



Safety Harbor Capital
The Compass Online
Weekly forecast for June 23rd 2025
Posted June 23rd, 6:05 am PST

The Economy

Although it appears the US stock market is taking the Iran conflict in stride, there may be significant danger to the US economy if Iran acts to close the Strait of Hormuz.

Choking off 20% of the world oil supply would create a price spike in crude. There are two main causes of recession – one is a spike in interest rates and the other is a spike in oil prices. Even though we have interest rates at a level easy to lower, we all know the Fed Chair is a moron who would probably be late tying his shoes for a marathon. So counting on the Fed to act in time to avoid a recession is a risk. A big risk. We will keep you posted.

Current Stock Market Forecast

With the S&P index at 5976, our system indicates another 8-10 weeks of upside for this market and another 6-8% higher from here. We will keep you posted.

Current Allocation

Our current allocation of equities, gold and commodities, and other asset classes through US traded ETF's is 40% invested and this morning, at the open, consider the purchase of 1 ETF ticker SSO at the market and 1 ETF ticker SDS at the market. That leaves us 80% invested. Updates to follow.

We use Conditional Sell Orders so market makers can't see your prices and take out your order right before the ETF goes up. The idea here is to invest 20% of your investable assets into each pick. A new weekly forecast comes out Monday before the open as usual.

Important Market Information

Past performance is no indication of future results. This journal content is the property of Safety Harbor Capital and is not to be disseminated without permission. Consult your investment advisor before investing in anything. Never put all your money into one investment. No regulatory authority approves nor endorses this journal. Copyright 2005. All rights reserved. These Market Notes are for members only and not to be disseminated without permission of Safety Harbor Capital. All statements made herein are opinions only and not meant as advice. Stock and options trading is not appropriate for everyone. Risk of loss in trading stocks and options is great. Past performance is no indication of future results. No

regulatory authority including the CFTC endorses these market notes or any information contained herein. All rights reserved. FOR CUSTOMERS TRADING OPTIONS, CHARTS ARE PRESENTED FOR INFORMATIONAL PURPOSES ONLY. THEY ARE INTENDED TO SHOW HOW INVESTING IN OPTIONS CAN DEPEND ON THE UNDERLYING SECURITY; SPECIFICALLY, WHETHER OR NOT AN OPTION PURCHASER IS BUYING AN IN-THE-MONEY, AT-THE MONEY, OR OUT-OF-THE MONEY OPTION. FURTHERMORE, THE PURCHASER WILL BE ABLE TO DETERMINE WHETHER OR NOT TO EXERCISE HIS RIGHT ON AN OPTION DEPENDING ON HOW THE OPTIONS STRIKE PRICE COMPARES TO THE UNDERLYING SECURITY PRICE. CHARTS ARE INTENDED TO IMPLY THAT OPTION PRICES MOVE IN TANDEM WITH THE UNDERLYING SECURITY. IN FACT, OPTION PRICES MAY ONLY MOVE A FRACTION OF THE PRICE MOVE IN THE UNDERLYING SECURITY. IN SOME CASES, THE OPTION MAY NOT MOVE AT ALL OR EVEN MOVE IN THE OPPOSITE DIRECTION OF THE UNDERLYING SECURITY.