

What We're Seeing Right Now - March 2025

Produced exclusively for clients and friends of Triad Investment Management

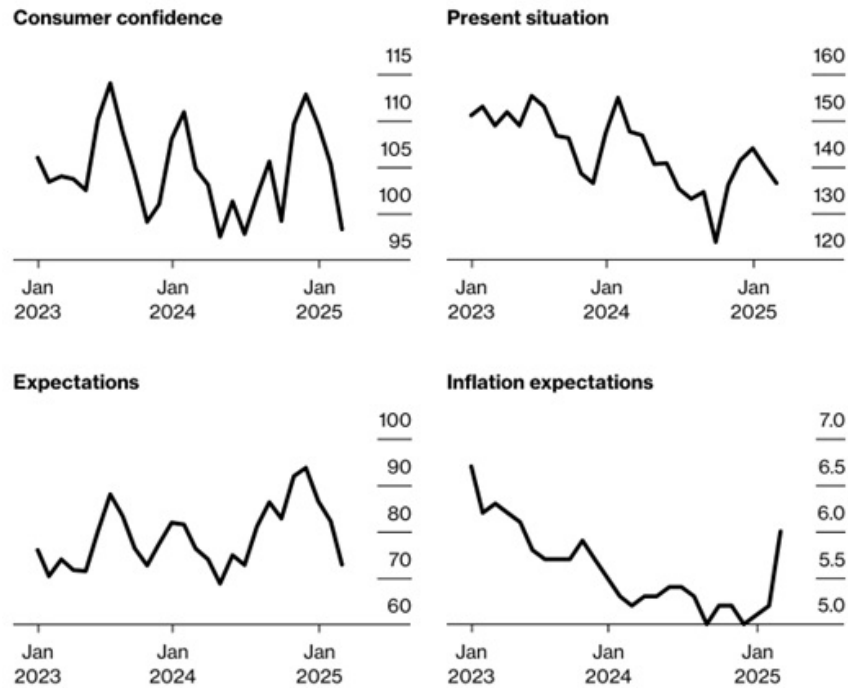


Well, they finally arrived. Tariffs. They are here. Where are they? Mr. Trump and Company are keeping the world guessing by offering seemingly daily delays. As we suggested in last month's edition, Mr. Trump is a poker player. A good poker player knows when to bluff and when to bet big. Or fold the cards and play the next hand. So, we'd expect plenty of threats, counterthreats, bluffs, and more threats followed by retaliation. In other words, fasten your seatbelts ladies and gentlemen, it's going to be a bumpy ride.

As for how the economy reacts, we once again proclaim ignorance. Not because we don't pay attention, but because in a complex economy such as ours, it's very difficult to assess the short-term ups and downs that will likely ripple through the U.S. and the global economy. But we do have some indications that consumers aren't feeling great right now. Take a look:

US Consumer Confidence Drops on Concerns About Economy

Gauge of confidence dropped by most since August 2021



Source: The Conference Board

Note: Confidence, present situation and expectations represent index levels. Year-ahead inflation expectations are expressed as a percent

Or, how about this chart of economic uncertainty, which excluding the brief 2020 pandemic period, is now at its highest level in the past 40 years or so:



Source: [EPU](#)

Consumers, who account for around 70% of U.S. economic activity, have lost some confidence in their current situation. Meanwhile inflation expectations have risen. Not a great combination.

Why are consumers feeling down? The list is long. Tariff threats, Federal Government employee layoffs and agency closings, DOGE, cozying up to Putin, telling Ukraine to fend for itself, threatening to leave NATO, inflation fears, recession fears—there is plenty of worry around.

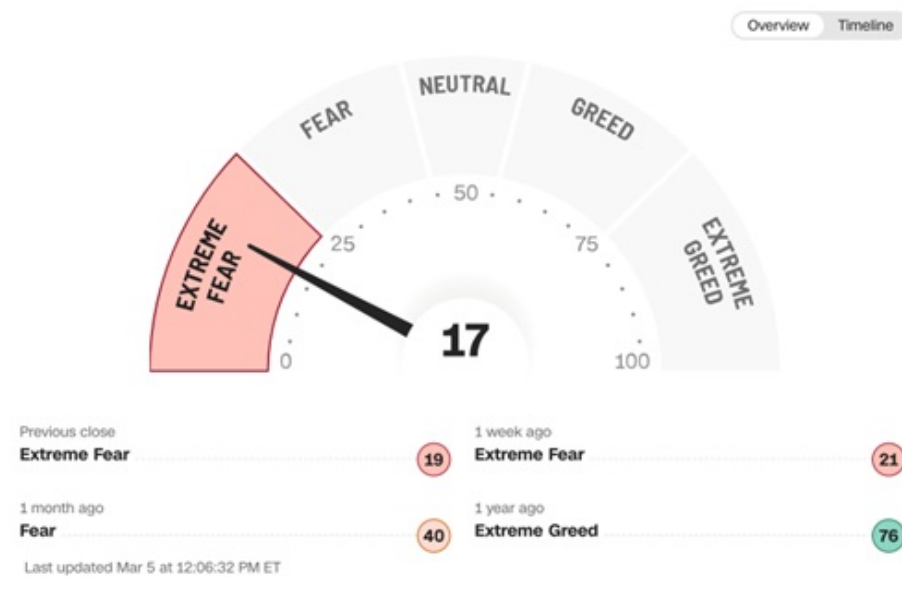
Over in the stock market, fear is likewise ascending. CNN produces a "Fear and Greed

Index” which captures investor sentiment in an overall score. The score right now? Firmly in the fear camp.

Fear & Greed Index

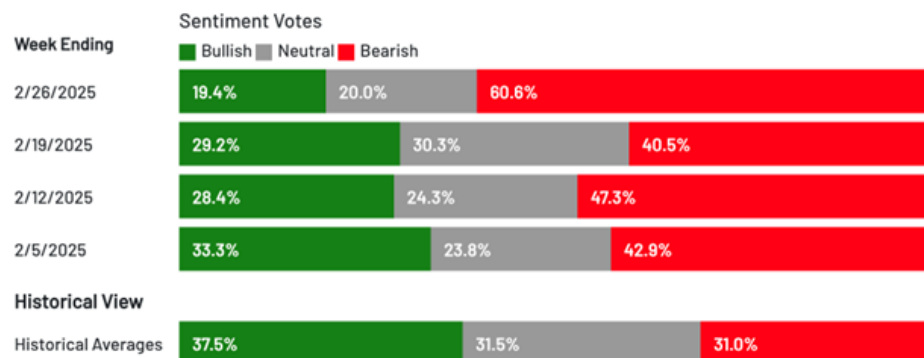
What emotion is driving the market now?

[Learn more about the index](#)



The American Association of Individual Investors, aka AAI, also surveys investor sentiment. It’s also in the negative or “bearish” camp.

What Direction Do AAI Members Feel The Stock Market Will Be In The Next 6 Months?



The good news, if there is any, is that negative investor sentiment often provides good buying opportunities. Which makes some sense, as fear and negativity often means investors have sold and aren’t in a buying mood. When fear subsides, investors rush back into the stock market, and a rebound can occur. Now we aren’t in the business of predicting short-term market moves. As we’ve suggested dozens of times. Yes, it’s repetitive. But just like an annual flu shot, repeating age-old truths is a necessary part of the emotional side of investing.

Ultimately your investment success will depend on the results of the businesses we’ve invested your funds in. We’ve reviewed thousands of companies over many years and believe that our present lineup is among a very exclusive list of very well managed, profitable business enterprises.

That’s not to say that we know what the stock market is going to do in the short-term, because of course we don’t. All we know is if we sit tight and don’t panic a growing

economy will provide long-term opportunities for growing businesses. Over time business growth results in investment growth.

It's as simple as that.

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