

MOOSECALLS

Global Financial News & Analysis
JUN.05.2026 through JUN.14.2026

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EXECUTIVE SUMMARY: JUN.05.2026

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-OFF (1)

THIS WEEK a Risk-OFF week after 2 Risk-ON:
US Stocks DOWN, Foreign Stocks DOWN, Bonds DOWN and Gold DOWN.

TECH TANKS

Party poopers rained on the AI technology parade in global equities this week. The wheels got wobbly on Thursday and were coming off by Friday. Semiconductors, Technology, and Defense took the heaviest hits. After one of the best performing May's in US market memory, June arrived with a thud. Rallying over 10% in May, the QQQ's lost 6% in three days last week. US large caps (-2.5%) fared better than the Nasdaq and also US small caps (-3.5%). Offshore, Asia-Pacific (-5.9%) got hammered, led lower by Taiwan and South Korea. As its best trading partner, Latin America (-5.2%) shared in Asia's pain. Japan (-2.4%) and Europe (-2.1%) mirrored more subdued US weakness. US long bond prices (-0.1%) fell fractionally. The US ten-year yield rose 9 bps to 4.54% and the three-month yield rose to 3.63%, steepening the yield curve to 92 basis points. The Dollar added +1.3%, which hurt gold bullion (-5.0%) and commodities in general (-0.8%) but not oil (+3.0%). Despite equity losses, there were no changes to the models this week.

GLOBAL OUTLOOK POSITIVE (4 of 4). No change. War has the Baltic Dry Index, the 10-year US yield, and oil and copper prices all higher over the last 13 weeks.

INFLATION: No new inflation data. Oil prices up, commodities down on the week but. Oil still below \$100/bbl. Global inflation per Fed Check warrants tightening.

US ECONOMIC DATA: Jobs report strong; Construction, Services and Manufacturing expanding. Recession chance a year out minimal. Financial system health per SOFR-T spread: sound. GDP Now estimate (Q2) down as of 5/28: 3.0%.

FEDERAL RESERVE: The Fed's balance sheet stands at \$6.71 trillion, with the Fed Funds Rate at 3.50-3.75%. Next Fed meeting (6/17). Fed Chairman Kevin Warsh replaced Jerome Powell May 22. Iran war has spiked inflation fears. Fed Check (79) remains hawkish as of 1/30/2026 (market price of hard assets going up faster than the market price of paper promises.) A June rate cut is highly unlikely (5%), while odds of a December Fed rate hike (51%) or no change are about 50-50.

INVESTMENT STRATEGIES: No change. The TSP model holds International equities (I Fund). The GLOBAL Index model holds Emerging Markets (EEM). USES model holds Momentum since 5/22/26.

GLOBAL OUTLOOK: POSITIVE (4 of 4)

Indications are very positive (4 of 4) for the global economy.

An international shipping measure and proxy for current global trade, the Baltic Dry Index is at 2981 this week, down from last week but up after 13 weeks, a positive signal. (After opening 2026 at 1882, BDI is still well below its 2010 peak @4640.)

Meanwhile, another proxy for world activity, WTI oil price is up to \$90.54 this week, and up in the latest quarter, a positive economic signal. (Oil remains below its 2022 peak (\$130), but well above the 2020 Covid low (\$10).)

Our proxy for global construction, copper is 6.29, up this week, and up this quarter, a positive signal.

Domestically, the 10Y US bond yield is up to 4.54 this week, and up over the past 13 weeks, a positive bet on the largest world economy.

GLOBAL RANKING: Latin America Top Region

Index Moose
ETF Rankings
through
JUN.14.2026

**THIS WEEK a Risk-OFF week after 2 Risk-ON:
US Stocks DOWN, Foreign Stocks DOWN, Bonds DOWN and Gold DOWN.**

Latin America still leads in regional global momentum since 4/9/2026, despite taking a 5%+ hit this week (6/5).

ILF leads in overall confidence, but not technical strength or PMO. Though Latin equities (ILF) are the #1 regional choice, ILF is very volatile and triggered a stop loss (5/13). The best alternative at the moment remains emerging markets (EEM), though both Asia Pacific ex-Japan and Latin America took 5%+ hits this week, and next week's tech performance could portend whether EEM recovers or dies.

**Working off a stop-loss. 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.*

	CI%	FUND	TS+	READ	RSI	PMO	+/-	condition
1	100%	Latin America (ILF)	47%	neutral	31.4	-1.25	negative	deteriorating
2	98%	Asia Pacific ex-Japan (AAXJ)	117%	very bullish	44.0	3.51	positive	deteriorating
3	73%	Japan (EWJ)	104%	very bullish	46.7	1.60	positive	deteriorating
4	52%	US Small-caps (IWM)	105%	very bullish	48.7	2.18	positive	deteriorating
5	37%	US Large-caps (SPY)	108%	very bullish	49.5	2.17	positive	deteriorating
6	35%	Europe (IEV)	85%	very bullish	46.7	0.84	positive	deteriorating
7	34%	Gold Bullion (GLD)	26%	bearish	33.0	-1.58	negative	deteriorating
8	0%	Short US Income (SGOV)	0%	very bearish	--	.10	positive	improving
9	-32%	Very Long US Bonds (EDV)	26%	bearish	52.6	-0.21	negative	improving
		US Dollar	102%	very bullish	68.9		positive	improving
		Commodities	91%	very bullish	40.2		positive	deteriorating
		US Oil	109%	very bullish	46.2		positive	deteriorating
		Ryan/CRB	80%	HIKE RATES				
		Volatility	21.5	reduced fear				

AAXJ is the best performing region YTD, and over 13, 26, 39 and 52 weeks, but it took a major hit this week (6/5). ILF continued to fade this week as well (-5.2%). In spite of that emerging market equities continue to outperform those of developed markets.

YTD	FUND	06/05/26	05/28/26	13wk	26wk	39wk	52wk	3Y
20.3%	Asia Pacific ex-Japan (AAXJ)	-5.9%	4.4%	11.3%	23.7%	34.1%	44.8%	67.6%
14.4%	US Small-caps (IWM)	-3.0%	1.9%	7.8%	12.6%	20.0%	34.3%	41.1%
12.4%	Japan (EWJ)	-2.4%	1.5%	2.4%	17.5%	24.9%	35.2%	53.0%
8.8%	Latin America (ILF)	-5.2%	0.0%	-5.8%	12.2%	28.0%	39.6%	40.6%
8.2%	US Large-caps (SPY)	-2.5%	1.5%	7.9%	8.6%	14.6%	24.5%	44.6%
4.3%	Europe (IEV)	-2.1%	0.5%	0.8%	9.1%	14.7%	16.7%	35.1%
0.0%	Short US Income (SGOV)	0.1%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	Gold Bullion (GLD)	-5.0%	0.8%	-16.0%	2.3%	21.3%	29.8%	83.0%
-2.1%	Very Long US Bonds (EDV)	-0.1%	1.8%	-4.9%	-2.3%	0.4%	3.7%	-1.6%

GLOBAL RANKING: TECHNICAL OVERVIEW

#1 Latin America 40. ILF plunged 5.2% this week, after being unchanged last week. That left it neutral but still ranked 1 globally and more attractive than cash. The index is down 5.8% for the quarter (13 weeks), but up 39.6% for the year (52 weeks).

#2 Gold Bullion. GLD fell 5.0% this week, after gaining 0.8% last week. That left it bearish and ranked 2 globally and more attractive than cash. The index is down 16.0% for the quarter (13 weeks), but up 29.8% for the year (52 weeks).

#3 Asia-Pacific ex-Japan. AAXJ fell 5.9% this week, after gaining 4.4% last week. That left it very bullish and ranked 3 globally and more attractive than cash. The index is up 11.3% for the quarter (13 weeks), and up 44.8% for the year (52 weeks).

#4 Japanese Stocks. EWJ fell 2.4% this week, after gaining 1.5% last week. That left it very bullish and ranked 4 globally and more attractive than cash. The index is up 2.4% for the quarter (13 weeks), and up 35.2% for the year (52 weeks).

#5 US Small-Cap Stocks. IWM fell 3.0% this week, after gaining 1.9% last week. That left it very bullish and ranked 5 globally and more attractive than cash. The index is up 7.8% for the quarter (13 weeks), and up 34.3% for the year (52 weeks).

#6 European Large-Cap Stocks. IEV fell 2.1% this week, after gaining 0.5% last week. That left it very bullish and ranked 6 globally and more attractive than cash. The index is up 0.8% for the quarter (13 weeks), and up 16.7% for the year (52 weeks).

#7 US Large-Cap Stocks. SPY fell 2.5% this week, after gaining 1.5% last week. That left it very bullish and ranked 7 globally and more attractive than cash. The index is up 7.9% for the quarter (13 weeks), and up 24.5% for the year (52 weeks).

#8 Cash Yields and Interest Rates— Cash yield rose to 3.63% this week, 91 bpts below the 10-year yield (4.54%). The yield curve is steepening, a bullish development for equities and negative for bonds. Cash yield underperforms six-month total return estimates for most of the nine assets we track, leaving cash ranked #8.

#9 US Long Treasury Bonds. EDV fell 0.1% this week, after gaining 1.8% last week. That left it bearish and ranked 9 globally and less attractive than cash. Long bonds are down 4.9% for the quarter (13 weeks) and up 3.7% for the year (52 weeks) as yields have risen.

Commodities. A very bullish CRB fell 0.8% this week after losing 3.5% last week. That left commodity prices up 16.5% for the quarter (13 weeks), and up 36.7% for the year (52 weeks). At \$29.23 the CRB is below its short-term (50-day) average and above its intermediate-term (200-day) average.

Crude Oil. The broader oil complex (USO) rose 3.0% this week, following last week's loss of 8.4% and currently very bullish. That leaves US oil prices up 62.3% for the quarter (13 weeks), and up 91.8% for the year (52 weeks). At \$133.02, USO is below its short-term (50-day) average and above its intermediate-term (200-day) average.

US Dollar. UUP rose 1.3% this week, after losing 0.4% last week. It is currently very bullish—up 3.3% for the quarter (13 weeks), and up 2.6% in the last year (52 weeks). At \$28.02, UUP is above its short-term (50-day) average and above its intermediate-term (200-day) average.

US ECONOMY: THIS WEEK'S DATA

JUN.05.2026: SOLID JOBS REPORT, CONSTRUCTION, SERVICES AND MANUFACTURING.

US ECONOMY: PRODUCTION DATA

WEEKLY EIA Crude Oil Inventories (-7.97) draw deepens as oil prices rise.

APR Industrial Production (+0.7%) beat prior and targets.

APR Capacity Utilization (76.1) expanding better than anticipated.

MAY S&P Global U.S. Manufacturing PMI – (55.1) down from previous.

MAY S&P Global U.S. Services PMI – (50.7) down 2 ticks from prior.

APR ISM Manufacturing Index (54.0) beat prior and consensus.

APR ISM Services Index (54.5) beat prior and consensus.

US ECONOMY: CONSTRUCTION DATA

APR Housing Starts (1465K) below previous but beat expectations

APR Building Permits (1442K) above consensus and prior.

APR Existing Home Sales (4.02M) beat previous, but below consensus.

APR New Home Sales (622K) down from prior.

APR Construction Spending (+0.4%) beat prior and consensus.

US ECONOMY: INFLATION DATA

APR CPI (+0.6%) in line less hot than previous. (+3.8% y-o-y)

APR Core CPI (+0.4%) warmer and in line (+2.8% y-o-y)

APR PPI:(+1.4%) hotter than prior and consensus. (+6.0% y-o-y)

APR Core PPI (+1.0%) hotter than prior and consensus. (+5.2% y-o-y)

APR Import Prices (+1.9%) hotter than previous. (+4.2% y-o-y)

APR Export Prices (+3.3%) hotter than previous. (+8.8% y-o-y)

APR PCE Prices (+0.4%) cooler than previous and expected. (1yr 3.5% up.)

APR PCE Prices – Core (+0.2%) cooler than previous and consensus. (1yr 3.2% up.)

US ECONOMY: JOBS DATA

Weekly initial Claims (225K) above prior and forecasts.

Weekly Continuing Claims (1777K) slightly lower.

MAY ADP Private Payrolls (122K) up from previous more than expected.

MAY Nonfarm Payrolls (172K) current better than expected, prior revised much higher.

MAY Unemployment rate (+4.3%) low, unchanged.

MAY Average Hourly Earnings (+0.3%) in line.

MAY Average workweek (34.3) unchanged.

APR JOLTS Job openings (7.618) up from prior.

JOLTS Separations

US ECONOMY: CONSUMPTION DATA

APR Retail Sales (+0.5%) in line, below previous.

MAY Consumer Confidence (93.1) less than prior, but better than expected.

APR Durable Orders (+7.9%) way above previous and expectations.

APR Personal Income flat (0.0%), less than previous and expected.

APR Personal Spending (+0.5%) less than prior but better than expected.

MAY Michigan Consumer Sentiment (44.2) record low

US ECONOMY: GDP & RECESSION INDICATORS

Q1 GDP - Second Estimate (+1.6%) down from previous and consensus.

Q1 GDP Deflator - Second Estimate (+3.5%) cooler than previous but still hot.

Q1 Employment Cost Index (0.9%) hotter than expected and previous.

Q1 Productivity – (+0.3%) revised weaker than prior and consensus

Q1 Unit Labor Costs – Warm but revised cooler (+1.8%) than previous and consensus.

Q4 Current Account Balance (-\$190.7B) deficit an improvement over previous quarter and forecasts.

RECESSION THREAT: MINIMAL, FALLING

US recession chances one year out: 14.98% (MAY 2027) 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 has been going lower since. 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 Q2 GDP NOW at 3.0%

Atlanta Fed Current GDP Model (6/1/2026): Q2 Annualized 3.0% (Last week: Q2 Annualized +3.8%)

US ECONOMY: FEDERAL RESERVE

FED BALANCE SHEET (\$6.71T); FFR @ (3.50-3.75%)

Federal Reserve:
week of
JUN.05.2026

Currently, the Fed's balance sheet is 6.71T, (up +.01T) in the latest week (6/3/2026). The Fed Funds Rate was lowered 25 BPS to 3.50-3.75% at the DEC10 FOMC meeting. No change at the January, March or April FOMC meeting.

The next FOMC meeting is June 17. Trump replaced Jerome Powell with Kevin Warsh in the chair on May 22. The President hopes Warsh will be inclined to err on the side of economic growth, but futures consider that unlikely due to supply-side inflation pressures brought on by the war with Iran. A June rate cut is highly unlikely (5%), while odds of a December Fed rate hike (51%) or no change are about 50-50.

The Fed Check at 79% turned hawkish as of 1/30/2026 (tighter monetary policy needed to combat global inflation pressures.) The US 2-Year yield at 4.16%, however, is now 54 bps HIGHER (and rising) than the Fed overnight rate (3.625%), implying near-term US domestic conditions make a Fed rate hike increasingly likely.

The 3m-10y yield curve **steepened to a slope of 92 bps** this week, as the 10-year US Treasury yield rose to 4.54%, and the 3-month cash yield rose to 3.63%. Intermediate term, the curve was inverted from 11/22 through 12/24 but has been positive since. The 30d-10y median yield (4.08%) is just above its 200-day (3.95%). A rising median yield and a steepening yield curve are both bullish for stocks.

3-month SOFR yield at 3.62% is steady this week, while the 3-month T-bill at 3.63% is up. That puts the SOFR/T-Bill (SOF-T) spread at 1 basis point, below its 200-day average of 17 bps. **A falling SOF-T spread signals a safer, more confident financial system.**

FED OVERALL THIS WEEK: NEUTRAL
FED CHECK: TIGHTENING INDICATED
RATE POSTURE: STEADY
BALANCE SHEET: STEADY
FED SPEAK: AWAITING NEW CHAIR

Latest FOMC Assessment (2026.4.29) Recent indicators suggest that economic activity has been expanding at a solid pace. Job gains have remained low, on average, and the unemployment rate has been little changed in recent months. Inflation is elevated, in part reflecting the recent increase in global energy prices. The Committee seeks to achieve maximum employment and inflation at the rate of 2 percent over the longer run. Developments in the Middle East are contributing to a high level of uncertainty about the economic outlook. 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. **(Next FOMC meeting: 2026.6.17)**

US Currency Market: US DOLLAR Rebound Resumes



US Dollar: UUP rose 1.3% this week, after losing 0.4% last week. It is currently very bullish—up 3.3% for the quarter (13 weeks), and up 2.6% in the last year (52 weeks). At \$28.02, UUP is above its short-term (50-day) average and above its intermediate-term (200-day) average. Momentum in the greenback is positive but improving. RSI14 @ 68.9 is neither overbought nor oversold. As for other major currencies vs the Dollar, the Australian \$ (FXA) is very bullish, and up 0.8% this week. The British Pound (FXB) is neutral, and up 0.2%. The Canadian Dollar (FXC) is very bearish, and up 0.2%. The Euro Dollar (FXE) is very bearish, and up 0.6%. The Swiss Franc (FXF) is bearish, and up 0.5%, and the Japanese Yen (FXY) is very bearish and down 0.1%.

After slowing, the Dollar rally resumed this week, retesting its 52-week high (UUP @28). It essentially continues to follow oil prices and interest rates higher. With oil and rates up this

week, the Dollar rebound picked up. (Rising oil prices correspond to inflation and the expectation of rising interest rates. Rising US interest rates in turn make US bonds more attractive and stoke the demand for Dollars.) Along with war, which traditionally makes the Dollar a safe haven, US tariffs remain a positive for the greenback despite the last Supreme Court ruling. As the straits of Hormuz reopen oil prices will revert to more normal and lower levels, and the demand for Dollars will fall.

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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 underperform hedged
British Pound (FXB)	neutral	US\$ Investors match hedged
Canadian Dollar (FXC)	very bearish	US\$ Investors outperform hedged
Euro Dollar (FXE)	very bearish	US\$ investors outperform hedged (IEV>HEDJ)
Swiss Franc (FXF)	bearish	US\$ investors outperform hedged
Japanese Yen (FXY)	very bearish	US\$ investors outperform hedged (EWJ<DXJ)
US Dollar	very bullish	

#9 LONG US TREASURIES Hold 50-day



US Long Treasury Bonds: EDV fell 0.1% this week, after gaining 1.8% last week. That left it bearish and ranked #9 globally and less attractive than cash. Long bonds are down 4.9% for the quarter (13 weeks) and up 3.7% for the year (52 weeks) as yields have risen. The US Treasury 10-year yield rose 9 ticks to 4.54 and the 3-month yield rose 4, to 3.63 with the yield curve steepening to 92 basis points. That reduces the odds of a recession in mid-2027. At \$63.63, EDV is below its short-term (50-day) average and below its intermediate-term (200-day) average. Momentum (PMO) is negative and improving, and its 14-day RSI of 52.6 means EDV is neither overbought nor oversold. As for currency effects, a pricier Dollar this week makes Dollar-denominated assets more attractive. Over time, a bullish Dollar improves return to Dollar investors in US assets.

Bond prices broke down in a death-cross four weeks ago and posted a nine-month low in mid-

May before rallying aggressively into the end of the month above short-term resistance. EDV's 50-day however, still remains below its 200-day in a deteriorating "death-cross" limiting chances of a Fed rate cut in 2026 and increasing the chances of a rate hike.

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 Drop on Tech Weakness



US Large-Cap Stocks: SPY fell 2.5% this week, after gaining 1.5% last week. That left it very bullish and ranked 7 globally and more attractive than cash. The index is up 7.9% for the quarter (13 weeks), and up 24.5% for the year (52 weeks). At \$737.55, SPY 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 49.5 means SPY is no longer overbought. As for currency effects, a pricier Dollar this week makes Dollar-denominated assets more attractive. Over time, a bullish Dollar improves return to Dollar investors in US assets.

Lack of an agreement with Iran caused oil prices to edge higher this week, raising interest rates and pressuring equities. SPY remains very bullish and its PMO positive but deteriorating. Solid earnings and GDP growth have added to the optimism. In the US, uncertainty over the impact of AI on job growth, and uncertainty over the future

(revised) US tariff regime remains. The larger issues of taxation, fiscal spending, and the debt ceiling, however, 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 for stocks.

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 Drop on Tech Weakness



US Small-Cap Stocks: IWM fell 3.0% this week, after gaining 1.9% last week. That left it very bullish and ranked 5 globally and more attractive than cash. The index is up 7.8% for the quarter (13 weeks), and up 34.3% for the year (52 weeks). At \$281.65, 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 48.7 means IWM is neither overbought nor oversold. As for currency effects, a pricier Dollar this week makes Dollar-denominated assets more attractive. Over time, a bullish Dollar improves return to Dollar investors in US assets.

Lack of an agreement with Iran caused oil prices to edge higher this week, raising interest rates and pressuring equities. SPY remains very bullish and its PMO positive but deteriorating. Solid earnings and GDP growth have added to the optimism. In the US, uncertainty over the impact of AI on job growth, and uncertainty over the future

(revised) US tariff regime remains. The larger issues of taxation, fiscal spending, and the debt ceiling, however, 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 for stocks.

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: Semiconductors, Energy, Technology Hit, But Still on Top

The table below ranks 27 primary US sector ETFs in order of relative momentum this week. Sectors ranked higher than cash are bullish (**buy or hold**), and those ranked below cash are bearish (**sell or avoid**). **This week's US equity sector momentum is up; positive; broad-- 74% of our sectors are buy or hold (L70%) with BUYS at 33% (L37%) down and HOLDS up at 41% (L33%). Avoids are down to 26% (L30%).** Top performers in the past two weeks: Transports, Industrials, Pharma.

CI%	Description	ROC	TS	READ	RSI	PMO	+/-	Condition
100%	Semiconductors (SMH)	76%	141%	very bullish	51.1	8.18	positive	deteriorating
91%	US Oil Equip & Serv (IEZ)	60%	92%	very bullish	40.5	1.05	positive	deteriorating
41%	Oil/Gas Expl & Prod (XOP)	34%	76%	bullish	44.9	0.12	positive	deteriorating
31%	US Technology (IYW)	26%	124%	very bullish	52.2	5.66	positive	deteriorating
28%	US Pharmaceuticals (IHE)	20%	88%	very bullish	61.3	1.35	positive	improving
18%	Transports (IYT)	16%	110%	very bullish	62.9	1.96	positive	improving
18%	Select Materials (XLB)	14%	79%	bullish	46.1	0.14	positive	improving
15%	Gold Miners (GDX)	8%	32%	bearish	36.1	-2.17	negative	deteriorating
15%	Industrials (XLI)	12%	86%	very bullish	53.6	0.68	positive	improving
15%	S&P 500 (SPY)	11%	108%	very bullish	49.4	2.16	positive	deteriorating
14%	Biotechnology (IBB)	6%	49%	neutral	48.5	-0.09	negative	improving
11%	US Aerospace & Def (PPA)	9%	65%	bullish	49.1	0.47	positive	improving
9%	KB Banks (KBE)	10%	76%	bullish	55.1	0.48	positive	deteriorating
8%	Consumer Staples (XLP)	2%	50%	neutral	49.4	-0.11	negative	deteriorating
5%	REITs (VNQ)	2%	95%	very bullish	57.0	0.60	positive	deteriorating
5%	Food & Beverage (PBJ)	2%	37%	bearish	43.4	-0.81	negative	deteriorating
5%	Telecommunications (FCOM)	1%	64%	bullish	36.7	0.16	positive	deteriorating
-1%	Capital Markets (KCE)	0%	57%	neutral	47.1	0.72	positive	deteriorating
-2%	US Health Providers (IHF)	-2%	97%	very bullish	67.4	2.77	positive	deteriorating
-3%	Media Portfolio (XLC)	-4%	38%	bearish	34.2	-0.39	negative	deteriorating
-3%	KBW Insurance (IAK)	0%	26%	bearish	57.7	-0.21	negative	deteriorating
-4%	CASH	-3%	9%	very bearish	34.3	-0.14	negative	deteriorating
-4%	Utilities (XLU)	-5%	29%	bearish	46.1	-1.01	negative	deteriorating
-6%	DJ Internet Index (FDN)	-2%	103%	very bullish	50.0	2.70	positive	improving
-6%	Retail (XRT)	-4%	37%	bearish	48.4	0.02	positive	improving
-13%	Home Construction (XHB)	-6%	30%	bearish	53.3	-0.01	negative	improving
-15%	Bitcoin (BLOK)	-7%	100%	very bullish	42.8	3.91	positive	deteriorating
-26%	Software (XSW)	-12%	81%	very bullish	53.1	4.08	positive	improving
-27%	US Medical Devices (IHI)	-20%	3%	very bearish	50.2	-1.91	negative	improving

US Sector Top Performers: YTD (6/5/26)

YTD	Description	THIS wk	LAST wk	2 wks	13wk	26wk	39wk	52wk	3Y
58.2%	Semiconductors (SMH)	-4.9%	3.9%	-1.0%	40.2%	68.1%	97.0%	127.3%	137.3%
42.5%	US Oil Equip & Serv (IEZ)	-1.1%	-5.8%	-6.9%	2.6%	45.1%	57.5%	81.1%	37.7%
31.5%	Oil/Gas Expl & Prod (XOP)	1.2%	-4.6%	-3.4%	8.0%	28.4%	26.5%	40.4%	16.3%
20.8%	US Technology (IYW)	-4.6%	4.6%	0.0%	27.3%	23.4%	32.8%	48.8%	74.5%
13.6%	Transports (IYT)	1.0%	2.9%	3.9%	3.5%	18.7%	19.2%	30.2%	36.6%
12.3%	Industrials (XLI)	0.6%	0.8%	1.4%	-1.7%	15.1%	15.5%	22.4%	46.6%
11.6%	Select Materials (XLB)	-1.0%	1.7%	0.7%	-5.2%	15.9%	10.8%	16.7%	15.9%
9.4%	REITs (VNQ)	1.1%	-1.1%	0.0%	1.1%	6.8%	5.9%	10.2%	25.8%
9.3%	US Pharmaceuticals (IHE)	1.1%	0.2%	1.3%	0.9%	8.7%	31.9%	43.8%	47.6%
8.9%	US Aerospace & Def (PPA)	-4.0%	4.3%	0.3%	-5.8%	14.2%	15.6%	26.5%	66.0%

INTERNATIONAL MARKETS: #2 GOLD Bounces at 200-day Support



Gold Bullion: GLD fell 5.0% this week, after gaining 0.8% last week. That left it bearish and ranked 2 globally and more attractive than cash. The index is down 16.0% for the quarter (13 weeks), but up 29.8% for the year (52 weeks). At \$396.24, GLD is below its short-term (50-day) average and below its intermediate-term (200-day) average. Its momentum (PMO) is negative and deteriorating, and its 14-day RSI of 33.0 means GLD is neither overbought nor oversold. As for currency effects, a pricier Dollar this week makes foreign assets, commodities and gold less attractive. Over time, a bullish Dollar limits return to Dollar investors in foreign equities, commodities and gold, and improves the region's trade competitiveness.

After triggering six stop losses in five weeks, Gold finally broke below its 200-day this week. A rise in oil prices was enough to raise interest rates and chip away at gold. (Rate policy is key to gold's prospects and gold has

faded since the chances of a Fed rate hike later in 2026 have appeared.) A large persistent US deficit, along with geopolitical uncertainty (Venezuela, Iran, Ukraine) continue to influence demand for gold but US interest rates and the Dollar are the key drivers. 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 Rebound Slows



Commodities: A very bullish CRB fell 0.8% this week after losing 3.5% last week. That left commodity prices up 16.5% for the quarter (13 weeks), and up 36.7% for the year (52 weeks). At \$29.23 the CRB 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 40.2 means the CRB is neither overbought nor oversold.

Crude Oil: Meanwhile, the broader oil complex (USO) rose 3.0% this week, following last week's loss of 8.4% and is currently very bullish. That leaves US oil prices up 62.3% for the quarter (13 weeks), and up 91.8% for the year (52 weeks). At \$133.02, USO 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 46.2 means USO is neither overbought nor oversold. A pricier Dollar this week makes foreign assets,

commodities and gold less attractive. Over time, a bullish Dollar limits return to Dollar investors in foreign equities, commodities and gold, but improves the region's trade competitiveness.

Crude Oil: Meanwhile, the broader oil complex (USO) fell 8.4% this week, following last week's loss of 4.9% and currently very bullish. That leaves US oil prices up 59.7% for the quarter (13 weeks), and up 90.1% for the year (52 weeks). At \$129.09, USO 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 41.9 means USO is neither overbought nor oversold. A cheaper Dollar this week makes foreign assets, commodities and gold more attractive. Over time, a bullish Dollar limits return to Dollar investors in foreign equities, commodities and gold, but improves the region's trade competitiveness.

News that an agreement on the strait of Hormuz is imminent continues to come out of Iran causing oil prices to back off further and commodities to dip. WTI oil prices fell to \$87 this week as tanker traffic, though still severely restricted may be about to resume should the US blockade in and out of Iran be lifted in return for Iranian mine clearance. 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 continued violence in Iran and Ukraine will keep prices firm. 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 Drops to 50-day



European Large-Cap Stocks: IEV fell 2.1% this week, after gaining 0.5% last week. That left it very bullish and ranked 6 globally and more attractive than cash. The index is up 0.8% for the quarter (13 weeks), and up 16.7% for the year (52 weeks). At \$71.57, 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 46.7 means IEV is neither overbought nor oversold. As for currency effects, a pricier Dollar this week makes foreign assets, commodities and gold less attractive. Over time, a bullish Dollar limits return to Dollar investors in foreign equities, commodities and gold, and improves the region's trade competitiveness.

Technology has driven the global equity rally this year, and Europe has accordingly lagged. This week technology swooned and Europe didn't suffer as much as others. IEV remains bullish even as rising energy costs continue

to delay ECB rate cut plans. That leaves Europe potentially exposed to an energy-driven stagflation shock. NOTE: A bearish Euro vs. Dollar keeps Europe (IEV +5) slightly outperforming the hedged version (HEDJ +5) of European equities and is currently weaker than the US (VTI +7). Across the pond, Netherlands (EWN +14) is alone in outperforming the US. Italy (EWI +9), Spain (EWP +8), Britain (EWU +7), Ireland (EIRL +5), Switzerland (EWL +3), and Germany (EWG +1), are laggards, while and France (EWQ +0) and Denmark (EDEN -3) are struggling.

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: #4 JAPAN Still Shy of High



Japanese Stocks: EWJ fell 2.4% this week, after gaining 1.5% last week. That left it very bullish and ranked 4 globally and more attractive than cash. The index is up 2.4% for the quarter (13 weeks), and up 35.2% for the year (52 weeks). At \$90.72, 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 46.7 means EWJ is neither overbought nor oversold. As for currency effects, a pricier Dollar this week makes foreign assets, commodities and gold less attractive. Over time, a bullish Dollar limits return to Dollar investors in foreign equities, commodities and gold, and improves the region's trade competitiveness.

Lack of an agreement with Iran caused oil prices to edge higher this week, raising interest rates and pressuring equities. In addition, serious weakness in Taiwanese and South Korean tech and semi-conductors drove

Japanese large caps lower. NOTE: For Dollar investors, Japan's return to its traditional weak yen policy makes the hedged version (DXJ @19) of Japanese equities preferable to the dollar version we track (EWJ @11). Both are outperforming the US (VTI@7).

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: #3 ASIA-PACIFIC Leads Global Tech Rout



Asia-Pacific ex-Japan: AAXJ fell 5.9% this week, after gaining 4.4% last week. That left it very bullish and ranked 3 globally and more attractive than cash. The index is up 11.3% for the quarter (13 weeks), and up 44.8% for the year (52 weeks). At \$112.04, AAXJ 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 44.0 means AAXJ is neither overbought nor oversold. As for currency effects, a pricier Dollar this week makes foreign assets, commodities and gold less attractive. Over time, a bullish Dollar limits return to Dollar investors in foreign equities, commodities and gold, and improves the region's trade competitiveness.

News that an agreement on the Strait of Hormuz is imminent continues to come out of Iran causing oil prices to back off further and global equities to bounce. Strong global demand continues to drive Asian equities higher on strength in Taiwanese

and South Korean tech and semi-conductors. As a result, Asian equity markets (AAXJ +28) are still substantially more attractive than US stocks (VTI +7). South Korea (EWY +91) is a standout along with Taiwan (EWT +52). Australia (EWA +7) are doing passably. Singapore (EWS +3), Hong Kong (EWH +0), India (IMVP -11), and China (FXI -12), lag the US and are struggling due to energy and US tariff issues.

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: #1 LATIN AMERICA Extends Negative Momentum



Latin America 40: Latin America 40: ILF fell 5.2% this week, after a flat performance last week. That left it neutral and ranked 1 globally and more attractive than cash. The index is down 5.8% for the quarter (13 weeks), but up 39.6% for the year (52 weeks). At \$33.14, ILF is below its short-term (50-day) average and above its intermediate-term (200-day) average. Its momentum (PMO) is negative and deteriorating, and its 14-day RSI of 31.4 means ILF is neither overbought nor oversold. As for currency effects, a pricier Dollar this week makes foreign assets, commodities and gold less attractive. Over time, a bullish Dollar limits return to Dollar investors in foreign equities, commodities and gold, and improves the region's trade competitiveness.

Latin equities (ILF) six-week drift lower picked up speed this week after breaking below its 50-day and triggering multiple stop losses a month ago. The slide began after Latin equities posted

a new 52-week high 4/19. ILF remains the #1 regional index choice based on six-month performance, but as noted previously, ILF is very volatile and we don't follow it formally. If we did, we would have exited on the stop-loss despite its energy and trade advantages with the US. Latin stocks (ILF +4) are now underperforming their US cousins (VTI +7) in Price-Performance vs cash. Colombia (COLO +9) is doing passably. Mexico (EWW +4) and Brazil (EWZ +0), Chile (ECH -1), and Argentina (ARGT -3) are all lagging the US. Canada (EWC +8) which is not in ILF, but a key player in the Americas also continues to beat the US thanks to 35% US 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)

2026 has been difficult. US stocks have lagged globally and bonds have been lackluster. Buy & Hold strategies have positive but still relatively modest returns year-to-date. Bond returns out-paced equity returns early on making moderate growth and income (bond-heavy) portfolios the more profitable buy-and-hold choice, but that changed from April on as Aggressive Growth (equity-heavy) became more profitable.

**THIS WEEK a Risk-OFF week after 2 Risk-ON:
US Stocks DOWN, Foreign Stocks DOWN, Bonds DOWN and Gold DOWN.**

Technical readings are very bullish among both moderate (40-60) portfolios (AOM) and (80-20) aggressive portfolios (AOA). The differences are still minor and could reverse quickly, as new exogenous variables come into play. Cash is a good option.

CI%	Description	ROC	TS	READ	RSI	PMO	+/-	Condition
48%	(AOA) Aggressive Growth	10%	103%	very bullish	46.8	1.51	positive	deteriorating
19%	(AOM) Moderate Growth & Inc	4%	97%	very bullish	47.4	0.77	positive	deteriorating
YTD	Description	this wk	last wk	13wk	26wk	39wk	52wk	3Y
7.0%	(AOA) Aggressive Growth	-2.3%	1.4%	3.0%	9.3%	13.8%	21.0%	37.1%
3.1%	(AOM) Moderate Growth & Inc	-1.4%	1.0%	0.8%	4.6%	8.1%	12.7%	23.9%
PR/HI	Description	SL	PRICE	BS	52w HI	52w LO	50d avg	210d avg
97.1%	(AOA) Aggressive Growth	94.92	95.85	98.68	98.68	79.82	94.16	89.73
98.3%	(AOM) Moderate Growth & Inc	48.70	49.20	50.05	50.05	44.62	48.75	47.48

Market Timing v. Diversified Buy & Hold: Performance*

Strategy	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Index Moose	19.0%	58.7%	5.5%	3.6%	-16.3%	11.7%	13.2%	-6.5%	5.1%	9.0%
Aggressive G&I (AOA)	7.0%	19.3%	11.5%	15.6%	-17.9%	13.5%	10.7%	12.5%	-6.2%	8.0%
Moderate G&I (AOM)	3.1%	11.0%	4.9%	9.2%	-16.4%	5.3%	7.7%	19.5%	-9.9%	14.1%
Strategy	2025	2024	2023	2022	2021	2020	2019	2018	2017	
S&P Benchmark	8.2%	14.5%	24.5%	24.3%	-19.5%					
US Strategy Moose	6.5%	16.7%	26.1%	12.3%	-7.0%	22.2%	20.9%	23.6%	1.2%	28.5%

The Index Model crushed all competitors in 2025 and is excelling again in 2026. 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 momentum 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.

This performance data may not reflect total return. Dividends and interest are not included, and the numbers may understate true model, ETF, and benchmark performance by 2-3%. The table above covers the last decade, the period since the models went from weekly to daily and since stop-losses were incorporated. It illustrates several points: (1) Success of any one strategy can be highly variable year-to-year. Just because it worked last year doesn't mean it will next year. (2) Buy-and-hold is preferable in years with few lasting or deep corrections, i.e., trendless volatility. (3) When stocks are trending strong, in either direction, timing is safer. (4) Market timing is most profitable when there is one predominant asset choice, or in extended bear market scenarios. When stocks turn bearish buy-and-hold 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).

INVESTMENT STRATEGIES: THE US EQUITY STRATEGY TIMING MODEL

USE Strategy: HOLD US Momentum (MTUM) since 5/22/2026.

The USES Model began as an equity-only construct for determining the optimum equity strategy for the US large cap stock portion of one's portfolio. It monitored and ranked 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 included US momentum, US growth, US value, US low volatility, US high dividend, US fundamentals, and US equal weight. As of 4/8/2026 US Small-caps were added into the mix.

**THIS WEEK a Risk-OFF week after 2 Risk-ON:
US Stocks DOWN, Foreign Stocks DOWN, Bonds DOWN and Gold DOWN.**

The US Equity Strategy (USES) Model **HOLDS US Momentum (MTUM) since 5/22/2026.**

MTUM leads in CI, ROC, TS, and PMO, which is positive and improving. It is no longer overbought.

Volatility Alert: It is likely both SPY and MTUM will fill their latest downside gaps and retest their 50-day before the US/Iran war is put to bed.

Best Alternative: Small caps continue to behave well as does US growth.

	CI%	Description	ROC	TS	READ	RSI	PMO	+/-	Condition
1	100%	US Momentum (MTUM)	25%	121%	very bullish	52	4.82	positive	improving
2	75%	US Small-Caps (IWM)	15%	105%	very bullish	49	2.18	positive	deteriorating
3	64%	US Growth (IUSG)	14%	111%	very bullish	47	2.98	positive	deteriorating
4	54%	US Large-caps (SPY)	11%	108%	very bullish	49	2.17	positive	deteriorating
5	44%	US High Dividend (SPYD)	9%	102%	very bullish	63	0.91	positive	improving
6	43%	US Value (IUSV)	8%	99%	very bullish	55	1.16	positive	deteriorating
7	41%	US Fundamentals (QUAL)	9%	106%	very bullish	54	1.71	positive	deteriorating
8	38%	S&P Equal Weight (RSP)	9%	106%	very bullish	58	1.33	positive	improving
9	12%	Cash (SGOV)	2%	88%	very bullish	100	0.14	positive	improving
10	-4%	US Low Volatility (SPLV)	-2%	26%	bearish	54	-0.45	negative	deteriorating

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>50% and CI>0 or better, not be overbought, and be working off a buy-stop.

Momentum (MTUM) outperforms year-to-date and over 13, 26 and 39 weeks, and 3 years.

Best Alternatives: Small caps continue to be a solid back-up. They still shine over 52 weeks.

	YTD	Description	This Wk	Last Wk	13wk	26wk	39wk	52wk	3Y
1	22%	US Momentum (MTUM)	-3.0%	4.0%	21.3%	25.9%	26.5%	32.2%	67.0%
2	14%	US Small-Caps (IWM)	-3.0%	1.9%	7.9%	15.5%	20.7%	36.6%	41.1%
3	11%	US High Dividend (SPYD)	0.8%	-0.4%	0.8%	13.0%	10.1%	18.0%	31.0%
4	10%	US Growth (IUSG)	-3.9%	2.7%	12.4%	10.8%	17.8%	28.5%	55.9%
5	8%	S&P Equal Weight (RSP)	-0.5%	1.1%	1.8%	10.8%	11.6%	19.0%	31.3%
6	8%	US Large-caps (SPY)	-2.5%	1.5%	7.8%	9.9%	15.3%	25.2%	44.6%
7	7%	US Fundamentals (QUAL)	-1.1%	0.5%	4.3%	9.3%	13.7%	19.8%	32.1%
8	7%	US Value (IUSV)	-0.6%	0.0%	2.3%	9.2%	12.5%	21.3%	30.0%
9	3%	US Low Volatility (SPLV)	1.7%	-2.5%	-4.7%	2.1%	1.4%	2.8%	19.0%
10	0%	Cash (SGOV)	0.1%	0.1%	1.0%	1.9%	2.9%	4.0%	9.0%

INVESTMENT STRATEGIES: THE GLOBAL INDEX TIMING MODEL

TOP Index Model Move: HOLD Emerging Markets (EEM)

THIS WEEK a Risk-OFF week after 2 Risk-ON:
US Stocks DOWN, Foreign Stocks DOWN, Bonds DOWN and Gold DOWN.

The Global Index Model HOLDS Emerging Markets (EEM) since 4/13/2026.

Emerging Markets lead in overall confidence and rate of change, technical strength and positive PMO.

Best Alternative: Emerging Markets triggered a buy-stop 4/8/26 but gapped higher to do so. **Volatility Alert:** It is likely EEM will fill its latest downside gaps and retest its 50-day before the US/Iran war is put to bed.

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.

	CI%	FUND	TS+	READ	RSI	PMO	+/-	condition
1	92%	Emerging Markets (EEM)	112%	very bullish	43.3	3.01	positive	deteriorating
2	52%	US Small-caps (IWM)	105%	very bullish	48.7	2.18	positive	deteriorating
3	37%	US Large-caps (SPY)	108%	very bullish	49.5	2.17	positive	deteriorating
4	36%	Developed Markets (EFA)	89%	very bullish	45.3	0.93	positive	deteriorating
5	34%	Gold Bullion (GLD)	26%	bearish	33.0	-1.58	negative	deteriorating
6	0%	Short US Income (SGOV)	0%	very bearish	--	0.10	positive	improving
7	-32%	Very Long US Bonds (EDV)	26%	bearish	52.6	-0.21	negative	improving

Performance-wise, EEM leads year-to-date and the past two weeks, over 26, 39, and 52 weeks. IWM is second YTD, outperforming in the latest week as GLD fades. The last quarter has been volatile, with Foreign equities besting US equities due to a weaker Dollar from tariffs and US small caps showing occasional rotational strength domestically.

	YTD	FUND	06/05/26	05/28/26	13wk	26wk	39wk	52wk
1	18.1%	Emerging Markets (EEM)	-5.8%	4.1%	9.4%	20.1%	31.4%	41.0%
2	14.4%	US Small-caps (IWM)	-3.0%	1.9%	7.8%	12.6%	20.0%	34.3%
3	8.2%	US Large-caps (SPY)	-2.5%	1.5%	7.9%	8.6%	14.6%	24.5%
4	6.5%	Developed Markets (EFA)	-2.4%	0.8%	3.1%	8.0%	13.4%	18.0%
5	0.0%	Short US Income (SGOV)	0.1%	0.1%	0.0%	0.0%	0.0%	0.0%
6	0.0%	Gold Bullion (GLD)	-5.0%	0.8%	-16.0%	2.3%	21.3%	29.8%
7	-2.1%	Very Long US Bonds (EDV)	-0.1%	1.8%	-4.9%	-2.3%	0.4%	3.7%

Strategy	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Index Moose	19.0%	58.7%	5.5%	3.6%	-16.3%	11.7%	13.2%	-6.5%	5.1%	9.0%
Aggressive G&I (AOA)	7.0%	19.3%	11.5%	15.6%	-17.9%	13.5%	10.7%	12.5%	-6.2%	8.0%
Moderate G&I (AOM)	3.1%	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 a Risk-OFF week after 2 Risk-ON:

US Stocks DOWN, Foreign Stocks DOWN, Bonds DOWN and Gold DOWN.

This week: *The TSP Model holds International equities (Fund I) via buy-stop since 4/8/26 @60.20.

International Equities (Fund I) lead in overall confidence, and rate of change. PMO is positive and improving.

Best Alternative: Aggressive Lifetime Portfolios outperform the TSP Model and more moderate B&H portfolios, but lately US large and small caps have attracted attention as well.

	CI%	Fund	ROC	TS+	READ	RSI	PMO	+/-	condition
1	100%	International Fund (I)	18%	106%	very bullish	45.3	1.80	positive	deteriorating
2	72%	Lifetime 2060	13%	105%	very bullish	48.3	2.01	positive	deteriorating
3	60%	US Large-caps (C)	11%	108%	very bullish	49.2	2.16	positive	deteriorating
4	59%	Lifetime 2050	11%	104%	very bullish	48.5	1.68	positive	deteriorating
5	52%	Lifetime 2040	10%	103%	very bullish	48.7	1.49	positive	deteriorating
6	47%	US Small-caps (S)	11%	109%	very bullish	52.3	2.14	positive	improving
7	40%	Lifetime 2030	8%	102%	very bullish	49.2	1.19	positive	deteriorating
8	21%	Long-term Inc (L)	4%	99%	very bullish	51.1	0.68	positive	deteriorating
9	2%	Short-term Inc (G)	0%	101%	very bullish	100.0	0.18	positive	improving
10	-10%	Fixed Income (F)	-2%	63%	bullish	46.2	-0.03	negative	improving

TSP Lifetime & Index Funds: Performance Progression

Performance leader Fund I not only leads YTD but over 26, 39 and 52 weeks and 3 years. Near term US large-caps and small caps have garnered more interest over the last 2 and 13 weeks.

	Fund	THIS	LAST	13wk	26wk	39wk	52wk	YTD	3Y
1	International Fund (I)	-3.5%	2.3%	1.3%	20.3%	23.4%	28.5%	12.5%	44.4%
2	US Small-caps (S)	-1.9%	2.4%	7.5%	18.9%	14.6%	24.4%	11.3%	42.5%
3	Lifetime 2030	-2.8%	1.8%	5.3%	16.6%	18.1%	25.8%	10.2%	43.6%
4	Lifetime 2040	-2.3%	1.6%	4.5%	13.9%	15.3%	22.0%	8.6%	37.3%
5	US Large-caps (C)	-2.5%	1.4%	7.5%	13.7%	15.6%	24.5%	8.4%	43.1%
6	Lifetime 2060	-2.0%	1.4%	4.1%	12.4%	13.8%	19.7%	7.8%	33.7%
7	Lifetime 2050	-1.6%	1.1%	3.3%	10.2%	11.6%	16.6%	6.4%	29.0%
8	Long-term Inc (L)	-0.8%	0.6%	2.3%	6.1%	7.3%	10.1%	4.1%	18.1%
9	Short-term Inc (G)	0.1%	0.1%	1.2%	2.3%	3.3%	4.4%	1.8%	9.0%
10	Fixed Income (F)	-0.5%	0.8%	-1.5%	0.3%	2.0%	5.1%	0.0%	9.2%

***Stop-loss hit, no buy-stop since—default to highest ranked alternative. **overbought**

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

Strategy	2026 YTD	2025	2024	2023	2022	2021	2020	2019	2018	2017
L2060	10.2%	22.6%	16.3%	23.3%	-15.9%	19.9%	new	--	--	--
L2050	8.6%	19.7%	14.0%	20.0%	-13.4%	16.3%	14.8%	23.3%	-6.0%	18.8%
L2040	7.8%	17.8%	12.9%	18.1%	-11.4%	14.5%	13.2%	20.7%	-4.9%	16.8%
TSP Moose	7.5%	15.3%	11.8%	16.5%	-3.4%	13.3%	21.8%	14.9%	6.5%	21.0%
L2030	6.4%	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

RESILIENT JOB MARKET SURPRISES

The basic takeaway from this week's payroll report is that the US labor market remains surprisingly resilient despite the naysayers and widespread expectations of slower growth.

The Bureau of Labor Statistics reported that (1) MAY Nonfarm payrolls increased by 172K jobs in May, well above the consensus forecast of 80K–90K. (2) Unemployment held steady at 4.3% for a third consecutive month. (3) Average hourly earnings rose a healthy 0.3% in May and 3.4% over the past year. Moreover, MARCH and APRIL payroll estimates were revised upward by a combined 93K jobs, indicating stronger hiring than previously reported.

The Upshot

- 1. The labor market is still expanding at a healthy pace*
- 2. Recession fears have eased*
- 3. Wage Inflation pressures remain contained*

A gain of 172,000 jobs is more than enough to absorb population growth and keep unemployment from rising. After concerns earlier in the year that hiring was slowing sharply, this report suggests employers are still adding workers at a solid rate. The strongest job gains were concentrated in: Leisure and hospitality, Local government and Healthcare and social assistance. Financial services lost jobs, while some white-collar sectors continued to show relative weakness thanks in part to AI.

The combination of strong payroll growth, a stable unemployment rate, and upward revisions to prior months argues against the view that the economy is sliding into recession. Most labor-market indicators continue to point toward moderation rather than contraction. Finally, Wage growth of 3.4% year-over-year is not especially alarming for the Federal Reserve. Earnings are rising, but not at a pace that would normally signal an overheating labor market.

Call it "a Goldilocks" report. (Not too hot, not too cold. Just right.) Now I'm a cynic when it comes to government, and notoriously skeptical of the BLS number fabricators after the Biden fakery. But what we learned from that experience is that the BLS numbers, actual or fake, are the numbers the bond and equity markets will react to in the near term.

The downside from this jobs report is that it gives the Federal Reserve less reason to lower interest rates. Financial futures have responded by eliminating expectations for a 2026 rate CUT, and instead making a rate HIKE a 50-50 proposition. Rate hikes, should they occur, would be bearish for stocks.