

MOOSECALLS

Global Financial News & Analysis
FEB.27.2026 through MAR08.2026

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EXECUTIVE SUMMARY: FEB.13.2026

This weekly global investment newsletter tracks investment strategy performance, including buy-and-hold and market timing using ETFs as proxies for indices.

GLOBAL MARKETS: WEEK'S ACTION—Risk ON (1)

THIS WEEK was the first MIXED-Risk week after Risk-ON week. US Stocks DOWN, Foreign Stocks MIXED, US Bonds UP and Gold UP.

Producer Prices Roil the Markets

The week started with the markets sorting out the SCOTUS decision on tariffs and ended with hot producer price data threatening Fed rate cut intentions in 2026. US equities backed off with small-caps (-1.2%) leading the way lower over large (-0.5%). Very long US bonds rallied (+2.1%) while the 10-year yield dropped to 3.96% and the cash yield dipped to 3.58%. The negativity was assisted by another partial government shut-down affecting DHS functions related to FEMA, TSA and Coast Guard. It is not expected to weaken the economy as much as the Q4 shutdown, but the motivation is the same: election year shenanigans. The Dollar was flat this week, but hard assets gold (+3.2%), commodities (+2.0%) and oil (+1.4%) all rallied. Offshore, Latin equities (-1.6%) fell, but Japan (+1.0%), Asia-Pacific (+0.6%) and Europe (+0.1%) gained. No model changes this week.

GLOBAL OUTLOOK FALLS TO NEUTRAL (2 of 4). The Baltic Dry Index is down over the quarter as are 10-year US yields and negatives. Copper and oil prices are both higher in the past quarter— positive indications for the global economy.

INFLATION: DEC Core PPI inflation (+0.8%) hot m-t-m and hot (+3.6%) y-o-y. Across-the-board 15% tariffs, implemented raising inflation threat.

US ECONOMIC DATA: PPI Inflation Hot, Factory Orders Weak, Consumer Confidence and Construction Up

FEDERAL RESERVE: The Fed's balance sheet stands at \$6.60 trillion, with the Fed Funds Rate at 3.50-3.75%. Next Fed meeting (3/18). Kevin Warsh to replace Jerome Powell in May. Rate cut still considered (69%) likely in June. Fed Check remains hawkish as of 1/30/2026 (market price of hard assets going up faster than the market price of paper promises.) No rate hike is expected per CME futures, however.

INVESTMENT STRATEGIES: (1) The Index Model is outperforming all competitors in 2026. It has held gold (GLD) since switching from EFA via buy-stop on August 28, 2025. It is neither overbought nor close to a stop-loss. (2) The US Equity Strategy (USES) Model exited US Growth 2/10/2026 for SPYD (2/17/2026). US stocks are not the best equity choice, but they still beat cash. (3) The Thrift Savings Plan (TSP) holds Fund (I) International stocks (since 1/30).

GLOBAL OUTLOOK: NEUTRAL (2 of 4)

Indications are neutral for the global economy.

An international shipping measure and proxy for current global trade, **the Baltic Dry Index rose to 2140 this week, and is down after 13 weeks, a negative signal.** (After opening 2026 at 1882, BDI is still well below its 2010 peak @\$4640.) Meanwhile, another proxy for world activity, **WTI oil price rose to 67.29 this week, and is up 15% in the latest quarter, a positive signal.** (Oil remains below its 2022 peak @\$130, but well above its 2020 Covid lows @\$10.) Our proxy for global construction, **copper (\$6.06) is also up week, and remains 15% higher this quarter, a positive signal.** Domestically, **10Y US bond yields fell to 3.96% this week and are down 6 bps over the past 13 weeks, a negative bet on the largest world economy.**

GLOBAL RANKING: GOLD AND EMERGING EQUITIES ON TOP

Index Moose
ETF Rankings
through
FEB.22.2026

THIS WEEK was the first MIXED-Risk week after Risk-ON week. US Stocks DOWN, Foreign Stocks MIXED, US Bonds UP and Gold UP. This week: Gold leads in regional global momentum since 11/27/2025. (The Global Index Model HOLDS #1 GLD via buy-stop since 8/28/25.)

Gold leads in overall confidence, technical strength, and in improving PMO. Performance-wise, gold leads year-to-date, over the last two weeks, and over 13, 26, 39 and 52 weeks. It also outperforms over three-years.

Latin America's (ILF) slightly stronger PMO is deteriorating, and the ETF is more volatile. No assets are over bought or oversold. Emerging markets are a safer choice for those tired of gold. Assets are ranked by CI, the "confidence index". It combines the relative strength (rank), and technical strength (TS). The Trend is based on the TS reading. *Overbought

	CI%	FUND	TS+	READ	RSI	PMO	condition
1	100%	Gold Bullion (GLD)	121%	very bullish	61.2	3.85	improving
2	95%	Latin America (ILF)	118%	very bullish	56.5	3.99	deteriorating
3	69%	Japan (EWJ)	109%	very bullish	66.0	3.24	deteriorating
4	55%	Asia Pacific ex-Japan (AAXJ)	116%	very bullish	66.0	2.86	improving
5	38%	US Small-caps (IWM)	99%	very bullish	48.5	0.89	deteriorating
6	33%	Europe (IEV)	110%	very bullish	61.5	1.86	deteriorating
7	20%	US Large-caps (SPY)	74%	bullish	48.5	0.13	deteriorating
8	5%	Short US Income (SGOV)	88%	very bullish	--	0.15	deteriorating
9	3%	Very Long US Bonds (EDV)	92%	very bearish	69.4	1.11	improving
		US Dollar	25%	bearish	52.0	negative	improving
		Commodities	109%	very bullish	64.1	positive	improving
		US Oil	113%	very bullish	65.1	positive	improving
		Ryan/CRB	94%	HIKE RATES			
		Volatility	19.9	risk appetite on			

YTD	FUND	THIS	LAST	13wk	26wk	39wk	52wk	3Y
22.1%	Gold Bullion (GLD)	3.2%	1.3%	29.3%	47.4%	59.2%	83.7%	157.9%
19.8%	Latin America (ILF)	-1.6%	2.3%	27.9%	41.9%	53.0%	77.0%	47.5%
14.5%	Asia Pacific ex-Japan (AAXJ)	0.6%	2.3%	20.7%	27.0%	41.7%	50.3%	69.1%
14.4%	Japan (EWJ)	1.0%	-2.5%	23.0%	28.6%	38.1%	49.5%	55.0%
7.7%	Europe (IEV)	0.1%	1.5%	16.2%	19.1%	22.7%	33.2%	48.2%
6.4%	Very Long US Bonds (EDV)	2.1%	-0.4%	1.9%	7.7%	9.6%	-4.1%	-5.5%
6.2%	US Small-caps (IWM)	-1.2%	0.6%	11.4%	12.6%	28.1%	22.9%	33.9%
0.6%	US Large-caps (SPY)	-0.5%	1.1%	4.7%	7.5%	18.2%	17.3%	39.2%
0.3%	Short US Income (SGOV)	0.1%	0.0%	1.0%	1.9%	3.1%	4.1%	9.5%

GLOBAL RANKING: TECHNICAL OVERVIEW

#1 Gold Rally Continues-- Gold Bullion (GLD) rose 3.2% this week after gaining 1.3% last week. It is very bullish, ranked 1 globally, and more attractive than cash. The index is up 29.3% for the quarter and up 83.7% for the year.

#2 Latin America 40 Posts Brief New High—ILF fell 1.6% this week after gaining 2.3% last week. It is very bullish, ranked 2 globally, and more attractive than cash. The index is up 27.9% for the quarter and up 77.0% for the year.

#3 Japanese Stocks (EWJ) Partially Recover-- (EWJ) rose 1.0% this week after losing 2.5% last week. It remains very bullish, ranked 3 globally, and more attractive than cash. The index is up 23.0% for the quarter and up 49.5% for the year.

#4 Asia-Pacific ex-Japan Again Pushes Higher-- (AAXJ) rose 0.6% this week after gaining 2.3% last week. It remains very bullish, ranked 4 globally, and more attractive than cash. The index is up 20.7% for the quarter and up 50.3% for the year.

#5 Rangebound US Small-Caps Pull Back-- (IWM) fell 1.2% this week after gaining 0.6% last week. It is very bullish, ranked 5 globally, and more attractive than cash. The index is up 11.4% for the quarter and up 22.9% for the year.

#6 European Large-Cap Stocks Stall-- (IEV) rose 0.1% this week after gaining 1.5% last week. It is very bullish, ranked 6 globally, and more attractive than cash. The index is up 16.2% for the quarter and up 33.2% for the year.

#7 Large-caps Remain Range-bound-- US Large-Cap Stocks (SPY) fell 0.5% this week after gaining 1.1% last week. It is bullish, ranked 7 globally, and more attractive than cash. The index is up 4.7% for the quarter and up 17.3% for the year. This week's US equity sector momentum is positive; breath is broad but contracting-- 78% of our sectors are buy or hold (L81%) with BUYS now 52% (L52%) and HOLDS now 26% (L33%). AVOIDS are currently 22% (L15%). Potential "Buys" include Gold Miners, Oil Equipment & Services, Semiconductors, Pharma, Biotech. "Avoids" include Software, Internet, Bitcoin, Medical Devices, Healthcare, Capital Markets.

#8 Cash Yield Steady-- Three-month T-bills (SGOV) rose 0.1% this week after gaining 0.0% last week. It is ranked 8 globally. The index is up 1.0% for the quarter and up 4.1% for the year. The 3-month yield rose 1 tick to 3.58 and the 10-year held steady at 3.96% with the yield curve flattening to 38 basis points.

#9 T-bonds Rally as US Equities Fade-- US Long Treasury Bonds (EDV) rose 2.1% this week after losing 0.4% last week. It is very bearish, ranked 9 globally, and less attractive than cash. Long bonds are up 1.9% for the quarter but down 4.1% for the year.

Commodities Continue to Soar-- Commodities (CRB) rose 2.0% this week after gaining 3.0% last week. That leaves commodity prices up 8.5% for the quarter and up 13.4% for the year. Oil prices rose 1.4% this week, following last week's gain of 6.1%. Crude is currently very bullish. That leaves US oil prices up 13.0% for the quarter (13 weeks), and up 11.0% for the year (52 weeks).

Dollar Arrests Its Slide-- US Dollar (UUP) fell fractionally (0.0%) this week after gaining 1.0% last week. It is currently bearish—down 3.9% for the quarter and down 6.8% for the year.

US ECONOMY: GOV'T DATA

PPI Inflation Hot, Factory Orders Weak, Consumer Confidence and Construction Up

US Economy:
week of
FEB.13.2026

THIS WEEK: MIXED

THE GOOD: WEEKLY EIA Crude Oil Inventories (+15.989M) major build replaces major draw (-9.01M) as oil prices rise. WEEKLY Continuing Claims (1833K) below prior. FEB Consumer Confidence (91.2) up more than anticipated. FEB Chicago PMI (57.7) beat expectations and prior. DEC S&P Case-Shiller Home Price Index (1.4%) in line. DEC Construction Spending (+0.3%) up from previous in line with expectations. DEC. Wholesale Inventories (+0.2%) small build in line.

THE BAD: WEEKLY Initial Claims (212K) above consensus and prior. DEC Factory Orders (-0.7%) way below consensus and previous. DEC FHFA Housing Price Index (+0.1%) lagged expectations and below previous.

THE UGLY: Nothing.

US ECONOMY: INFLATION DATA

Producer Inflation Catches Fire

US Inflation:
week of
FEB.13.2026

JAN CPI (+0.2%) in line m-t-m. (1-yr = 2.4%)

JAN Core CPI (+0.3%) warm m-t-m. (1-yr = 2.5%)

JAN PPI (+0.5%) hotter than previous and consensus. 1yr = 2.9%

JAN Core PPI (+0.8%) hotter than previous and consensus. 1yr = 3.6%.

DEC Import Prices (+0.1%) cooler than prior m-t-m. (1-yr = 0.0% cool)

DEC Export Prices (+0.3%) cooler than prior m-t-m. (1-yr = 3.1% warmer)

DEC PCE Prices (+0.4%) hotter than consensus and previous. (1yr 2.9%)

DEC PCE Prices – Core (+0.4%) hotter than prior as expected. (1yr 3.0%)

OCT PCE Price Index (+0.2%) in line with consensus cooler than prior. (1yr 2.7%)

OCT Core PCE Price Index in line with consensus and prior. (1yr 2.8%)

Q4 GDP-Adv. (+1.4%) well below prior and expectations.

Q4 Chain Deflator-Adv. (+3.6%) cooler than previous but hotter than expected.

Q4 Employment Cost Index (+0.7%) slightly cooler than Q3.

Q3 Productivity- (+4.9%) solid, revised in line.

Q3 Unit Labor Costs- (-1.9%) cool, revised in line.

Q3 **Current Account Balance** (-\$226.4B) deficit below previous and expectations.

US ECONOMY: RECESSION & GDP INDICATORS

NY FED: MINIMAL RECESSION THREAT RECEDES AGAIN

US recession chances one year out: 18.87% (JAN 2026) per NY Fed. (Recession expected if chance > 30%.) As of May 2025, the Fed model's chance of recession fell below 30%, the threshold signaling a recession one year out. It remains there. The risk of recession was the highest in 40 years in May 2024, but it was avoided amid three years of massive Federal deficit spending and historic data falsification at the Bureau of Labor Statistics.

ATLANTA FED: US Q1 GDP NOW at 3.0% Atlanta Fed Current GDP Model (2/27/2026):
Q1 Annualized 3.0% (Last week: Q4 Annualized +1.4%)

US ECONOMY: FEDERAL RESERVE FED BALANCE SHEET (\$6.61T); FFR @ (3.50-3.75%)

Federal Reserve:
week of
FEB.13.2026

After over-tightening, in Q1 2020 the Fed took its fed funds rate to zero with two Covid emergency rate cuts, where it remained until March 2022. Simultaneously, the Fed doubled its balance sheet to \$9 trillion in monetary stimulus (QE), exceeding measures taken during the global financial crisis in 2008, including commercial paper funding as well as unlimited purchases of treasuries, mortgages, municipals, and junk bonds.

The Fed plan was to roll 95 billion per month in maturing bonds off its 8.965T balance sheet beginning 6/1/22. It had succeeded in reducing it to 8.34T by mid-March 2023, when the bank crisis required an expansion (back to 8.73T). After about two and a half years, the Fed announced it will end quantitative tightening and stop reducing its balance sheet as of December 1, 2025.

Currently, the Fed's balance sheet is 6.61T, (flat.00T) in the latest week (2/25/2025). The Fed Funds Rate was lowered 25 BPS to 3.50-3.75% at the DEC10 FOMC meeting. No change at the January FOMC meeting.

The next FOMC meeting is March 18. Jerome Powell will exit as Fed chair in May. Kevin Warsh has been tapped to replace him. Warsh seems inclined to reduce the Fed balance sheet and be more hawkish. Meanwhile, futures make a 2026 rate cut unlikely until Chairman Powell is gone. Odds don't exceed 50% until June's 57% CME read.

Just as well. The Fed Check at 94% has turned hawkish as of 1/30/2026 (tighter monetary policy needed to combat global inflation pressures.) The US 2-Year yield at 3.38%, however, is about 25 bps LOWER than the Fed overnight rate (3.625%), implying US domestic conditions should merit at least one more Fed rate cut. That Fed rate cut, is still expected June 17.

The 3m-10y yield curve steadied this week, at a positive slope of 38 bps, as the 10-year US Treasury yield fell to 3.96%, and the 3-month cash yield dipped 2 ticks to 3.58%. Intermediate term, the curve was inverted from 11/22 through 12/24 but has been positive since. The 30d-10y median yield is below its 200-day and still falling, leaving our interest rate signal for stocks bearish.

3-month SOFR yield at 3.67% is down this week, while the 3-month T-bill at 3.58% is down. That puts the SOFR/T-Bill (SOF-T) spread at 9 basis points, below its 200-day average of 20 bps. **A falling SOF-T spread signals a safer, more confident financial system.**

FED OVERALL THIS WEEK: NEUTRAL (0) LW: NEUTRAL (0)
LATEST Rate Posture: (No Change) NEUTRAL (0)
LATEST Balance Sheet (down .01T) NEUTRAL, (0),
Fed Speak NEUTRAL (0),
Fed Check HAWKISH (-1)

Latest FOMC Assessment (2026.1.28) Available indicators suggest that economic activity has been expanding at a solid pace. Job gains have remained low, and the unemployment rate has shown some signs of stabilization. Inflation remains somewhat elevated. The Committee seeks to achieve maximum employment and inflation at the rate of 2 percent over the longer run. Uncertainty about the economic outlook remains elevated. The Committee is attentive to the risks to both sides of its dual mandate. In support of its goals, the Committee decided to maintain the target range for the federal funds rate at 3-1/2 to 3-3/4 percent. In considering the extent and timing of additional adjustments to the target range for the federal funds rate, the Committee will carefully assess incoming data, the evolving outlook, and the balance of risks. The Committee is strongly committed to supporting maximum employment and returning inflation to its 2 percent objective. In assessing the appropriate stance of monetary policy, the Committee will continue to monitor the implications of incoming information for the economic outlook. The Committee would be prepared to adjust the stance of monetary policy as appropriate if risks emerge that could impede the attainment of the Committee's goals. The Committee's assessments will consider a wide range of information, including readings on labor market conditions, inflation pressures and inflation expectations, and financial and international developments. **(Next FOMC meeting: 2026.3.18)**

US Currency Market: US DOLLAR Grabs and Holds its 50-day



US Dollar: UUP fell fractionally (0.0%) this week, after gaining 1.0% last week. It is currently bearish—down 3.9% for the quarter (13 weeks), and down 6.8% in the last year (52 weeks). At \$27.08, UUP is below its short-term (50-day) average and above its intermediate-term (200-day) average. Momentum in the greenback is negative but improving. RSI14 @ 52.0 is neither overbought nor oversold.

As for other major currencies vs the Dollar, the Australian \$ (FXA) is very bullish, and up 0.2% this week. The British Pound (FXB) is bullish, and down 1.3% this week. The Canadian Dollar (FXC) is very bullish, and down 0.4%. The Euro Dollar (FXE) is bullish, and down 0.7%. The Swiss Franc (FXF) is bullish, and down 1.0%, and the Japanese Yen (FXY) is bearish and down 1.5%.

The stagflation argument holds that tariffs dampen US economic performance and weaken the Dollar. The Dollar has been improving for a month in

anticipation of US tariffs being struck down, and now that they have been, the Dollar is sitting on its 50-day, assessing its next move. Tariffs are not gone. They will merely take another form. They will be less targeted and as a result could be more onerous overall.

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Carry-trade This Week

Moose guidance is based on US Dollar denominated ETF proxies. Investors seeking to maximize profits when investing in offshore securities may wish to incorporate a "carry-trade" currency strategy into the decision, (Basically, if a foreign currency is weakening (bearish) against the Dollar, using a Dollar-denominated ETF to invest in that country's assets will outperform using a hedged vehicle. If, however, the foreign currency is bullish vs. the Dollar, the Dollar-denominated investment will underperform. In the event of a weak Dollar there may be currency-hedged foreign equity ETFs available at least for Europe (HEDJ) and Japan (DXJ) that will outperform.

Description	READ	US \$ investors in Foreign Assets
Australian \$ (FXA)	very bullish	US\$ Investors outperform hedged
British Pound (FXB)	bullish	US\$ Investors outperform hedged
Canadian Dollar (FXC)	very bullish	US\$ Investors outperform hedged
Euro Dollar (FXE)	bullish	US\$ investors outperform hedged (IEV>HEDJ)
Swiss Franc (FXF)	bullish	US\$ investors outperform hedged
Japanese Yen (FXY)	bearish	US\$ investors underperform hedged (EWJ<DXJ)
US Dollar (UUP)	bearish	

US Bond Market: #9 LONG BONDS Rally as US Equities Fade



US Long Treasury Bonds: EDV rose 2.1% this week, after losing 0.4% last week. That left it very bearish and ranked #9 globally and less attractive than cash. Long bonds are up 1.9% for the quarter (13 weeks) but down 4.1% for the year (52 weeks) as yields have risen. The US Treasury 10-year yield fell 0 ticks to 3.96 and the 3-month yield rose 1, to 3.58 with the yield curve flattening to 38 basis points. That reduces the odds of a recession in late 2026. At \$69.14, EDV is above its short-term (50-day) average and above its intermediate-term (200-day) average. Momentum (PMO) is positive and improving, and its 14-day RSI of 69.4 means EDV is neither overbought nor oversold. As for currency effects, a cheaper Dollar this week makes Dollar-denominated assets less attractive. Over time, a bearish Dollar reduces return to Dollar investors in US assets.

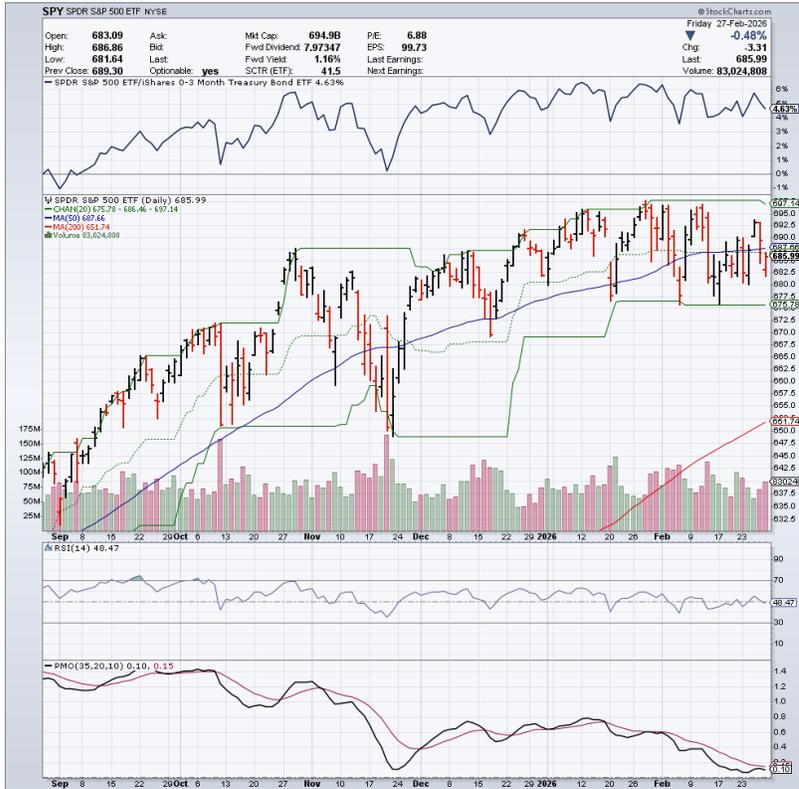
Bond prices are up for a fourth week, a negative take on the economy after tech experts announced that AI productivity

enhancements could eliminate most entry-level white-collar jobs within two to three years. Lately, lousy 4th quarter GDP, hot December PCE inflation and hot core PPI have combined to suggest a more hawkish Fed could end up getting blindsided by weaker jobs. That reversed a more positive outlook that developed with the October rate cut and that was accompanied by falling bond prices. Meanwhile, government data has been slow to lend definitive clarity since the Federal shutdown, and now there is yet another shut-down underway in DC. If past is prologue that should be good for bonds as well.

ETF Breakdown: EDV-- A market value-weighted index of high-duration, zero-coupon 25-year US Treasury securities.
Countries: US (100%). **Top Sectors:** Government (93%), Cash (4%), ETFs (2%), Energy minerals (1%).

(Charts reprinted with permission from stockcharts.com.)

US Equity Market: #7 US LARGE-CAPS Remain Rangebound



US Large-Cap Stocks: SPY fell 0.5% this week, after gaining 1.1% last week. That left it bullish and ranked 7 globally and more attractive than cash. The index is up 4.7% for the quarter (13 weeks), and up 17.3% for the year (52 weeks). At \$686, SPY is below its short-term (50-day) average and above its intermediate-term (200-day) average. Its momentum (PMO) is positive and deteriorating, and its 14-day RSI of 48.5 means SPY is neither overbought nor oversold. As for currency effects, a cheaper Dollar this week makes Dollar-denominated assets less attractive. Over time, a bearish Dollar reduces return to Dollar investors in US assets.

SPY is trading in a narrow price band, correcting in place. Recent stop-losses have been ignored as false signals as the trends in SPY are still up with PMO and CI positive. There is uncertainty about the impact of AI on job growth, and uncertainty over the future (revised) US tariff regime, but the backdrop is positive. The larger issues of taxation, fiscal

spending, and the debt ceiling are settled, and the new tax regime is kicking in now. The Federal deficit remains outsized, although tariffs are reducing it slightly. All of that is bullish. On the bearish side, self-inflicted taxes on imports have kept US stocks from going through the roof, helping emerging markets. Apart from bonds, most asset classes are very bullish.

ETF Breakdown: EDV-- A market value-weighted index of high-duration, zero-coupon 25-year US Treasury securities.
Countries: US (100%). **Top Sectors:** Government (93%), Cash (4%), ETFs (2%), Energy minerals (1%).

(Charts reprinted with permission from stockcharts.com.)

US Equity Market: #5 US SMALL-CAPS Flatten Out



US Small-Cap Stocks: IWM fell 1.2% this week, after gaining 0.6% last week. That left it very bullish and ranked 5 globally and more attractive than cash. The index is up 11.4% for the quarter (13 weeks), and up 22.9% for the year (52 weeks). At \$261.41, IWM is above its short-term (50-day) average and above its intermediate-term (200-day) average. Its momentum (PMO) is positive and deteriorating, and its 14-day RSI of 48.5 means IWM is neither overbought nor oversold. As for currency effects, a cheaper Dollar this week makes Dollar-denominated assets less attractive. Over time, a bearish Dollar reduces return to Dollar investors in US assets.

Q1 is considered the season for small caps, especially when interest rates are heading lower. With rates receding and the Fed expected to cut short rates mid-year, it is no surprise small caps attracted interest early in the year, but IWM went flat the third week of January. Uncertainties remain about the impact of AI on job growth, as well as the revised

tariff regime. The larger issues of taxation, fiscal spending, and the debt ceiling are settled, and the new tax program is kicking in now. The Federal deficit remains outsized, although tariffs are reducing it slightly. All of that is bullish. On the bearish side, self-inflicted taxes on imports have kept US stocks from going through the roof, helping emerging markets.

ETF Breakdown: IWM-- A cap-weighted index fund. **Countries:** US (99%). **Top Sectors:** Finance (22%), Health Technology (12%), Technology Services (12%), Producer manufacturing (8%), Electronic Technology (7%), Industrial Services (4%), Energy Minerals (4%), Commercial services (4%), Consumer services (3%), Process industries (3%).

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US Equity Market Top Sectors: Gold Miners, Oil Equip & Serv, Semiconductors, Pharma, Biotech,

The table below ranks 25 primary US sector ETFs in order of relative momentum this week. Momentum investors may consider those ranked higher than cash bullish (**buy or hold**), and those ranked below cash bearish (**sell or avoid**). Value investors may feel the opposite. **This week's US equity sector momentum is positive; breath is broad but contracting--78% of our sectors are buy or hold (L81%) with BUYS now 52% (L52%) and HOLDS now 26% (L33%). AVOIDS are currently 22% (L15%).** Potential "Buys" include Gold Miners, Oil Equipment & Services, Semiconductors, Pharma, Biotech. "Avoids" include Software, Internet, Bitcoin, Medical Devices, Healthcare, Capital Markets.

CI%	Description	ROC	TS	READ	RSI		PMO	+/-	Condition
100%	Gold Miners (GDX)	114%	137%	very bullish	66.7		6.00	positive	improving
58%	US Oil Equip & Serv (IEZ)	62%	136%	very bullish	71.1	OB	6.69	positive	improving
44%	Semiconductors (SMH)	41%	115%	very bullish	51.0		2.72	positive	deteriorating
36%	US Pharmaceuticals (IHE)	34%	114%	very bullish	65.3		2.04	positive	deteriorating
33%	Biotechnology (IBB)	31%	108%	very bullish	54.4		0.77	positive	improving
23%	US Aerospace & Def (PPA)	22%	114%	very bullish	60.7		2.39	positive	deteriorating
16%	Industrials (XLI)	15%	112%	very bullish	66.4		2.71	positive	deteriorating
16%	Select Materials (XLB)	16%	113%	very bullish	66.1		3.42	positive	deteriorating
15%	Oil/Gas Expl & Prod (XOP)	14%	112%	very bullish	66.9		3.95	positive	improving
14%	Transports (IYT)	12%	101%	very bullish	57.4		1.94	positive	deteriorating
14%	Home Construction (XHB)	10%	96%	very bullish	50.1		2.01	positive	deteriorating
13%	KB Banks (KBE)	7%	83%	very bullish	37.1		0.70	positive	deteriorating
11%	Telecommunications (FCOM)	10%	53%	neutral	52.6		-0.33	negative	deteriorating
10%	Utilities (XLU)	14%	105%	very bullish	75.4	OB	2.50	positive	improving
10%	S&P 500 (SPY)	8%	74%	bullish	48.5		0.13	positive	deteriorating
9%	Retail (XRT)	7%	70%	bullish	46.8		0.09	positive	deteriorating
9%	US Technology (IYW)	6%	36%	bearish	42.2		-0.98	negative	improving
8%	Consumer Staples (XLP)	10%	112%	very bullish	70.4	OB	2.97	positive	deteriorating
7%	Media Portfolio (XLC)	8%	64%	bullish	57.7		0.02	positive	improving
4%	Food & Beverage (PBJ)	4%	110%	very bullish	69.4		2.71	positive	deteriorating
3%	REITs (VNQ)	5%	107%	very bullish	67.7		1.60	positive	improving
2%	KBW Insurance (IAK)	4%	93%	very bullish	57.1		0.54	positive	improving
-1%	CASH	0%	88%	very bullish	67.7		0.08	positive	improving
-1%	Capital Markets (KCE)	-5%	30%	bearish	42.6		-1.29	negative	deteriorating
-4%	US Health Providers (IHF)	1%	15%	very bearish	49.2		-1.25	negative	improving
-7%	US Medical Devices (IHI)	-4%	25%	bearish	54.1		-0.92	negative	improving
-8%	Bitcoin (BLOK)	-12%	11%	very bearish	41.8		-3.13	negative	improving
-12%	DJ Internet Index (FDN)	-13%	9%	very bearish	45.8		-2.96	negative	improving
-19%	Software (XSW)	-25%	0%	very bearish	31.3		-5.74	negative	deteriorating

US Sector Top Performers: YTD (2/13/26)

YTD	Description	THIS wk	LAST wk	13wk	26wk	39wk	52wk	3Y
38.8%	US Oil Equip & Services (IEZ)	1.9%	2%	42.4%	65.9%	81.8%	50.2%	41.9%
35.1%	Gold Miners (GDX)	9.0%	2%	54.5%	100.8%	138.6%	188.0%	359.2%
21.7%	Oil/Gas Explore & Produce (XOP)	1.2%	3%	15.9%	25.6%	29.9%	20.8%	15.7%
17.8%	Select Materials (XLB)	0.8%	-1%	25.6%	19.7%	26.3%	23.0%	28.6%
15.9%	Consumer Staples (XLP)	2.4%	-2%	17.7%	9.7%	13.1%	12.7%	27.6%
15.6%	US Aerospace & Defense (PPA)	0.2%	3%	21.5%	25.0%	39.9%	58.0%	90.2%
14.2%	Industrials (XLI)	-0.1%	2%	18.6%	18.0%	26.8%	33.1%	52.6%
13.8%	Food & Beverage (PBJ)	1.5%	-1%	16.0%	6.5%	8.5%	10.2%	15.4%
12.8%	Semiconductors (SMH)	-2.1%	2%	22.3%	41.2%	69.5%	67.4%	95.5%
12.0%	Home Construction (XHB)	-3.0%	-2%	15.4%	3.0%	21.8%	13.6%	16.3%

INTERNATIONAL MARKETS: #1 GOLD Rally Continues



Gold Bullion: GLD rose 3.2% this week, after gaining 1.3% last week. That left it very bullish and ranked 1 globally and more attractive than cash. The index is up 29.3% for the quarter (13 weeks), and up 83.7% for the year (52 weeks). At \$483.75, GLD is above its short-term (50-day) average and above its intermediate-term (200-day) average. Its momentum (PMO) is positive and improving, and its 14-day RSI of 61.2 means GLD is neither overbought nor oversold. As for currency effects, a cheaper Dollar this week makes foreign assets, commodities and gold more attractive. Over time, a bearish Dollar improves return to Dollar investors in foreign equities, commodities and gold, while reducing the region's trade competitiveness.

GLD continues to slowly recover from its overbought late January swoon. The slope of its short-term trend line continues to steepen. Momentum medium-term (CI) and over the last 20-days (PMO) still beats that of

most of the assets we track. Geopolitical uncertainty appears to be a major contributor to gold's central bank demand. So is the expectation that lower rates (and cheaper US money) is potentially coming, will be inflationary, and is good for gold. Another rate cut or two is expected this summer. Meanwhile, we have a large persistent US deficit, amid growing tension with Iran, not to mention ongoing issues in Venezuela, Ukraine, and the Black Sea. Traditional threats (global recession or a severe equity market panic) evidenced by equity margin calls are not in evidence.

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INTERNATIONAL MARKETS: COMMODITIES Continue to Soar



Commodities: A very bullish CRB rose 2.0% this week after gaining 3.0% last week. That left commodity prices up 8.5% for the quarter (13 weeks), and up 13.4% for the year (52 weeks). At \$25.10 the CRB is above its short-term (50-day) average and above its intermediate-term (200-day) average at 122. Its momentum (PMO) is positive and improving, and its 14-day RSI of 64.1 means the CRB is neither overbought nor oversold.

Crude Oil: (USO) rose 1.4% this week, following last week's gain of 6.1%. Crude is currently very bullish. That leaves US oil prices up 13.0% for the quarter (13 weeks), and up 11.0% for the year (52 weeks). At \$81.95, USO is above its short-term (50-day) average and above its intermediate-term and neither overbought nor oversold. A cheaper Dollar this week makes foreign assets, commodities and gold more attractive. Over time, a bearish Dollar improves return to Dollar investors in foreign equities, commodities and gold, while reducing the region's trade

competitiveness.

Global attention on security concerns in Iran picked up last week, and came to a head this week, as the US unleashed "Epic Fury" over the weekend. The military build-up in the Persian Gulf has spiked oil prices in particular and commodity prices in general. West Texas Intermediate crude prices, down to the mid-fifties last October, are in the mid-sixties now. While the US takeover of Venezuela's oil resources will likely increase oil supply and lower prices later in 2026, as "drill, baby, drill" does the same in the US, the prospect for extended violence in Iran and Ukraine continues to interrupt that progress. Meanwhile, the commodity and bond markets are still telling us that inflation should be more of a concern than joblessness.

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INTERNATIONAL EQUITIES: #6 EUROPE Large-Cap Stocks Stall



European Large-Cap Stocks: IEV rose 0.1% this week, after gaining 1.5% last week. That left it very bullish and ranked 6 globally and more attractive than cash. The index is up 16.2% for the quarter (13 weeks), and up 33.2% for the year (52 weeks). At \$73.90, IEV is above its short-term (50-day) average and above its intermediate-term (200-day) average. Its momentum (PMO) is positive and deteriorating, and its 14-day RSI of 61.5 means IEV is neither overbought nor oversold. As for currency effects, a cheaper Dollar this week makes foreign assets, commodities and gold more attractive. Over time, a bearish Dollar improves return to Dollar investors in foreign equities, commodities and gold, while reducing the region's trade competitiveness.

Europe pushed higher again this week but then stalled. Fed rate cuts have covered IEV's take-off for months and it is still going strong. Recent European Central Bank communication suggests Euro rates are likely to remain

on hold, with any future moves dependent on inflation and growth data. There are no strong indications of imminent cuts, but there is a possible shift toward *rate hikes by 2027* if conditions warrant. There is continued emphasis on meeting-by-meeting decision making, inflation near 2%, and vigilance regarding currency impacts. Ongoing work on *digital euro development* and evolving monetary policy operations is underway. NOTE: A neutral to slightly bullish Euro vs. Dollar keeps IEV slightly underperforming the hedged version (HEDJ) of European equities.

ETF Breakdown: IEV-- A cap-weighted index fund. **Countries:** UK (24%), France (18%), Switzerland (16%), Germany (13%), Netherlands (7%), Denmark (7%), Energy Minerals (6%), Utilities (4%), Consumer durables (4%), Technology Services (5%), Process industries (3%).

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INTERNATIONAL EQUITIES: #3 JAPAN Partially Recovers



Japanese Stocks: EWJ rose 1.0% this week, after losing 2.5% last week. That left it very bullish and ranked 3 globally and more attractive than cash. The index is up 23.0% for the quarter (13 weeks), and up 49.5% for the year (52 weeks). At \$92.37, EWJ is above its short-term (50-day) average and above its intermediate-term (200-day) average. Its momentum (PMO) is positive and deteriorating, and its 14-day RSI of 66.0 means EWJ is neither overbought nor oversold. As for currency effects, a cheaper Dollar this week makes foreign assets, commodities and gold more attractive. Over time, a bearish Dollar improves return to Dollar investors in foreign equities, commodities and gold, while reducing the region's trade competitiveness.

Elections produced a strong coalition promising a program of expansionary economic policies for Japan, and the stocks celebrated-- until last week's retreat from a severely overbought condition.

Meanwhile, Yen weakness is boosting exporters and raising the yen value of overseas earnings for Japan's large export-heavy companies. Worries about the Japanese bond market at least appear to be on the back burner. NOTE: For Dollar investors, Japan's return to its traditional weak yen policy makes the hedged version (DXJ) of Japanese equities preferable to the dollar version we track (EWJ). Also, expect recent upside gaps to be filled.

ETF Breakdown: EWJ-- A cap-weighted index fund. **Countries:** Japan (100%) **Top Sectors:** Finance (15%), Consumer durables (14%), Producer manufacturing (14%), Electronic Technology (12%), Health Technology (9%), Process industries (5%), Technology Services (5%), Consumer non-durables (5%), Communications (5%), Distribution services (4%).

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INTERNATIONAL EQUITIES: #4 ASIA-PACIFIC Again Pushes Higher



Asia-Pacific ex-Japan: AAXJ rose 0.6% this week, after gaining 2.3% last week. That left it very bullish and ranked 4 globally and more attractive than cash. The index is up 20.7% for the quarter (13 weeks), and up 50.3% for the year (52 weeks). At \$106.60, AAXJ is above its short-term (50-day) average and above its intermediate-term (200-day) average. Its momentum (PMO) is positive and improving, and its 14-day RSI of 66.0 means AAXJ is neither overbought nor oversold. As for currency effects, a cheaper Dollar this week makes foreign assets, commodities and gold more attractive. Over time, a bearish Dollar improves return to Dollar investors in foreign equities, commodities and gold, while reducing the region's trade competitiveness.

Asia Pacific popped to another record high this week as US "emergency" tariffs were replaced by 15% across the board tariffs. That put Asian equities in the number 4 slot in the global regional rankings, more attractive

than both cash and US equities. US tariffs are the reason foreign stocks are outperforming. The court ruling will not stop them and will lead to higher tariffs. Certain Asian exporters (particularly China and India) had a bigger tariff problem than others. Even so Asian equity markets (AAXJ +23) remain comparably attractive to US stocks (VTI +5). South Korea (EWY +109) is a standout. Taiwan (EWT +26) and Hong Kong (EWH +16) and Australia (EWA +11) are doing well. Singapore (EWS +4), India (PIN +2) and China (FXI -3), lag the US. and are struggling due to US tariff issues but may get relief.

ETF Breakdown: AAXJ-- A cap-weighted index fund. **Countries:** Hong Kong (36%), Taiwan (17%), India (16%), Korea (14%), Mainland China (4%), Singapore (4%), Thailand (2%), Indonesia (2%), Malaysia (2%), US (1%). **Top Sectors:** Finance (24%), Electronic Technology (20%), Technology Services (10%), Retail (7%), Consumer non-durables (5%), Consumer durables (4%), Producer manufacturing (4%), Transportation (4%), Energy (4%), Health Technology (3%).

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INTERNATIONAL EQUITIES: #2 LATIN AMERICA Posts Brief New High, Retreats



Latin America 40: ILF fell 1.6% this week, after gaining 2.3% last week. That left it very bullish and ranked 2 globally and more attractive than cash. The index is up 27.9% for the quarter (13 weeks), and up 77.0% for the year (52 weeks). At \$36.48, ILF is above its short-term (50-day) average and above its intermediate-term (200-day) average. Its momentum (PMO) is positive and deteriorating, and its 14-day RSI of 56.5 means ILF is neither overbought nor oversold. As for currency effects, a cheaper Dollar this week makes foreign assets, commodities and gold more attractive. Over time, a bearish Dollar improves return to Dollar investors in foreign equities, commodities and gold, while reducing the region's trade competitiveness.

Latin America led the world higher in January but has slowed in February. After putting a double top last week, AAXJ has relieved an overbought condition and stopped just short of a new high for a third time. A weaker Dollar in November briefly

propelled Latin equities into the number 1 slot in the global regional rankings in December, and it remains in #2 this week. US tariffs are the reason foreign stocks are outperforming US equities, and the tariff situation is less of a problem for Latin exporters than it is for other regions. A cheaper Dollar is also good for Latin stocks (ILF +36), which have significantly outperformed their US cousins in Price-Performance vs cash (VTI +5) since the tariff announcement 4/25. Brazil (EWZ +35), Colombia (COLO +26), Chile (ECH +32), and Mexico (EWW +31) are strongest, while Argentina (ARGT +12) continues to dig itself out of its most recent leftist hole. Canada (EWC +19) which is not in ILF, but a key player in the Americas continues to beat most players in the hemisphere despite facing 35% tariffs on the 60% of its exports not covered by USMCA.

ETF Breakdown: ILF-- A cap-weighted index fund. **Countries:** Brazil (58%), Mexico (26%), US (8%), Chile (6%), Colombia (2%) **Top Sectors:** Finance (31%), Non-energy minerals (20%), Energy Minerals (14%), Consumer non-durables (10%), Retail (7%), Communications (5%), Technology Services (4%), Utilities (3%), Process Industries (2%), Producer manufacturing (2%).

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INVESTMENT STRATEGIES: PASSIVE DIVERSIFIED: BUY-AND-HOLD

This site compares passive and active investment strategies. The passive strategy is represented by two diversified ETFs, moderate growth (AOM) and aggressive growth (AOA). AOM is comprised of 60% income instruments and 40% equity assets. AOA is 80% equity and 20% income. AOA (mostly stocks) outperforms in bull market scenarios and AOM (mostly bonds) works better when equities are weak.

Passive Buy-and-Hold Strategies TOP Buy and Hold Strategy: Aggressive Growth (AOA)

Among Buy & Hold strategies, Aggressive growth is currently the more profitable choice over the past 52, 39, 26, and 13 weeks—not to mention the last three years. It has a slightly higher PMO than moderate B&H but not by much. Technical readings are comparable with the prices of both currently above their respective 50-day and 200-day averages.

CI%	Description	ROC	TS	READ	RSI	PMO	+/-	Condition
66%	(AOA) Aggressive Growth	11%	104%	very bullish	58.1	0.90	positive	improving
43%	(AOM) Moderate Growth & Inc	8%	104%	very bullish	63.0	0.67	positive	improving
YTD	Description	this wk	last wk	13wk	26wk	39wk	52wk	3Y
4.3%	(AOA) Aggressive Growth	0.1%	0.8%	7.9%	11.4%	20.3%	21.2%	37.4%
3.0%	(AOM) Moderate Growth & Inc	0.0%	0.6%	5.6%	8.4%	14.6%	14.7%	26.1%
PR/HI	Description	SL	PRICE	BS	52w HI	52w LO	50d avg	210d avg
99.3%	(AOA) Aggressive Growth	90.79	93.38	93.99	93.99	68.45	91.51	85.67
99.8%	(AOM) Moderate Growth & Inc	48.14	49.14	49.25	49.25	41.20	48.33	46.05

Market Timing v. Diversified Buy & Hold: Performance

Strategy	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Index Moose	18.2%	58.7%	5.5%	3.6%	-16.3%	11.7%	13.2%	-6.5%	5.1%	9.0%
Aggressive G&I (AOA)	4.2%	19.3%	11.5%	15.6%	-17.9%	13.5%	10.7%	12.5%	-6.2%	8.0%
Moderate G&I (AOM)	2.9%	11.0%	4.9%	9.2%	-16.4%	5.3%	7.7%	19.5%	-9.9%	14.1%
Strategy	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
US Strategy Moose	0.3%	16.7%	26.1%	12.3%	-7.0%	22.2%	20.9%	23.6%	1.2%	28.5%
S&P Benchmark	-0.9%	14.5%	24.5%	24.3%	-19.5%					

The Index Model crushed all competitors in 2025. It has outperformed in three of the last ten years.

US Strategy Moose has outperformed in six of the last 10 years.

In total, one of our two timing models has outperformed buy-and-hold in nine of the last ten years.

For buy and hold investors: Aggressive (AOA) is outperforming more moderate (AOM) diversifications.

The table above covers the last decade and illustrates several points: (1) Success of any one strategy can be highly variable year-to-year. (2) Just because it worked last year doesn't mean it will next year. (3) Buy-and-hold is preferable in a bull market with few lasting or deep corrections amid trendless volatility. (4) When stocks are trending strong, aggressive buy-and-hold is best, but when stocks go bearish it can be a huge loser. (5) To avoid substantial losses, buy-and-hold investors should have a separate exit plan, whereas such plans are implicit in index targeting (a loss-minimization strategy). (6) Market timing is most profitable when there is one predominant asset choice, or in extended bear market scenarios.

INVESTMENT STRATEGIES: THE US EQUITY STRATEGY TIMING MODEL

USE Strategy: HOLD SPYD

The USES Model is an equity only construct for determining the optimum equity strategy for the US large cap stock portion of one's portfolio. It monitors and ranks US equity strategies (as represented by the most popular smart-beta ETFs based on volume and capitalization) using our momentum methodology. The 7 US equity strategies include US momentum, US growth, US value, US low volatility, US high dividend, US fundamentals, and US equal weight.

THIS WEEK was the first MIXED-Risk week after Risk-ON week. US Stocks DOWN, Foreign Stocks MIXED, US Bonds UP and Gold UP. US Equity Strategy (USES) Model bought into US High Dividend (SPYD) 2/16/25 @169.25 after selling IUSG 2/10/2026. The benchmark (SPY) is bullish.

SPYD leads in overall confidence, rate of change, technical strength, and positive PMO. Performance-wise, SPYD leads year-to-date and over 13, 26, and 39 weeks.

Best Alternatives: Nothing recent stands out. US Stocks are bullish entering 2026, but US large caps, especially in the Mag 7 growth category are hung-over from year-end valuation constraints. Adding small caps and International shares are showing strength against US equities.

	CI%	Description	ROC	TS	READ	RSI	PMO	+/-	Condition
1	100%	US High Dividend (SPYD)	17%	112%	very bullish	68	2.74	positive	deteriorating
2	69%	US Value (IUSV)	11%	100%	very bullish	60	0.97	positive	deteriorating
3	56%	US Large-caps (SPY)	8%	74%	bullish	49	0.13	positive	deteriorating
4	56%	US Fundamentals (QUAL)	10%	103%	very bullish	56	0.54	positive	improving
5	55%	S&P Equal Weight (RSP)	9%	105%	very bullish	63	1.23	positive	improving
6	48%	US Growth (IUSG)	7%	50%	neutral	44	-0.46	negative	improving
7	28%	US Momentum (MTUM)	5%	68%	bullish	49	0.07	positive	deteriorating
8	15%	Cash	2%	88%	very bullish	100	0.15	positive	deteriorating
9	13%	US Low Volatility (SPLV)	4%	106%	very bullish	80	1.59	positive	improving
10	-5%	Short Income (SGOV)	-1%	82%	very bullish	68	0.07	positive	improving

NOTE: All of the strategies in this model are derivative of and highly correlated to the S&P. When SPY's TS and/or CI is bearish, when it hits a stop-loss, is overbought, or gives some other sell signal, adopting any sub-strategy that is highly correlated to it is not recommended. To initiate a switch both SPY and the strategy ETF must have TS>0 and CI>0 or better, not be overbought, and be working off a buy-stop.

	YTD	Description	This Wk	Last Wk	13wk	26wk	39wk	52wk	3Y
1	11%	US High Dividend (SPYD)	0.0%	-0.1%	20.4%	17.3%	25.9%	17.3%	44.7%
2	8%	US Low Volatility (SPLV)	1.9%	0.1%	8.1%	4.7%	7.7%	5.5%	22.0%
3	7%	S&P Equal Weight (RSP)	0.4%	0.6%	11.5%	11.1%	18.9%	16.3%	31.6%
4	5%	US Value (IUSV)	0.4%	0.4%	8.9%	11.9%	21.0%	16.4%	30.3%
5	3%	US Fundamentals (QUAL)	0.2%	1.3%	7.9%	10.5%	17.9%	14.4%	31.2%
6	1%	US Momentum (MTUM)	-0.7%	1.3%	5.1%	5.0%	13.0%	17.5%	43.4%
7	1%	US Large-caps (SPY)	-0.5%	1.1%	4.6%	8.5%	19.1%	17.2%	39.2%
8	0%	Short Income (SGOV)	0.2%	-0.1%	0.4%	1.2%	2.5%	3.5%	8.7%
9	0%	Cash	0.1%	0.0%	1.0%	2.0%	3.1%	4.2%	9.5%
10	-2%	US Growth (IUSG)	-1.2%	1.9%	1.8%	6.2%	18.0%	18.3%	45.5%

INVESTMENT STRATEGIES: THE GLOBAL INDEX TIMING MODEL

TOP Index Model Move: HOLD GLD

THIS WEEK was the first MIXED-Risk week after Risk-ON week. **US Stocks DOWN, Foreign Stocks MIXED, US Bonds UP and Gold UP.** This week: **The Global Index Model HOLDS #1 GLD via buy-stop since 8/28/25.**

Gold leads in overall confidence, technical strength, and in improving PMO. Performance-wise, **gold leads year-to-date, over the last two weeks, and over 13, 26, 39 and 52 weeks.** It also outperforms over three-years.

Best Alternatives: Emerging markets are a safer choice for those tired of gold. US Stocks are bullish entering 2026, but US equities, especially in the Mag 7 growth category are hung-over from year-end valuation constraints. Small caps are showing sporadic strength against SPY. All equities are lagging gold, due to a weaker Dollar from US tariffs. Fed rate cut optimism in 2026 remains but seems unlikely before June.

The Global Index Model continues to outperform the S&P, all Buy-and-Hold allocations, and the USES and TSP models in a major way. Foreign markets (EEM, EFA) are technically strong this month, but they are verging on overbought. Gold continues to lead the Index Model in CI and PMO, and in 1,2,3, and 4,quarterly performance.

	CI%	FUND	TS+	READ	RSI	PMO	+/-	condition
1	100%	Gold Bullion (GLD)	121%	very bullish	61.2	3.85	positive	improving
2	57%	Emerging Markets (EEM)	115%	very bullish	64.2	2.81	positive	improving
3	39%	Developed Markets (EFA)	111%	very bullish	67.1	2.22	positive	deteriorating
4	38%	US Small-caps (IWM)	99%	very bullish	48.5	0.89	positive	deteriorating
5	20%	US Large-caps (SPY)	74%	bullish	48.5	0.13	positive	deteriorating
6	5%	Short US Income (SGOV)	88%	very bullish	100.0	0.15	positive	deteriorating
7	3%	Very Long US Bonds (EDV)	92%	very bearish	69.4	1.11	positive	improving

	YTD	FUND	THIS	LAST	13wk	26wk	39wk	52wk	3Y
1	22.1%	Gold Bullion (GLD)	3.2%	1.3%	29.3%	47.4%	59.2%	83.7%	157.9%
2	14.4%	Emerging Markets (EEM)	0.4%	2.0%	18.3%	27.1%	38.6%	47.4%	57.0%
3	9.7%	Developed Markets (EFA)	0.5%	0.6%	15.3%	19.3%	25.7%	35.8%	50.1%
4	6.4%	Very Long US Bonds (EDV)	2.1%	-0.4%	1.9%	7.7%	9.6%	-4.1%	-5.5%
5	6.2%	US Small-caps (IWM)	-1.2%	0.6%	11.4%	12.6%	28.1%	22.9%	33.9%
6	0.6%	US Large-caps (SPY)	-0.5%	1.1%	4.7%	7.5%	18.2%	17.3%	39.2%
7	0.3%	Short US Income (SGOV)	0.1%	0.0%	1.0%	1.9%	3.1%	4.1%	9.5%

Strategy	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Index Moose	22.1%	58.7%	5.5%	3.6%	-16.3%	11.7%	13.2%	-6.5%	5.1%	9.0%
Aggressive G&I (AOA)	4.3%	19.3%	11.5%	15.6%	-17.9%	13.5%	10.7%	12.5%	-6.2%	8.0%
Moderate G&I (AOM)	3.0%	11.0%	4.9%	9.2%	-16.4%	5.3%	7.7%	19.5%	-9.9%	14.1%

INVESTMENT STRATEGIES: THE THRIFT SAVINGS PLAN TIMING MODEL

TSP Momentum & Performance

The Thrift Savings Plan, or TSP, is the government's 401K-style retirement plan. Beginning 12/21/2018, the revised TSP model began incorporating actual fund data and monitoring ten TSP funds instead of five index fund proxies alone. While having ten asset choices offers myriad possibilities, our primary concern involves the overall strategic decision: Should TSP investors use index targeting (market timing) to manage their portfolio or rely on a diversified buy-and-hold approach. **Answer:** it depends on the investor and on what's working.

The TSP Model: HOLD International Equities (Fund I)

THIS WEEK was the first MIXED-Risk week after Risk-ON week. US Stocks DOWN, Foreign Stocks MIXED, US Bonds UP and Gold UP. This week: The TSP Model HOLDS #1 International Equities (Fund I) via buy-stop since 1/21/26.

International Equities (Fund I) lead in overall confidence, rate of change, technical strength, and in improving PMO. Performance-wise, Fund I leads year-to-date, over the last two weeks, and over 13, 26, 39 and 52 weeks. It also outperforms over three-years. Fund I is currently overbought, however, and due for a dip.

Best Alternatives: Nothing recent stands out. Aggressive Lifetime outperforms more moderate B&H portfolios, but the TSP model in the I Fund outperforms all Buy-and-Hold allocations, and the USES model in a major way.

	CI%	FUND	ROC	TS+	READ	RSI	PMO	+/-	condition
1	100%	International stocks (I)	21%	113%	very bullish	74.0	2.56	positive	improving
2	62%	Lifetime 2060	12%	105%	very bullish	57.8	0.99	positive	improving
3	52%	Lifetime 2050	10%	104%	very bullish	58.6	0.87	positive	improving
4	45%	Lifetime 2040	9%	103%	very bullish	59.0	0.78	positive	improving
5	43%	US Small-caps (S)	7%	92%	very bullish	49.1	0.36	positive	deteriorating
6	42%	US Large-caps (C)	7%	73%	bullish	48.8	0.11	positive	deteriorating
7	37%	Lifetime 2030	7%	103%	very bullish	59.6	0.66	positive	improving
8	18%	Long-term Inc (L)	3%	101%	very bullish	63.1	0.41	positive	improving
9	12%	Fixed Income (F)	3%	102%	very bullish	75.5	0.41	positive	improving
10	1%	Short-term Income (G)	0%	101%	very bullish	--	0.18	positive	improving

Fund I leads over 13, 26, 39 /and 52 weeks, YTD, and over 3 years. Fund S is a close second in January. The models are more or less based on six-month momentum, so Fund I has the best answer to the question "what have you done for me lately?"

TSP Lifetime & Index Funds: Performance Progression

	FUND	THIS	LAST	13wk	26wk	39wk	52wk	YTD	3Y
1	International stocks (I)	1.3%	1.2%	15.8%	20.8%	29.5%	42.2%	12.3%	50.8%
2	Lifetime 2060	0.1%	1.1%	7.4%	11.5%	21.4%	25.2%	5.0%	41.9%
3	Lifetime 2050	0.2%	0.9%	6.4%	10.0%	18.4%	21.6%	4.3%	36.3%
4	Lifetime 2040	0.2%	0.8%	5.8%	9.1%	16.5%	19.5%	3.9%	32.9%
5	US Small-caps (S)	-0.8%	0.8%	6.2%	6.2%	18.1%	16.6%	3.5%	30.6%
6	Lifetime 2030	0.1%	0.6%	4.9%	7.8%	14.1%	16.8%	3.2%	28.7%
7	Long-term Inc (L)	0.1%	0.3%	3.0%	4.9%	8.3%	10.1%	2.0%	17.9%
8	Fixed Income (F)	0.5%	-0.1%	2.3%	4.1%	7.0%	6.3%	1.8%	12.9%
9	Short-term Inc (G)	0.1%	0.1%	1.2%	2.2%	3.3%	4.4%	0.7%	9.1%
10	US Large-caps (C)	-0.4%	1.1%	2.5%	7.0%	17.2%	17.0%	0.7%	39.0%

***Stop-loss hit, no buy-stop since—default to highest ranked alternative. (Published stop-loss price is as of previous Friday close. It may change daily and as such, is published as an initial reference only.) **overbought**

TSP Moose v. TSP Lifetime Funds: Long-Term Performance

Strategy	2026 YTD	2025	2024	2023	2022	2021	2020	2019	2018	2017
TSP Moose	8.3%	15.3%	11.8%	16.5%	-3.4%	13.3%	21.8%	14.9%	6.5%	21.0%
L2060	5.0%	22.6%	16.3%	23.3%	-15.9%	19.9%	new	--	--	--
L2050	4.3%	19.7%	14.0%	20.0%	-13.4%	16.3%	14.8%	23.3%	-6.0%	18.8%
L2040	3.9%	17.8%	12.9%	18.1%	-11.4%	14.5%	13.2%	20.7%	-4.9%	16.8%
L2030	3.2%	15.6%	11.5%	16.6%	-9.0%	12.4%	11.3%	17.6%	-3.6%	14.5%

OBSERVATION: The most aggressive Lifetime Funds have been the best performers since Covid (2020) thanks to the trillions in Federal deficit spending under Trump and Biden. An added bonus: Lifetime funds are a lot less work than timing the markets. The drawback is that buying and holding a Lifetime fund can be a disaster in a cyclical bear market (2022). The risk-reward is better with timing. Fortunately (or unfortunately as one's politics may dictate) the likelihood of a cyclical bear market occurring diminishes as government becomes an ever-larger portion of the US economy and as Fed market manipulation becomes more prevalent. The likelihood of a permanent bear market, however, becomes greater and when that reckoning does eventually come, however, it will be far worse, shaking our national institutions as well as the economy.

Moospeak

Out-hustling AI

In case you're interested, I recently asked AI the best way for a human to keep a job once AI starts outperforming humans in most tasks. This is what AI had to say.

It's worth noting that while AI is advancing rapidly, full displacement across most sectors remains debated and uneven—some roles will automate faster than others, but human elements like context, ethics, and adaptability often create opportunities rather than pure obsolescence. Drawing from expert analyses and recent discussions, here are practical, evidence-based strategies to secure your livelihood. These focus on individual actions you can take now, emphasizing adaptation over resistance.

1. Master Uniquely Human Skills That AI Complements, Not Replaces

AI excels at routine, data-driven tasks but struggles with nuance, empathy, creativity, and ethical judgment. Prioritize building these "soft" strengths, which are projected to increase in value as AI handles the predictable.

- **Emotional intelligence and interpersonal roles:** Focus on fields requiring human connection, such as therapy, nursing, coaching, or sales. These have high AI-resilience scores (85-98%) due to the need for empathy and real-time adaptation.
- **Creative and strategic thinking:** Hone skills in ideation, problem-solving in ambiguous scenarios, or content creation with a personal touch (e.g., storytelling or design). AI can generate ideas, but humans refine them with cultural or ethical insight.
- **Leadership and management:** Learn to guide teams, make high-stakes decisions, or negotiate—areas where trust and motivation are key, and AI is "pretty far away" from excelling.
- **Action step:** Take online courses (e.g., via Coursera or LinkedIn Learning) in emotional intelligence, ethical AI use, or creative strategy. Aim for roles in product management, marketing, or entrepreneurship, where these skills dominate.

2. Learn to Leverage AI as a Tool, Not a Threat

Instead of competing against AI, use it to boost your productivity and output. This "AI amplification" approach can make you indispensable by automating drudgery and freeing time for high-value work.

- Experiment with tools like ChatGPT, Claude, or industry-specific AI (e.g., for coding, design, or analysis) to handle repetitive tasks. Start small: automate a weekly report or research process in your current job.
- Build "AI literacy": Understand prompting, workflow automation, and integration (e.g., via no-code platforms like Zapier). This positions you for "fractional work" or solopreneurship, where one person can scale output dramatically.
- **Action step:** Join AI-focused communities or bootcamps. Work at AI-application startups or companies building/using AI, as they offer fast skill-building in a growing sector.

3. Shift to AI-Resistant or Hybrid Fields

Target industries where physical presence, complexity, or regulation limit full AI takeover. These often involve the "four pillars of AI-resistance": human interaction, physical dexterity, creative judgment, and moral responsibility.

- **Physical or hands-on trades:** Plumbers, electricians, mechanics, or construction roles require on-site adaptability that AI/robots can't fully replicate yet.
- **Hybrid sectors:** Work in areas touching the real world, like services, hardware, e-commerce, or healthcare, where AI augments but doesn't eliminate human roles.
- **AI-involved fields:** Ironically, jobs in AI ethics, deployment, or oversight (e.g., prompt engineering, bias auditing) will boom as adoption grows.
- **Action step:** Assess your current role—ask, "What decisions rely on my judgment?"—and pivot via certifications or apprenticeships in resilient fields.

4. Embrace Entrepreneurship and Income Diversification

With AI enabling "solopreneurship," start side ventures or freelance in niches where personalization wins. This reduces reliance on traditional employment.

- Launch AI-assisted businesses (e.g., custom consulting using AI tools) or micro-credentials in emerging areas.
- Diversify: Build passive income streams like content creation, investments, or gig work on platforms like Upwork.
- Action step: Use models like Self-Employment Assistance programs for support, and network in AI communities for opportunities.

5. Commit to Lifelong Learning and Advocacy

Treat education as "always on," not one-time. This includes upskilling via micro-credentials or worker retraining accounts to stay ahead.

- Monitor trends: Follow AI developments and job market shifts to adapt early.
- Advocate for policies: Support universal basic income (UBI) pilots, portable benefits, or retraining incentives to buffer systemic changes.
- Action step: Set aside time weekly for learning (e.g., AI ethics courses) and build a network in resilient industries.

Recent discussions highlight growing anxiety but also optimism—AI reshapes expertise toward human strengths like creativity and judgment, turning disruption into opportunity if approached proactively. The key is action today: upskill in human-AI collaboration to ride the wave rather than fight it. If your field is at high risk (e.g., data entry or basic coding), start transitioning now for the best outcomes.