

**YCHARTS + Charlie Bilello**

# Is the Stock Market the Economy?

**Charting With Charlie Bilello**



**Charlie Bilello**, Compound Capital Advisor,  
Founder & CEO



**Caleb Eplett**, YCharts, Chief Product Officer

## Thank you for joining!

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

Please reach out to your Customer Success Manager or support contact if you have additional questions, or email [support@ycharts.com](mailto:support@ycharts.com)

# Agenda

1. The Inflationary Spiral
2. Dow 36,000 ... 22 Years Later
3. How To Invest Without Knowing The Future
4. The Reopening and Repricing of Markets
5. Is The Stock Market The Economy?

US Average Hourly Earnings

4.9% YoY

30.96

30.00

27.00

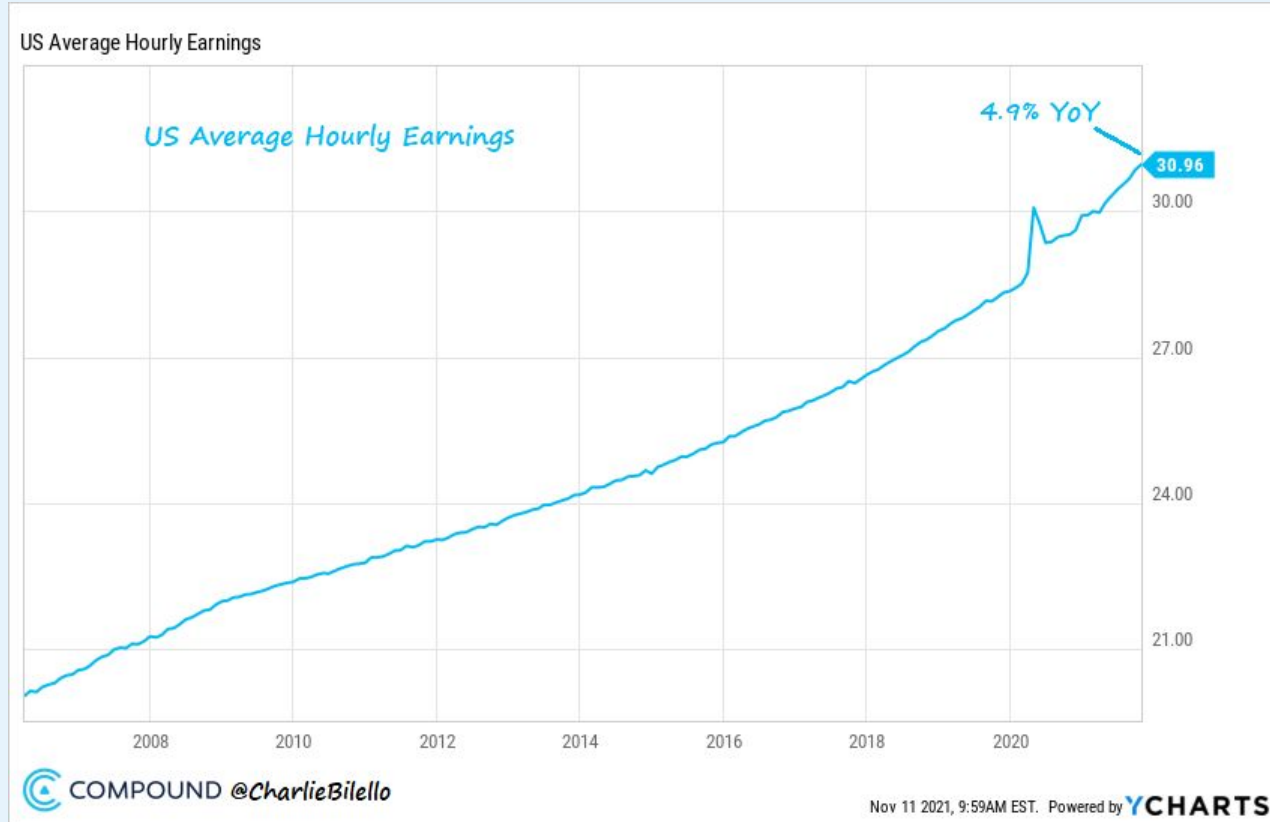
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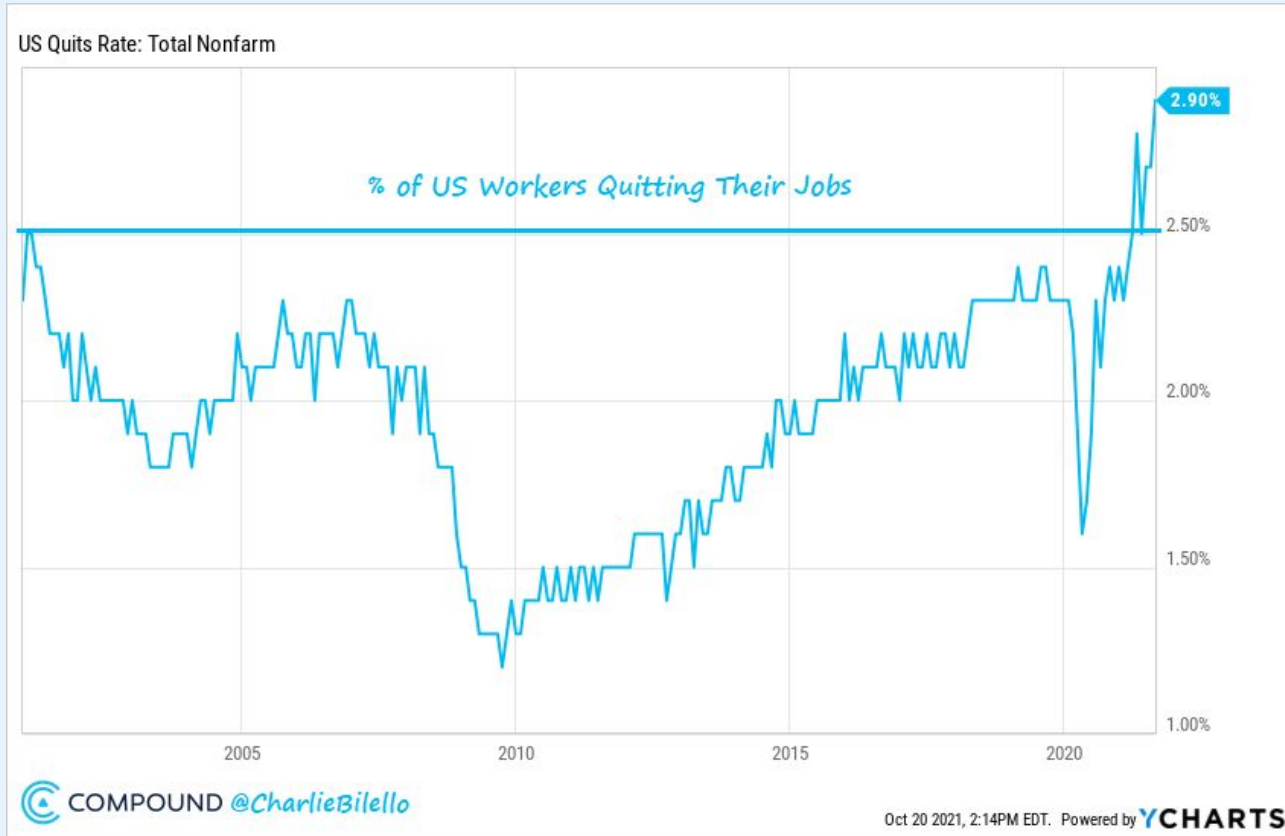
# The Inflationary Spiral

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# The Inflationary Spiral



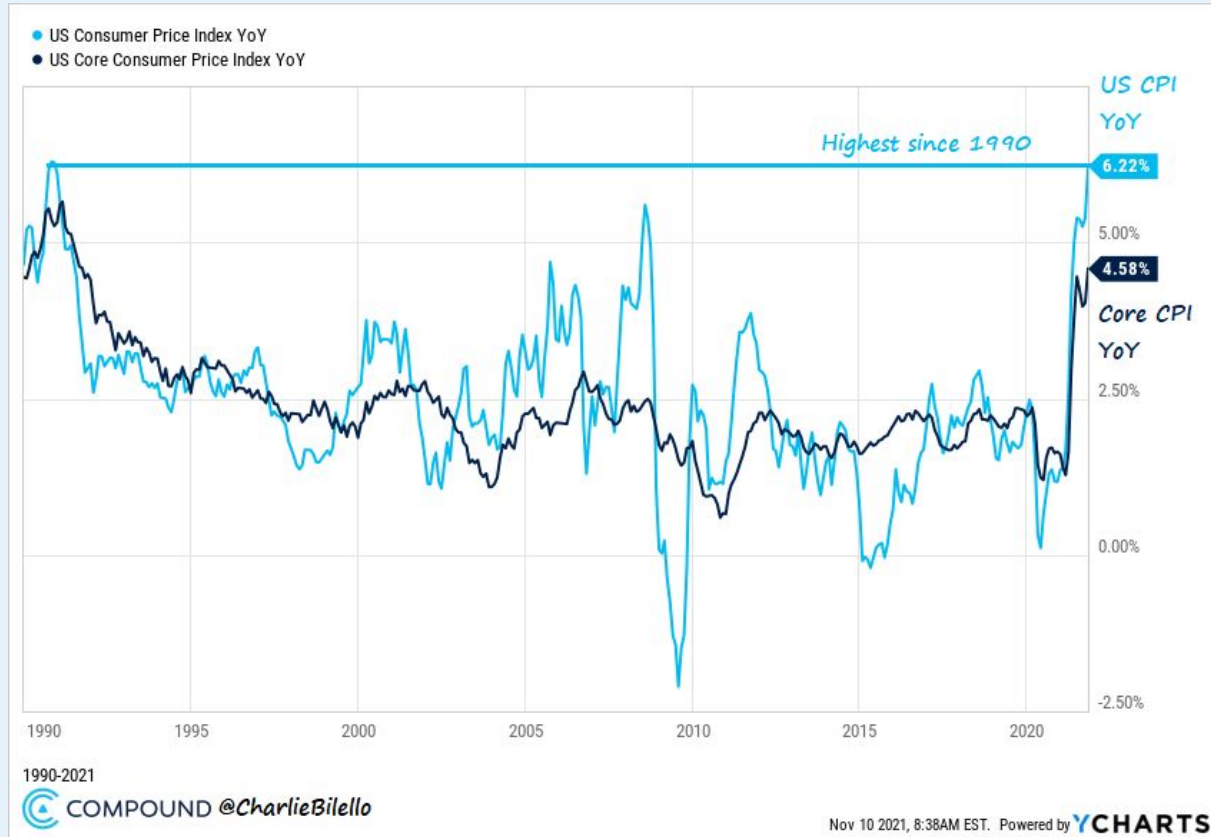
# The Inflationary Spiral



# The Inflationary Spiral

Month	Company	Wage/Benefit Increase
November 2021	Macy's	Minimum wage to \$15/hour, Education Program to cover 100% of tuition/books/fees.
October 2021	Costco	Minimum wage to \$17/hour.
October 2021	Starbucks	Minimum wage to \$15/hour, 5-10% increase for workers with company for 2-5 years.
October 2021	Bank of America	Minimum wage to \$21/hour.
September 2021	Amazon	Starting pay to \$18/hour, operations employees eligible for fully funded college tuition (classes/books/fees)
September 2021	Walmart	Minimum wage to \$12/hour.
August 2021	Walgreens	Hourly wages to increase in phases to \$15/hour by November 2022.
August 2021	CVS	Minimum wage to \$15/hour by July 2022.
August 2021	Schwab	5% special pay raise to most employees, effective September 2021.
July 2021	Walmart	100% of college tuition and books for associates.
May 2021	McDonald's	Average wage increase by 10% over next several months, expects \$15/hour average wage by 2024.
May 2021	Chipotle	Average wage to \$15/hour by June, employee referral bonuses.

# The Inflationary Spiral





Dow Jones Industrial Average (1999 - 2021)

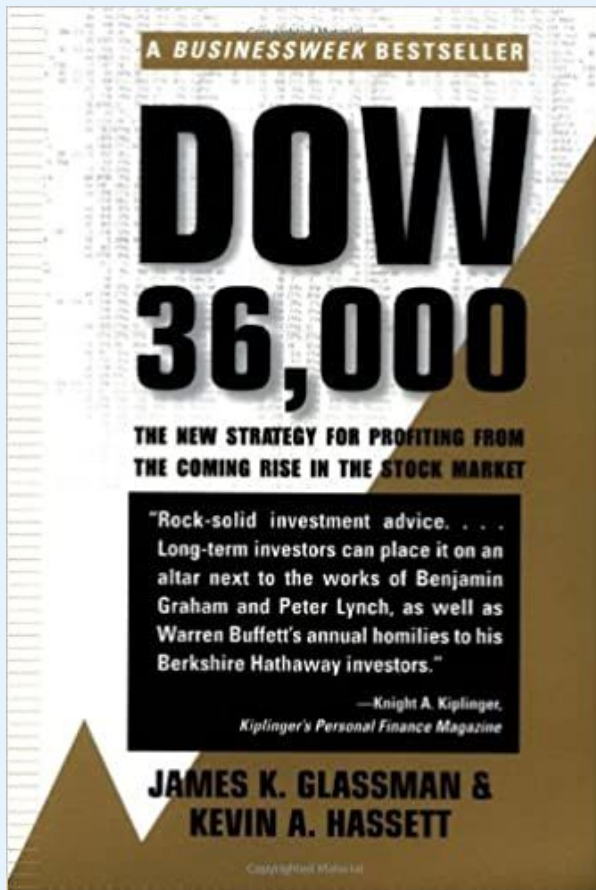
# Dow 36,000 ... 22 Years Later

36,000 Published

Same Level, 12 Years

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# Dow 36,000 ... 22 Years Later



Dow Jones Industrials Average - Milestones			
Dow Level	% Change Between Milestone	# Days Between Milestone	Date
36,000	2.9%	175	11/1/2021
35,000	2.9%	25	5/10/2021
34,000	3.0%	29	4/15/2021
33,000	3.1%	21	3/17/2021
32,000	3.2%	49	2/24/2021
31,000	3.3%	43	1/6/2021
30,000	3.4%	319	11/24/2020
29,000	3.6%	56	1/10/2020
28,000	3.7%	127	11/15/2019
27,000	3.8%	541	7/11/2019
26,000	4.0%	12	1/16/2018
25,000	4.2%	35	1/4/2018
24,000	4.3%	44	11/30/2017
23,000	4.5%	76	10/17/2017
22,000	4.8%	154	8/2/2017
21,000	5.0%	35	3/1/2017
20,000	5.3%	64	1/25/2017
19,000	5.6%	700	11/22/2016
18,000	5.9%	173	12/23/2014
17,000	6.3%	224	7/3/2014
16,000	6.7%	198	11/21/2013
15,000	7.1%	2,119	5/7/2013
14,000	7.7%	85	7/19/2007
13,000	8.3%	188	4/25/2007
12,000	9.1%	2,726	10/19/2006
11,000	10.0%	35	5/3/1999
10,000	11.1%	357	3/29/1999
9,000	12.5%	264	4/6/1998
8,000	14.3%	153	7/16/1997
7,000	16.7%	122	2/13/1997
6,000	20.0%	328	10/14/1996
5,000	25.0%	271	11/21/1995
4,000	33.3%	1,408	2/23/1995
3,000	50.0%	1,560	4/17/1991
2,000	100.0%	5,168	1/8/1987
1,000			11/14/1972



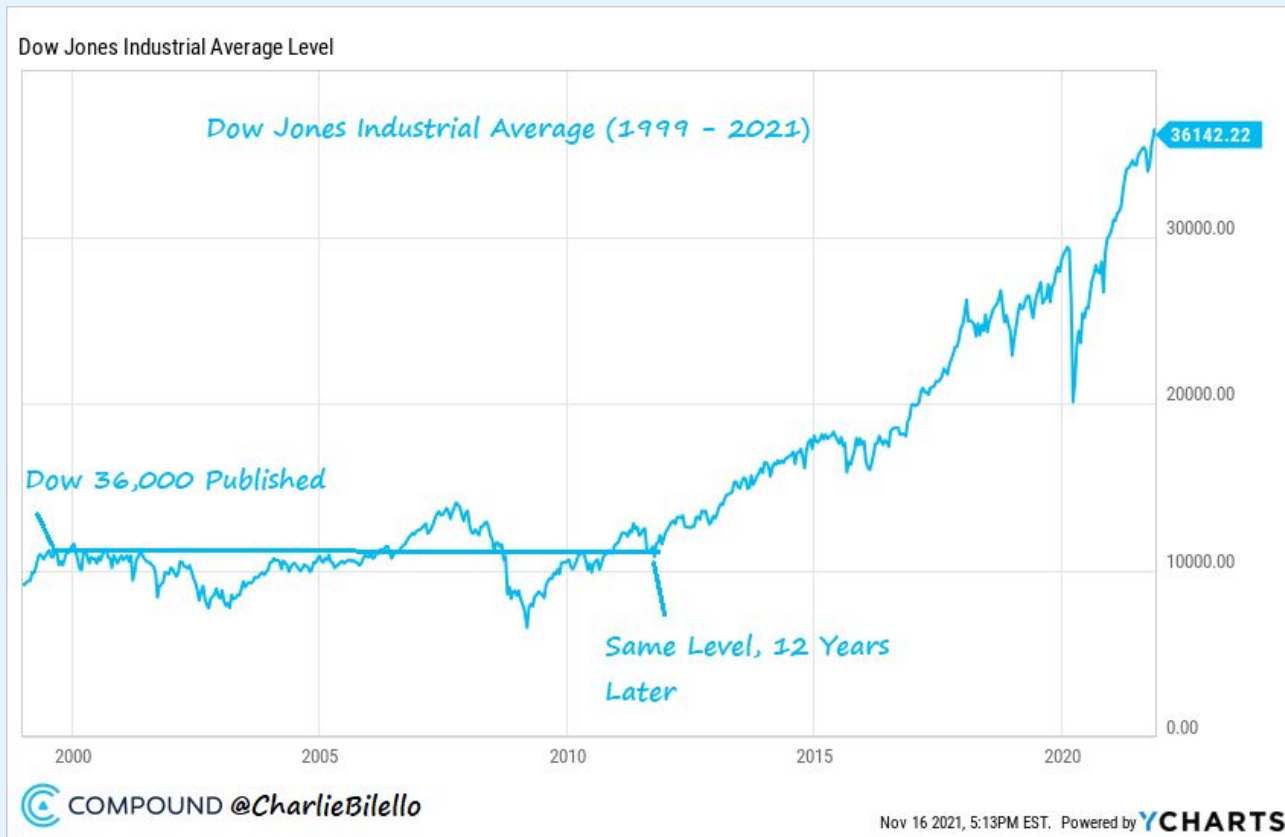
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# Dow 36,000 ... 22 Years Later



US Equities vs. Non-US Equities (\$SPY/\$ACWX)

# How To Invest Without Knowing The Future

US Equity

US Equity

8.047

7.50

6.00

4.50

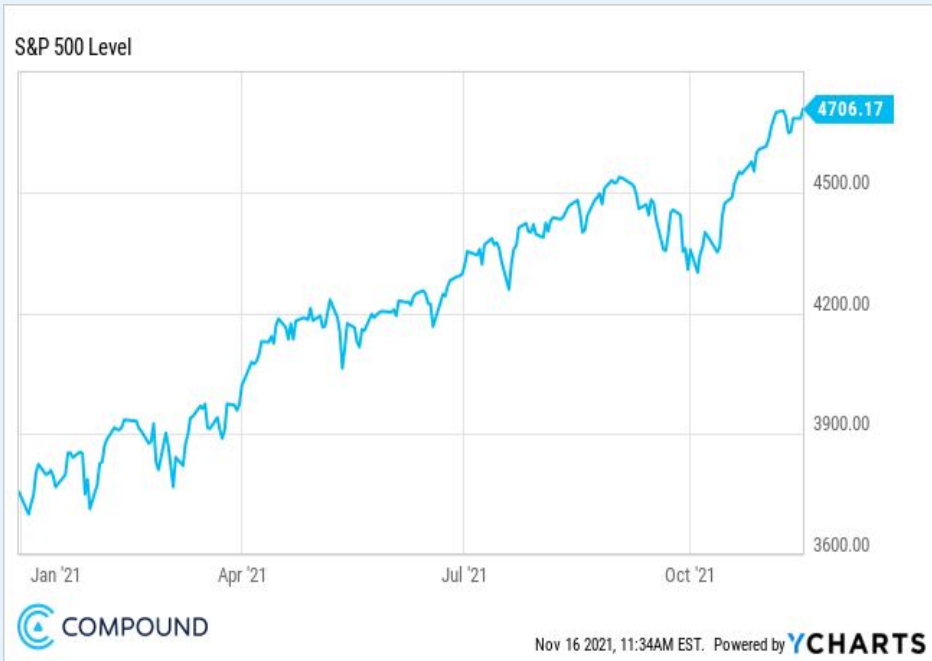
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# How to Invest Without Knowing the Future

## S&P 500 Year-end 2021 Analyst Targets

AFFILIATION	TARGET 2021
JPMorgan Chase	4,400
Invesco	4,350
Goldman Sachs	4,300
Oppenheimer	4,300
Piper Sandler Companies	4,225
BMO	4,200
UBS	4,100
Barclays	4,000
BTIG	4,000
CFRA	4,080
Deutsche Bank	3,950
Morgan Stanley	3,900
Wells Fargo Investment Institute	3,900
Citigroup	3,800
BofA	3,800

# How to Invest Without Knowing the Future

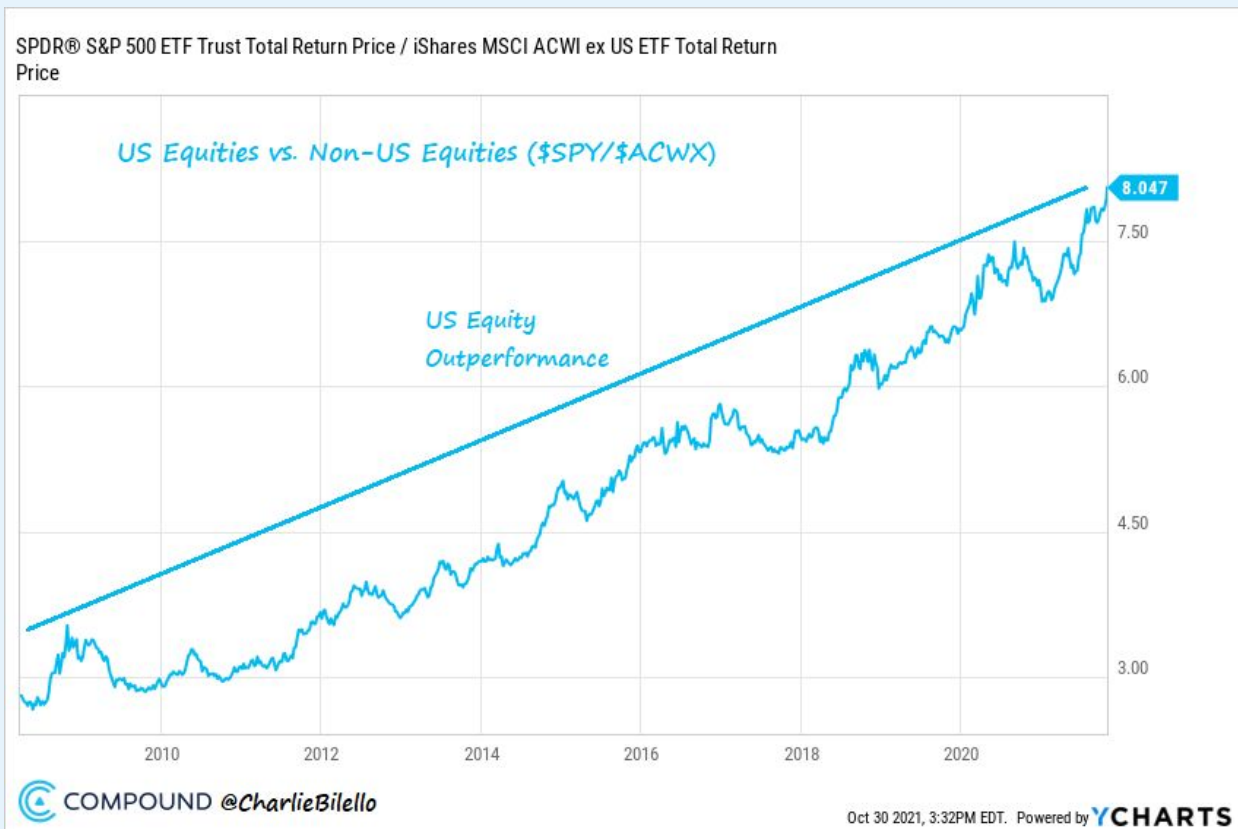


S&P 500: Number of All-Time Highs (1929 - 2021)									
Note: Closing Prices, as of 11/8/21									
Year	# ATH	Year	# ATH	Year	# ATH	Year	# ATH	Year	# ATH
1929	45	1948	0	1967	14	1986	31	2005	0
1930	0	1949	0	1968	34	1987	47	2006	0
1931	0	1950	0	1969	0	1988	0	2007	9
1932	0	1951	0	1970	0	1989	13	2008	0
1933	0	1952	0	1971	0	1990	6	2009	0
1934	0	1953	0	1972	32	1991	22	2010	0
1935	0	1954	27	1973	3	1992	18	2011	0
1936	0	1955	49	1974	0	1993	16	2012	0
1937	0	1956	14	1975	0	1994	5	2013	45
1938	0	1957	0	1976	0	1995	77	2014	53
1939	0	1958	24	1977	0	1996	39	2015	10
1940	0	1959	27	1978	0	1997	45	2016	18
1941	0	1960	0	1979	0	1998	47	2017	62
1942	0	1961	53	1980	24	1999	35	2018	19
1943	0	1962	0	1981	0	2000	4	2019	36
1944	0	1963	12	1982	2	2001	0	2020	33
1945	0	1964	65	1983	30	2002	0	2021	65
1946	0	1965	37	1984	0	2003	0		
1947	0	1966	9	1985	43	2004	0		

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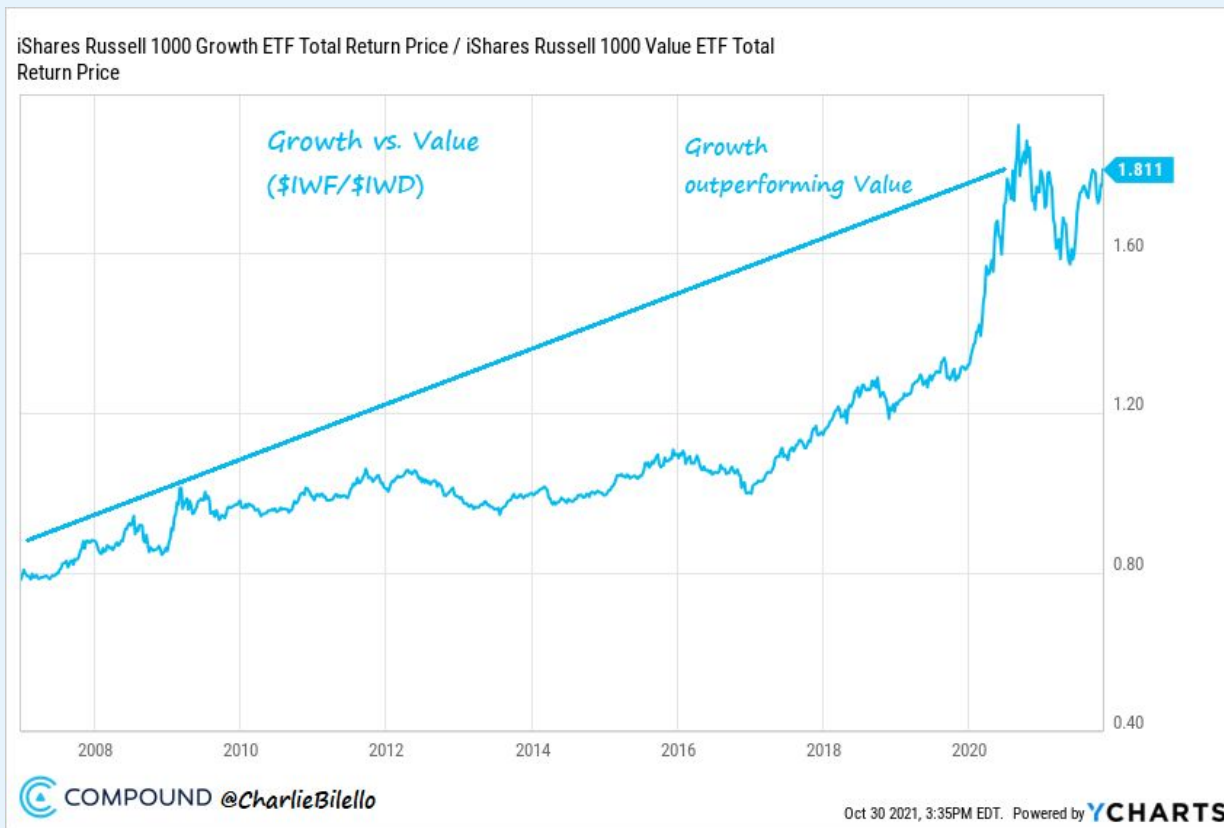
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# How to Invest Without Knowing the Future



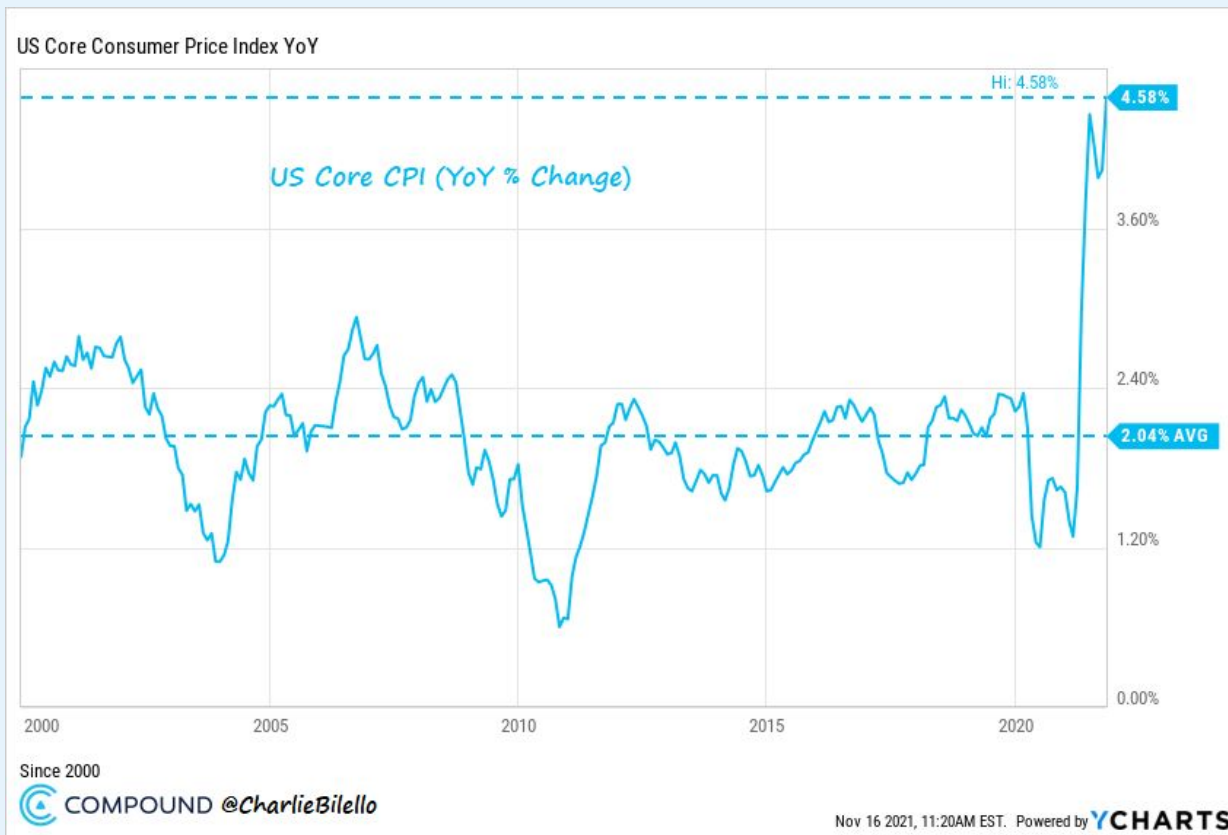


# How to Invest Without Knowing the Future





# How to Invest Without Knowing the Future



US Covid-19 Hospitalizations

# The Reopening and Repricing of Markets

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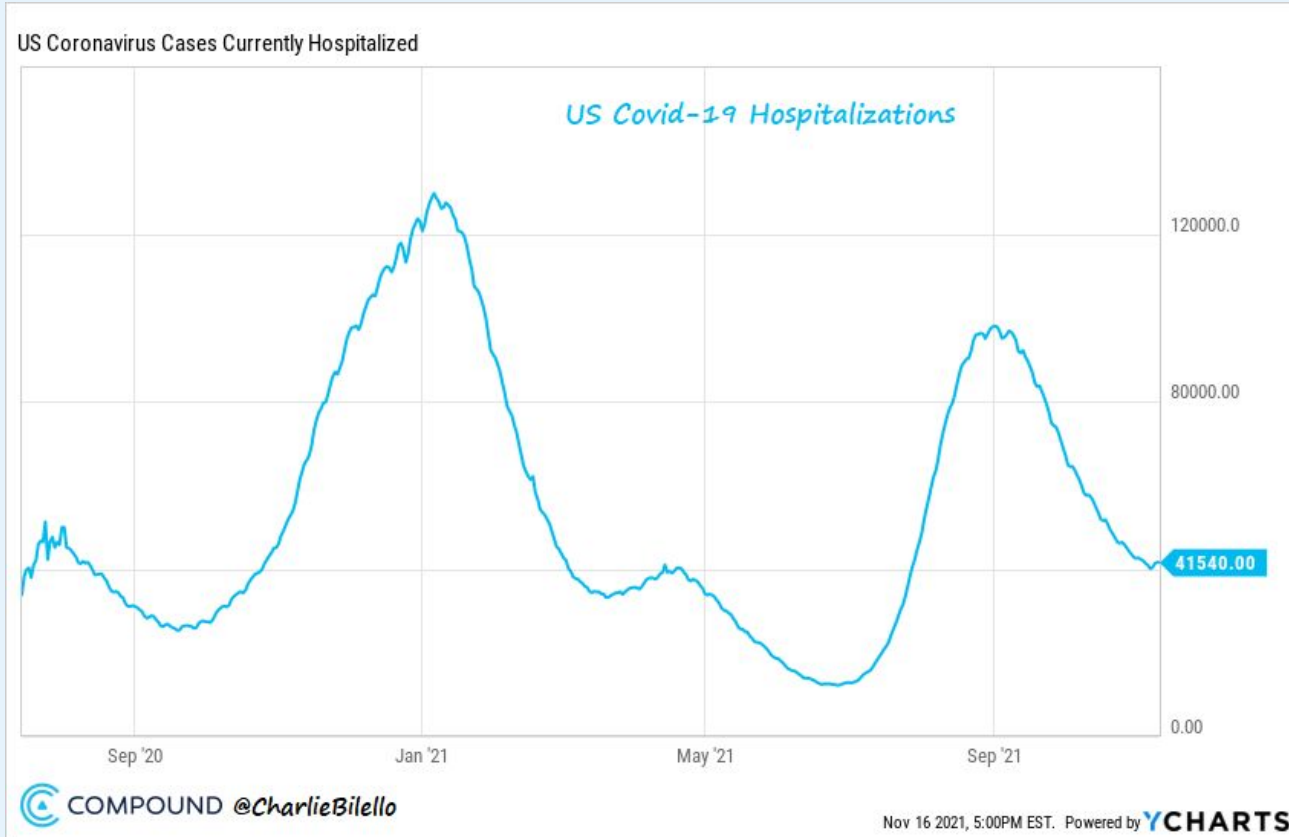
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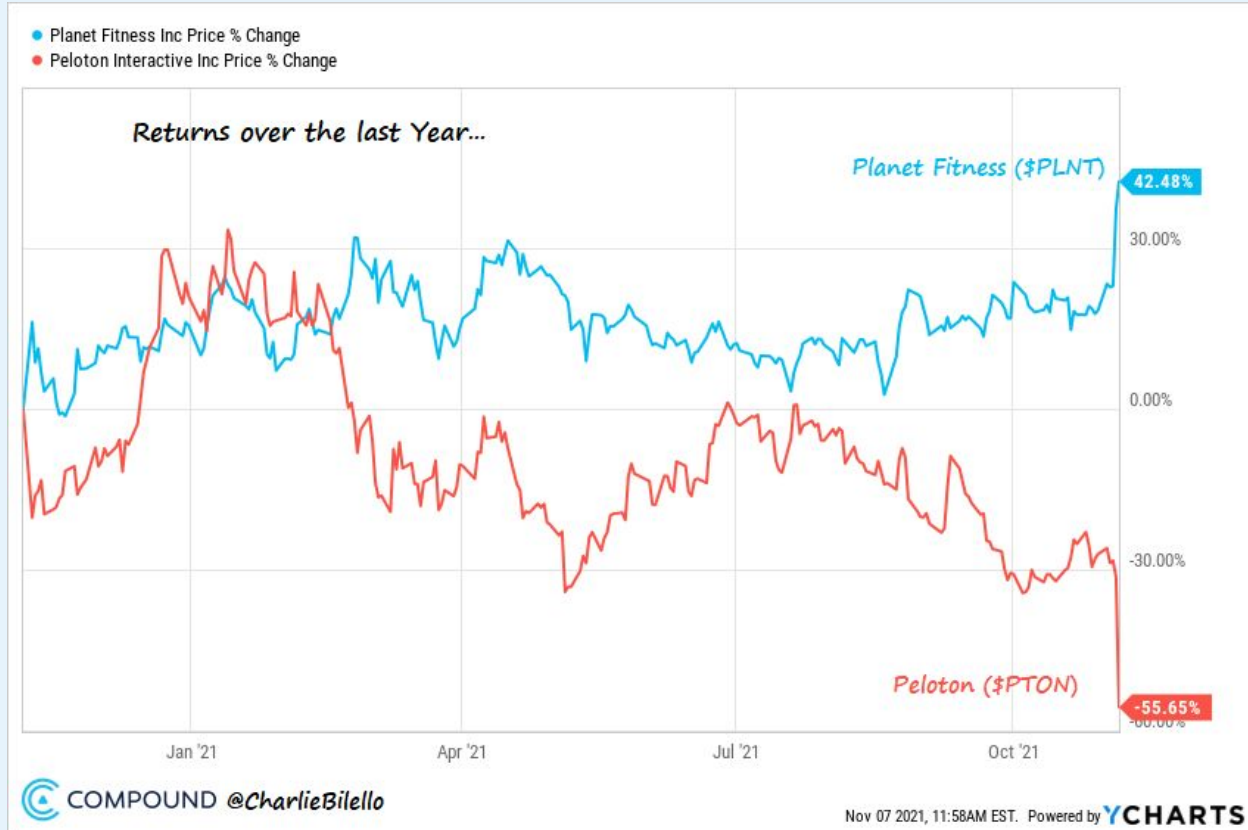
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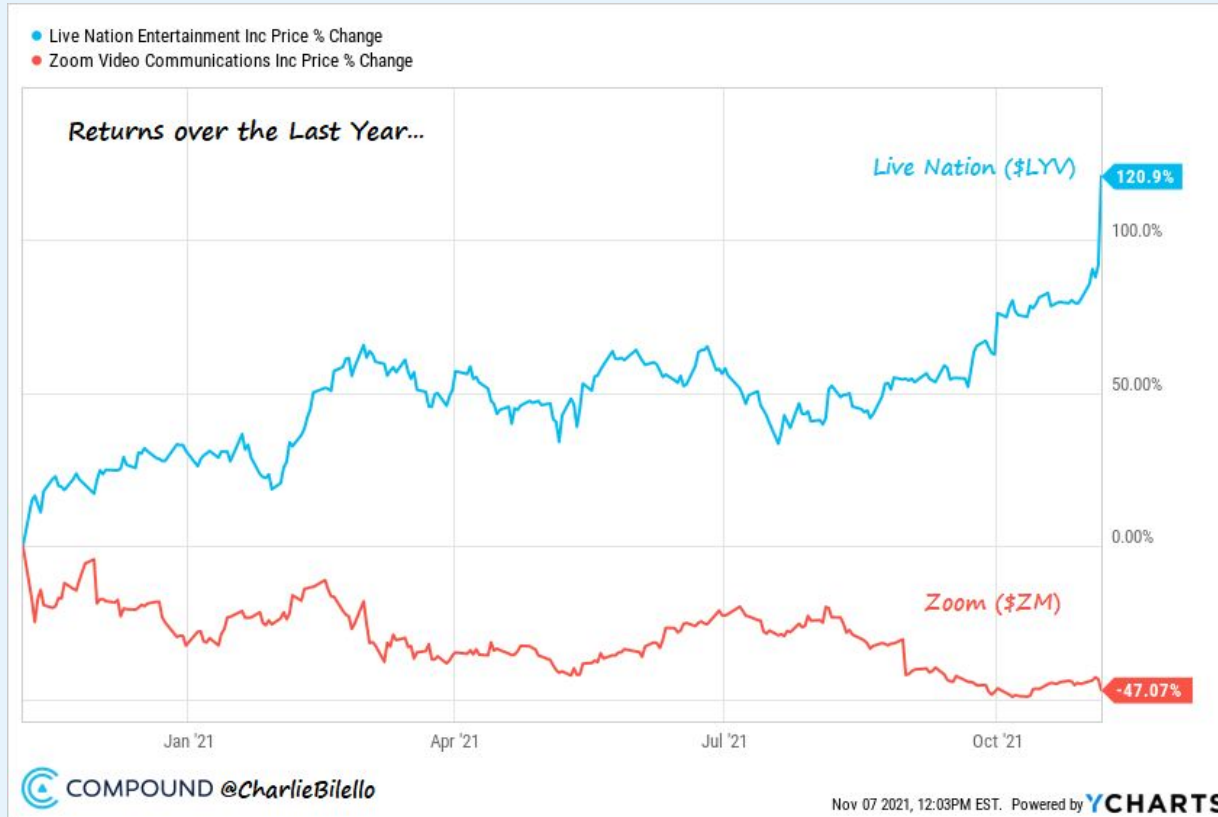
# The Reopening and Repricing of Markets



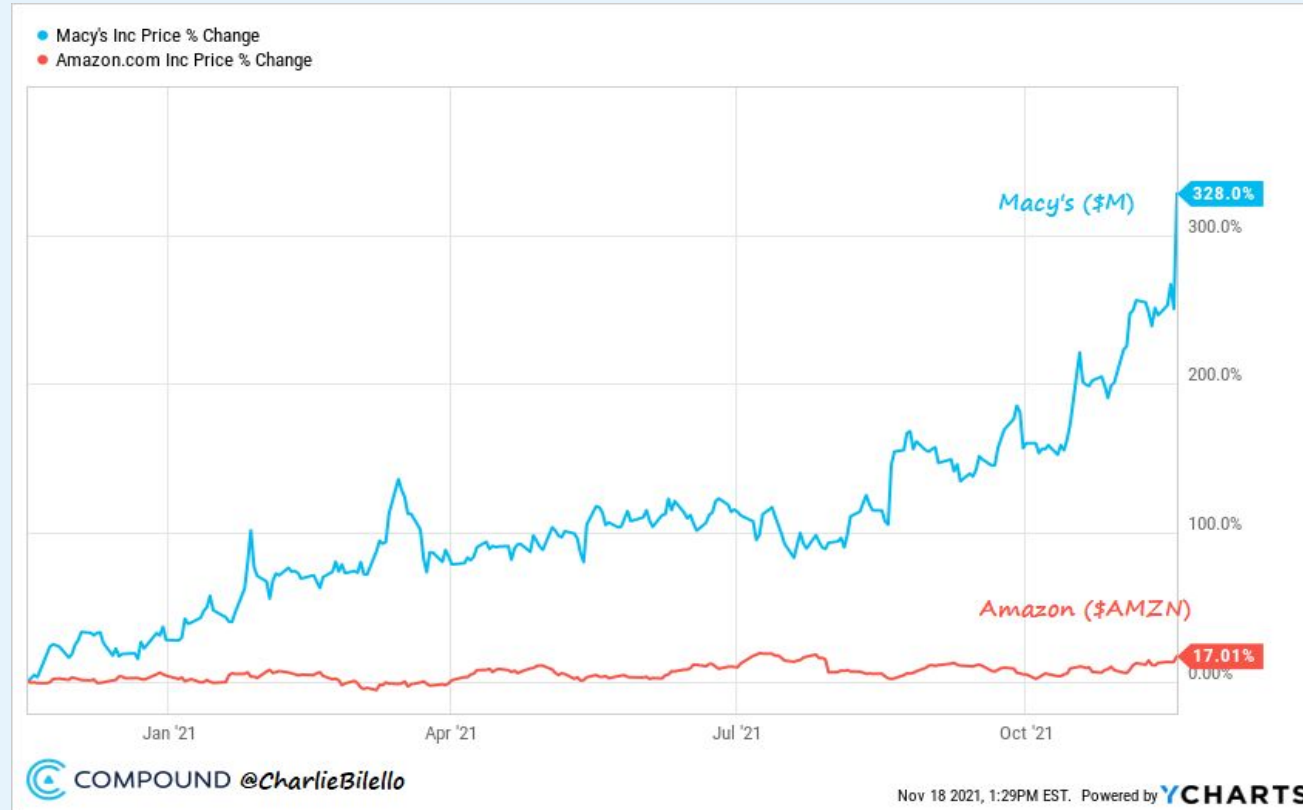
# The Reopening and Repricing of Markets



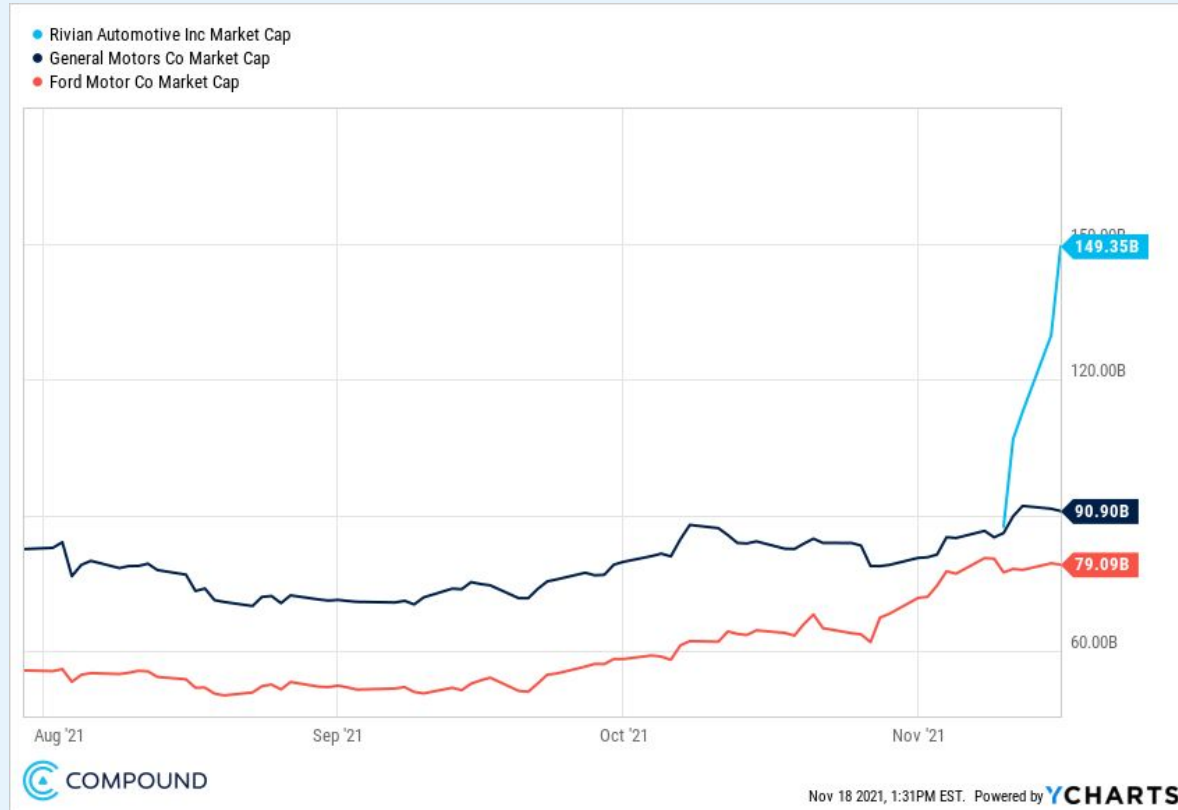
# The Reopening and Repricing of Markets



# The Reopening and Repricing of Markets



# The Reopening and Repricing of Markets




# The Stock Market Is Not The Economy





# The Stock Market Is Not the Economy

US Real GDP vs. S&P 500 Total Returns (1930 - 2020)														
Year	Real GDP	S&P	Year	Real GDP	S&P	Year	Real GDP	S&P	Year	Real GDP	S&P	Year	Real GDP	S&P
1930	-8.5%	-25%	1949	-1.5%	18%	1968	5%	11%	1987	4%	6%	2006	3%	16%
1931	-6.4%	-44%	1950	13%	31%	1969	2%	-8%	1988	4%	17%	2007	2%	5%
1932	-12.9%	-9%	1951	5%	24%	1970	-0.2%	4%	1989	3%	32%	2008	-2.8%	-37%
1933	-1.2%	50%	1952	5%	18%	1971	4%	14%	1990	1%	-3%	2009	0%	26%
1934	11%	-1%	1953	1%	-1%	1972	7%	19%	1991	1%	30%	2010	3%	15%
1935	9%	47%	1954	3%	53%	1973	4%	-14%	1992	4%	8%	2011	2%	2%
1936	13%	32%	1955	7%	33%	1974	-1.9%	-26%	1993	3%	10%	2012	1%	16%
1937	5%	-35%	1956	2%	7%	1975	3%	37%	1994	4%	1%	2013	3%	32%
1938	-3.3%	29%	1957	0%	-10%	1976	4%	24%	1995	2%	38%	2014	3%	14%
1939	8%	-1%	1958	3%	44%	1977	5%	-7%	1996	4%	23%	2015	2%	1%
1940	9%	-11%	1959	5%	12%	1978	7%	7%	1997	4%	33%	2016	2%	12%
1941	18%	-13%	1960	1%	0%	1979	1%	19%	1998	5%	29%	2017	3%	22%
1942	19%	19%	1961	6%	27%	1980	0.0%	32%	1999	5%	21%	2018	3%	-4%
1943	17%	25%	1962	4%	-9%	1981	1%	-5%	2000	3%	-9%	2019	2%	31%
1944	8%	19%	1963	5%	23%	1982	-1.4%	20%	2001	0%	-12%	2020	-2.3%	18%
1945	-1.0%	36%	1964	5%	16%	1983	8%	22%	2002	2%	-22%			
1946	-11.6%	-8%	1965	8%	12%	1984	6%	6%	2003	4%	29%			
1947	-1.1%	5%	1966	5%	-10%	1985	4%	31%	2004	3%	11%			
1948	4%	6%	1967	3%	24%	1986	3%	18%	2005	3%	5%			


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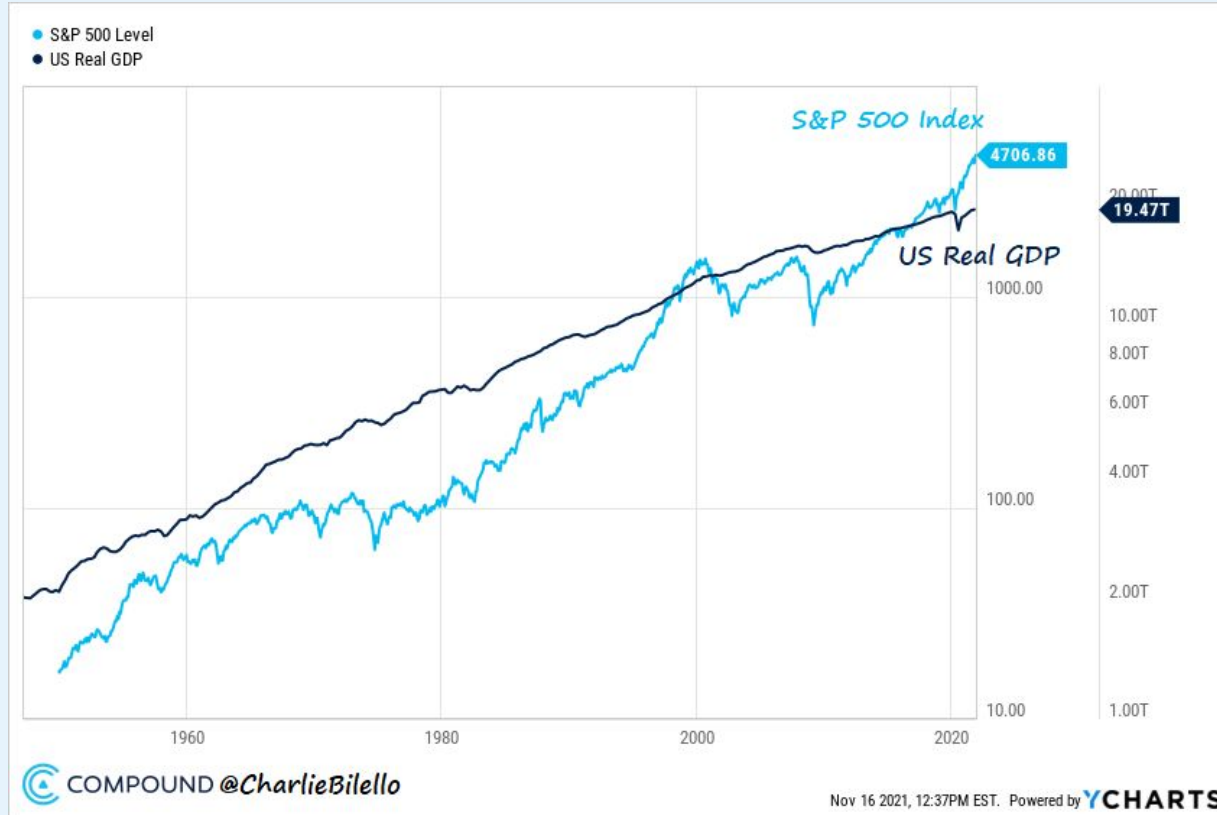
Data as of 12/31/20

# The Stock Market Is Not the Economy

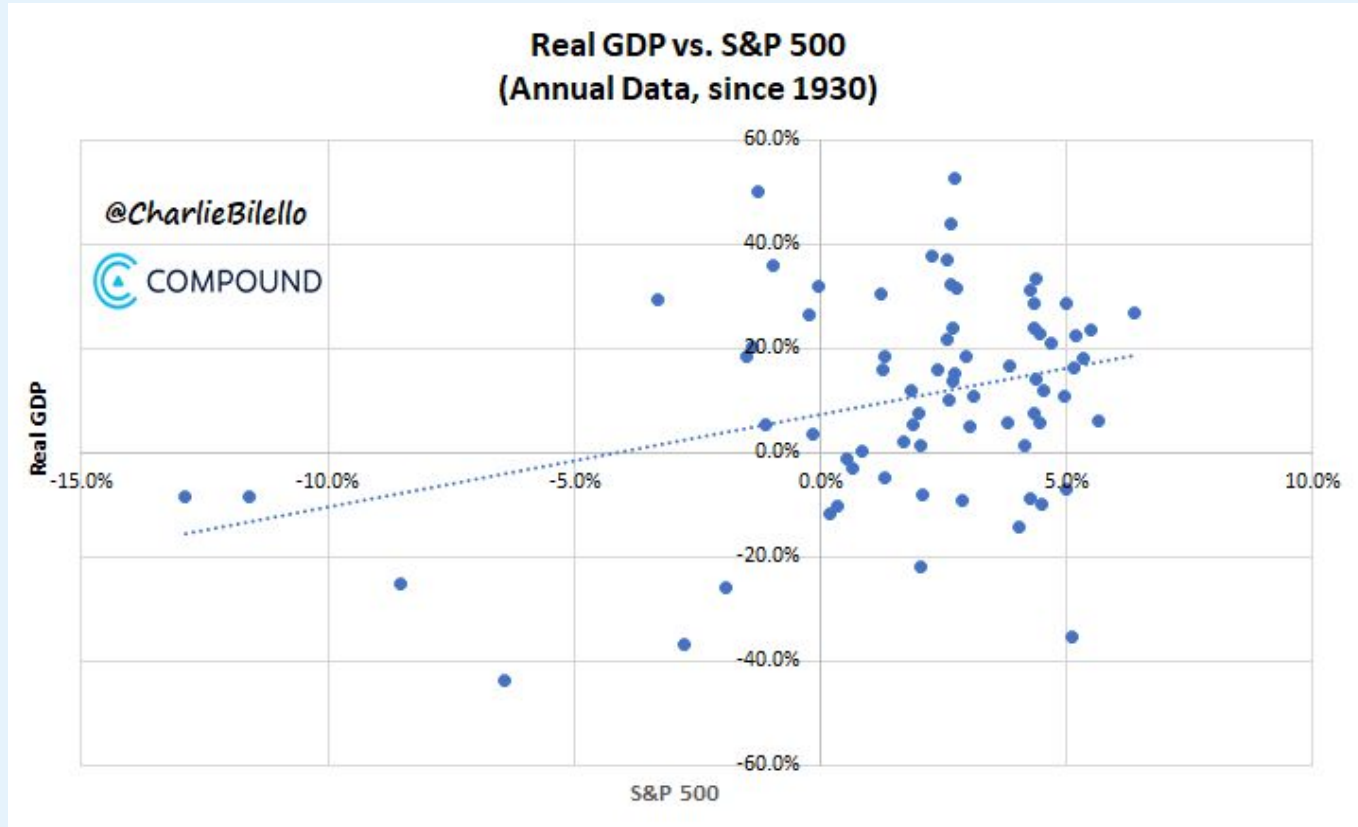
Year	Real GDP (%)	S&P 500 (%)
1933	-1.2%	50.0%
1938	-3.3%	29.3%
1945	-1.0%	35.8%
1947	-1.1%	5.2%
1949	-1.5%	18.3%
1970	-0.2%	3.6%
1980	0.0%	31.7%
1982	-1.4%	20.4%
2020	-2.3%	18.4%

Year	Real GDP (%)	S&P 500 (%)
1934	10.8%	-1.2%
1937	5.1%	-35.3%
1939	8.0%	-1.1%
1940	8.8%	-10.7%
1941	17.7%	-12.8%
1953	0.5%	-1.2%
1957	0.4%	-10.5%
1962	4.3%	-8.8%
1966	4.5%	-10.0%
1969	2.0%	-8.2%
1973	4.0%	-14.3%
1977	5.0%	-7.0%
1981	1.3%	-4.7%
1990	0.6%	-3.1%
2000	3.0%	-9.1%
2001	0.2%	-11.9%
2002	2.1%	-22.1%
2018	2.5%	-4.4%

# The Stock Market Is Not the Economy



# The Stock Market Is Not the Economy



# Q&A

## Charlie's Top YCharts Tools & Use Cases

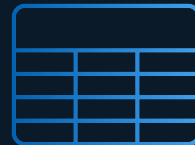
- **Creating visuals** to educate others & simplify complex or dense subject matter
- **Sharing insights or data** on Twitter to start dialogues
- **Identifying stocks and funds** that meet certain investment criteria



Charts



Screeners



Data Tables

# Thank You!



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