WEEKLY MARKET COMMENTS – MARCH 16, 2026 – EXTERNAL

The market ended an awful week, with declines on four of the past five trading days, after a strong start based on bullish comments from the President. What made the matters worse was the complete inability to make early morning gains and also intraday gains sustain themselves, as sellers took over and pushed things to end at or near the worst levels of each session.

The week was the worst one in a month and stock indices ended at new lows for the year. The Dow is now down for three weeks in a row, the S&P is off for five out of the past six weeks, as is the Nasdaq while even mighty gold is down for the second straight week as well. But for all this turmoil, the S&P is down by only 3.6% since the war began late last month.

G.D.P. grew just 0.7% in last year's fourth quarter as the labor market has softened, losing 92,000 payroll jobs in February while the war with Iran has now pushed oil prices above $100 a barrel.

The Fed's proffered measurement, core PCE gained 3.1% in January, its highest reading in almost two years, while inflation in services, the largest part of the economy, rose by 3.5%

Neither reading gives the Fed, which announces its rate decision on Wednesday, any room to lower rates, while neither yet reflects the impact of still higher oil prices that began with the war three weeks ago. These latest readings should show up in the March date while the President called for Chair Powell to lower rates immediately.

Then we had Attorney General for D.C., Jean Pirro, frantically calling out the decision of a judge to block any ongoing indictment of Mr. Powell and vowing to continue to appeal for his indictment, along with the President's so-called assumed political enemies. This maneuver has led Senator Tillis of North Carolina(Republican) to threaten to discard the nomination process for Kevin Warsh, whom the President thinks is going to lower rates as per his wishes, so this complicates the situation.

We also supposedly have a big week with the shares of almighty NVDA, which has done nothing this year but is

higher by 22,000% in the last decade. The famous C.E.O., Jenson Huang, is supposed to give a major presentation and I still believe, correctly as I have said now for several weeks, the sale of 200 or higher calls, seems to be a profitable trade for those who own the stock and need to generate additional income.

This week sees the following earnings – today – DLTR; Tuesday – DOCU; Thursday – MU, GIS, JBIL; Friday – FDX, LE.

Economic reports will have: today – February industrial production; Wednesday – February P.P.I.; Thursday – January new home sales.

WEEKLY MARKET COMMENTS – MARCH 16, 2006 – EXTERNAL – DONALD M. SELKIN – CHIEF MARKET STRATEGIST