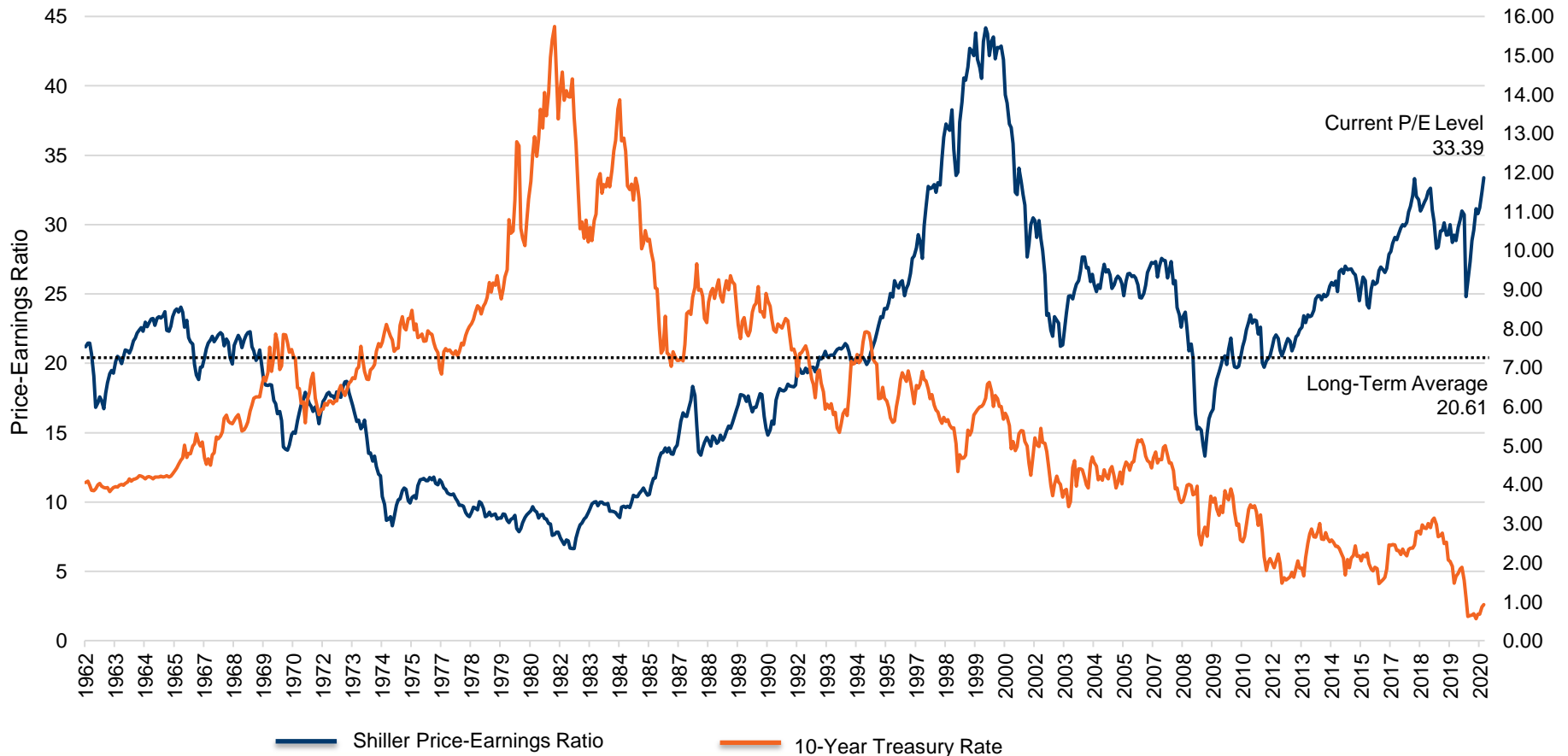


Shiller Price-Earnings (P/E) Ratio for the S&P 500 vs. Long-Term Interest Rates

Cyclically-Adjusted P/E Ratios are 38% higher than the long-term average, suggesting that market valuations are stretched.

Long-Term Interest Rates vs. P/E Ratio



Data from 01/01/62-12/01/20. Source: multpl.com and macro trends.net. Shiller P/E is also known as CAPE (Cyclically-Adjusted Price to Earnings Ratio). It is defined by the average of ten years of earnings (moving average), adjusted for inflation.

Price-to-Earnings Ratio or P/E ratio is a ratio for valuing a company that measures its current share price relative to its per-share earnings.

