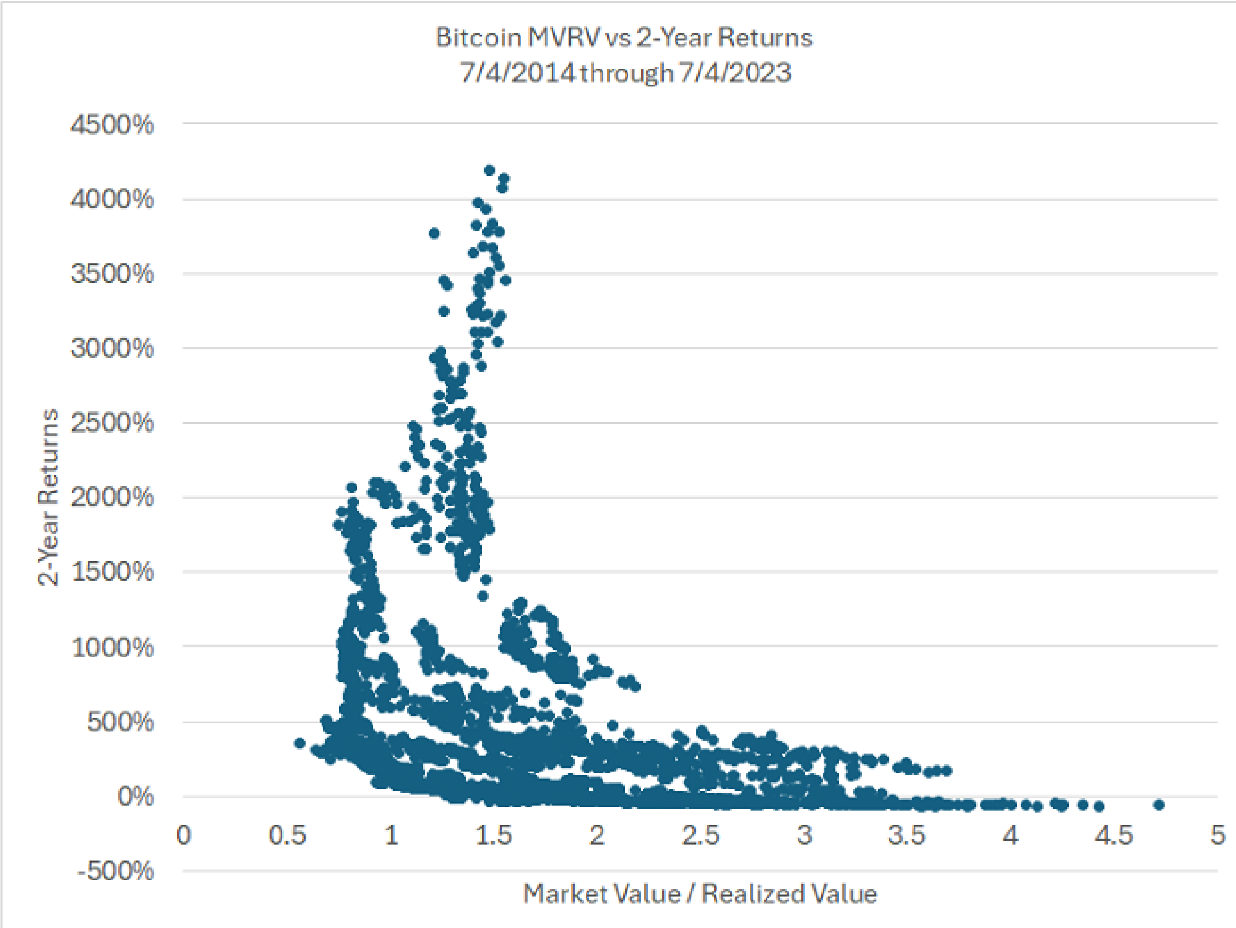
Digital Assets Note

The valuation metrics that I monitor for the Bitcoin network continue to look healthy, meaning that there are no signs that a major cycle top is in place yet. I continue to be both long-term bullish on the asset, and cyclically bullish with a 12-month view as well.

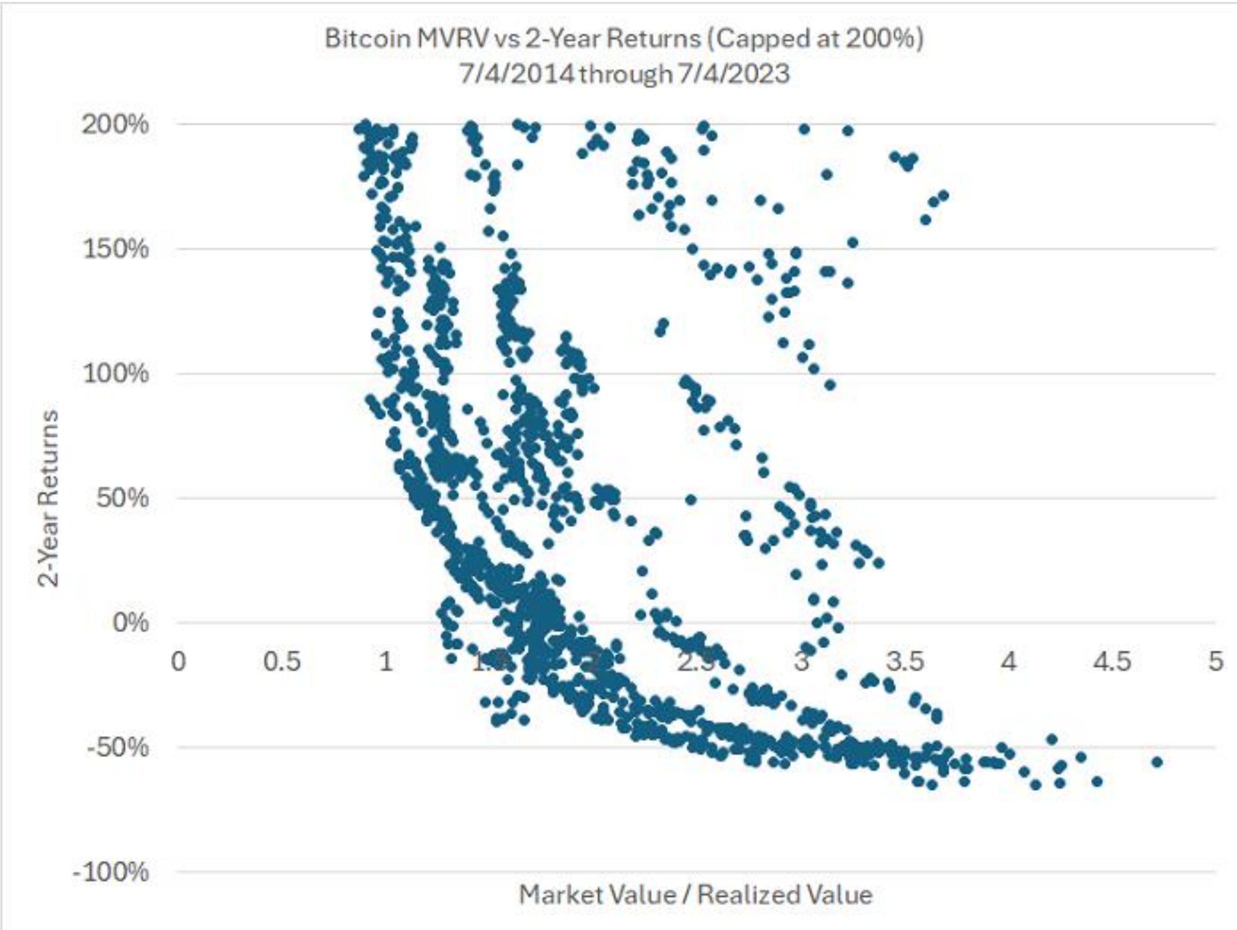
My favorite metric is to look at market capitalization relative to on-chain cost basis (a.k.a. realized value), and by that metric there is a bit of heat in the market but nothing particularly euphoric or toppy:



I recently ran an analysis on the 2-year forward returns that have historically been obtained from buying bitcoin at various MVRV ratios. Each dot represents a given day between 7/4/2014 and 7/4/2023. The data stop there because it takes 2 years for the results to come in (e.g. we don't yet know what buying on 8/3/2023 would have given an investor over two years, because 8/3/2025 hasn't come to pass yet):



The problem with that sort of chart is that the upside is so extreme relative to the downside. So we can also cap the upside at 200% for visualization purposes, to see the downside scenarios better. Buying at MVRV ratio of below 2 has historically been amazing far more often than not. Buying between 2 and 3 has been more hit-or-miss but still leaning toward more hits. Buying over 3 (and especially over 3.5) has historically greatly increased the odds of experiencing negative 2-year returns:



At the current MVRV ratio of 2.38, along with other signs of a reasonably healthy market, I continue to have a favorable view of forward performance.

I wrote a longform public piece on bitcoin treasury strategies, which also touches on the long debate about bitcoin as a store of value versus a medium of exchange, so you can check that out here.

Portfolio Updates

The portfolios are available in my Google Drive.

Newsletter Portfolio

- No current changes.

Fortress Income

- No current changes.

ETF-Only Portfolio

- No current changes.

No Limits Portfolio

- No current changes.

Top 12 List

- No current changes.

Other Holdings

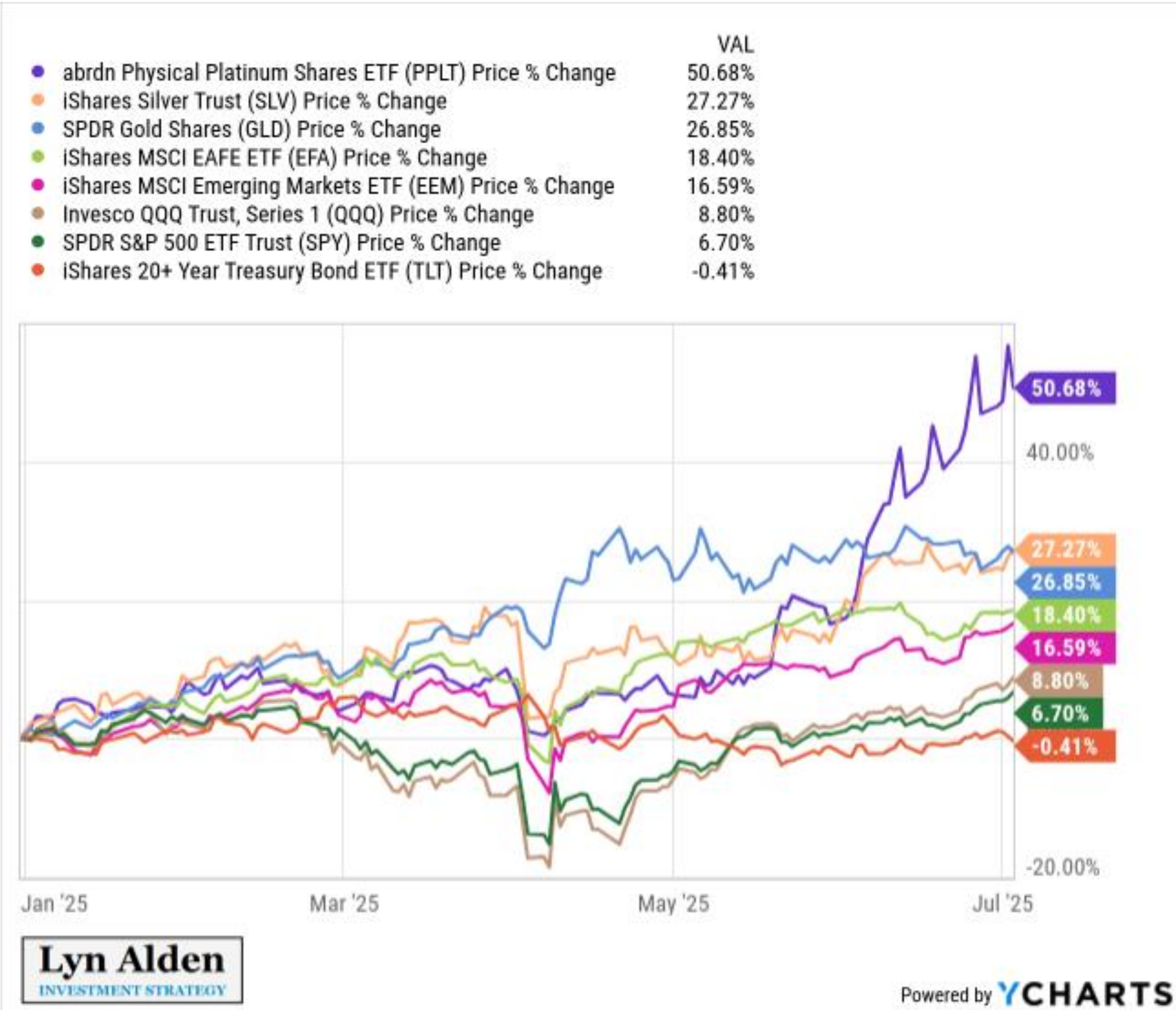
- No current changes.

The Rise of Unusual Investments

For most of the past decade and a half, there's been a strong tendency for US growth stocks to rise and most other things to underperform.

Domestic value stocks, foreign developed stocks, emerging market stocks, commodities, precious metals, bonds/cash, and more have been worse to own in aggregate than the primary top handful of US growth stocks. There was the structural technological growth trend itself, along with a global pouring of capital into the country, keeping the dollar strong and equity valuations rich. Most assets on the wrong side of that trend have gone sideways at best.

Year-to-date, it's been the opposite. All the weird stuff has been on fire:



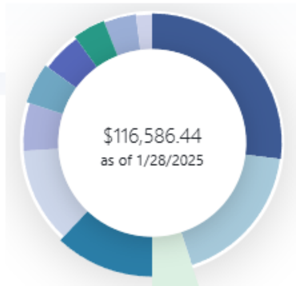
My base case is that the next 3-5 years will include a rather persistent blend of this sort of thing occurring. Global capital is already quite stuffed into US large cap growth stocks, and it only takes a little bit of rotation to cause a rather large change in performance trends.

Platinum, Finally?

For the past 6+ years, I've been bullish on precious metals, with gold being my primary one. I've also been bullish on silver and platinum with smaller positions.

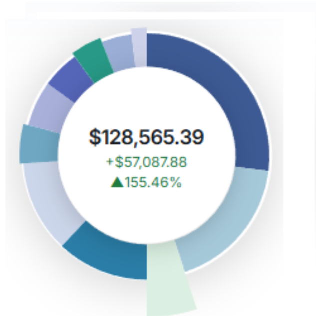
Gold absolutely crushed bonds, which is not insignificant given that bonds as an asset class are larger than equities and are considered the lower-volatility portion of a typical diversified portfolio. Gold has been an excellent play, particularly on a risk-adjusted basis compared to bonds but even somewhat on an absolute basis compared to equities.

Silver and platinum have been more mixed. Especially platinum. In a handful of reports, I've highlighted platinum as kind of the sad joke of my newsletter portfolio. For example, back in my January 2025 newsletter, here was the portfolio snapshot, with platinum alone in its negative dollar-cost-averaged outcome:



Name	Value	Gain / Return	Actual / Target
Dividend Stocks	$28,356.14	+$12,710.21 ▲165.41%	24.3% 27%
International Equity	$18,204.72	+$2,872.18 ▲35.08%	15.6% 18%
GBTC Grayscale Bitcoin Trust	$15,223.65	+$16,283.78 ▲639.53%	13.1% 5%
Growth Stocks	$15,047.51	+$9,731.92 ▲308.05%	12.9% 12%
Commodities	$12,172.66	+$4,491.60 ▲144.04%	10.4% 12%
BIL SPDR Bloomberg Barclays 1...	$6,029.05	+$487.60 ▲22.78%	5.1% 6%
PHYS Sprott Physical Gold Trust	$5,765.52	+$1,972.86 ▲76.00%	4.9% 5%
SHY iShares 1-3 Year Treasury B...	$5,016.02	+$114.05 ▲3.42%	4.3% 5%
SIVR Aberdeen Standard Physical...	$4,549.60	+$1,110.40 ▲44.58%	3.8% 4%
SLYV SPDR S&P 600 Small Cap V...	$4,229.01	+$1,356.51 ▲77.52%	3.6% 4%
PPLT Aberdeen Standard Physical...	$1,992.56	-$55.21 ▼4.09%	1.7% 2%

And here was the June 2025 newsletter snapshot, five months later, where platinum is suddenly beating cash-equivalents and small-cap value stocks:



Slices: 11

Name	Value▾	Total Gain / MWR	Actual / Target
Dividend Stocks	$30,789.99	+$14,116.01 ▲176.96%	23.9% 27%
International Equity	$20,535.09	+$4,804.50 ▲56.99%	15.9% 18%
GBTC Grayscale Bitcoin Trust	$15,398.80	+$16,458.93 ▲710.49%	11.9% 5%
Growth Stocks	$14,802.25	+$9,499.68 ▲288.29%	11.5% 12%
Commodities	$14,567.38	+$6,780.45 ▲212.70%	11.3% 12%
PHYS Sprott Physical Gold Trust	$6,980.73	+$3,188.07 ▲121.43%	5.4% 5%
BIL SPDR Bloomberg Barclay...	$6,866.20	+$547.38 ▲23.33%	5.3% 6%
SHY iShares 1-3 Year Treasury...	$5,722.58	+$214.61 ▲6.21%	4.4% 5%
SIVR Aberdeen Standard Physi...	$5,465.47	+$2,026.27 ▲80.54%	4.2% 4%
SLYV SPDR S&P 600 Small Cap...	$4,564.70	+$845.79 ▲45.29%	3.5% 4%
PPLT Aberdeen Standard Physi...	$2,872.20	+$757.46 ▲55.89%	2.2% 2%

During my holding period, I was correct about platinum forming a bottoming pattern, but I thought we'd see price levels like this a couple years ago, and had assumed that it would grind higher over time. Seeing it remain so low for so long but then pop up at all once like this has certainly been unexpected.

While I do expect it to head higher in the coming years, the value investor inside of me distrusts sharp upward moves like this. The metal has a history of giving up gains after fast price changes like this, so I'd be cautious about jumping in too quickly until it shows signs of stabilizing. I do still think that the metal is undervalued, in the grand scheme of things.

Bank Stress Tests

The Fed published the results of their annual stress test on large banks, and all of them passed. You can see the report here.

The simulated recession they put them through assumes a 50% drop in equity prices, a 30% drop in commercial real estate prices, a 33% drop in housing prices, and an unemployment rate that spikes to 10%. Here are the anticipated loan loss percentages they expect from large banks under that extreme scenario:

Table 10. Projected loan losses by type of loan for 2025:Q1–2027:Q1 under the severely adverse scenario: 22 banks

Percent of average loan balances[1]

Bank	Loan losses	First-lien mortgages, domestic	Junior liens and HELOCs,[2] domestic	Commercial and industrial[3]	Commercial real estate, domestic	Credit cards	Other consumer[4]	Other loans[5]
American Express	11.8	0.0	5.1	15.5	0.0	9.7	16.9	3.2
Bank of America	5.2	1.8	2.8	5.9	9.1	16.5	2.2	3.2
Bank of NY-Mellon	1.8	2.0	7.3	4.5	5.7	0.0	0.6	1.4
Barclays US	12.5	0.0	0.0	17.5	4.0	16.5	16.7	0.9
BMO	7.4	3.1	5.0	8.3	8.8	17.0	9.6	7.2
Capital One	16.4	2.3	7.0	12.8	13.1	23.4	10.0	5.8
Charles Schwab Corp	1.2	1.5	5.2	9.9	0.0	0.0	0.6	0.9
Citigroup	7.5	2.7	4.3	5.2	8.3	16.6	18.8	3.1
DB USA	4.2	2.7	11.1	2.3	7.2	0.0	7.3	2.9
Goldman Sachs	8.0	2.7	5.1	16.3	17.0	23.4	3.5	4.6
JPMorgan Chase	6.6	1.6	2.1	12.6	2.9	16.0	2.9	4.9
M&T	6.3	2.5	4.5	7.5	5.8	17.8	9.2	7.0
Morgan Stanley	3.9	2.1	5.7	15.3	9.3	0.0	1.0	3.9
Northern Trust	7.4	2.5	5.1	7.5	13.1	0.0	16.6	6.9
PNC	5.4	1.8	3.3	6.8	7.5	18.2	3.5	3.2
RBC USA	6.5	3.1	5.9	10.0	11.1	17.8	15.4	3.2
State Street	3.3	0.0	0.0	7.1	4.4	0.0	0.0	2.8
TD Group	5.7	2.5	5.6	8.5	6.6	20.7	2.9	2.9
Truist	5.9	1.8	3.5	7.2	7.1	16.4	9.5	3.9
UBS Americas	2.8	2.8	0.0	3.2	9.8	17.8	0.6	7.5
US Bancorp	6.3	2.0	5.4	8.2	8.0	16.3	7.2	4.5
Wells Fargo	5.5	1.3	1.2	7.2	8.3	17.8	4.5	4.3
22 banks	6.6	1.9	3.4	8.4	7.2	16.9	5.3	3.9

Note: These projections represent hypothetical estimates that involve an economic outcome that is more adverse than expected. Values may not sum precisely due to rounding.

1 Average loan balances used to calculate portfolio loss rates exclude loans held for sale, loans held for investment under the fair-value option, and Paycheck Protection Program loans and are calculated over nine quarters.

2 HELOCs (home equity lines of credit).

3 Commercial and industrial loans include small- and medium-enterprise loans and corporate cards.

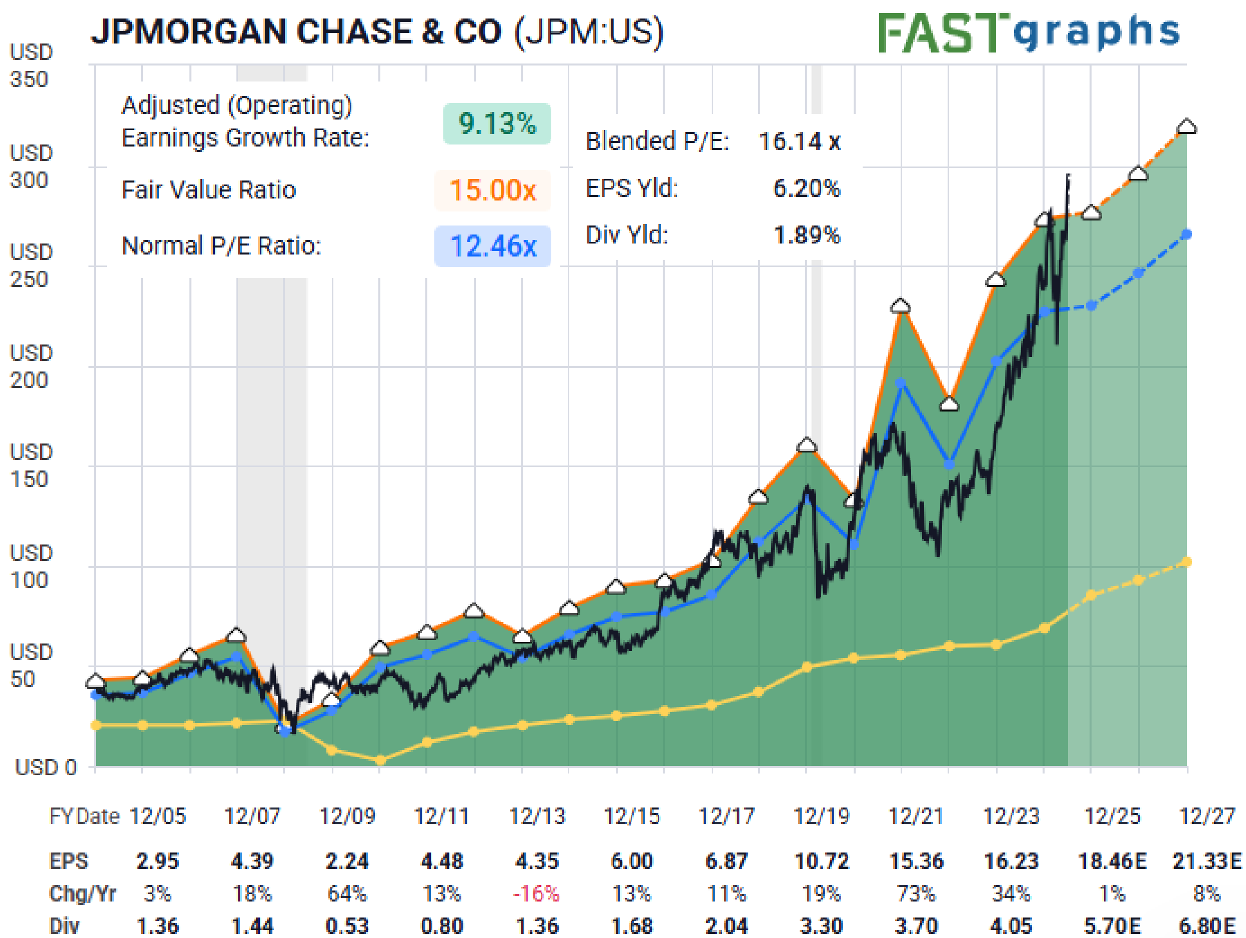
4 Other consumer loans include student loans and automobile loans.

5 Other loans include international real estate loans.

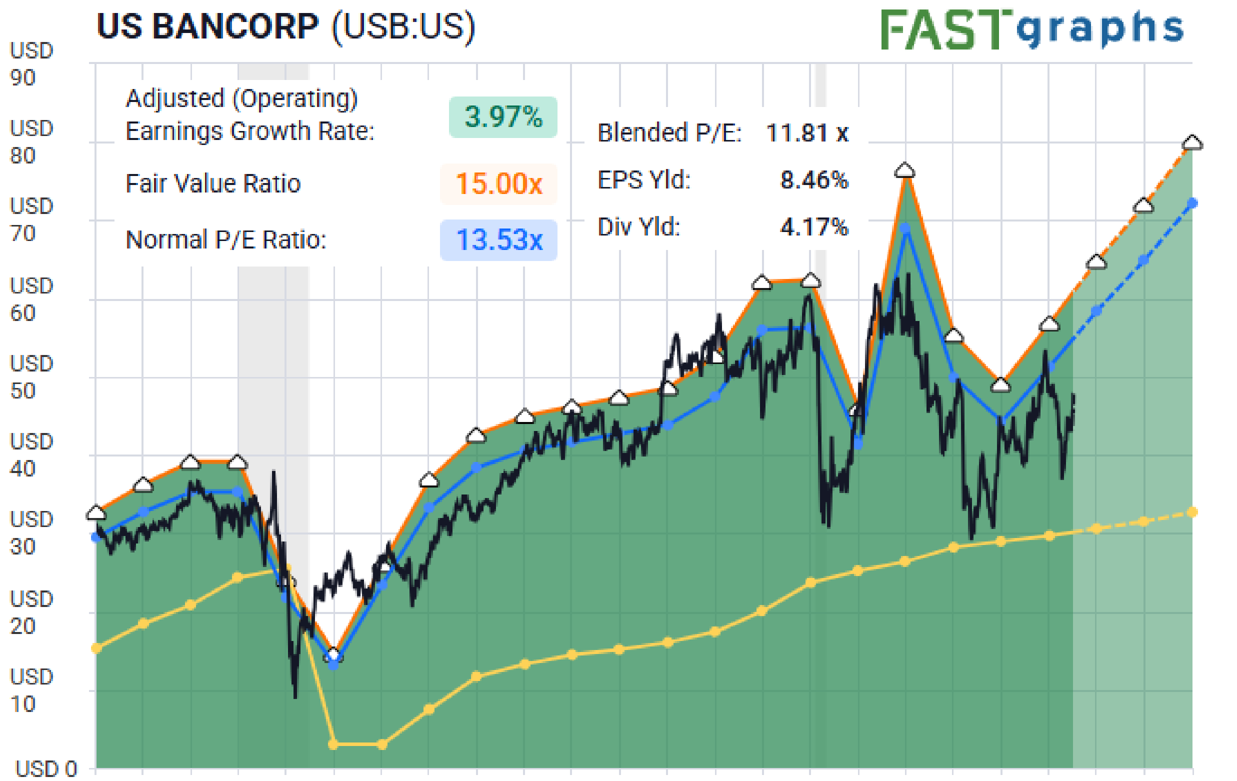
Source: Federal Reserve estimates in the severely adverse scenario.

Investors are paying up for the highest-capitalized banks to a degree that I think is a bit excessive, and are also very sanguine about credit card issuers, which is an interesting mix to be occurring at once.

For example, investors are paying 16x earnings for JP Morgan Chase (JPM) despite consensus analyst expectations of weak forward earnings growth:

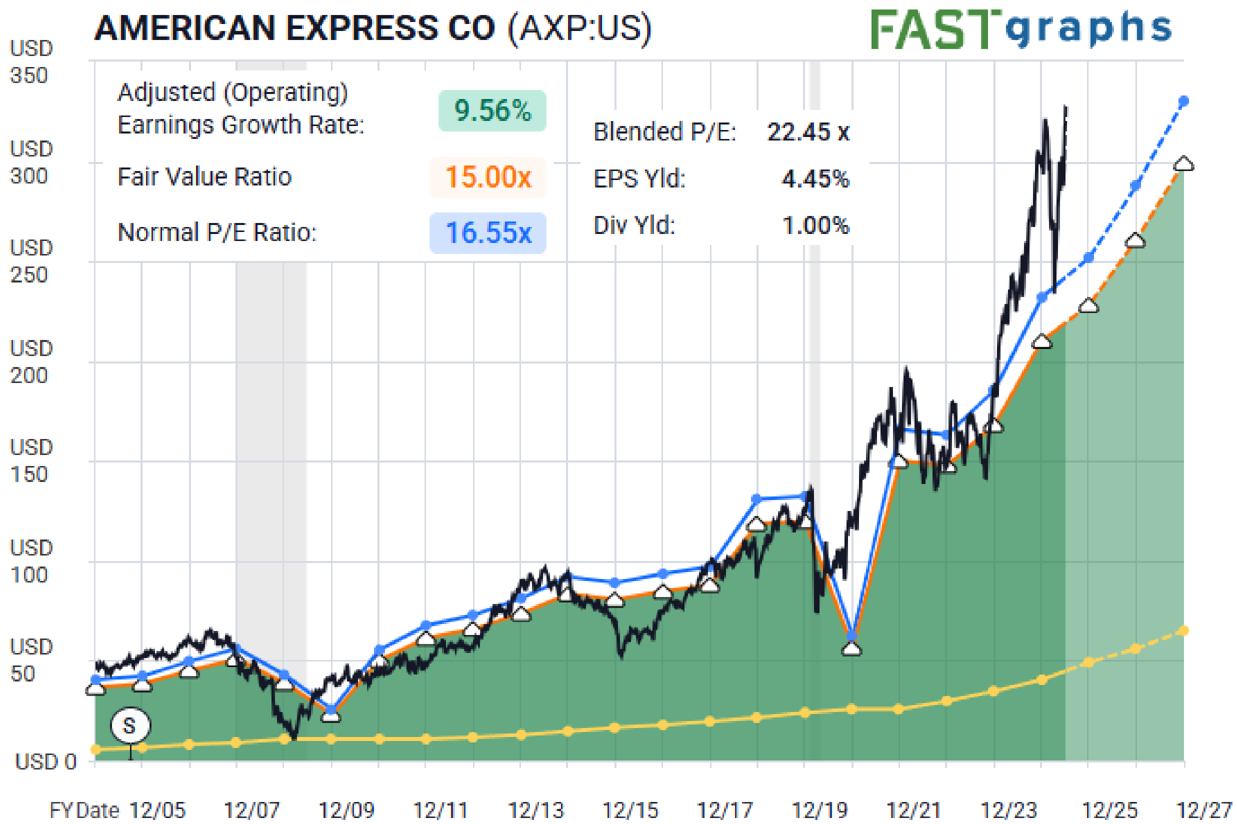


Meanwhile, investors are paying under 12x earnings for US Bancorp (USB) despite consensus analyst expectations for faster earnings growth as it recovers from the pressure it has been under:

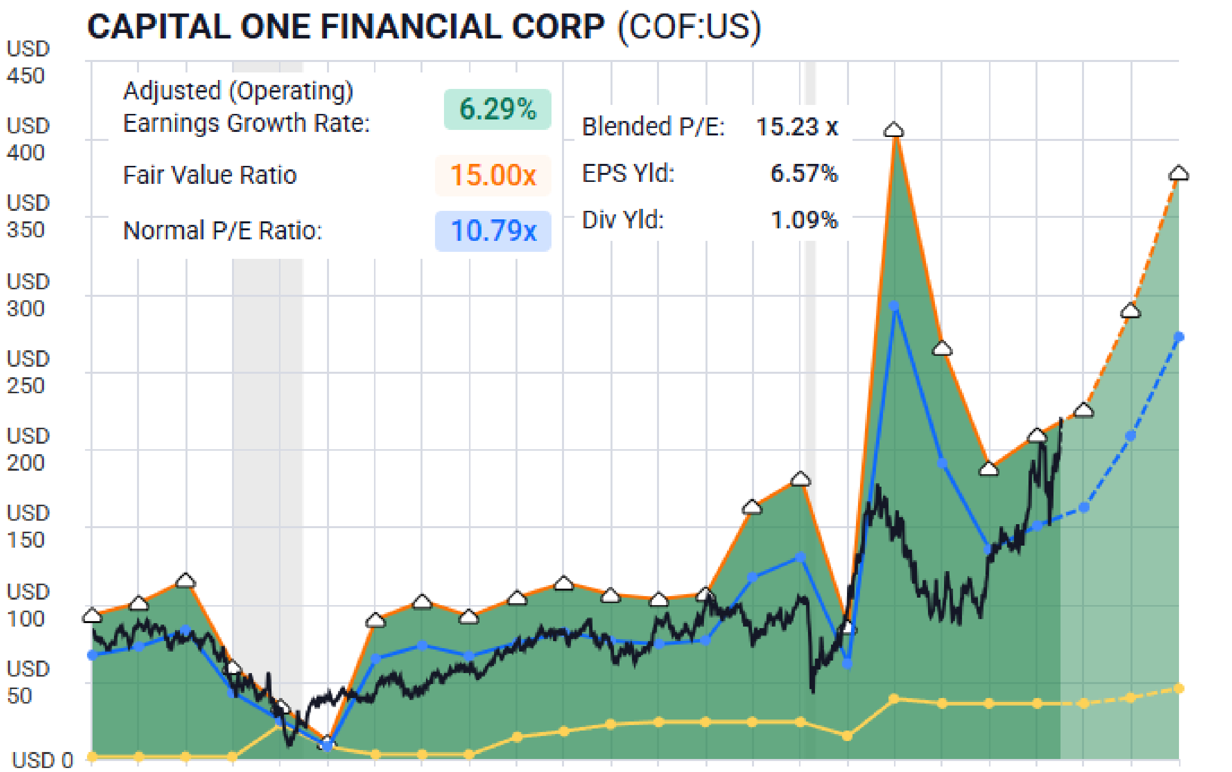


FY Date	12/05	12/07	12/09	12/11	12/13	12/15	12/17	12/19	12/21	12/23	12/25	12/27
EPS	2.42	2.61	0.97	2.46	3.00	3.16	3.51	4.16	5.10	3.27	4.32E	5.34E
Chg/Yr	11%	0%	-40%	42%	6%	3%	8%	0%	67%	-11%	14%	11%
Div	1.23	1.63	0.20	0.50	0.89	1.01	1.16	1.58	1.76	1.93	2.04E	2.18E

And oddly, investors are paying 22x earnings for American Express (AXP), and are also comfortable with Capital One (COF) despite Capital One's credit card exposure to less creditworthy borrowers:



FY Date	12/05	12/07	12/09	12/11	12/13	12/15	12/17	12/19	12/21	12/23	12/25	12/27
EPS	**2.56**	**3.39**	**1.54**	**4.09**	**4.91**	**5.38**	**5.87**	**7.99**	**10.02**	**11.21**	**15.22E**	**19.95E**
Chg/Yr	5%	13%	-40%	22%	12%	-3%	4%	1%	166%	14%	9%	15%
Div	**0.44**	**0.60**	**0.72**	**0.72**	**0.86**	**1.10**	**1.31**	**1.60**	**1.72**	**2.32**	**3.28E**	**4.34E**



FY Date	12/05	12/07	12/09	12/11	12/13	12/15	12/17	12/19	12/21	12/23	12/25	12/27
EPS	**6.73**	**3.97**	**0.74**	**6.80**	**6.96**	**7.07**	**7.11**	**12.09**	**27.11**	**12.52**	**15.05E**	**25.25E**
Chg/Yr	8%	-49%	-68%	13%	13%	-7%	3%	11%	375%	-29%	8%	31%
Div	**0.11**	**0.11**	**0.53**	**0.20**	**0.95**	**1.50**	**1.60**	**1.60**	**2.60**	**2.40**	**2.40E**	**3.05E**

Overall, I continue to like the super-regional banks such as US Bancorp, which are inexpensively priced at the current time for a variety of reasons. Aggregate loan loss risk is pretty low, and they've gotten past the worst parts of the drawdown in Treasury and Agency securities which hit them harder than some others, so I continue to be comfortable from an investment perspective in that area of the market.

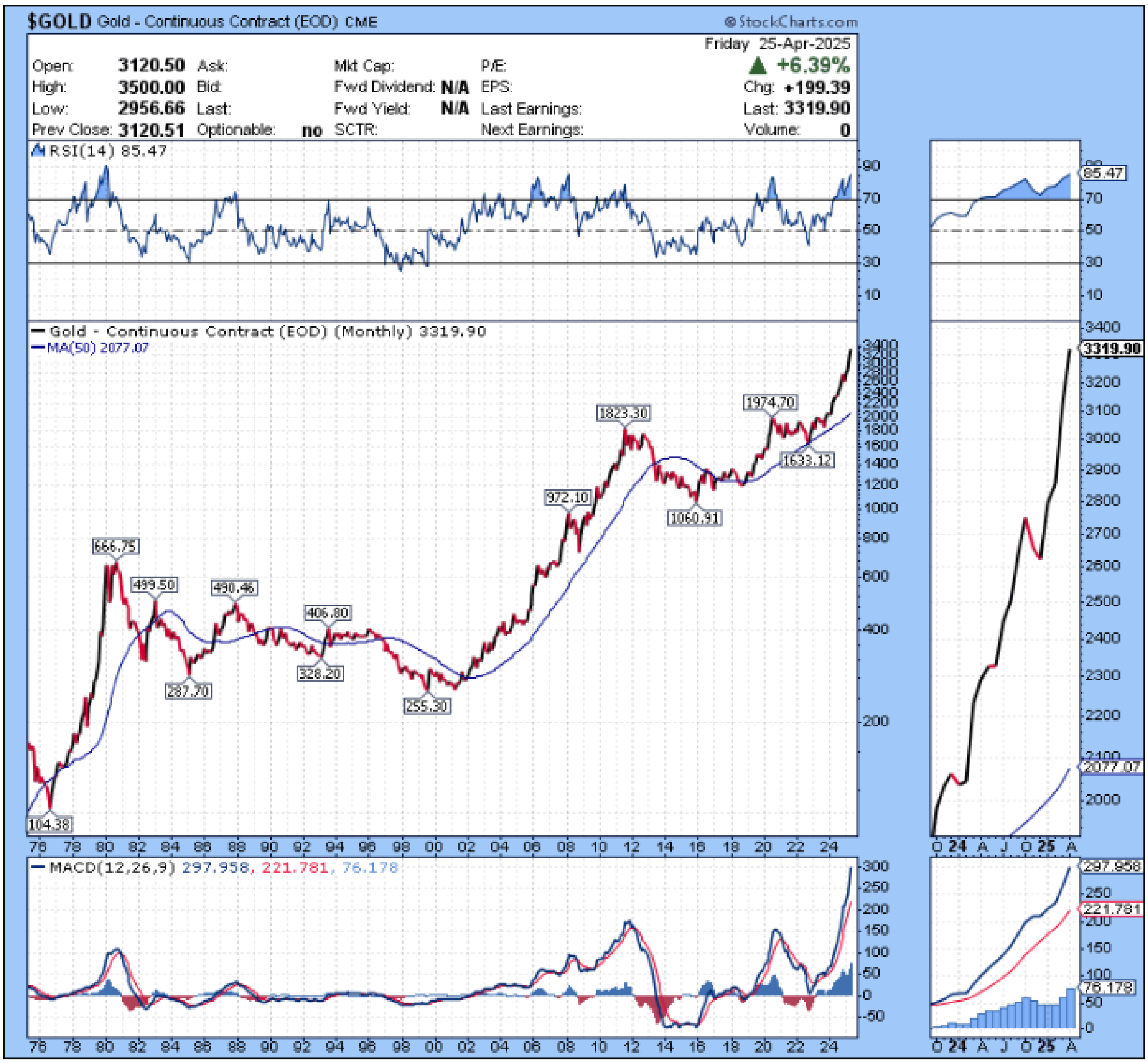
The main issue currently with super-regional banks like US Bancorp is that as large as they are now, they need to build up more capital to protect against severe recessions, since they're more nationally systemic than they used to be and have potentially higher requirements going forward. So, dividend growth and share buybacks are constrained a bit, with significant profits going toward building up internal capital. In a year or two they should be finished with that, and should be able to start returning more capital to shareholders (bigger buybacks, bigger dividend increases). But in the meantime, they already pay higher dividend yields than most other banks, thanks to the inexpensive valuations that investors place on them.

I plan to continue holding out-of-favor equity classes like select emerging markets and these sorts of middle-of-the-pack boring banks, mixed in with the rest of my assets.

Final Thoughts: Gold's Ongoing Consolidation

Since late April, I've been concerned about potential consolidation or correction in gold.

> When looking out years, I remain structurally bullish on gold. And I think it can outperform the S&P 500 with a 3-5 year view. However, at current levels I think gold's risks are increasing for a price consolidation that could last upwards of 6-12 months.
>
> On the monthly chart, it's nearly as technically overbought as it's ever been:



While market turmoil and trade debates are likely to persist for a while longer, I think the market already reached "peak uncertainty" during the opening volley of the tariff escalations. With the stock market, bond market, and dollar index going down together in early April, the current administration has shown some degree of concern and de-escalation.

I don't plan to sell gold, and indeed plan to keep it as a slice in my portfolios as a "hold" rather than a "buy". In terms of setting expectations and portfolio allocations, I'd advise caution about chasing it at current levels.

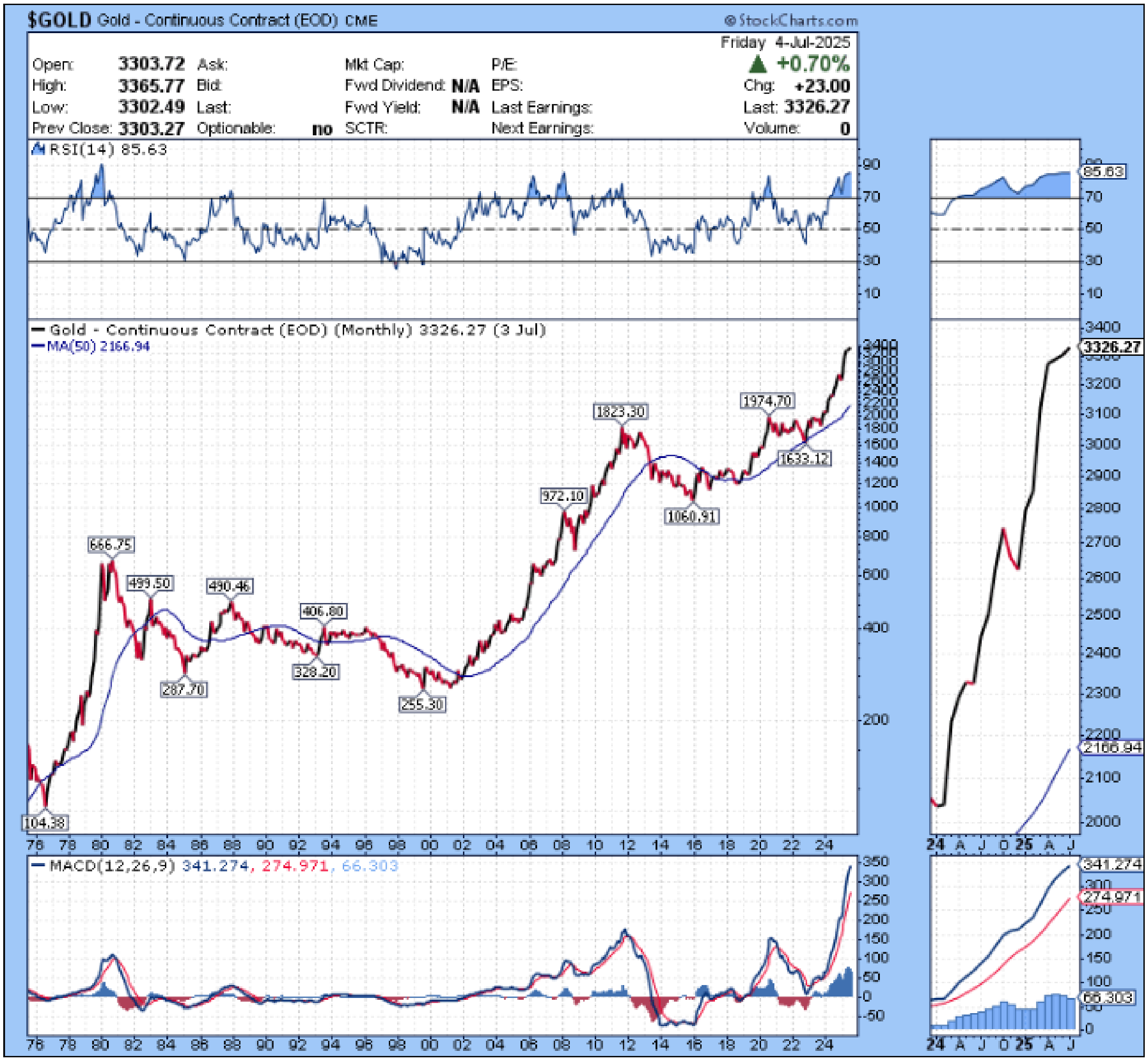
-April 27, 2025 premium report

The good news so far is that it has been more of a consolidation than a correction, meaning that rather than going down sharply it has just failed to continue going up for a while.

It's approaching three months of choppy sideways action now:

The flight-to-safety metal barely caught a bid during the military activities against Iran, and as that turmoil dissipated, it once again chopped down to the lower end of its recent range.

On the monthly chart, the relative strength index is still heated, and in general I continue have a lackluster intermediate-term view on gold even as I remain bullish in the longer-term sense.



All of the analysis in this research report is presented for informational purposes about investments in general and does not constitute investment advice.

Individuals have unique circumstances, goals, and risk tolerances, so you should consult a certified investment professional and/or do your own due diligence before making investment decisions. Certified professionals can provide individualized investment advice tailored to your unique situation. This research report is for general investment information only, is not individualized, and as such does not constitute investment advice.

Every effort is made to ensure that the research content in this report is accurate, but accuracy cannot be guaranteed and all information is presented “as is”. Investors should consult multiple sources of information when analyzing investments.

Investments may lose value. Investors should use proper diversification and maintain appropriate position sizes when managing their investments.

Best regards,

Lyn Alden