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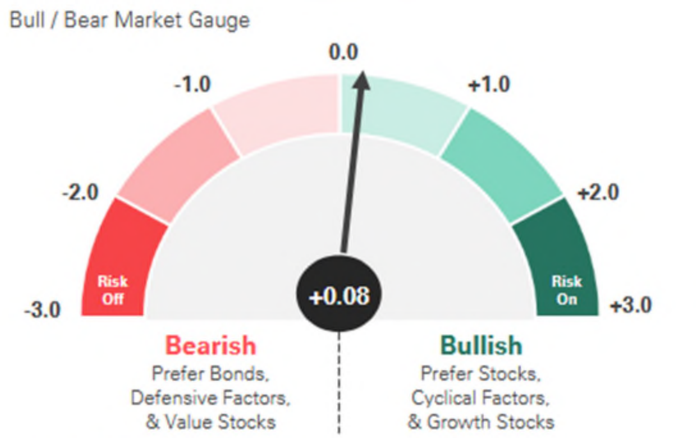
CLEAR VIEW WEALTH ADVISORS, LLC
Plan Well. Invest Smart. Live Better.

US Risk Demand Indicator (USRDI)

June 13, 2025

MarketDesk U.S. Risk Demand Indicator

June 13, 2025

MarketDesk US Risk Demand Indicator – Figure 11, Weekly Note	Simple Asset Allocation Framework (SAAF) – Figure 10, Weekly Note
	

Source: MarketDesk. Click Here to read more about USRDI.

Source: MarketDesk. Click Here to read more about the SAAF.

NOTE: SAAF moves into Quadrant 4 indicating "recovery" and allocation to select equity sectors

Asset Class Ratings

Underweight Ratings (Decrease Exposure)	Overweight Ratings (Increase Exposure)
US Corp High Yield	Quality Factor
Preferreds	Equal Weight Factor
US High Beta Factor	High Dividend Factor
Value Factor	Low Volatility Factor
Industrials	Growth Factor
Financials	Health Care
Materials	Utilities
	Consumer Staples
	MBS
	Long Duration Treasuries
	Mid Duration IG Corporates

Source: MarketDesk. Click Here to read the latest Monthly Roundup.

Bullish-Bearish Narratives

Bear Case (Market Headwinds)	Bull Case (Market Tailwinds)
Risk Appetites Fading	Fed Started Cutting Rates
Weak Sentiment / Low Confidence	U.S. Earnings Breadth Rebound
Lagged Impacts of Rate Hike Cycle	Cash Sitting on Sidelines
Inflation Reacceleration Risk	Labor Market Remains Tight
Fed Shrinking Balance Sheet	Consumer Keeps Spending
Interest Coverage Ratios Declining	Housing Market Reaccelerates
Pandemic Savings Depleted	Investment Rises After Election
Disinflation Drag on Sales Growth	'Buy the Dip' Investor Base
Geopolitical Tensions	
Fewer Rate Cuts Than Expected	

Reference:

May 9, 2025

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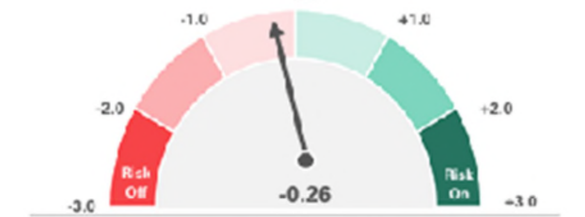
Reference:

Friday, March 14 , 2025

Figure 1 – MarketDesk U.S. Risk Demand Indicator (USRDI)



Indicator Inputs (Equal-Weighted)	Reading	Status
Equity Markets	-1.0	Risk-Off
Equity Volatility	-0.6	Risk-Off
FX / Currencies	-0.3	Risk-Off
Credit Markets	+0.8	Risk-On

Source: MarketDesk Quant Pack. As of 3/14/2025.

Figure 2 – MarketDesk U.S. Risk Demand Indicator (USRDI)

Historical USRDI Readings Since 2005

Source: MarketDesk Quant Pack. As of 3/14/2025.

What is the U.S. Risk Demand Indicator?

The U.S. Risk Demand Indicator (USRDI) is a quantitative tool built to measure investors' risk appetite in real-time. Understanding risk regimes is crucial, as they impact asset class returns and inform asset allocation decisions. By tracking broad market trends, the indicator defines the current environment and answers a fundamental question: What portfolio beta exposures should we own?

Knowing the Current Risk Regime is Key to Managing Portfolios

USRDI classifies the market into two risk environments: "Risk-On" (increase portfolio beta) and "Risk-Off" (decrease portfolio beta). The two regimes impact markets differently, including asset class returns, market volatility, and drawdown risk. Knowing the current risk environment helps investors manage equity and credit beta exposures, such as cyclical vs defensive sectors, high beta vs low volatility stocks, and investment grade vs high yield bonds. Adjusting portfolio betas to match the current risk environment can enhance risk-adjusted returns and reduce drawdowns.

Note for Portfolio Moves

The USRDI provides a weighted-factor signal that may be used to guide portfolio changes. It is used to provide guidance on possible portfolio changes including over- or underweights to certain sectors. It's designed to be a quick reference. Most of the time, there's no immediate action required—if your portfolio is already well-positioned, you can stay the course. Tracking the indicator helps establish a structured framework for understanding market conditions and offers insight into the potential for volatility and drawdown risk. The key is to maintain a big-picture focus and compare your portfolio's beta exposures to the preferred betas for the current regime.

Firm Disclosures