

## 1<sup>st</sup> & 10 Bubblicious

August 19, 2025



Do you remember as a kid having contests to see how big of a bubble gum bubble you could blow up? The brand Bubblicious barely exists today but it was indeed the bubble maker heavy weight in my youth. When your friend blew one and it popped and got all over his hair, you just had to try to make your own even bigger (and BTW - how did someone figure out that peanut butter got gum out of hair?!?). That's how bubbles work...over time they try to get bigger and bigger. Stock market bubbles are no different. 1929, 1966, 2000...and now.

1. Six very telling charts came across my X feed over the past week. Market concentration, junk stocks, investment grade credit spreads, record leverage in the market, the Buffett valuation indicator, and P/E, P/S, P/B ratios at record highs. Today's market feels the most bubbly in a long time. But here's the catch. Predicting the unpredictable is rarely accurate? Why...bubbles become bubbles because they grow bigger and last longer than EVERYONE thinks. If logic and reason dictated market direction, bubbles would be small and harmless. Instead, markets at the highs are led by enthusiasm, euphoria, ignorance and greed – and that can last a LONG TIME. The bottom line...awareness, protecting gains, diversification and an active eye for what's to come should be your strategy.
2. I mentioned leverage above....did you know [stock Options Trading](#) has become the de facto choice for stock market greed? And margin debt (borrowing against your account) is at all-time highs.
3. Can AI save the world? Is AI the most important technological advance of our time? If companies mention AI in their earnings calls, investors get excited, but at this point, [AI hasn't been profitable for most.](#)
4. Look up the word [Stagflation](#)...would you agree that term applies to today's economic environment? I do think people make up too many words. Isn't this the same as inflation with rising unemployment? Which BTW precedes every major economic downturn in history. Again...don't predict when, just prepare for what may come.
5. We mentioned Gold here back in December. [GDX](#) is +71% YTD, and while it feels good to pat yourself on the back, there is a lot more room to run in Gold, especially with a "Stagflation" and "Bubblicious" backdrop.
6. Speaking of December ideas brings me to structured notes. Again, we have seen tremendous success with these in 2025 with coupons/yields of 10%+. 10%+ with downside protection on the underlying investment (sometimes as much as 50% protection of your principal) works for a lot of people.
7. Do you have disability insurance? Your employer usually offers it/pays for it. But did you know that employer provided disability insurance will not pay you if you can't do YOUR job but rather A job. So if you are a CEO and become disabled but are physically able to work at Walmart, your disability claim will get denied. Crazy, right? Let me know if you want an analysis of your disability coverage.
8. [The average sticker price cost of college is \\$38,270/year.](#) How do you pay for that? First, start saving early. If you have grandkids, start saving for them. Second, have a plan. You can't wing it. Well, you could but it will likely not turn out the way you want. Third, and maybe most importantly, encourage your child/grandchild to find a college where they are

valued...as a student, leader, athlete, etc. More financial aid, scholarships, grants, etc generally arise from those options.

9. August is here, which means football season has arrived. Are you ready? I know some of you just rolled your eyes...you know who you are. But isn't it interesting that American football has kidnapped these 3-4 months for so many of us? Why is that? Seasonality? Entertainment value? An excuse to drink beer on Saturdays or Sundays (not Fridays at the high school!). Whatever the reason, enjoy it and be thankful Fall is almost here!
10. In a world full of excuses, entitlement, social media whining, over-parenting, and laziness, I am most inspired by people who decide to focus on what they can control and make the most of their situation. The late Kobe Bryant had an expression that we should take to heart: **“Nobody Cares, Work Harder”**. **Of course, people do care, but the point is that hard work can help us overcome. As Nike says....JUST DO IT.**

**Need help with your debt?**

**How about a 401k analysis?**

**College Planning?**

You've got my number...or you can find it below. Let me know how I can help.

God bless,

Josh