DATE: December 26, 2025
TITLE: Beyond the Numbers: What 2025 Really Taught Us

TRANSCRIPT:

Host:
Eric, this feels like a slightly different conversation this week. Markets are winding down, data is thinning out — and instead of another week of numbers, you wanted to reflect on 2025 more broadly. Why?

Eric:
Because this has been one of those years where the numbers tell only part of the story.
And to be clear — markets have done reasonably well. If you look at headline returns, most investors will finish the year in decent shape. That matters. Financial growth supports savings, investment, and stability. It gives people options.
But growth is broader than GDP or equity indices.
We live in a world of human beings, not spreadsheets. And when you step back from the charts, 2025 has been a year where markets often looked healthier than everyday life felt for many people.

Host:
That gap between market performance and lived experience feels important. What do you think has driven it?

Eric:
Inflation, above all else.
Even though headline inflation has eased, the damage has already been done. For many households, inflation hasn't been an abstract statistic — it's been a daily pressure.
Food, housing, energy, insurance — these are non-discretionary costs. And when those rise persistently, financial security erodes quietly but relentlessly, especially for people without assets.
So while markets adjusted, repriced, and in some cases recovered, a large part of the population was still fighting to stand still. That disconnect matters. It shapes trust, behaviour, and ultimately social stability.

Host:
And this all unfolded against a backdrop of continued global instability.

Eric:
Exactly. 2025 has been another year of geopolitical strain.
Conflict has displaced millions. Food insecurity remains elevated in vulnerable regions. Climate-related events have disrupted communities and livelihoods across the globe.
Markets are remarkably efficient at absorbing these shocks. Human systems absorb them much more slowly.
Capital can reallocate in milliseconds. Societies can't.
And that's not a criticism of markets — it's simply an acknowledgment that financial systems and human systems operate on very different timelines.

Host:
You've spoken before about concerns around younger generations. Did that become more pronounced this year?

Eric:
Very much so — and this is probably the issue that worries me most looking forward.
Across many economies, there are clear signs of disengagement among younger people. Some are not employed at all. Others are working in roles that feel insecure, transactional, or disconnected from any real sense of progress.
And when you think about the environment they've grown up in — a global financial crisis, a pandemic, persistent cost-of-living pressure, and now ongoing geopolitical uncertainty — it's not hard to understand why trust in institutions has weakened.
When effort doesn't reliably translate into opportunity, disengagement becomes a rational response.
That's not a moral failing. It's a signal.

Host:
Technology, particularly AI, has added another layer to that uncertainty.

Eric:
It has — and it's a double-edged one.
Artificial intelligence is an extraordinary productivity tool. Its potential benefits for healthcare, science, infrastructure, and efficiency are enormous.
But it's arrived faster than the social and institutional guardrails needed to integrate it responsibly.
For many younger workers, AI represents both promise and anxiety — questions about job security, relevance, and fairness that don't yet have clear answers.
Markets love productivity gains. Societies need time to adapt to them.
And right now, that gap feels uncomfortably wide.

Host:
So stepping back — is this an argument against markets?

Eric:
Not at all.
Capital markets remain one of the most effective engines ever created for innovation, productivity, and rising living standards. Investment continues to support healthcare, energy transition, infrastructure, and technological progress across much of the world.
Progress hasn't stopped — but it has become uneven.
And history tells us that uneven progress carries risk. When inflation erodes stability, opportunity narrows, and younger generations lose faith, trust weakens first — and resilience follows.
That's when systems become fragile.

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