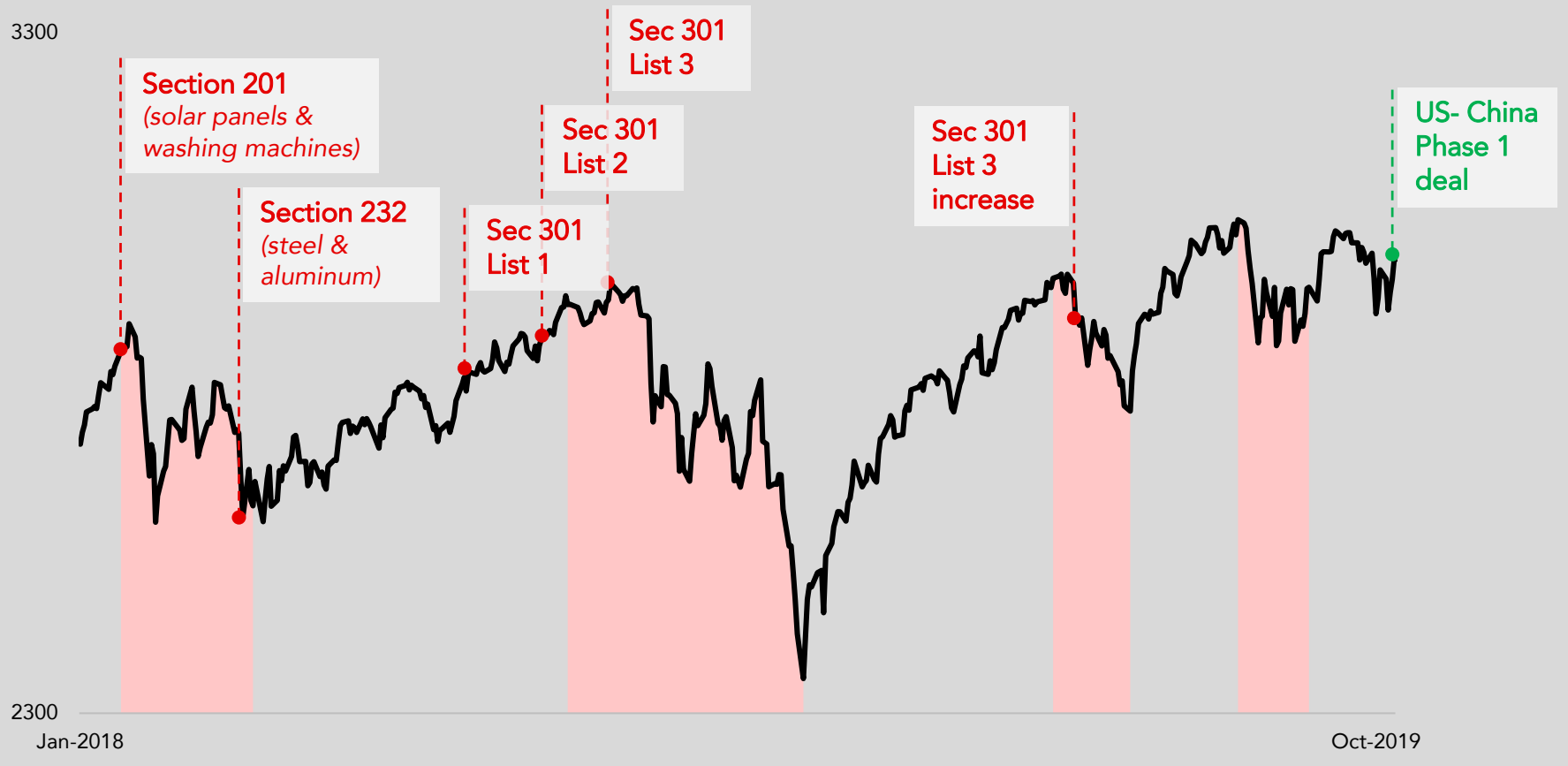


Chart of the Day



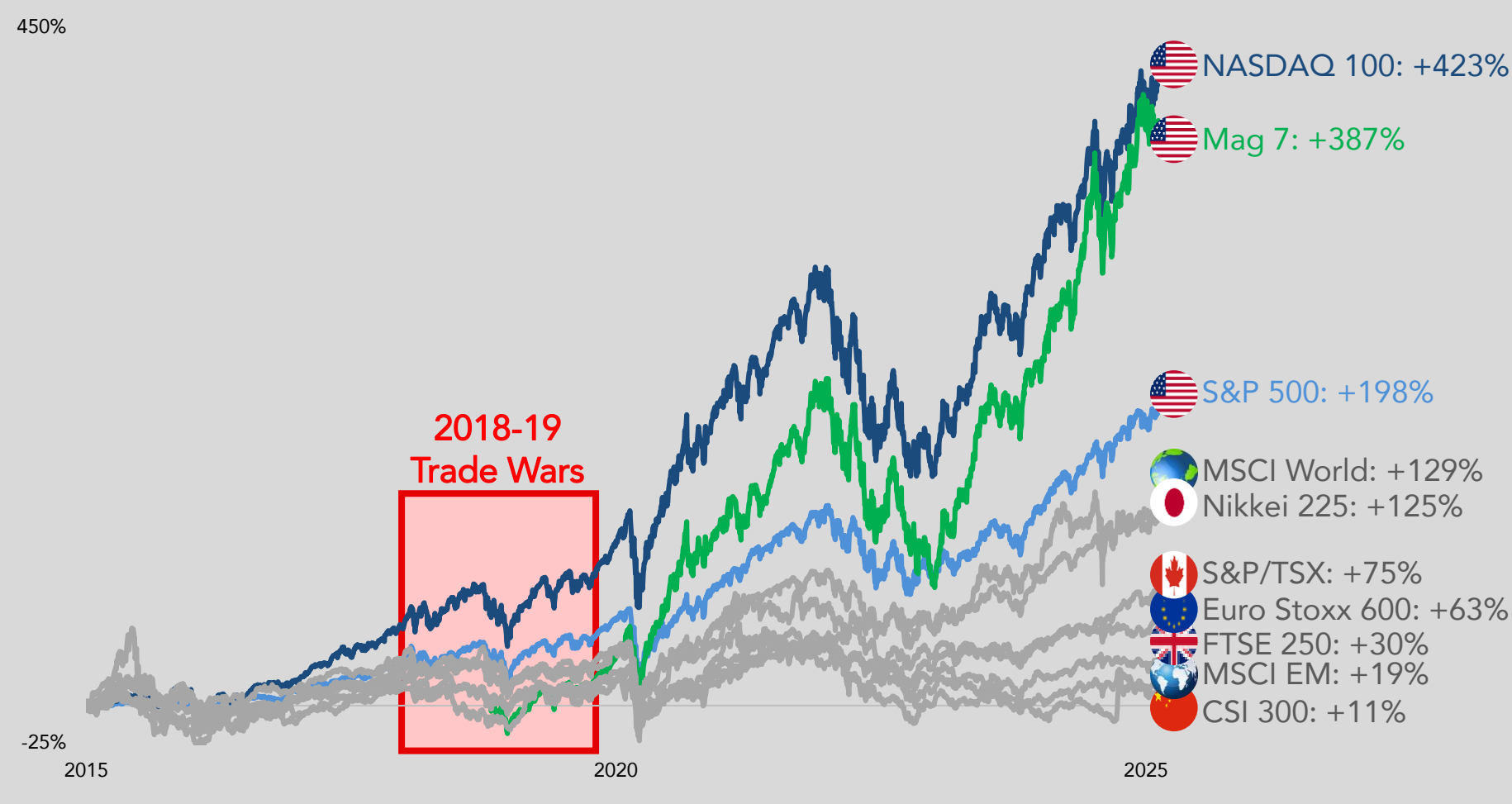
As the trade war intensified in 2018, the S&P 500 declined 6% on the year, a sharp drop by historic standards in the absence of a recession. During the 2018-19 escalation, the market also had multiple 5% and 10% corrections, and the Fed was forced to cut policy rates by late 2019 as the yield curve inverted and the economy began to slow down.

S&P 500 during 2018-19 trade war



Led by the US tech sector, US equities accelerated their pace of outperformance following the 2018-19 trade wars and 2020-21 COVID crisis.

Equity market performance since January 2015



Source: (1-2) Bloomberg. Data as of February 19, 2025.

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"Macro stability isn't everything, but without it, you have nothing."