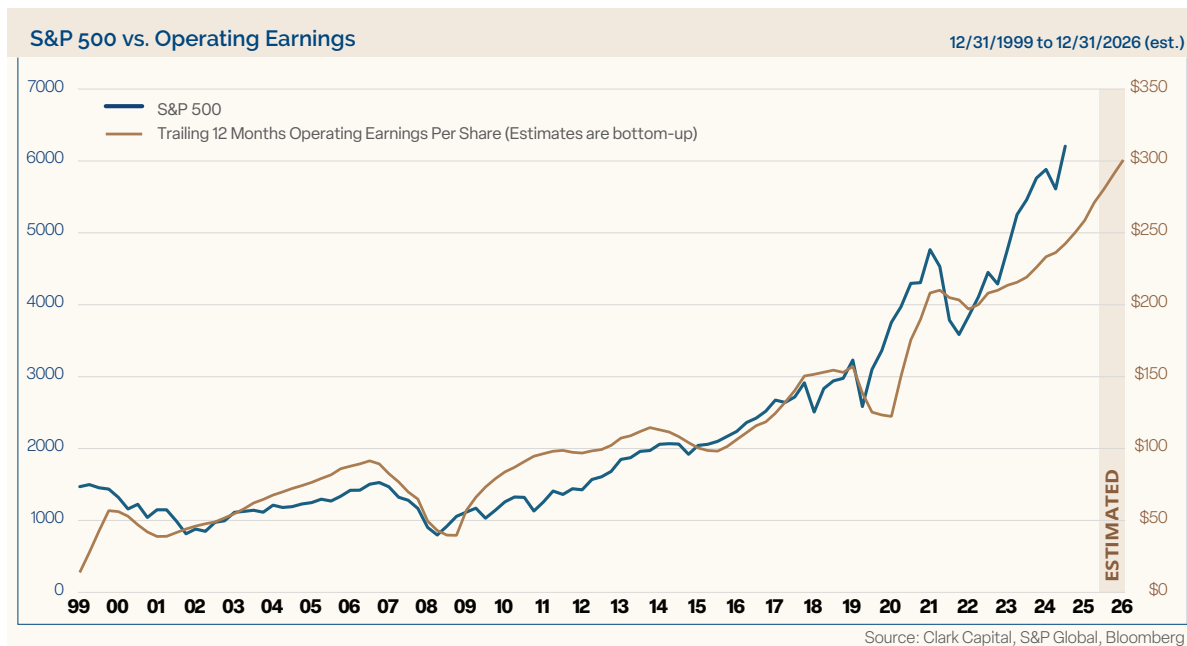


Office Hours Study Guide

Is the Market in a Bubble?

Investors often wonder if today's market resembles the tech bubble of the late 1990s. While similarities exist, the conditions are very different and potentially much more supportive of continued growth. We offer three key points below to help you with your client conversations on this topic.

Over Time, Earnings Drive Stock Prices



For illustrative purposes only. Past performance is not indicative of future results.

1. AI VS. THE 1990S TECH BOOM

The current AI-driven rally resembles the 1990s technology revolution, but with more constructive implications. We believe AI is driving productivity gains and providing a durable earnings tailwind. Unlike the 1990s, we believe this trend is grounded in stronger fundamentals.

2. EARNINGS AND VALUATIONS ARE SUPPORTIVE

Both corporate earnings and stock prices are reaching new highs, reflecting a healthier backdrop than in 2000. While stocks are fully valued, we do not view them as “wildly overvalued,” and earnings strength helps support these higher levels.

3. CONDITIONS DIFFER FROM 2000

As our chart shows, in 2000, earnings were declining, and the Federal Reserve was raising rates—a toxic mix for stock prices. Today, the Fed is cutting rates, and earnings are projected to continue rising, which provides a potentially more constructive environment for stocks.

The Bottom Line

In our view, today's market does not reflect a bubble about to burst. With rising earnings, supportive Fed policy, and long-term AI-driven growth prospects, we believe the outlook remains constructive. To learn more about this topic, please watch our [Office Hours video](#) or reach out to your investment consultant.

Projections or other forward looking statements regarding future financial performance of markets are only predictions and actual events or results may differ materially.

The opinions referenced are as of the date of publication and are subject to change due to changes in the market or economic conditions and may not necessarily come to pass. There is no guarantee of the future performance of any Clark Capital investment portfolio. Material presented has been derived from sources considered to be reliable, but the accuracy and completeness cannot be guaranteed. Nothing herein should be construed as a solicitation, recommendation or an offer to buy, sell or hold any sectors or securities, other investments or to adopt any investment strategy or strategies. For educational use only. This information is not intended to serve as investment advice. This material is not intended to be relied upon as a forecast or research. The investment or strategy discussed may not be suitable for all investors. Investors must make their own decisions based on their specific investment objectives and financial circumstances. Past performance does not guarantee future results.

This document may contain certain information that constitutes forward-looking statements which can be identified by the use of forward-looking terminology such as “may,” “expect,” “will,” “hope,” “forecast,” “intend,” “target,” “believe,” and/or comparable terminology (or the negative thereof). No assurance, representation, or warranty is made by any person that any of Clark Capital's assumptions, expectations, objectives, and/or goals will be achieved. Nothing contained in this document may be relied upon as a guarantee, promise, assurance, or representation as to the future.

Investing involves risk, including loss of principal.

Equity securities are subject to price fluctuation and possible loss of principal. Stock markets tend to move in cycles, with periods of rising prices and periods of falling prices. Certain investment strategies tend to increase the total risk of an investment (relative to the broader market). Strategies that concentrate their investments in limited sectors are more vulnerable to adverse market, economic, regulatory, political, or other developments affecting those sectors.

Clark Capital Management Group, Inc. is an investment adviser registered with the U.S. Securities and Exchange Commission. Registration does not imply a certain level of skill or training. More information about Clark Capital's advisory services can be found in its Form ADV and/or Form CRS, which are available upon request.

References to market or composite indices, benchmarks or other measures of relative market performance over a specified period of time (each, an “index”) are provided for your information only. Reference to an index does not imply that the portfolio will achieve returns, volatility or other results similar to that index. The composition of the index may not reflect the manner in which a portfolio is constructed in relation to expected or achieved returns, portfolio guidelines, restrictions, sectors, correlations, concentrations, volatility or tracking error targets, all of which are subject to change. Investors cannot invest directly in an index.

The S&P 500 measures the performance of the 500 leading companies in leading industries of the U.S. economy, capturing 80% of U.S. equities.