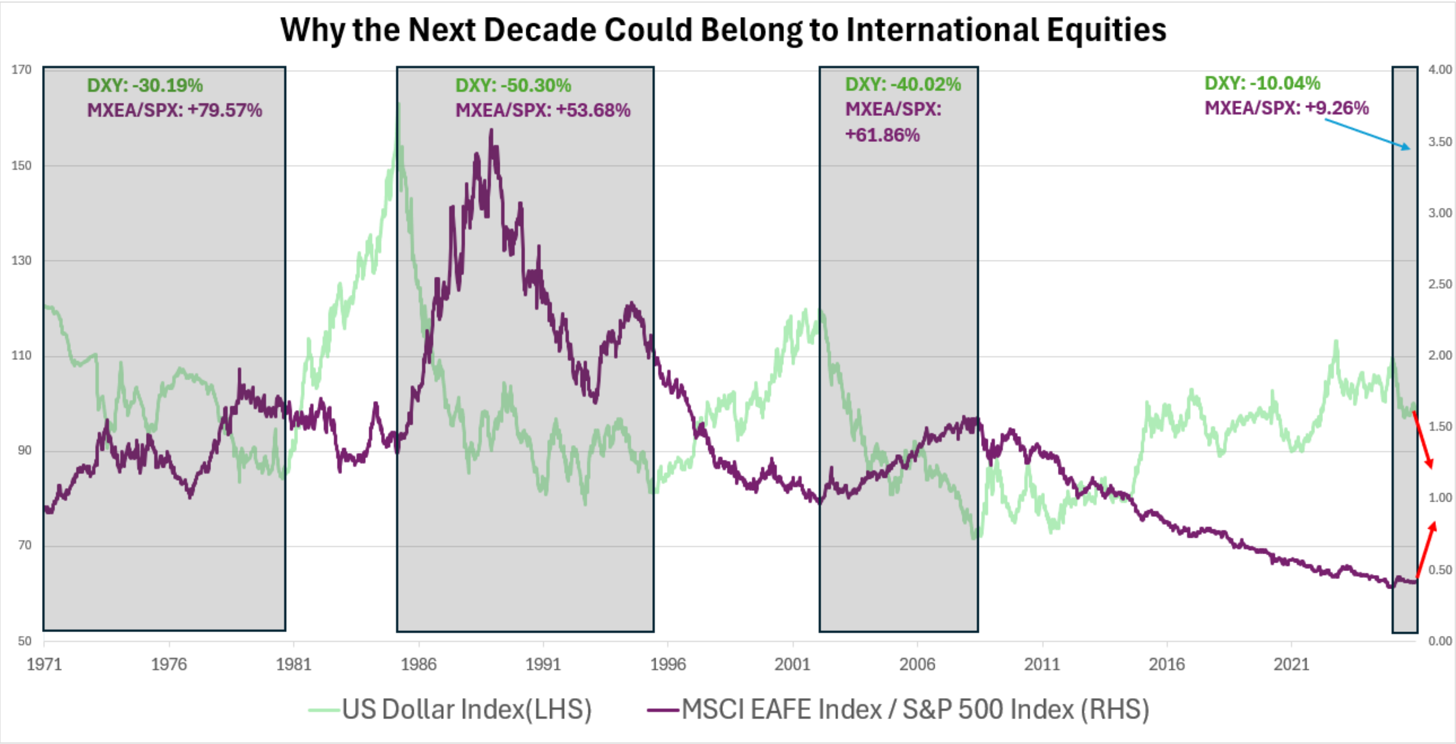
Todd Asset Management

Todd's Chart of Interest

Jan 13, 2026



Source: Todd Asset Management, Bloomberg

- Since 1970, large drawdowns in the US Dollar have **consistently triggered prolonged outperformance in international equities.**
- These rotation cycles aren't short-lived; as the chart indicates, **they typically persist for 7-10 years**, offering sustained upside.
- With the US Dollar Index down 10% over the last year and international markets reacting, **<u>we believe we are in the early innings of a new cycle.</u>**

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The following indexes have been used in creating the chart above they are unmanaged, and not available for direct investment; it includes reinvestment of dividends; it does not reflect management fees or transaction costs.
S&P 500 Index is a widely recognized index of market activity based on the aggregate performance of a selected portfolio of publicly traded common stocks. The performance data was supplied by Standard & Poor's. It is included to indicate the effect of general market conditions.
MSCI EAFE Index is a free-float weighted equity index. The index was developed with a base value of 100 as of December 31, 1969. The MSCI EAFE region covers DM countries in Europe, Australasia, Israel, and the Far East.
U.S. Dollar Index indicates the general int'l value of the USD. The US Dollar Index does this by averaging the exchange rates between the USD and major world currencies. The ICE (Intercontinental Exchange) US computes this by using the rates supplied by some 500 banks.
The data presented depicts the relative performance ratio of the MSCI EAFE Index divided by the S&P 500 Index. This ratio illustrates the comparative strength of international developed markets versus U.S. large-cap equities. RHS (Right-Hand Side): Represents the MSCI EAFE Index/ S&P 500 Index Ratio. A rising line indicates the MSCI EAFE Index is outperforming the S&P 500 Index, a falling line indicates the S&P 500 Index is outperforming the MSCI EAFE Index. LHS (Left-Hand Side): Represents the level of the U.S. Dollar Index.