



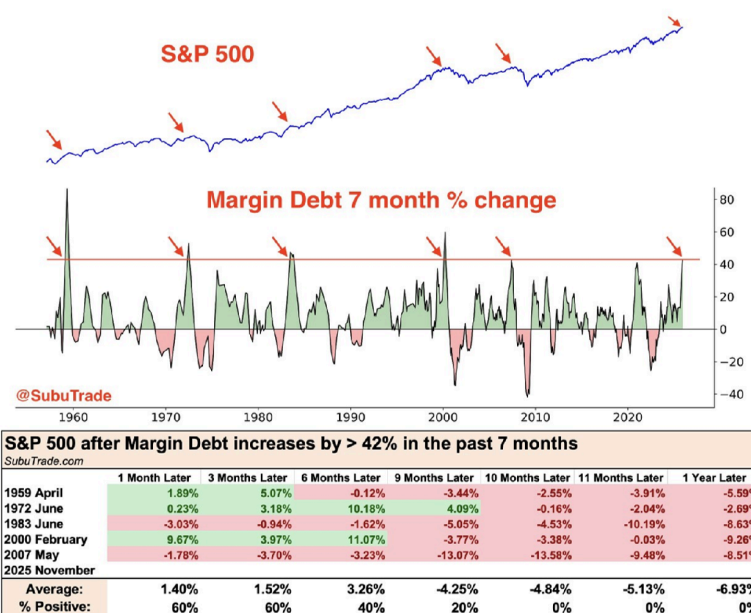
Harry's Take

September 22, 2026

Margin Debt at Extremes

Last Tuesday I looked at the classic warning sign nicknamed "The Buffett Indicator." It was total stock market capitalization divided by GDP. That shows when stocks are overvalued relative to the whole economy, and boy are they... and the most ever! More than 2021, and way more than 2000 and 2007.

Margin Debt Growth Hits Extreme Levels for First Time Since May 2007



Source: <https://www.fool.com/investing/2026/01/25/sp-500-forecasting-tool-flash-warning-wall-street/>

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This indicator is one of the most obvious: Margin debt, or how much investors are borrowing to speculate in stocks, adding leverage to an already greatly overstretched market. This chart shows that the growth in margin debt is finally at the level that has triggered major stock corrections in the past. It

got very close in late 2021, but not quite to this more proven level. And this will only get worse until stocks do finally crack.

The end should be near... Just another "Brick in the Wall!"

Harry

Got a question or comment? You can reach us at info@hsdent.com.

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