



**[Investing News: 00:10.7]** I'm Charlotte MacLeod with InvestingNews.com, and here today with me is Matthew Piepenburg, partner at VON GREYERZ. Thank you so much for being here. Great to have you back once again.

**[Matthew Piepenburg: 00:19.5]** It's great to be back. Thanks for having me again.

**[Investing News: 00:21.3]** Yeah, of course, of course. And we, we're here at VRIC, and it's a great time to be talking about what's going on in the precious metals market. We've got a lot to get into, but where I thought we could start is with gold. It's getting so much attention; it's close to 5,000.

**[Investing News: 00:36.5]** Maybe by the time we post this, it will be over 5,000. I don't want to, I don't want to make any guesses at this point, but you've emphasised in our previous conversations that it's not about gold being a bull market, it's fiat money that's in a bear market.

**[Investing News: 00:52.8]** So I'm wondering what can you tell us about how gold is saying that the fiat bear market is progressing?

**[Matthew Piepenburg: 00:58.3]** Yeah, no, it's, it's fascinating because there are so many forces affecting the gold pricing, including obviously the debasement of the currency to monetize debt. With gold reaching so many all-time highs, we can't even keep track, honestly, in 2025, already going into this year, and we're barely into it.

**[Matthew Piepenburg: 01:14.9]** It's not necessarily a positive thing to see gold move this quickly, this high. It's certainly fantastic for those who've been farsighted and thinking about this. Even for us, the move has been pretty quick and exponentially the scope and the rise and the speed of it is fascinating, it's shocking but not surprising.

**[Matthew Piepenburg: 01:33.1]** And it does go back to this larger concept of the historical trends, the fourth turnings, the great takings, whatever you want to call it. But it's just history in motion. And I think what's fascinating about 2025 and going into this year, there's been so many headlines about the world.

**[Matthew Piepenburg: 01:50.7]** Whether it was Doge, whether it was USaid, whether it was Liberation Day and the tariff wars, whether it was the Genius X and stablecoin Venezuela towards the end and into this year. They're all very important themes that also affect prices in all asset classes.

**[Matthew Piepenburg: 02:06.1]** In particular, gold, which loves chaos, and there's been plenty of chaos. Again, I'm not trying to dismiss them, but those are the headlines, and those are the themes of the year. And the Japanese carry trade and what that means or the Comex, for gosh sakes. The LBNA banks in London, in London Exchange, what's happening in St Petersburg or Shanghai?

**[Matthew Piepenburg: 02:22.7]** So again, all relevant to the gold and we'll talk about. We can't talk about all of them, but I think all those current headlines are really interesting because the real driver is still what happened in 1971 and what's happening with debt since then. When we took away the gold chaperone in 1971, we were able to debase our currency to monetize debt.

**[Matthew Piepenburg: 02:42.5]** It's very simplistic. And that debt has grown from 238, 40 billion in 1971 to 38 trillion today. Public government debt simplifying a lot. Despite all those headlines, that simple fact is really what's explaining the momentum now.

**[Matthew Piepenburg: 02:59.0]** And you can say, why did it take this long? I think 2022 was the turning point. But what I'm trying to say is the larger reason is central bank buying. And the reason central banks are buying is they prefer a real money hard asset solution as a store of value over the once sacred US 10-year treasury and the mighty greenback world reserve currency.

**[Matthew Piepenburg: 03:21.3]** And why now? Why, suddenly, as I and many others wrote in 2022, when we started the sanctions, whatever you think of them, or Putin or Zelensky, when you weaponize the world reserve currency, there was a seismic watershed shift in the trust in a U.S. iOU, which was already highly indebted and now weaponized.

**[Matthew Piepenburg: 03:40.7]** And so that was a turning point. So when you don't trust what was supposed to be the sacred world reserve currency in the same way you did in the past, you're going to buy less of it, you're



going to use less of it. We solved all the themes of 2022 with de dollarization and the BRICs, and they were very relevant.

**[Matthew Piepenburg: 03:57.3]** What it boils down to is less demand for that sacred iou. The us, love it or hate it, lives on debt, not productivity, not tax receipts. It gets most of its money from issuing IOUs that the world used to buy. They buy less of it, and they're moving away from it.

**[Matthew Piepenburg: 04:13.4]** That explains the gold price really in detail. It's a lot of nuances, but when the world saw 2022, weaponization, world reserve asset, they simply stopped buying the US treasury in the same way and they tripled their purchases of gold.

**[Matthew Piepenburg: 04:28.4]** Central banks are buying over 1000 tonnes, 1100 tonnes. So that's a key driver. What's also happening now is because of US debt, there's 25% of Uncle Sam's IOUs mature this year at 3.75%.

**[Matthew Piepenburg: 04:47.2]** Fed funds rate of rates. That's expensive. They're going to have to cut rates and print more money to monetize that debt, to perpetuate the extend and pretend, pay the interest rates and roll that debt over. That money's not going to come from tax receipts and productivity. So that means the Fed's going to be dovish.

**[Matthew Piepenburg: 05:04.6]** I think they'll expand the balance sheet significantly from the QE that began in December. So when you expand the balance sheet, expand credit, expand the money supply, you debase the currency. Gold rises, as does silver. So that's my answer. Lots of things. Stablecoin, Doge USA.

**[Matthew Piepenburg: 05:20.9]** Debt, tariffs, distrust. Very important. The Genius Act. Very important. But again, it still comes back to the fundamental underlying problem that's been there for decades. And it's funny, I was talking to Ronnie Sturfolo this morning, and we're all in the space. Every week, month, year, we're trying to come up with a new storey, but it still comes back to the original storey.

**[Matthew Piepenburg: 05:38.1]** And. And Ronnie's company is called Incrementum because there's an incremental destruction of currency. What we saw in the last year has been an exponential destruction of that currency and reflected in the gold price. And to your original point, gold is rising not because its properties have changed, but because the purchasing power, trust, faith and respect for the US tenure and the US dollar has changed.

**[Investing News: 06:00.8]** Yeah, you're so right. There are all these events that are stacking up, contributing to this gold narrative. And I know we don't have time to go into everything as you said, but I did want to pick up on what you're talking about in terms of the Genesis Act and stablecoins. This is something that you mentioned downstairs in your presentation this morning, and I think that one is important to pull on, just because the headlines go by so fast, people forget them.

**[Investing News: 06:26.1]** But this seems really important. So can you unpack that?

**[Matthew Piepenburg: 06:28.9]** Yeah. There is so many headlines, and it's so hard to just find the lighthouse in the fog. Stablecoin is many things, but in simplest terms, stablecoin makes sense for a desperate government which doesn't have a lot of buyers of its debt. So the brilliance and the deviousness of the Stablecoin and the Genius act was we're going to create an electronic dollar which you can get in Istanbul, you can get it in South America, you can get it anywhere.

**[Matthew Piepenburg: 06:54.2]** And it's very efficient, very quickly transferable, and much faster than the Swift system. So you get an E dollar. The issuers of that stablecoin are fintech companies like Tether or Circle Internet or big commercial banks like JP Morgan. And it's a very smart way of creating demand for the dollar, which is otherwise unloved, and demand for the US treasury, which is otherwise distrusted because there is a need around the world to have those dollars in an efficient form.

**[Matthew Piepenburg: 07:21.4]** What is hiding behind the surface of this efficiency and transparency and speed is, well, the issuers of that stablecoin get your dollar, and then they invest in US Treasuries, which is by law, what



they have to do. Well, you get the E\$, they get the treasury yields, because they've invested in treasury, they get the yields of billions and billions of dollars.

**[Matthew Piepenburg: 07:42.3]** What is fascinating and what I was trying to suggest is really revealing the darker secret here is the issuers of those stablecoins are taking their profits after selling the dollar storey and the US treasury storey. They're taking their profits, and they're buying large amounts of gold.

**[Matthew Piepenburg: 07:58.6]** And again, it's watch what they do, not what they say. I do understand the intelligence of it. It is brilliant in a sense to create more synthetic demand. With this E\$, it's still just a dollar. It's still just as debaseable.

**[Matthew Piepenburg: 08:14.4]** It's not stable because it's tied to a Treasury can have huge moves, but it does create more demand, and it does create a direct source to U.S. treasuries, which Uncle Sam needs desperately right now after weaponizing the dollar. But the irony is, again, the resources and the revenues of that are being put into real money.

**[Matthew Piepenburg: 08:32.6]** They're trying to sell paper currency or electronic currency as something viable. But what they're really doing with the profits is going to something they trust more than the dollar, which is crazy. And that's just one more thing for the audience to think about. There's so many things to think about, but it just proves there's a reason central bankers are stacking gold at record levels.

**[Matthew Piepenburg: 08:52.0]** There's a reason the BIS is making gold a tier one strategic asset. There's a reason Morgan Stanley's recommending 20% allocations. The Bond King Jeffrey Gundlach says 25%. It's still a small allocation. The world hasn't caught on, especially in the West, which is fine, but that's just more tailwinds from the retail side.

**[Matthew Piepenburg: 09:11.8]** When that median allocation goes from 0.5% to 2%, that'll be a 4x increase in demand. There are lots of tailwinds for gold. And I want to repeat, though, and say again, that doesn't mean gold only goes up and to the right. And it doesn't mean that all of us on the gold camp say, don't worry, there's no risk.

**[Matthew Piepenburg: 09:28.9]** There's still momentary volatility. There's still retracements in the gold price. But the secular direction of gold, I can't find a strong case for how any paper currency is going to be superior to it. But that doesn't mean there won't be pullbacks, and that doesn't mean there isn't still volatility in the space.

**[Matthew Piepenburg: 09:46.5]** But we've been so used to the last year and the first month of this year just being so extraordinary that people are starting to worry if they've missed the boat.

**[Investing News: 09:54.2]** Yeah, I almost think that's the top question that is getting asked here at the conference. We've seen these huge moves in gold and silver, and people are wondering, all right, is this the top or how does it proceed from here? And of course, you're more interested in the wealth preservation angle, but do you have any thoughts on pricing for gold and silver, other than it will go up and down?

**[Matthew Piepenburg: 10:16.2]** No. It's an absolutely fair question. In my career in Switzerland, obviously, with clients all over the world, we get it asked every year. I remember when gold was at 1600, people thought it was just a little too high. Gold at 1800, gold at 24, 2500. It's a fair question. When it broke the Maginot line years back, am I overpaying?

**[Matthew Piepenburg: 10:33.0]** When it got to 3,300, am I overpaying? So, again, it's a fair question. And the way to answer that is many, by the way. There's different answers for different people depending on what they're. If they're speculators and they're looking to get in and out and make a trade and arbitrage, and that's very difficult to do.

**[Matthew Piepenburg: 10:49.9]** If they're wealth preservation thinkers and they have the fundamental understanding of why gold is a better store of value to save in over long time, over long periods of time. Generational legacy of fighting inflation better than the narrative of the dollar or the Australian, Canadian,



American, whatever. On a technical side, even the technicals, which we really don't look at, because our mentality isn't trade in, trade out.

**[Matthew Piepenburg: 11:12.5]** With silver, it's a little different; we can talk about, but with gold, look, and this is something Michael Oliver's done great research on, and we track. There have been in my lifetime, I was still just out of diapers. But in 1979-19, actually, no, for gold, it would have been 1976, where you have these technical bear troughs in gold.

**[Matthew Piepenburg: 11:35.7]** And then when it breaks, basically you track this bear through to its bull high, the next bull high, the first one. 1976, there was an 8x move, and there was another one in 2001, where we had another 8x move.

**[Matthew Piepenburg: 11:54.1]** And from a bearish trough to a bull high, what we just saw in 2015 was the last bear trough. This is technical. But since from that period in 2015, when goal was at 1050 to end of last year at 4500, that was only a forex move, despite all the headlines.

**[Matthew Piepenburg: 12:12.1]** So, technically speaking, we're only halfway into another potential 8x move, even at these prices. So that is a possible tailwind for more gold, fundamentally speaking, and past the technicals, which are important certainly for many, it's hard to believe that we're going this way, but the debt is going that much higher.

**[Matthew Piepenburg: 12:34.8]** We spend in the US, the home of the world's reserve currency. We do 1 trillion in new debt every 100 days, and we don't have the GDP and the tax receipts for that. That's not just math or just number memorization. It's absolutely the ramifications that are massive.

**[Matthew Piepenburg: 12:50.1]** And if we have to roll over a whole new 25% of our debt in the next 12 months, we don't have the productivity for that either. So we have to debase the currency to monetize the debt. The gold price, as shocking as it is, isn't really the real question. It's shocking how much we've insulted the US population, the world population, who trusted the US dollar since 1944 and 1971

**[Matthew Piepenburg: 13:11.5]** That's the shocking number. It's not the gold and silver price, and the gold price in particular, it's what we've done to neuter this dollar over so many decades. In 1971, John Connolly said, it's our currency, your problem. We can explore our inflation. You have to buy our oil in this.

**[Matthew Piepenburg: 13:26.7]** We're going to repress the gold price on the comex. We're the dollar. No one can touch us. That was probably true in the 70s, but this is 50 years ago. And now our karmic destiny of taking that debt far too far. It's now our currency, our problem, because people don't trust it anymore. And so the gold price is revealing that that's the fundamental reason.

**[Matthew Piepenburg: 13:43.7]** The technical reasons are important too. So I do think gold's going to go much higher. There's also the gold revaluation discussion, that's a very different topic. It could go to 20,000. I'm not here to sell that Storey. I'm just saying it's shocking. But it's not really the gold price. It's shocking, it's what's happening to the dollar. And, and I also want to repeat to anyone who's been in the space, and anyone who wants to be credible in the space cannot just say it goes straight line from here.

**[Matthew Piepenburg: 14:06.4]** And I remind that between 71 and 1980, when gold went from 35 to over 800, midway through that bull market, it had a really bad 75 and 76. So that can scare long-term investors out if they're not prepared. I think another reason.

**[Matthew Piepenburg: 14:21.9]** But again, if you have faith in the conviction of why you own the gold longer term, you can weather that storm as Egon has done for decades. The other big change I think between in last year I'll stop is just the comex. Its power to perpetually short the gold price and the silver price has gotten significantly weaker because there's just so much more demand for that gold and that silver outside of those exchanges that they don't have the actual metals to prosecute the type of price fixing they've been doing for decades.



**[Matthew Piepenburg: 14:49.1]** And I think the COMEX is meant to be intentionally complex. It's not making the headlines, and certainly, for people outside of the metal space, they don't know what that even means. Futures contract swaps, understandably, but that's a watershed change what happened this year on the Comex. And again, unless you're really in this space, you're not going to see that that's a huge move as well.

**[Matthew Piepenburg: 15:06.2]** The ability to put a boot to the neck of the gold price and the silver price changed dramatically in 2025, 25 in the summer, there was no gold. There was 100% gold out of the comics for delivery. That's never happened. And I've been in this market for years, never seen that. Usually, it's 1%, 100% because counterparties trust that gold more than paper money or paper gold.

**[Matthew Piepenburg: 15:24.8]** And so just another massive sign. But again, I'm not saying gold goes to 10,000 this year. And don't worry, you don't have to worry. That's not what I'm saying. But if you're a longer-term investor, this is very clear signs.

**[Investing News: 15:35.8]** Great, great context as usual. And I think it gives us A good pathway to go over and talk about what is going on with Silver because it's had this huge breakout, especially in the last couple of months. And as you're mentioning, the reasons for it are not necessarily easily understood, especially if you're outside this industry.

**[Investing News: 15:53.6]** So when you're looking at Silver, how would you break that down? What is driving this move?

**[Matthew Piepenburg: 15:58.5]** Yeah, no, it's the question du jour right now because Silver's been moving as it tends to do in a gold bull market. It tends to outpace and outperform, and it is, it has in terms of percentage returns, and again, there are technical and fundamental reasons for that. You know, the technicals, when you, when you look just at the charts and this is important for some listeners, you know, when you have a gold serve, a gold silver ratio range, and whenever Silver breaks out of that range, as it did in 1979, 1980, it had a 5x move after that it did the same thing in 2010 and 2011, its gold silver ratio range, it broke out and it went to 2.5x in seven months.

**[Matthew Piepenburg: 16:36.2]** We just did that in November of 25. The gold silver range low and high. It technically broke that. So technically, that was a huge signal for a bullish signal in Silver. The fact that there was a 60-year cup and handle formation, the technicals will understand that, and it broke that too.

**[Matthew Piepenburg: 16:52.3]** So those are technically very bullish signs for Silver. I think fundamentally, the fundamentals still matter. We have a five-year supply deficit in Silver. Okay, we've had that for years. Why this year? We can talk about Silver ripped this year. But I think that supply deficit matched with rising demand from AI electric vehicles, solar, nuclear, there's been a perfect kind of peanut butter and jelly moment of really tight supply and extremely high demand.

**[Matthew Piepenburg: 17:19.7]** Those were another reason fundamentally for this. And again, going back to the Comex, the silver market in London ceased in October. It just seized. They didn't have the metal to deliver. That was a sign that there's counterparty risk there that the folks that used to churn and burn and lever on those markets wanted their silver.

**[Matthew Piepenburg: 17:37.7]** That tightened the supply even more. So the COMEX was not able to do its daily 8:30am short. People think that's exaggerated. No, that's what they do. It's what they do. And so the combination of those fundamentals, in particular the comics losing, the London Exchange and the comics losing its ability to legally and artificially suppress silver, helped get freer price discovery.

**[Matthew Piepenburg: 18:00.0]** So a lot of those factors come into play. And look, there's no doubt that silver, even if you look at things like in relation to the M2 money supply of 1980, we should be at \$900 silver. I'm not saying that, but I'm saying you could pick your data.



**[Matthew Piepenburg: 18:15.2]** That's crazy. But even inflation-adjusted silver should be much higher than it is today. So there's a bull case for silver, of course. But I'll say, and believe me, my short answer is silver will go meaningfully higher. But silver is much more volatile. It's that speedboat next to the juggernaut.

**[Matthew Piepenburg: 18:31.9]** You have to look at this. As Egon says, it's not for widows and orphans. Its volatility is very strong. It could shake people out. You can trade it up and then trade it down and miss your exits. It is more of a trade, than gold is in terms of its monetary metal.

**[Matthew Piepenburg: 18:47.0]** Gold is only a monetary metal. Silver is a monetary and industrial metal. But the demand on the industrial side is huge. The demand on the monetary side is getting larger, and the ability to fix that price on the Comex is getting smaller. So those are good signs. But again, I see a secular much higher gold price than this.

**[Matthew Piepenburg: 19:03.1]** I'm not price targeting because we're measuring that in fiat. But 2, 300 is not shocking. But on the way up, just remember 1980, gold went from 50 and then down to 5 for a long time. I don't think we're in the 1980s anymore. I think the situation is very different. But for those who are, they call it the poor man's gold. It's the smart man's insurance.

**[Matthew Piepenburg: 19:19.1]** It's a way for more people to get into precious metals. But it is more volatile than gold. It is more of a mix of monetary and industrial, not pure monetary. So it's more volatile for that reason. But remember, if you're going to go in there, at some point you have to exit, and that's very hard to do.

**[Matthew Piepenburg: 19:34.8]** At some point, you have to. I personally convert my silver to gold at the right moment. Some people want to go into mining. There's a lot of alpha and mining. But again, don't just think that silver will track gold and outrun it and still keep going north. It can shake out a lot of investors on the way up.

**[Matthew Piepenburg: 19:50.3]** So you have to know why you're in it and you have to know when to get out. It's not a price point, it's a ratio point. Gold silver ratio has gone to 30 and 11. Could it go tighter, could it go. You have to pick your ratio. When did you buy? Did you buy when the ratio was at 80, 100?

**[Matthew Piepenburg: 20:05.5]** Did you buy at end the 50 like today? So you can't give a single answer to any one particular investor. It all depends on how much, return they've already have, how much they're satisfied with, how much risk they're willing to take. That's a very personal question. Very personal.

**[Investing News: 20:21.0]** Yeah. I think it would be good to talk a little bit more about that because I'm seeing a lot of posts online right now, because we've got silver at triple digits for the first time. That seems to have been for a lot of people. All right, I'm going to sell at least some of it right now.

**[Investing News: 20:36.2]** That's what I've told myself. So anything further you would say on exit points for silver?

**[Matthew Piepenburg: 20:40.8]** Look again. If you take your slug, if you've made a good profit and you sell at 100, if you bought at 20 and you sell at 100, you're not a fool. Even if it goes to 300, do you really have to feel bad? At what point do you have to? No one can call the top or the bottom. I've never seen anyone do it in any asset class.

**[Matthew Piepenburg: 20:56.1]** If you have high conviction, I mean, I think the miners are going to do very well. But at what point will I exit? I won't wait for my maximum price. I'm looking for my return. The hardest thing about speculating or trading any asset is knowing when to get out.

**[Matthew Piepenburg: 21:11.5]** And that's just from my trading days. So to your question, these people that are seeing triple-digit silvers, if they bought at 50 or 60 or 20 or 5, what is enough for them and how much risk can they tolerate? If they're willing to tolerate even more risk and try to go farther, that's up to them.

**[Matthew Piepenburg: 21:28.8]** And if they have more wealth and they can afford that risk. But if you're ending retirement or entering retirement, you've made a good 2x return. I would not be ashamed at all to sell at this point. If you have conviction for 300 and you can afford that, go further. Again, it depends on each person.



**[Matthew Piepenburg: 21:45.2]** I'm not trying to deny the question, and I'm also not trying to evade the fact that there's still volatility. I would never say that these mills go up and to the right, and that you can trust me on that, because then I'm not giving fiduciary advice. I'm just selling a book. And I think people have to have as much knowledge as they can, and the technicals and the fundamentals to give them the faith to decide at what ratio they want to get out.

**[Matthew Piepenburg: 22:04.3]** If they want to get out and buy gold, that's up to them. They want to get out and buy miners. A lot of guys who know the space well, like Rick Rule, are just selling their silver now. They've made a good profit, and they're going to go for more alpha in a mining space that will probably go 2 to 3x up. But again, it's still risky. So no easy, simple way to answer that one question, Charlie.

**[Investing News: 22:21.4]** No, that's fair enough. And I think it's important for people to hear because a lot of the time, I think investors want to just be told what to do. But it is very personal. And just before I let you go, maybe we take, a bit of a step backward from the metal is because when we talked here at this event last year, you're talking about an appalling contrast between the real economy and what was going on in the markets.

**[Investing News: 22:44.4]** And I think we still continue to see warning signs in the economy. Markets still continue to go. I think we talked also about the concentration and the large AI names. So, how do you see that developing this year?

**[Matthew Piepenburg: 22:57.5]** Yeah, I mean, look, AI, as we talked about last year, was 80% of the returns in the S&P were AI. And look, it is an appalling contrast between not just the markets and Main street, but between valuation and price earnings and price book value.

**[Matthew Piepenburg: 23:13.3]** I mean, by every metric, this market is grotesquely overvalued, but you can still make a very strong case for a bull market. And that's what's so distorted and what is primarily distorted and what would be a bull case, and there's some bear cases too. But the bull cases starts sadly with the Fed or the central bank.

**[Matthew Piepenburg: 23:30.7]** Because if a central bank is dovish, markets are very Pavlovian if they're going to keep rates low, or they've already priced in two rate cuts for this year and they've already started basically QE in December of last year. Those are typically obvious dovish tailwinds for an already grotesquely inflated market by every metric.

**[Matthew Piepenburg: 23:50.9]** So yes, this can go to frothier new highs. The other thing is that, look, with all these massive amounts of Fed debt that goes to maturity this year and has to be paid or the interest has to be paid, that probably makes the Fed even more dovish.

**[Matthew Piepenburg: 24:07.7]** So bad news is good news. In other words, that's a very simple way of looking at the markets. I don't want to say I see a raising market but I technically, because I think the Fed is what drives the market, you can be bullish right now. The other thing that's happening is Trump's tax cuts.

**[Matthew Piepenburg: 24:24.9]** From 2025, there's a, because I'll get into all the provisions, but there are three big tailwinds for those tax cuts. That basically means, well, starting in April, going into June, there's going to be a lot of refunds coming in. So that's over 1.4 trillion. And then there's going to be starting in July, July, August, a great deal of tax motivated repatriation of funds about 2.4 trillion from overseas into the US and finally by Q4 because of the Trump tax cuts, we're looking at a lot of Capex advantages, tax advantages, capex investments in publicly traded companies.

**[Matthew Piepenburg: 24:58.8]** That's over 4.5 trillion. Right. And new cash flows coming into an already grotesquely overvalued market. So those are both cases for this market. What's interesting to me is on the bear side, the markets are still very vulnerable to rising rates.

**[Matthew Piepenburg: 25:13.9]** Unless the Fed can try and control them, they can't control the long end. If the 10 year, 20-year, 30 year really spikes in yields, that could be an oh moment. If we have an official recession by the



NBER for any reason, that could be a real headwind for the markets. I think the fact that guys like Warren Buffett, not just the Buffett indicator, which measures market cap to GDP, which is grotesquely overvalued, it's the highest ever.

**[Matthew Piepenburg: 25:38.4]** The fact that he's 300 billion-plus in cash, Berkshire Hathaway's never been this deep in cash from a deeply intelligent and respected risk asset investor. That's an indicator in and of itself. Of course, there's Michael burry who's called 10 of the last three market crashes. He's nervous, you can make fun of him but he basically is saying I no longer can understand these markets so I'm going to get out.

**[Matthew Piepenburg: 25:59.4]** And I think finally, the other headwind cases, bear cases for this market is private credit is really horrible right now. There's a lot of reasons why private credit, like private equity, has got a lot of off-balance sheet hidden risk that's not being reported as tier one; it's tier three assets, so we don't really know the defaults going on there.

**[Matthew Piepenburg: 26:19.6]** It's a non-disclosed class of borrowers; there's no FDIC insurance for that. There's no Fed support for that. There's rising indications those are defaulting private credit areas. A lot of the borrowers can't pay the interest, so they're doing what's called PIC payment in kind that they don't even have the cash to pay their interest.

**[Matthew Piepenburg: 26:35.8]** So there's real risk in the private credit sector. AI is clearly overvalued. There's circular financing going on there. It doesn't mean AI can't still be irrational longer than markets can understand. But I think between. And then there's subprime. 20% of America is subprime credit, and we all know how risky that is.

**[Matthew Piepenburg: 26:52.1]** So private credit, subprime, and AI are highly risky. The Burry indicator, the Buffett indicator, and these rising rates and recession, those could all be very negative. But again, all those signals notwithstanding, all the overvaluation notwithstanding, if the Fed's going to keep things dovish, this market could still go up despite all rational metrics.

**[Investing News: 27:11.4]** Well, I think we are going to have to wrap it up there for this time. I've got to get you back out on the show floor, but thank you so much for taking the time to go through all these different facets of the market. Always really interesting.

**[Matthew Piepenburg: 27:22.6]** Well, thank you. It's always a pleasure.

**[Investing News: 27:24.0]** Every year, of course. And once Again, I'm Charlotte MacLeod with InvestingNews.com, and this is Matthew Piepenburg with VON GREYERZ