GLOBAL VISION ADVISORS
Where Wealth Meets Wellbeing™

Who We Are

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GVA Market Comment January 2026 - All That Glitters

"The notion that the desirability of a common stock was entirely independent of its price seems incredibly absurd… The results of such a doctrine could not fail to be tragic."
— Benjamin Graham & David Dodd, Security Analysis (1934)

As we welcome 2026, history offers a timely reminder: the most dangerous words in investing are *"this time is different."*"While markets and technology evolve, valuation, cycles, and human behavior remain remarkably consistent.

Coming out of 2025, one of the most important signals we see is not in equities—but in **precious metals**, and particularly **gold**. We will review broad market valuations and opportunities across the spectrum as we consider the implications.

Thanks For Reading,

Matt and Tom

Executive Summary

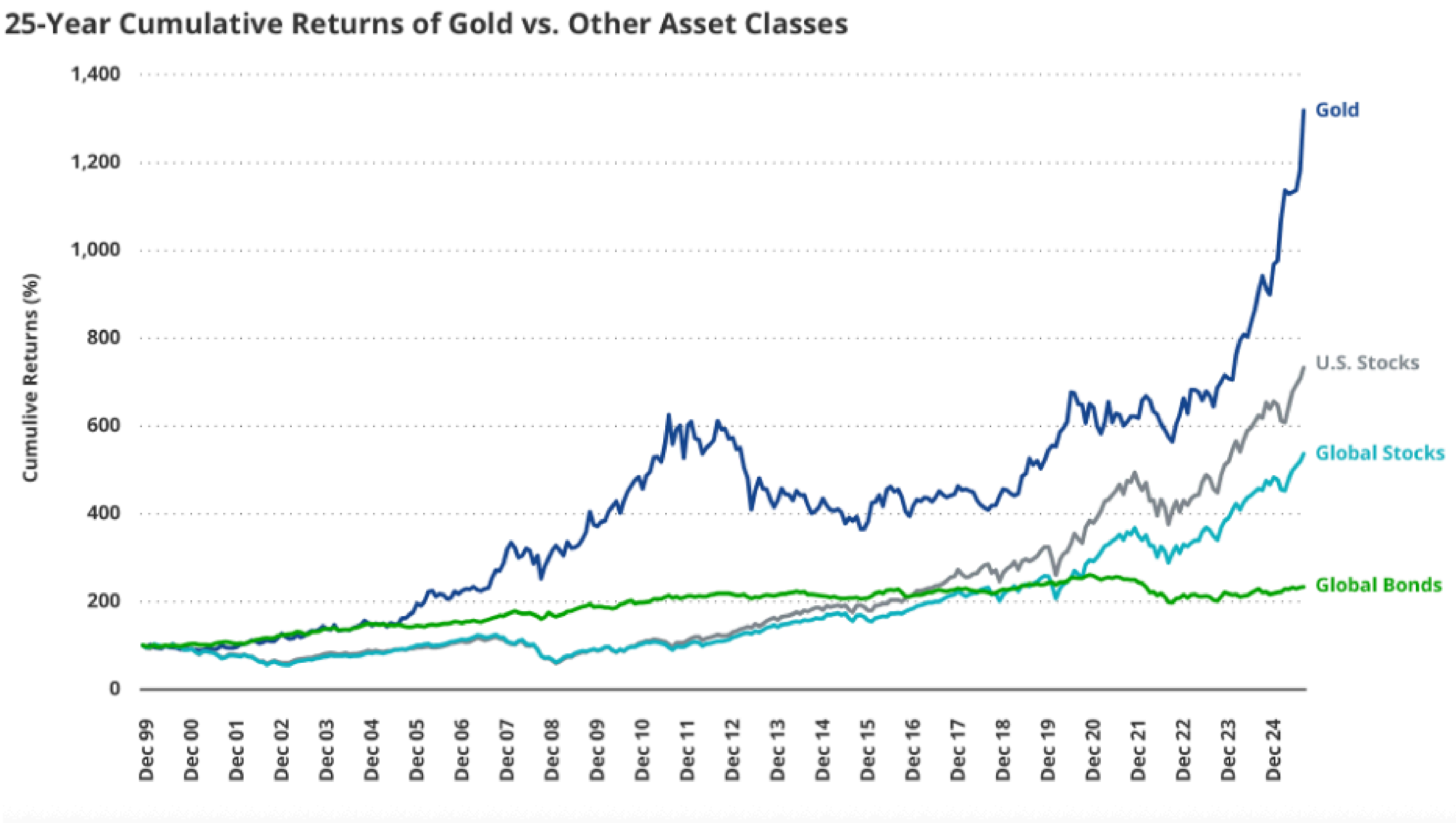
- **What Is Gold Telling Us?** – Gold's performance suggests a growing lack of confidence in the U.S. dollar as the world's primary reserve currency. This has been debated for years, but recent market behavior indicates the shift may be accelerating.
- **Equity Valuations and Market Risk** – U.S. equity markets continue to move from expensive to more expensive, leaving little margin for error.
- **Investment Opportunities We're Watching** – Gold, silver, energy, rare earths, commodities, value stocks, international and emerging markets.
- **Create Your Own Economy** – A recurring question we help clients answer: *What is enough?*

What Is Gold Telling Us?

When we founded Global Vision Advisors in 2007, we asked a simple question: *What is wealth?* The Global Financial Crisis soon led to an even deeper one: *What is money?*

If governments can solve excessive debt by creating more debt—simply by printing currency—what ultimately anchors value? While reserve currency status provides some protection, the U.S. is far from alone in pursuing aggressive monetary policy. Europe, Japan, and China have followed similar paths.

Despite another strong year for the S&P 500 in 2025—driven largely by AI enthusiasm—important signals were flashing elsewhere. **Gold and silver were among the best-performing assets of the year**, and gold has now outperformed U.S. stocks not only since 2021, but since 1999.



VanEck's *Gold Insights* (November 2025)

When stocks are priced in gold rather than dollars, the S&P 500 has actually declined over that period. In other words, measured in "real money," equity returns look far less impressive.

Why Now?

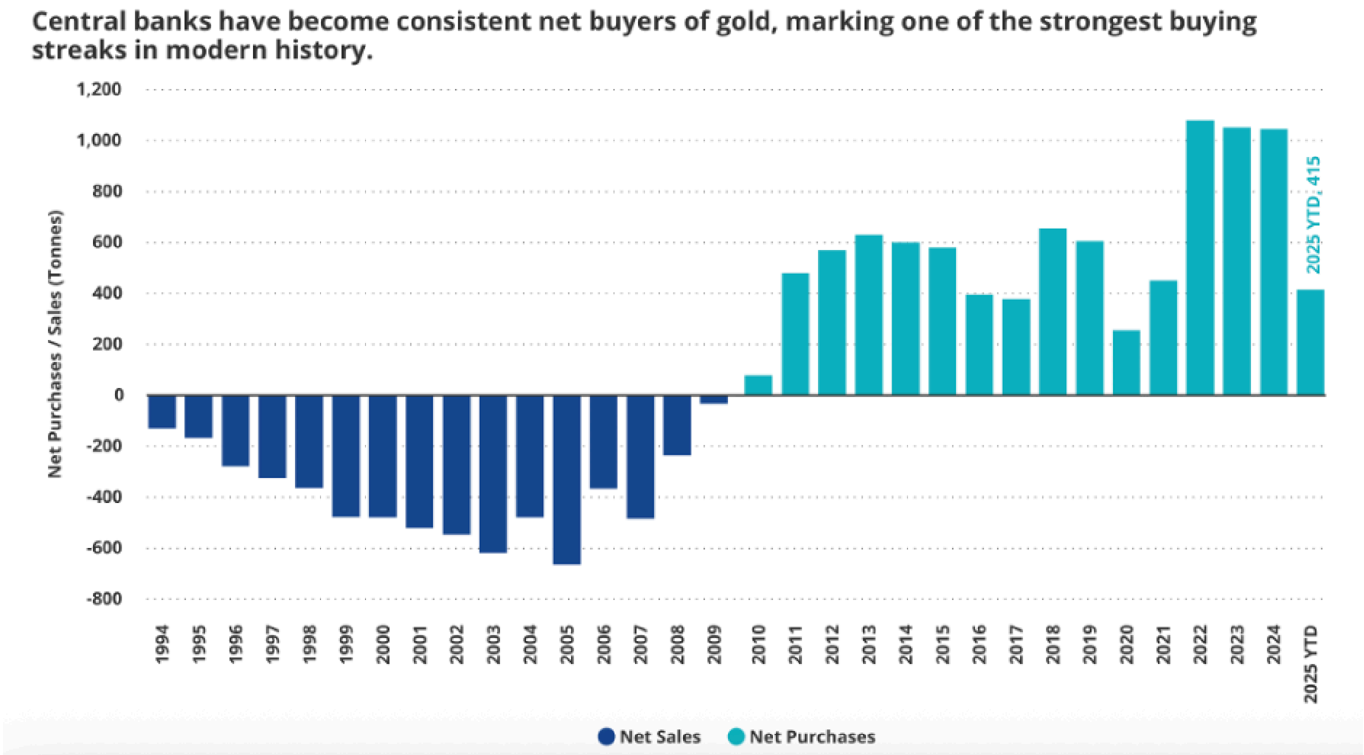
Gold advocates have existed for decades, often dismissed during periods of equity euphoria. Investors like Jim Grant, Peter Schiff, and Grant Williams have long argued that gold has a role as a store of value—especially in a world defined by rising debt.

What's different today is that **institutions and central banks are increasingly acting on that view**. According to VanEck's *Gold Insights* (November 2025), three forces are driving gold demand:

1. Central Bank Buying and De-Dollarization

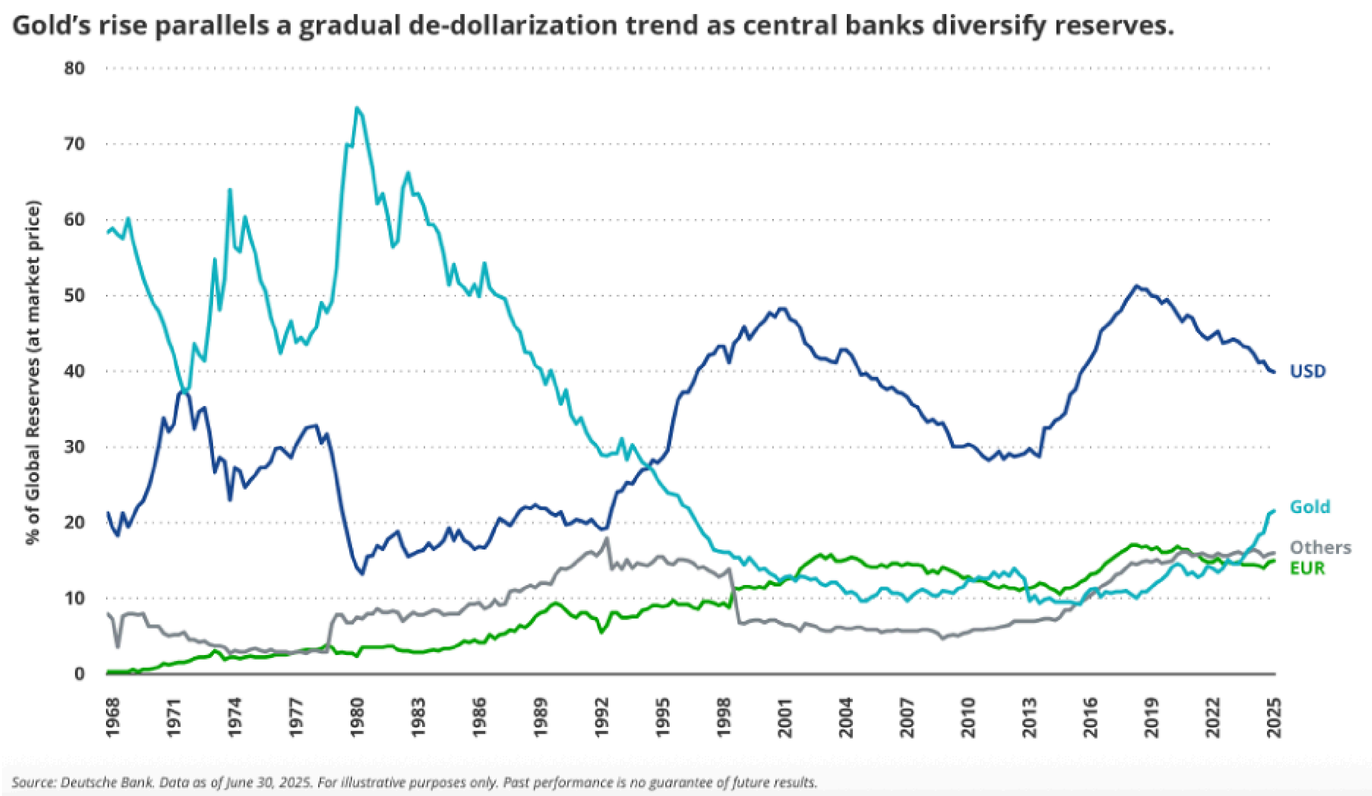
Since 2022, central banks have been purchasing more than 1,000 tonnes of gold annually—roughly double the prior decade's average. Emerging economies such as China, India, Turkey, and Poland are leading the shift, diversifying reserves away from the U.S. dollar toward gold as a neutral store of value.

The first chart shows the increase in buying by central banks since the post financial crisis era of quantitative easing. Notice the increase in 2022 when The US froze Russian assets in response to the invasion of Ukraine, this has been noted as a catalyst for countries moving away from the dollar and toward other assets including gold.



VanEck's *Gold Insights* (November 2025)

This next chart shows the reduction of dollar reserves as gold reserves are rising:



VanEck's *Gold Insights* (November 2025)

2. The Return of Western Investors

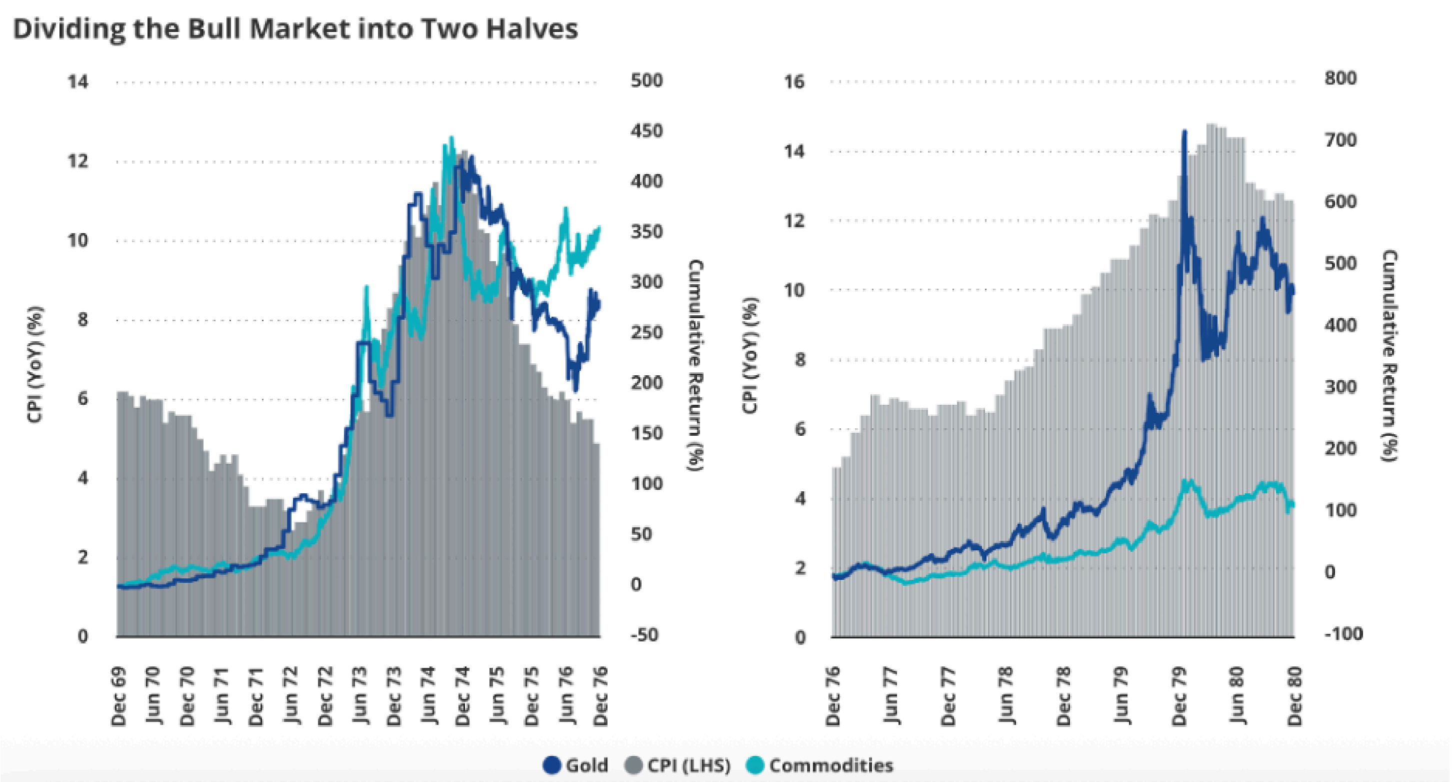
After years of ETF outflows, Western investors returned to gold in 2025. Importantly, ETF holdings remain below historical peaks, suggesting participation has room to grow.

3. Geopolitical and Macroeconomic Uncertainty

Rising debt, geopolitical tension, and policy uncertainty have created a catalyst-rich environment. Some strategists describe this as a currency regime shift not seen in a century—similar to the transition from the British pound to the U.S. dollar. See the chart on the net purchases of central banks above.

Volatility Is Part of the Journey

Veteran precious metals investor Rick Rule often reminds investors that gold's path is rarely smooth. In the 1970s, gold fell nearly 50% before ultimately rising eightfold.



VanEck's *Gold Insights* (November 2025)

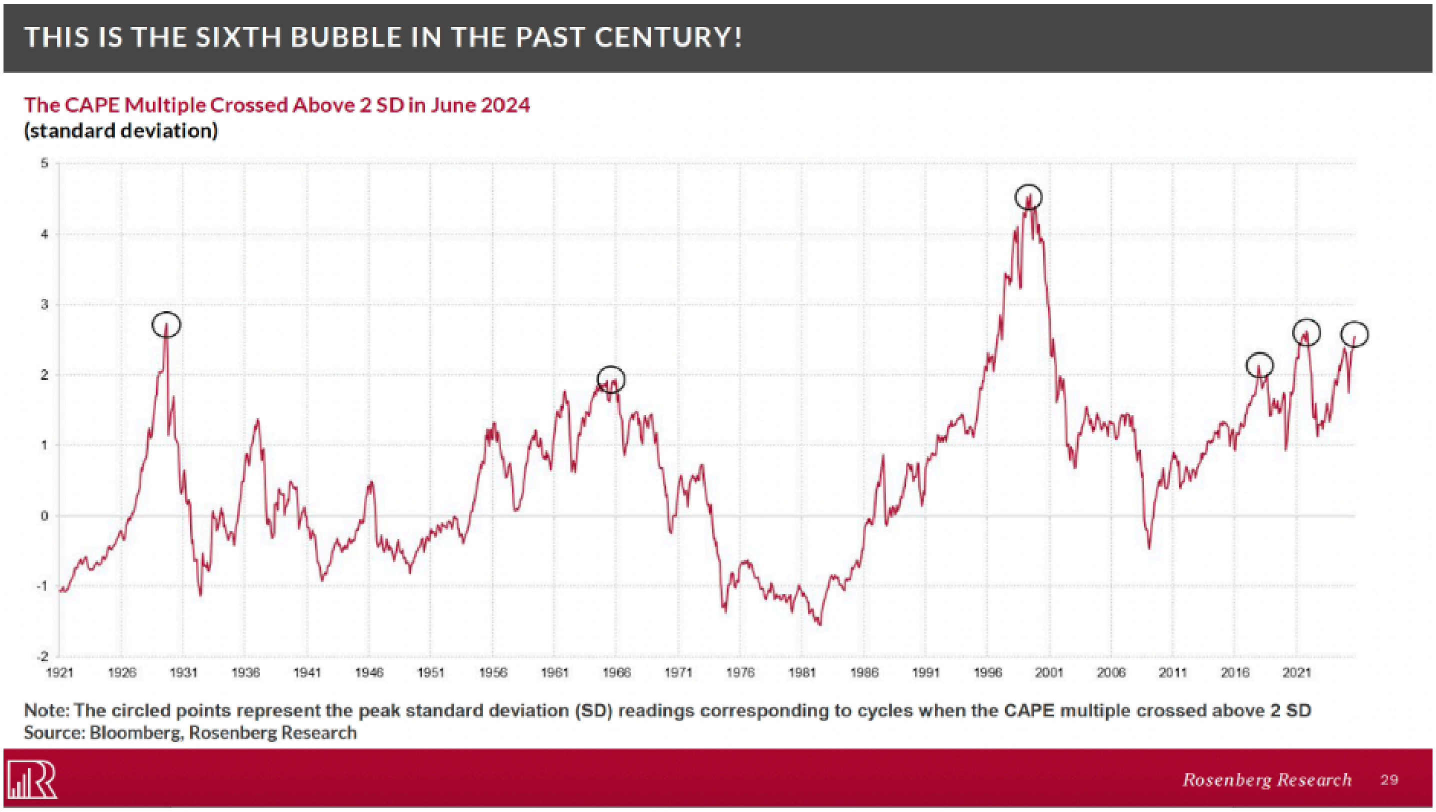
A 20–30% drawdown would not surprise us—and would not invalidate the longer-term thesis if governments continue addressing debt through inflation. Patience and position sizing matter.
We would also note that while gold miners performed exceptionally well in 2025, they may not always be the best way to express exposure. This is an area we continue to evaluate carefully for clients.

These themes are no longer fringe ideas. Institutional voices are increasingly aligned. Morgan Stanley's CIO recently suggested a 60/20/20 allocation—replacing half of traditional bond exposure with gold. Bank of America's Michael Hartnett expects the latter half of the decade to favor international stocks, commodities, and gold amid a weaker dollar.

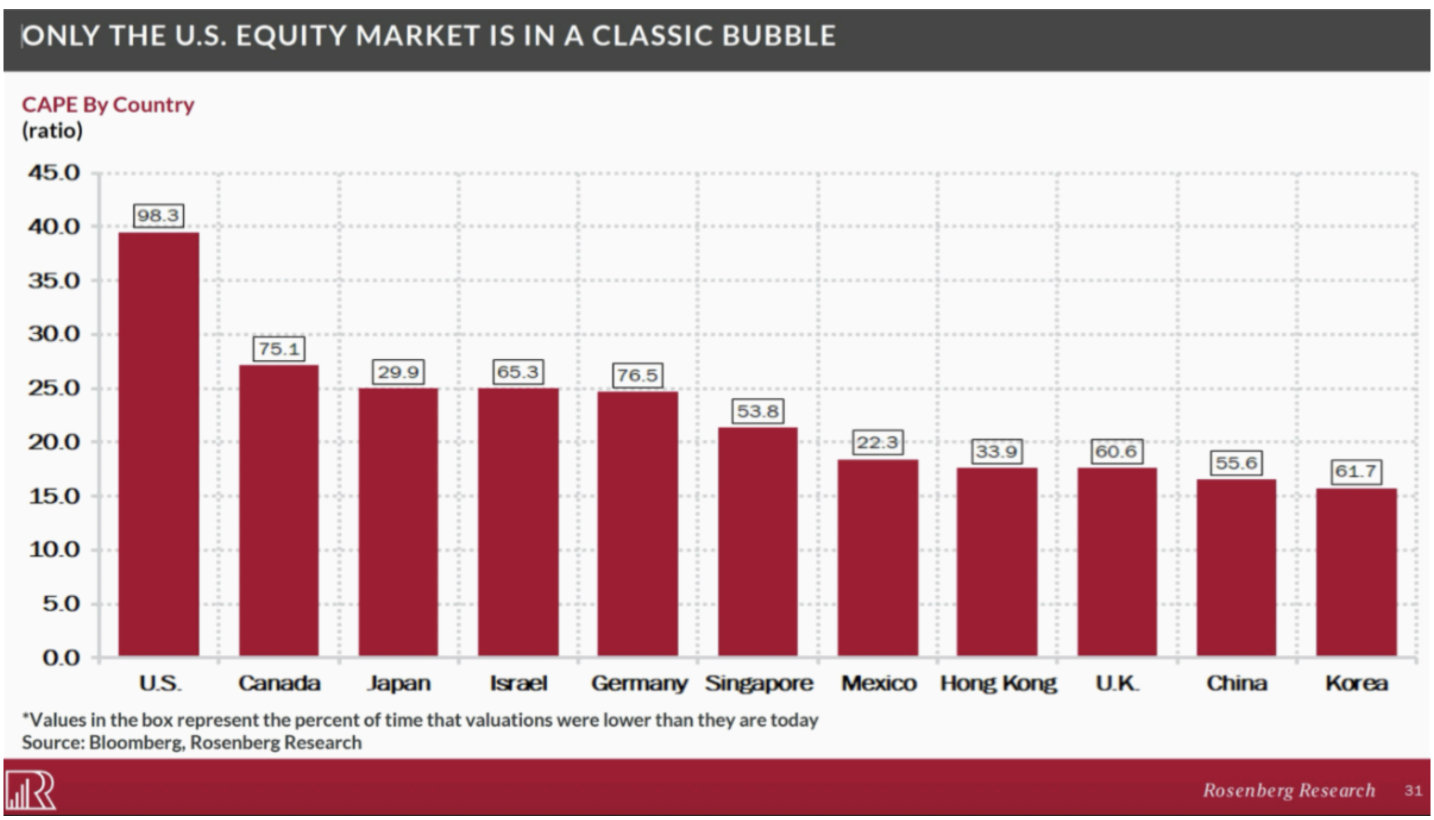
Equity Valuations and Market Risk

While gold is an important signal, equity markets remain central to most investors' financial lives.

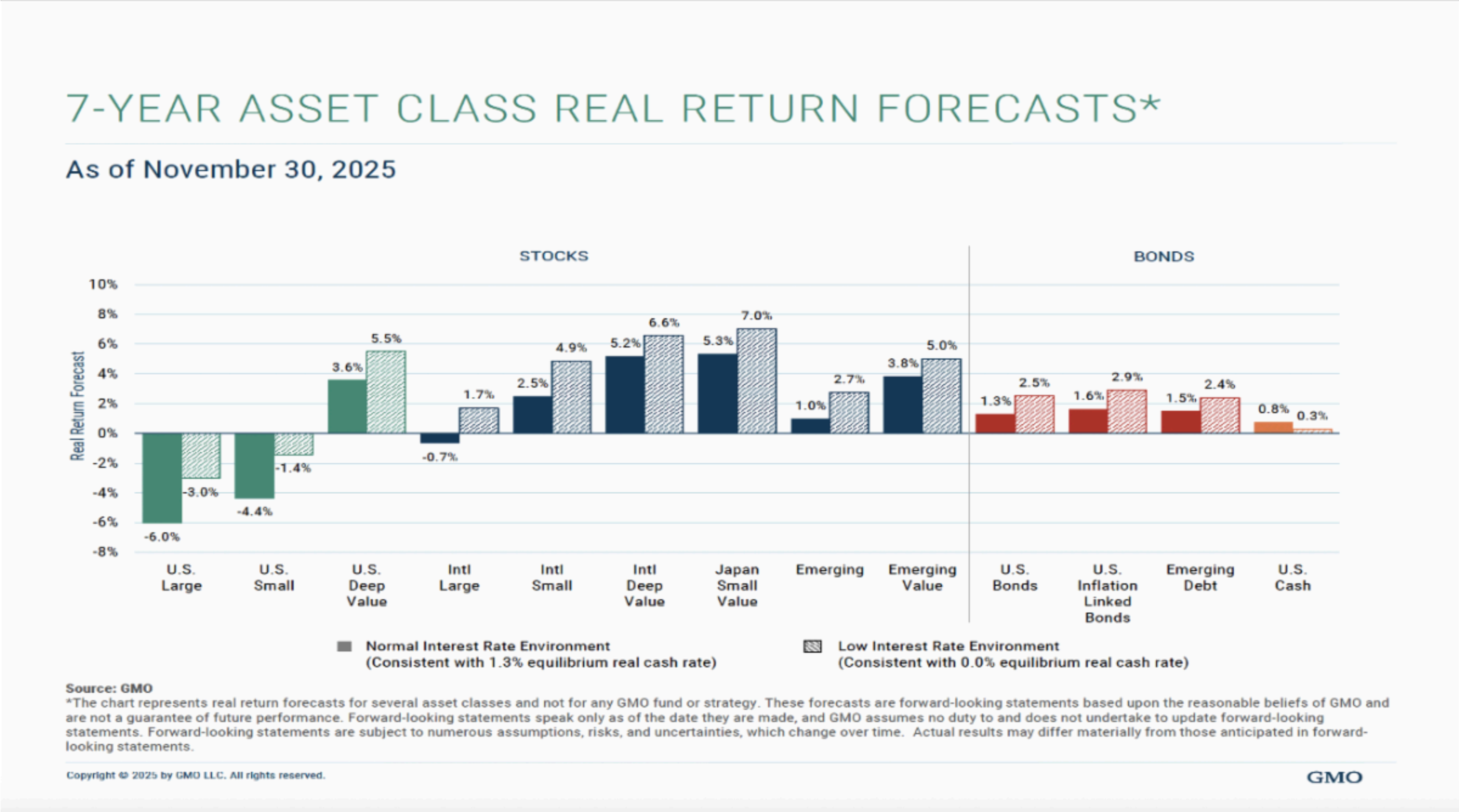
Measures such as the CAPE (Cyclically Adjusted Price Earnings) ratio show U.S. equities at historically elevated levels. The following chart highlights the six times the CAPE has been in bubble territory with three of those coming in the last 10 years:



Notably, the U.S. is currently the only major market that many strategists characterize as a classic equity bubble.



Long-term forecasts from firms like GMO also point to lower expected returns for U.S. stocks relative to international and emerging markets.



Investment Opportunities We're Watching

The market may remain expensive longer than expected, particularly if AI enthusiasm continues. Timing that turn is difficult, and it's not our primary objective.

Our focus is on **probability of goal achievement**, not beating an index. The core components of our strategies are designed to have lower than average volatility returns using a balance of equity, fixed income and alternatives employing absolute return instruments. We also tilt our core with trends we see as favorable and when appropriate take larger positions in specific trends to help our clients profit from those opportunities.
Today, the areas we believe deserve attention include:

- **Treasury Bills – High optionality and security in an uncertain environment**
- **Energy – Especially natural gas, along with nuclear and renewables**
- **Precious Metals – Gold as a store of value**
- **Rare Earths – Increased U.S. government investment**
- **Value Stocks – Capital-efficient businesses remain compelling**
- **International Markets – More attractive valuations than the U.S.**
- **Emerging Markets – Younger demographics and lower debt burdens**
- **Real Estate – Select income-producing opportunities**
- **Defense Stocks – Given the increase of global conflict**
- **Infrastructure and Utilities – Given our need for improved infrastructure**

Markets will change. Policies will shift. Cycles will repeat. Our role is to help clients build resilient portfolios aligned with their goals—and adapt thoughtfully as the world evolves.
We're grateful for the trust our clients place in us, and we look forward to navigating what promises to be an interesting year ahead.

Create Your Own Economy Corner - *What is Enough?*

The great pleasure in our work is helping clients find clarity around what is important and how to create a truly wealthy life. Wealth, in our view, includes your time, your health, your relationships and your money – or financial wellbeing. Obviously, our area of expertise as financial advisors is the financial piece and too often people who live rich lives otherwise do not tend to this area. But there is also the opposite, those who focus on money so much they never get a sense of peace or fulfillment around money.

In his book "The Psychology of Money" Morgan Housel devotes a chapter to the topic called "Never Enough" We often imagine that people who have a billion dollars have nothing to worry about. But the countless stories we hear about the very wealthy is that their desire for more is often compulsive. Is that real wealth? Housel tells stories about Bernie Madoff and how he was legitimately hugely wealthy before he turned to defrauding investors. Jessie Livermore made the equivalent of one billion dollars in one day in the crash of 29. In the next three years he lost everything trying to make more and took his own life. These are extreme examples, but the serve a purpose. Here are some simple takeaways from the chapter on Never Enough that we think are worth emphasizing:

- "There is no reason to risk what you have and need for what you don't have and don't need."
- "The hardest financial skill is getting the goalposts to stop moving."
- "'Enough' is realizing that the opposite – an insatiable appetite for more – will push you to the point of regret."
- "There are many things never worth risking, no matter the potential gain."

These contemplations are important to how we think about investing. What do we need? What risks are worth taking and why? When all the pieces fit together the chances for satisfaction are still not assured, but they are much more likely.

Thanks for reading,
GVA

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