What Markets Are Signaling in 2026

Unpacking the History & Valuations



Collaboration with Charlie Bilello
Chief Market Strategist,
Creative Planning

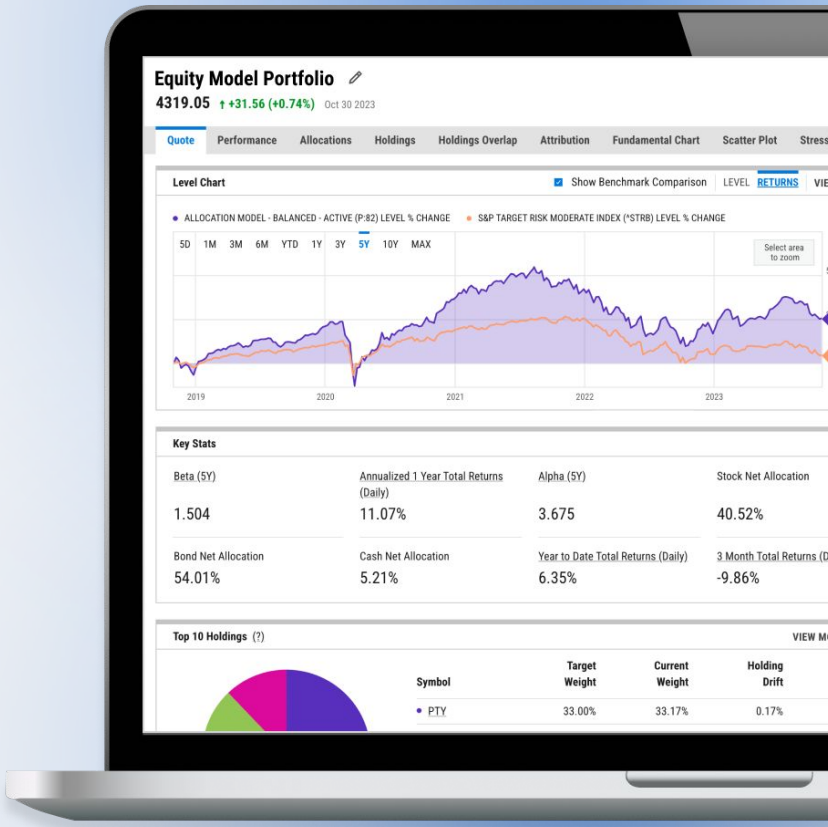
Where To Focus Next

Key Takeaway:

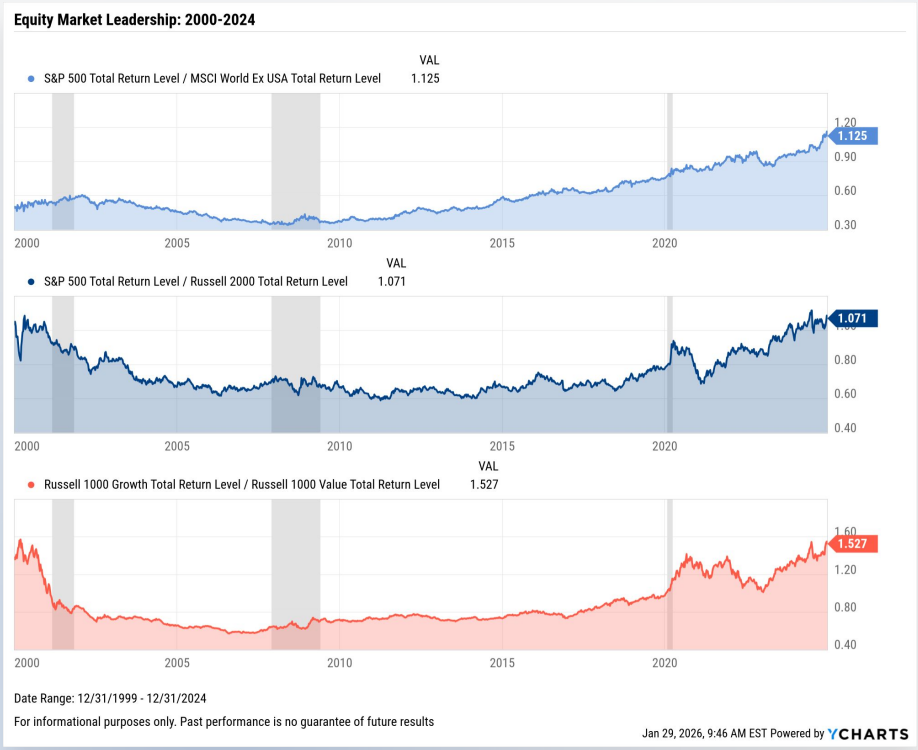
Charlie Bilello explores how recent market reversals and policy dynamics are setting the stage for 2026, framed by the trends and visuals that matter most for clients in the year ahead.

You'll walk away with:

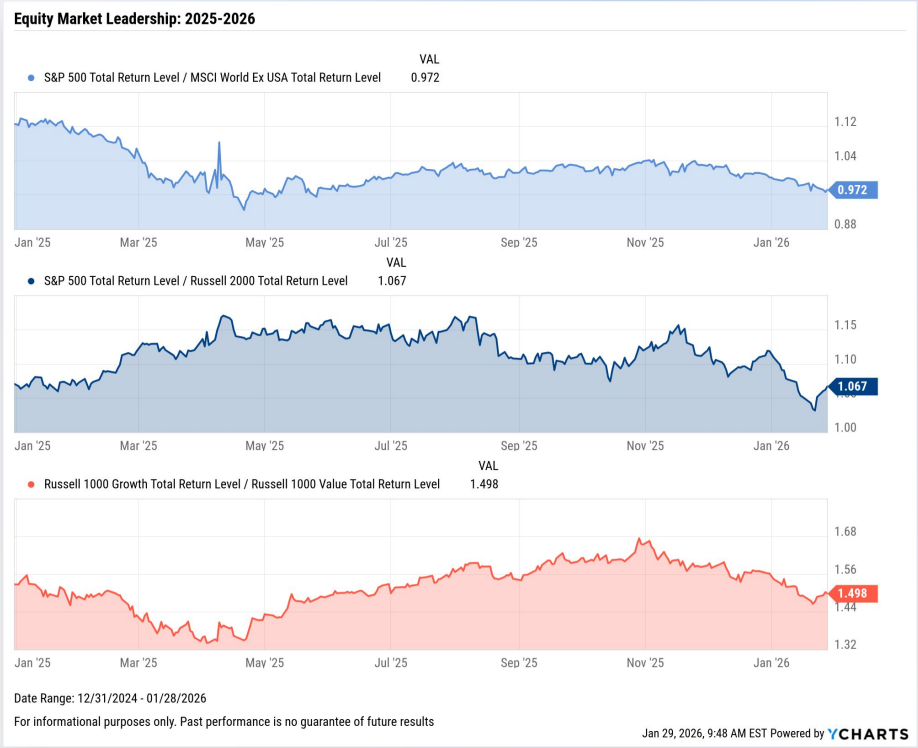
- A visual breakdown of equity market reversals, key economic signals, gold's historic year and more.
- A clear look at historical valuations and where opportunities may arise in 2026.
- Direct perspective from Charlie, paired with his most important takeaways for advisors.



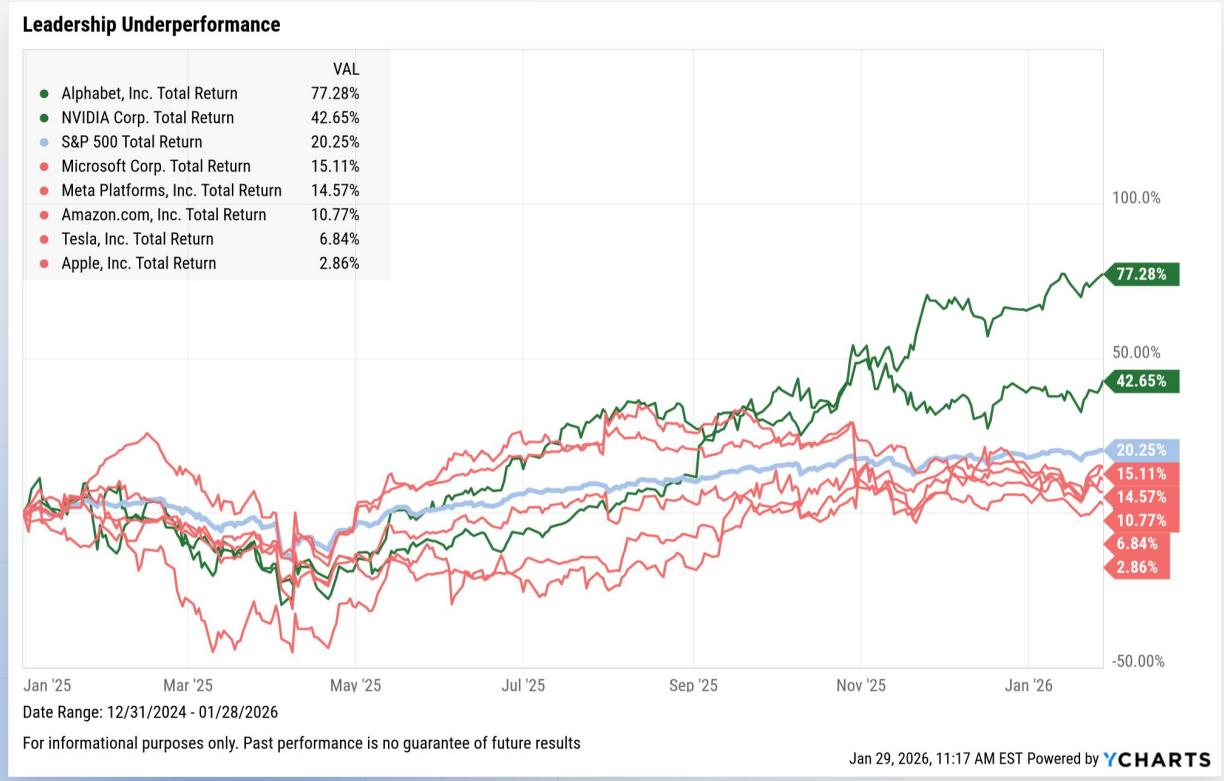
Market Leadership Trends



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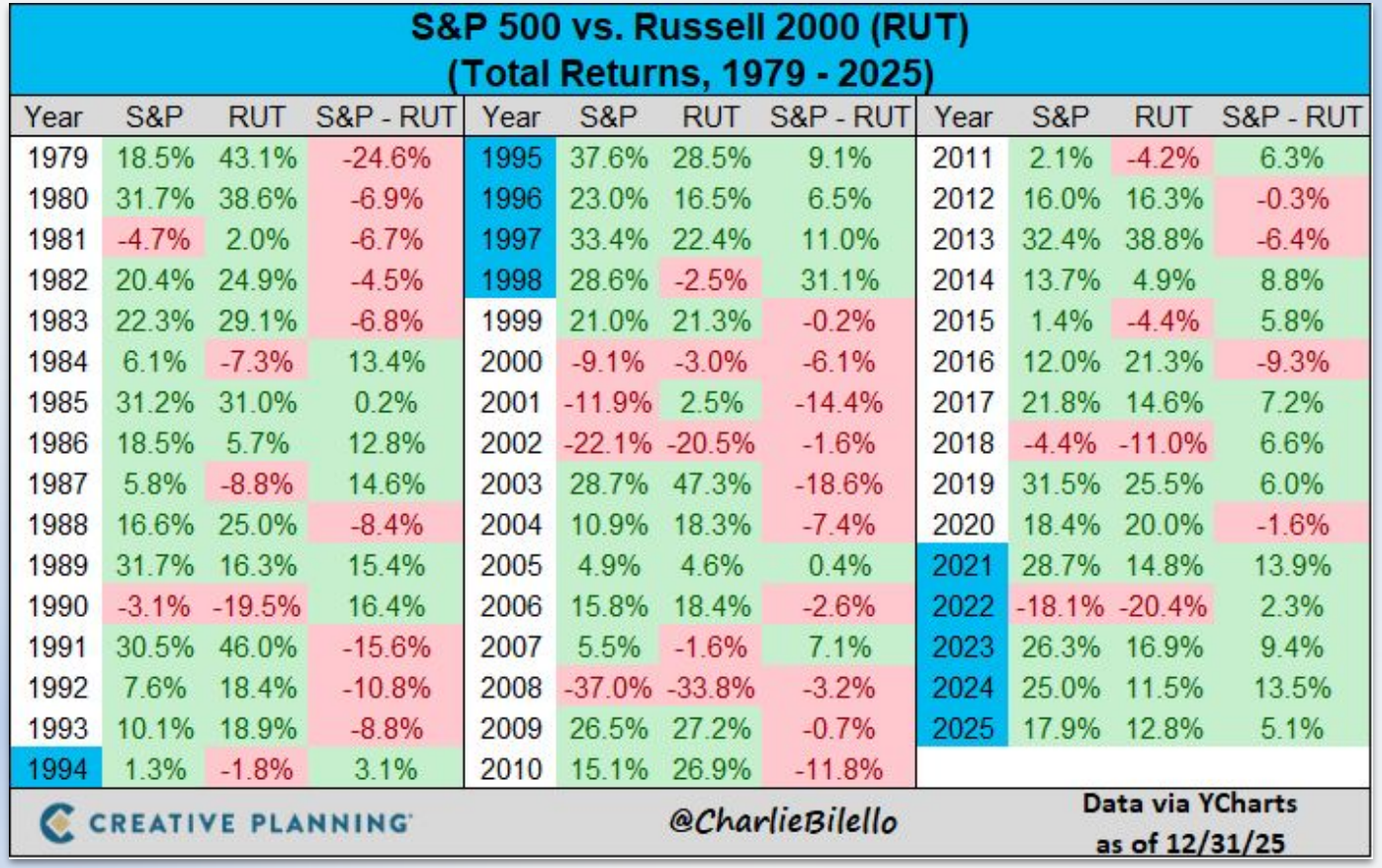
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The Magnificent ~~Seven~~ Two

Key Takeaway:

Over the past year, “the rest” of the Mag 7 have underperformed the S&P 500. Fragility is beginning to show as lofty growth rates come into question, for a group which comprises a record-high 33% of the entire index.

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%				



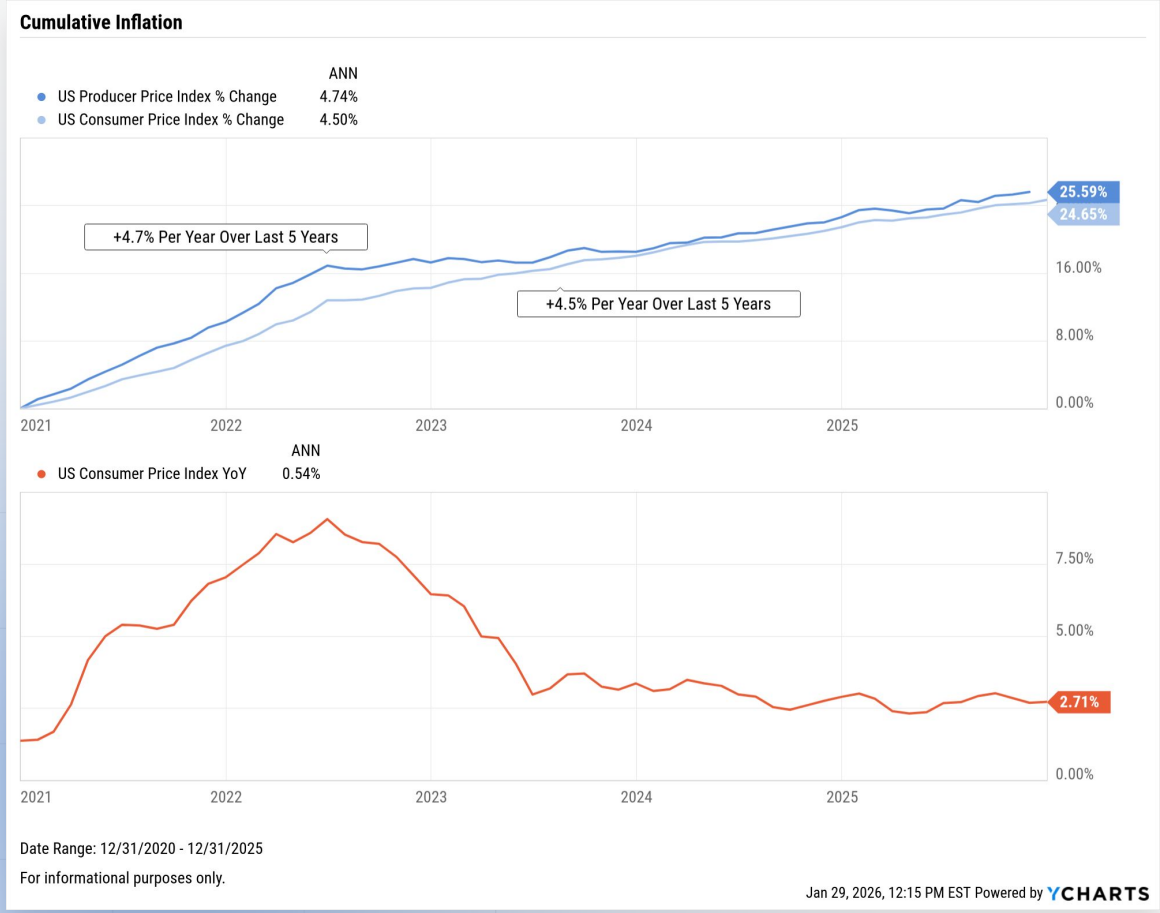
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What Will Happen Next?

Key Takeaway:

The average year has 3-4 corrections of more than 5% over the last 100 years. Despite the reason, if you were able to withstand short-term pain, the market has always pushed higher.

> ***You know something is coming, you just don't know when"***
> *- Charlie Bilello*



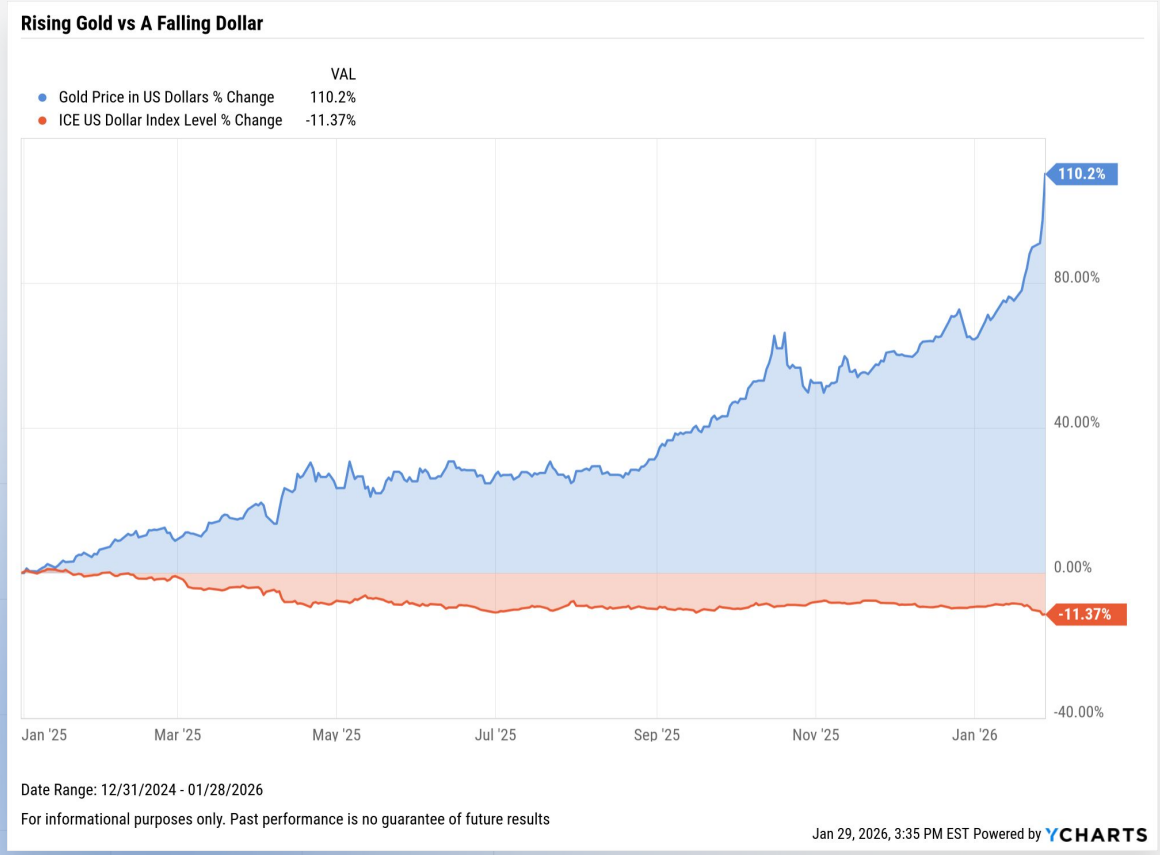
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The 2% Inflation Myth

Key Takeaway:

Despite the Fed's one-year view on inflation, when you look over a longer period, cumulative inflation is nowhere near the 2% target.

> ***"It's the cumulative rate that matters to people"***
> *- Charlie Bilello*



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Ways to Explain Gold's Move:

- Federal Reserve Lowering 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 Regarding Tariffs, Global Tensions, Government Shutdowns & More



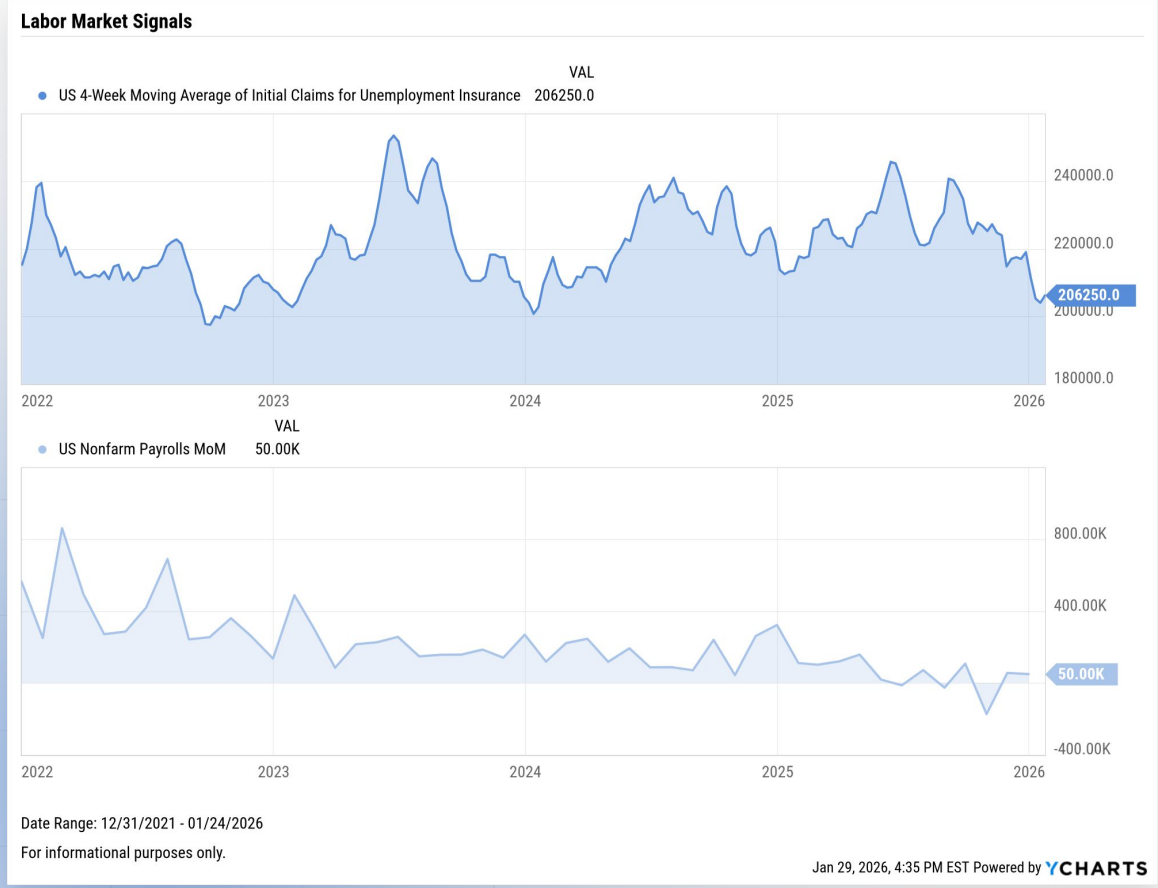
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Drought Over

Key Takeaway:

It took nearly five decades, and it's best year since 1979 (+65%), for gold to reach a new inflation-adjusted high.

From a store of value perspective, this was not as simple as "gold is an inflation hedge", there are many other factors involved.



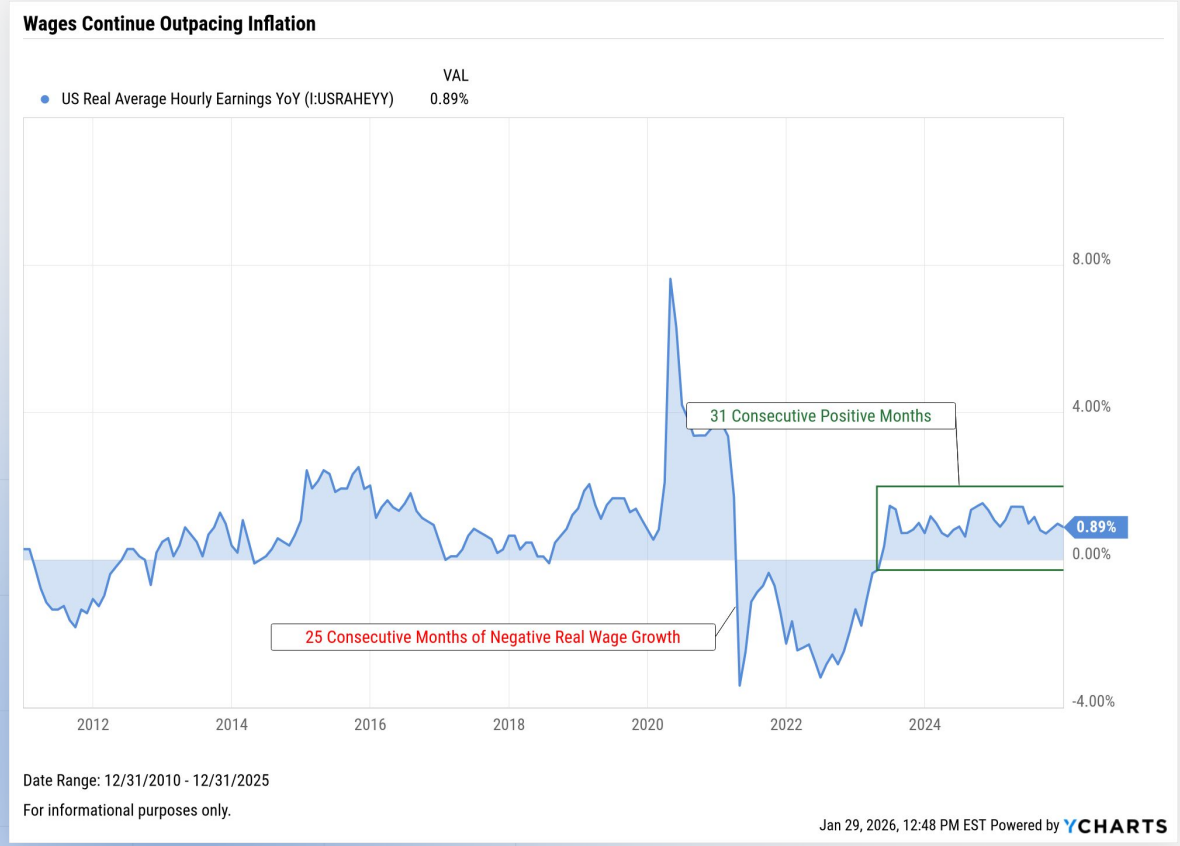
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Low-Hire, Low-Fire

Key Takeaway:

There has been a reluctance to hire new workers, but there hasn't been mass layoffs either. Immigration, AI and other factors play a role as labor supply and demand hangs in the balance.

> ***"This is the most confusing labor market in history"***
> *- Charlie Bilello*



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Within Range of Prosperity

Key Takeaway:

For 31 consecutive months, wages have outpaced inflation. With more purchasing power, households are saving, investing, and spending, which supports continued economic growth.

> ***The single most important chart for an economy"***
> *- Charlie Bilello*

Charlie's Top YCharts Use Cases & Tools

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- **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

Top Tools

Proposals

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