MOOSECALLS

Global Financial News & Analysis
DEC19.2025 through DEC.21.2025

EXECUTIVE SUMMARY: DEC19, 2025

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—MIXED-Risk (2)

THIS was the 2nd MIXED-Risk week after 2 Risk-ON: US Stocks MIXED, Foreign Stocks MIXED, Bonds UP, and Gold UP.

Rotational Window-Dressing

Global equities were mixed this week. Latin American stocks led all asset classes, with ILF rising 2.5%, followed by US small caps, which gained 1.2%. Gold was a standout, climbing 0.9% as a softer dollar supported precious metals. Europe and Japan posted modest gains, while Asia-Pacific ex-Japan declined, giving back part of last week's advance. US large caps slipped modestly, down 0.6%. On the defensive side, long-duration US Treasuries weakened again as yields rose, extending recent losses. Commodities pulled back, led by a sharp drop in oil prices, while the broader CRB index also declined. The US dollar fell for a second straight week, helping support foreign assets and gold despite short-term weakness across some equity markets. No model changes.

GLOBAL OUTLOOK REMAINS NEUTRAL (2 of 4). The Baltic Dry Index is higher in the past quarter (13 weeks), as are copper prices. Oil and US bond yields are down.

INFLATION: Consumer Prices came in cooler than expected—for the month and the year. Commodity and oil prices continue lower.

US ECONOMIC DATA: Generally poor. New jobs beat expectations, but it was a low bar (64K). Unemployment rate moved up to 4.6%-- highest rate since Covid. Latest Q3 GDP Now (+3.5%) down a tick this week but still above post-war trend. Latest recession probability (25.05%) a year out (11/2026) still negligible.

FEDERAL RESERVE: The Fed's balance sheet stands at $6.54 trillion, with the Fed Funds Rate cut to 3.50-3.75%. The Fed Check is neutral (steady rate policy warranted globally). The next 25 bps Fed rate cut (likelihood >50-50) is expected April 29 (63%).

INVESTMENT STRATEGIES: The Index Model is outperforming all competitors in 2025. It remains in gold (GLD) after switching from EFA via buy-stop on August 28. It has recently endured a 10% correction but has not triggered a stop-loss. US stocks did trigger buy-stops last week pushing the US Equity Strategy (USES) Model into US Growth. Similarly, all Thrift Savings Plan (TSP) assets with an equity component have triggered the same stop, putting the model in large-cap stocks (Fund C) as well.

GLOBAL OUTLOOK: NEUTRAL (2 of 4)

Global Economic Indicators: Indications are currently neutral for the global economy.

An international shipping measure and proxy for current global trade, **the Baltic Dry Index fell to 2023 this week, but is higher after 13 weeks, a positive signal.** (After opening 2023 at 1515, BDI is still well below its 2010 peak @4640.)

Meanwhile, another proxy for world activity, **WTI oil price at 56.55 fell this week, and is lower for the latest quarter, a negative** signal. (Oil remains below its 2022 peak @$130, but well above its 2020 Covid lows @$10.)

Our proxy for global construction, **copper (CPER) rose this week, and remains higher this quarter, a positive** signal.

Domestically, **10Y US bond yields fell 4 ticks rose to 4.15% this week but are down over the past 13 weeks, a negative** bet on the largest world economy.

IMF World Economic Outlook (OCT 2025)—

The global economy is adjusting to a landscape reshaped by new policy measures. Some extremes of higher tariffs were tempered, thanks to subsequent deals and resets. But the overall environment remains volatile, and temporary factors that supported activity in the first half of 2025—such as front-loading—are fading.

As a result, global growth projections in the latest World Economic Outlook (WEO) are revised upward relative to the April 2025 WEO but continue to mark a downward revision relative to the pre-policy-shift forecasts. Global growth is projected to slow from 3.3 percent in 2024 to 3.2 percent in 2025 and 3.1 percent in 2026, with advanced economies growing around 1.5 percent and emerging market and developing economies just above 4 percent. Inflation is projected to continue to decline globally, though with variation across countries: above target in the United States—with risks tilted to the upside—and subdued elsewhere.

Risks are tilted to the downside. Prolonged uncertainty, more protectionism, and labor supply shocks could reduce growth. Fiscal vulnerabilities, potential financial market corrections, and erosion of institutions could threaten stability. Policymakers are urged to restore confidence through credible, transparent, and sustainable policies. Trade diplomacy should be paired with macroeconomic adjustment. Fiscal buffers should be rebuilt. Central bank independence should be preserved. Efforts on structural reforms should be redoubled. Past actions to improve policy frameworks have served countries well and industrial policy may have a role, but full consideration should be given to opportunity costs and trade-offs involved in its use.

GLOBAL RANKING: GOLD AND EMERGING EQUITIES ON TOP

Index Moose ETF Rankings through DEC28.2025

This week: Latin America leads in regional global momentum since 11/27/2025. (The Global Index Model HOLDS #1 GLD via buy-stop 8/28/25.) *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	+/-
1	**100%**	**Latin America (ILF)**	108%	very bullish	57.2	2.05	positive
2	95%	US Small-caps (IWM)	102%	very bullish	56.1	1.22	positive
3	87%	Asia Pacific ex-Japan (AAXJ)	71%	bullish	55.6	0.03	positive
4	86%	Gold Bullion (GLD)	**114%**	**very bullish**	**71.1**	**2.17**	**positive**
5	81%	US Large-caps (SPY)	93%	very bullish	55.8	0.51	positive
6	68%	Japan (EWJ)	110%	very bullish	66.4	1.38	positive
7	50%	Europe (IEV)	107%	very bullish	67.4	1.27	positive
8	1%	Very Long US Bonds (EDV)	34%	bearish	39.2	-0.94	negative
9	0%	Short US Income (SGOV)	60%	bullish	60.9	0.00	positive
		Ryan/CRB Indicator	1.00	no change			
		ST Interest Rate Equity Indicator	-67%	bearish			
		Volatility Index	25%	bullish	41.3	-0.84	-deteriorating
		US Dollar (UUP)	64%	bullish	50.4	0.34	+deteriorating
		Commodities (DBC)	79%	bullish	61.7	0.65	+deteriorating
		US Oil (USO)	0%	very bearish	43.4	-1.28	-deteriorating

Global Economy through DEC28.2025

GLOBAL RANKING: TECHNICAL OVERVIEW

#1 LATIN AMERICA Settles Lower--
ILF fell 0.5% this week, following last week's 2.6% gain, leaving it ranked #1 globally and more attractive than cash. The index is very bullish and up 12.4% for the quarter and up 43.5% for the year.

#2 US SMALL-CAPS Back Off Latest High--
IWM fell 0.9% this week, following last week's 1.2% gain, leaving it ranked #2 globally and more attractive than cash. The index is bullish and up 5.7% for the quarter and up 9.0% for the year.

#3 ASIA-PACIFIC Tests 50-day--
AAXJ rose 1.9% this week, following last week's 1.5% loss, leaving it ranked #3 globally and more attractive than cash. The index is very bullish and up 1.7% for the quarter and up 24.7% for the year.

#4 GOLD Edges Ahead--
GLD rose 0.9% this week, following last week's 2.3% gain, leaving it ranked #4 globally and more attractive than cash. Most recently, GLD is very bullish and up 18.1% for the quarter and up 59.9% for the year.

#5 US LARGE-CAPS' Hold at Support--
SPY rose 0.4% this week, following last week's 0.6% loss, leaving it ranked #5 globally and more attractive than cash. The index is bullish and up 4.0% for the quarter and up 14.2% for the year.

#6 JAPAN Sets New High--
EWJ rose 3.5% this week, following last week's 0.4% gain, leaving it ranked #6 globally and more attractive than cash. Most recently, Japan is very bullish and up 3.3% for the quarter and up 22.2% for the year.

#7 EUROPE Breaks Out --
IEV rose 2.4% this week, following last week's 0.9% gain, leaving it ranked #7 globally and more attractive than cash. Most recently, Europe is very bullish and up 4.6% for the quarter and up 28.6% for the year.

#8 Cash & Income-- The US Treasury 10-year yield finished the week down 4 ticks at 4.15%, and the 3-month yield was up 9 at 3.62%, leaving the yield curve slightly flatter but still positively sloped at 53 basis points.

#9 BONDS Fight for 200-day--
EDV rose 0.6% this week, following last week's 1.6% loss, leaving it ranked #8 globally and more attractive than cash. Long bonds are down 4.2% for the quarter and up 4.3% for the year as yields have risen.

COMMODITY & OIL Prices Fall--
A very bullish CRB fell 0.3% this week, following last week's 1.8% loss, and is currently very bearish. That leaves US oil prices up 0.4% this week after falling 4.3% last week.

DOLLAR Re-Establishes Short-term Support-- UUP rose 0.5% this week, following last week's 0.5% loss. It is currently hanging on to its 50-day— up 2.8% for the quarter and down 3.0% in the last year.

US ECONOMY: GOV'T DATA

New Jobs Beat, But Unemployment Up, CPI Cools

US Economy: week of DEC19.2025

THIS WEEK: Poor

THE GOOD: WEEKLY Initial Claims (224K) below consensus and prior. DEC NAHB Housing Market Index (39) in line with estimates, up from prior. NOV Nonfarm Payrolls (64K) beat consensus and prior. NOV Average Workweek (34.3) up a tick from prior, and in line with expectations

THE BAD: WEEKLY Continuing Claims (1897K) up from prior. WEEKLY EIA Crude Oil Inventories (-1.27M) draw remains, but less so as oil prices fall. DEC Univ. of Michigan Consumer Sentiment – Final (52.9) below consensus and prior. DEC Empire State Manufacturing (-3.9) unexpectedly negative, below both expectations and previous. DEC S&P Global U.S. Manufacturing PMI – Prelim (51.8) below previous. DEC S&P Global U.S. Services PMI – Prelim (52.9) below prior. NOV Unemployment Rate (4.6%) up two ticks from previous and consensus. NOV Avg. Hourly Earnings (+0.1%) growing more slowly than prior and consensus. NOV Existing Home Sales (4.05M) below consensus and prior.
OCT Retail Sales (0.0%) flat, below expectations and previous. SEP Business Inventories (+0.2%) build a tick higher than expected.

THE UGLY: Nothing

US ECONOMY: INFLATION DATA

NOV CONSUMER PRICES COOL

US Inflation: week of DEC19.2025

SEP PPI (+0.3%) up inline. (1yr: 2.7%)
SEP Core PPI (+0.1%) COOL (1yr: 2.6%)
NOV CPI (0.2%) cooler than consensus. (1Yr: 3.0%)
NOV Core CPI (0.2%) cooler than consensus. (1Yr: 3.0%)
Q2 GDP – E3: (+3.8%) revised substantially higher.
Q2 GDP Deflator – E3: (+2.1%) revised higher.
Q2 Current Account Balance: (-$251.3B) below forecasts and prior.

SEP PCE Prices (0.3%) in line. (1yr 2.7%)
SEP Core PCE Prices (0.2%) cooler. 1yr 2.9%)
SEP Import Prices (0.0%) below previous. (1 yr +0.3%)
SEP Export Prices (0.0% below previous. (1yr +3.8%)

Q3 Employment Cost Index (+0.8%) up in line with expectations.
Q2 Productivity-Rev. (3.3%) revised higher beating consensus and previous.
Q2 Unit Labor Costs – Rev (+1.0%) revised weaker than consensus and previous.

US ECONOMY: RECESSION & GDP INDICATORS

NY FED: RECEDING MINIMAL RECESSION THREAT

US recession chances one year out: 26.51% (OCT 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. The official responsible for providing the erroneous jobs data was fired (8/3/25).

ATLANTA FED: US Q3 GDP NOW Above Trend At 3.5%

Atlanta Fed Current GDP Model (12/16/2025): **Q3 Annualized +3.5% (Last week: Q3 Annualized +3.6%)**

US ECONOMY: FEDERAL RESERVE
FED BALANCE SHEET ($6.544T); FFR @ (3.50-3.75%)

Federal Reserve:
week of
DEC19.2025

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 6.544T, (UP .007) in the latest week (DEC17, 2025). The Fed Funds Rate was lowered 25 BPS to 3.50-3.75% at the DEC10 FOMC meeting. The next FOMC meeting is January 28.

The Fed Check at 100% suggests global commodity inflation requires no change in the Fed overnight rate. The US 2-Year yield at 3.49%, however, is 13 bps LOWER than the Fed overnight rate (3.625%), implying US domestic conditions merit at least one more Fed rate cut.

CME Fed futures remain sure that there will be no Fed rate hikes in the near future. Meanwhile, futures make a 2026 rate cut at the March FOMC meeting 59%. The probability goes up to 71% at the April meeting, and 86% by June, after Powell is gone.

The 3m-10y yield curve flattened this week, going from a positive slope of 66 bps to one of 53 bps, as the 10-year US Treasury yield fell 4 bpt to 4.15%, and the 3-month cash yield rose 9 ticks to 3.62%. Intermediate term, the curve was inverted from 11/22 through 12/24 but has been positive since. The median yield is still falling, leaving our interest rate signal for stocks bearish.

3-month SOFR yield at 3.66% is flat this week, while the 3-month T-bill at 3.62% is up. That puts the SOFR/T-Bill (SOF-T) spread at 4 basis points, below its 200-day average of 16 bps. **A falling TED spread signals a safer, more confident financial system.**

FED OVERALL THIS WEEK: DOVISH (+1) LW: NEUTRAL (0)
Rate Posture: (Cutting) DOVISH (+1),
Balance Sheet (Steady) NEUTRAL, (0),
Fed Speak QUIET (0),
Fed Check NEUTRAL (0)

Latest FOMC Assessment (2025.12.10) Available indicators suggest that economic activity has been expanding at a moderate pace. Job gains have slowed this year, and the unemployment rate has edged up through September. More recent indicators are consistent with these developments. Inflation has moved up since earlier in the year and 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 and judges that downside risks to employment rose in recent months. In support of its goals and in light of the shift in the balance of risks, the Committee decided to lower the target range for the federal funds rate by 1/4 percentage point to 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. The Committee judges that reserve balances have declined to ample levels and will initiate purchases of shorter-term Treasury securities as needed to maintain an ample supply of reserves on an ongoing basis. **(Next FOMC meeting: 2026.1.28)**

US Currency Market:
DOLLAR Re-Establishes Short-term Support

US Dollar: UUP rose 0.5% this week, following last week's 0.5% loss. It is currently bullish—up 2.8% for the quarter and up 3.0% in the last year. At 28, UUP is below its short-term 50-day average at 28, and above its intermediate-term 200-day average at 28. Momentum in the greenback is positive but deteriorating. RSI14 at 40.4 is neither overbought nor oversold. A pricier Dollar this week weighed on returns in foreign assets, commodities, and gold. Longer term, a bullish Dollar improves returns on Dollar denominated investments and gives the US a trade advantage.

The Dollar (UUP) backed off its latest buy-stop after the expected Fed rate cut came and went. (Lower US interest rates make US income instruments less attractive all else being equal, and that leads to less demand for Dollars.) It has since triggered two stop-losses and Dollar price momentum has been fading fast. We got a bounce this week however as PMO approached its baseline and price recovered to its 50-day. Offshore, Europe and Japan still have significantly easier monetary policies, giving the Dollar and US investments a relative advantage. US tariffs on the other hand dampen US economic performance and weaken the Dollar. As for other major currencies versus the Dollar, the Euro is bullish and up 0.9%, the Yen is very bearish and flat, the Pound is neutral and up 0.4%, the Canadian dollar is bullish and up 0.6%, the Australian dollar is very bullish and up 0.4%, and the Swiss Franc is neutral and up 1.3%.

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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.

	TS	READ	US $ investors in Foreign Assets
Australian $ (FXA)	91%	very bullish	US$ Investors outperform hedged
British Pound (FXB)	67%	bullish	US$ investors outperform hedged
Canadian Dollar (FXC)	81%	very bullish	US$ investors outperform hedged
Euro Dollar (FXE)	83%	very bullish	US$ investors outperform hedged (IEV>HEDJ)
Swiss Franc (FXF)	74%	bullish	US$ investors outperform hedged
Japanese Yen FXY)	8%	very bearish	US$ investors underperform hedged (EWJ<DXJ)
US Dollar (UUP)	64%	bullish	

US Bond Market:
#9 BONDS Fight for 200-day

US Long Treasury Bonds: EDV rose 0.6% this week, following last week's 1.6% loss, leaving it ranked #9 globally and less attractive than cash. Long bond prices are down 3.0% for the quarter and yields have risen since October, but overall prices are up 4.4% for the year. The US Treasury 10-year yield finished the week down 4 ticks at 4.15%, and the 3-month yield was up 9 at 3.62%, leaving the yield curve slightly flatter but positively sloped by 53 basis points. That reduces the odds of a recession in late 2025. Technically, US long bonds are neutral, and at 66 EDV is above its short-term 50-day average at 69 and above its intermediate-term 200-day average at 66. Momentum is negative and deteriorating, and its 14-day RSI of 33 means EDV is neither overbought nor oversold. A pricier Dollar this week weighed on returns in foreign assets, commodities, and gold. Longer term, a bullish Dollar improves returns on Dollar denominated investments and gives the US a trade advantage.

Bond prices, after a long ride up have eroded 9% since the October Fed meeting. Long yields are up—with the ten-year yield at 4.15% this week. The government shut-down and a dearth of data haven't helped clarify the situation, and another shutdown could be on the way if the Dems have their druthers in January. The bet for now is inflation at worst and productive economic growth at best. A higher unemployment rate and disappointing earnings growth this week gave the rate cutters credence as did private sector job losses and relatively quiet PCE inflation. Stronger than expected GDP growth, however, could fan inflation fears. The overnight Fed Funds rate (3.62%) is finally lower than the 10-year Treasury yield (+4.15%), but still higher than the 2-year yield (3.49%) and the 3-month yield (3.63%), suggesting that the Fed rate is much closer to where it should be but still a bit high.

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 LARGE-CAPS' Hold at Support

US Large-Cap Stocks: SPY fell 0.6% this week, following last week's 0.3% gain, leaving it ranked #5 globally and more attractive than cash. The index is up 4.0% for the quarter and up 14.2% for the year. Technically, US large caps are very bullish, and at 682 SPY is above its short-term 50-day average at 674 and above its intermediate-term 200-day average at 617. Momentum is positive and improving, and its 14-day RSI of 54 means SPY is neither overbought nor oversold. A pricier Dollar this week weighed on returns in foreign assets, commodities, and gold. Longer term, a bullish Dollar improves returns on Dollar denominated investments and gives the US a trade advantage.

SPY triggered stop-losses four weeks ago and immediately rallied, triggering buy-stops two weeks ago that fell short of previous highs, before turning lower this week. Narrow breadth and excessive valuations confined to the Mag 7 are increasingly problematic as those prices soar and the rest of the S&P gets pulled along in their prop wash. Traditionally, this is window dressing time for large caps—have the best of the best in your portfolio for the annual report on December 31. Then quickly move into small caps to take advantage of the January effect. For the moment 2026 looks bullish. The move toward small caps has begun already, juiced by last week's rate cut. Uncertainties regarding the Federal shutdown, taxation, fiscal spending, and the debt ceiling are behind us, and 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, at least pending the Supreme Court ruling on tariffs.

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:
#2 US SMALL-CAPS Back Off Latest High

US Small-Cap Stocks: IWM fell 0.9% this week, following last week's 1.2% gain, leaving it ranked #2 globally and more attractive than cash. The index is up 2.8% for the quarter and up 14.1% for the year. Technically, US small caps are very bullish, and at 254 IWM is above its short-term 50-day average at 245 and above its intermediate-term 200-day average at 222. Momentum is positive and improving, and its 14-day RSI of 61 means IWM is neither overbought nor oversold. A pricier Dollar this week weighed on returns in foreign assets, commodities, and gold. Longer term, a bullish Dollar improves returns on Dollar denominated investments and gives the US a trade advantage.

IWM triggered stop-losses four weeks ago and immediately rallied, triggering buy-stops last week and this week. They have taken IWM to new highs even though this is more traditionally, window-dressing time for large caps— when you put the best of the best in your portfolio for the annual report on December 31, and then quickly move into small caps to take advantage of the January effect. For the moment 2026 looks bullish and the move toward small caps has begun already, juiced by this week's rate cut. Uncertainties regarding the Federal shutdown, taxation, fiscal spending, and the debt ceiling are behind us, and 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, at least pending the Supreme Court ruling on tariffs.

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 5 Sectors:
Semiconductors, Gold Miners, Bitcoin, Technology, Biotech

The table below ranks our 25 primary US sector ETFs in order of relative strength at the close of the latest 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, and breath stays broad and steady-- 89% of our sectors are buy or hold (L89%) with **BUYS** now 37% (L33%) and HOLDS now 52% (L56%). **AVOIDS** are currently 11% (L11%). Potential "Buys" include Semiconductors, Gold Miners, Bitcoin, Technology, and Biotech. "Avoids" include Healthcare Providers, Consumer Staples, Food & Beverage.

CI%	Description	ROC	TS	READ	RSI		PMO	+/-	Condition
100%	Semiconductors (SMH)	59%	95%	very bullish	52.10		1.3	positive	deteriorating
92%	Gold Miners (GDX)	72%	125%	very bullish	68.01		4.5	positive	improving
75%	Bitcoin (BLOK)	38%	36%	bearish	44.48		-2.2	negative	deteriorating
59%	US Technology (IYW)	33%	79%	bullish	51.32		0.1	positive	deteriorating
54%	Biotechnology (IBB)	40%	100%	very bullish	58.02		2.2	positive	deteriorating
47%	US Oil Equip & Serv (IEZ)	29%	96%	very bullish	45.96		1.7	positive	deteriorating
45%	Telecom (FCOM)	27%	99%	very bullish	57.33		1.1	positive	deteriorating
41%	US Pharmaceuticals (IHE)	33%	114%	very bullish	64.86		2.9	positive	deteriorating
38%	Retail (XRT)	25%	86%	very bullish	63.03		1.8	positive	improving
37%	US Aero & Defense (PPA)	23%	73%	bullish	60.28		0.2	positive	improving
35%	**S&P 500 (SPY)**	**21%**	**93%**	**very bullish**	**55.79**		**0.5**	**positive**	**deteriorating**
33%	Transports (IYT)	20%	102%	very bullish	58.33		1.7	positive	improving
33%	Media Portfolio (XLC)	20%	90%	very bullish	57.51		0.6	positive	improving
31%	KB Banks (KBE)	21%	104%	very bullish	69.42		2.3	positive	improving
30%	Capital Markets (KCE)	17%	63%	bullish	57.30		0.8	positive	improving
28%	Industrials (XLI)	16%	99%	very bullish	55.43		0.6	positive	improving
27%	DJ Internet Index (FDN)	13%	29%	bearish	49.89		-0.6	negative	improving
25%	Software (XSW)	11%	31%	bearish	51.90		-0.1	negative	improving
25%	Oil/Gas Expl & Prod (XOP)	11%	44%	neutral	39.36		-0.1	negative	deteriorating
21%	Home Construction (XHB)	11%	58%	neutral	45.47		0.1	positive	deteriorating
17%	Utilities (XLU)	8%	45%	neutral	38.02		-1.0	negative	deteriorating
12%	Select Materials (XLB)	8%	96%	very bullish	62.88		0.8	positive	improving
10%	US Medical Devices (IHI)	4%	86%	very bullish	52.98		0.5	positive	deteriorating
6%	REITs (VNQ)	2%	46%	neutral	41.54		-0.3	negative	deteriorating
4%	KBW Insurance (IAK)	3%	94%	very bullish	63.75		1.3	positive	improving
3%	**CASH**	**2%**	**83%**	**very bullish**	**44.73**		**0.1**	**positive**	**deteriorating**
-2%	Consumer Staples (XLP)	-1%	61%	bullish	52.53		0.5	positive	improving
-3%	Food & Beverage (PBJ)	-2%	28%	bearish	59.66		0.5	positive	improving
-4%	US Health Providers (IHF)	-3%	52%	neutral	45.22		-0.2	negative	deteriorating

INTERNATIONAL MARKETS:
#4 GOLD Edges Ahead

Gold Bullion: GLD rose 0.9% this week, following last week's 2.3% gain, leaving it ranked #4 globally and more attractive than cash. Most recently, GLD is up 18% for the quarter and up 65% for the year. Technically, gold bullion is very bullish, and at 395 GLD is above its short-term 50-day average at 378 and above its intermediate-term 200-day average at 322. Momentum is positive and improving, and its 14-day RSI of 71 means GLD is overbought. A pricier Dollar this week weighed on returns in foreign assets, commodities, and gold. Longer term, a bullish Dollar improves returns on Dollar denominated investments and gives the US a trade advantage.

Gold's stalled-out rally entered a second week after last week's Fed rate cut. Gold triggered a new buy-stop on Thursday but remains slightly short of its previous all-time high. Its RSI suggests it is at or nearing overbought levels. Cheaper US money is potentially inflationary and good for gold, Additional bullish indications for gold include ongoing central bank purchases, Chinese consumer buying, latent inflation fears, a sense of major disruption in the way the US government is doing things, a large persistent US deficit, and geopolitical tension. Traditional threats to bullion are not in evidence. Neither global recession (as evidenced by a very bullish bond market and falling yields) nor a severe equity market panic (evidenced by margin calls that require investors to sell their best performers to cover) appears likely.

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INTERNATIONAL MARKETS:
COMMODITY & OIL Prices Fall

Commodities: A very bullish CRB fell 0.3% this week after last week's 1.8% loss. That left commodity prices up 3.3% for the quarter and up 8.9% for the year. At 23 the CRB is above its short-term 50-day average at 23 and above its intermediate-term 200-day average at 22. Momentum is positive but deteriorating, and its 14-day RSI of 49 means the CRB is neither overbought nor oversold. A pricier Dollar this week weighed on returns in foreign assets, commodities, and gold. Longer term, a bullish Dollar improves returns on Dollar denominated investments and gives the US a trade advantage.

Crude Oil: Oil prices rose 0.2% this week, following last week's 4.3% loss, and are currently very bearish. That leaves US oil prices down 5.8% for the quarter and up 3.6% for the year. At 69, USO is below its short-term 50-day average at 71 and below its intermediate-term 200-day average at 72. Momentum is negative and deteriorating, and its 14-day RSI of 42 means oil is neither overbought nor oversold.

A pricier Dollar this week weighed on returns in foreign assets, commodities, and gold. Longer term, a bullish Dollar improves returns on Dollar denominated investments and gives the US a trade advantage.

Commodities are range bound and the short trend is slowing indicating a lessening of inflation pressures. Price momentum is positive but deteriorating. Oil prices are the driver at present, as "drill, baby, drill" gathers steam in the US and OPEC continues a modest output increase to lower oil prices in December but will do away with it in 2026. The end of the summer driving season helped drop West Texas Intermediate crude prices into the mid-fifties in October. Geopolitical uncertainty in the Middle East and in Ukraine interrupted that progress for a while but is appears to have resumed. Meanwhile, commodities and bonds are still in global balance, with the Fed Check suggesting a neutral rate stance by the Fed.

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INTERNATIONAL EQUITIES:
#7 EUROPE: Breaks Out

European Large-Cap Stocks: IEV rose 2.4% this week, following last week's 0.9% gain, leaving it ranked #7 globally and more attractive than cash. Most recently, Europe is up 7% for the quarter and up 37% for the year. Technically, IEV is very bullish, and at 68 is above its short-term 50-day average at 66 and above its intermediate-term 200-day average at 62. Momentum is positive and improving, and its 14-day RSI of 60 means IEV is neither overbought nor oversold. A pricier Dollar this week weighed on returns in foreign assets, commodities, and gold. Longer term, a bullish Dollar improves returns on Dollar denominated investments and gives the US a trade advantage.

The Fed rate cut last week prompted Europe to punch higher the next day, and it kept going this week. Cheaper US money is good for European stocks, and the tariff situation is less of a problem for Europe than it is for US consumers and business. In Britain, the BoE is keeping rates high, cautious about cutting too fast, and monitoring inflation and labor-market dynamics carefully. Meanwhile, the European Central Bank is also cautious but more dovish keeping its benchmark rate steady at 2% compared to the latest 3.625% Fed rate. A neutral Euro and European borrowing costs that are half those of the US give the EU a monetary advantage over the US, but it is receding with each US rate cut. (A neutral to slightly bearish Euro vs. Dollar keeps IEV slightly outperforming 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%).

(Charts reprinted with permission from stockcharts.com.)

INTERNATIONAL EQUITIES:
#6 JAPAN Sets New High

Japanese Stocks: EWJ fell 0.5% this week, following last week's 0.4% gain, leaving it ranked #6 globally and more attractive than cash. Most recently, Japan is up 3.3% for the quarter and up 22.2% for the year. Technically, EWJ is very bullish, and at 84 is above its short-term 50-day average at 83 and above its intermediate-term 200-day average at 75. Momentum is positive and improving, and its 14-day RSI of 58 means EWJ is neither overbought nor oversold. A pricier Dollar this week weighed on returns in foreign assets, commodities, and gold. Longer term, a bullish Dollar improves returns on Dollar denominated investments and gives the US a trade advantage.

With the latest Fed rate cut out of the way, Japan can now focus on its own central bank. The new Japanese PM has announced a US$135B stimulus program to boost growth and assist households with affordability. Inflation continues to rise at 3%, however, prompting reports that BoJ may be close to raising rates. Japanese headline inflation is above the Bank of Japan's 2% target for a third straight year. It meets next week and a long anticipated 25-basis-point rate hike has consistently been pushed back. This week EWJ is waiting to make sure of the Bank's direction before making new highs or abandoning old ones. For now, the dovish BoJ lending at 0.5% gives Japan and EWJ a significant but shrinking advantage over the US, which has a 3.625% Fed rate. For Dollar investors, a bearish Yen vs. the Dollar makes the hedged version (DXJ) of Japanese equities preferable to EWJ as political momentum turns back toward a traditional weak yen policy.

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 Tests 50-day

Asia-Pacific ex-Japan: AAXJ rose 0.1% this week, following last week's 1.5% loss, leaving it ranked #3 globally and more attractive than cash. The index is up 1.7% for the quarter and up 24.7% for the year. Technically, AAXJ is very bullish, and at 92 is below its short-term 50-day average at 93 and above its intermediate-term 200-day average at 83. Momentum is negative and deteriorating, and its 14-day RSI of 51 means AAXJ is neither overbought nor oversold. A pricier Dollar this week weighed on returns in foreign assets, commodities, and gold. Longer term, a bullish Dollar improves returns on Dollar denominated investments and gives the US a trade advantage.

Last week's Fed rate cut was well received abroad. Cheaper US money is good for US export demand everywhere. It keeps Asian equities in the number 3 slot in the regional index model. Both lag #1 Latin America but only fractionally. US tariffs are the reason US stocks are lagging and have been all year. Asian equities remain positive. Asian equity markets (AAXJ +13) are comparably attractive to US stocks (VTI +13). South Korea (EWY +35) is a standout. Hong Kong (EWH +14) is doing well. Taiwan (EWT +9), China (FXI +7) and Singapore (EWS +6) lag the US. Australia (EWA -0) and India (PIN -2) are struggling due to 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 Settles Lower

Latin America 40: ILF fell 0.5% this week, following last week's 2.6% gain, leaving it ranked #1 globally and more attractive than cash. The index is up 12% for the quarter and up 55% for the year. Technically, ILF is very bullish, and at 31 is above its short-term 50-day average at 30 and above its intermediate-term 200-day average at 26. Momentum is positive but deteriorating, and its 14-day RSI of 51 means ILF is neither overbought nor oversold. A pricier Dollar this week weighed on returns in foreign assets, commodities, and gold. Longer term, a bullish Dollar improves returns on Dollar denominated investments and gives the US a trade advantage.

Last week's Fed rate cut has been well received abroad. Cheaper US money is good for US export demand everywhere. It propelled Latin equities into the number 1 slot in the regional index model three weeks ago and kept it there this week. US tariffs are the reason foreign stocks are outperforming and have been all year. Cheaper US money is good for Latin stocks, and the tariff situation is less of a problem for Latin exporters than it is for US consumers and business. Latin stocks (ILF +18) have outperformed their US cousins (VTI +13) for nine months but are fading lately. Chile (ECH +27), Colombia (COLO +26), Mexico (EWW +17) and Brazil (EWZ +12) are strongest, while Argentina (ARGT +4) is digging itself out of its most recent leftist hole. Canada (EWC +17) 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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Private Sector Strategies—ETFs
Market Timing v. Diversified Buy & Hold: Performance

Strategy	25 YTD	2024	2023	2022	2021	2020	2019	2018	2017	2016
Index Moose	**59.7%**	5.5%	3.6%	-16.3%	11.7%	13.2%	-6.5%	5.1%	9.0%	-6.0%
Aggressive G&I (AOA)	17.6%	11.5%	15.6%	-17.9%	13.5%	10.7%	12.5%	-6.2%	8.0%	3.5%
S&P Benchmark	11.1%	24.5%	24.3%	-19.5%						
Moderate G&I (AOM)	10.9%	4.9%	9.2%	-16.4%	5.3%	7.7%	19.5%	-9.9%	14.1%	5.3%
US Strategy Moose	8.0%	26.1%	12.3%	-7.0%	22.2%	20.9%	23.6%	1.2%	28.5%	-5.6%

The Index Model is outperforming all competitors in early 2025 after lagging buy-and-hold in 2024.
US Strategy Model outperformed all competitors in 2024 but is slightly behind the S&P in 2025.
For buy and hold investors: Aggressive (AOA) is outperforming more moderate (AOM) diversifications.

The table above is short, but it illustrates several points: (1) Success of any 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.

The US Equity Strategy (USES) Model
TOP US Equity Strategy: HOLD US Growth

In this section: 7 alternative US equity strategies (as represented by the most popular smart-beta ETFs based on volume and capitalization) and 2 global asset allocation strategies are monitored and ranked 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. The 2 global asset allocation strategies are moderate (40% equities / 60% income) and aggressive (80% equities / 20% income). The table below compares the relative strength of each of the 9 strategies to a SPY benchmark and a SHY cash baseline.

THIS YEAR: US Stocks struggled in January, backed off in March, plummeted to a V-bottom in April and rebounded by May. They are bullish but have lagged offshore equities and gold throughout, due to a weaker Dollar caused by US tariffs. Now, with the second rate cut in the books, and possibly one more rate cut to come, US tariffs, and trillions in US federal deficit spending continuing through December (absent recissions), equities and hard assets appear to have solid future prospects.

THIS WEEK: All USES funds are working off buy-stops this week, including SPY, having exited the previous false switch to cash and returned to US Growth (IUSG) 12/5/25 @169.25. Among US stock strategies, US Growth still leads in confidence index, technical strength and rate of change.

THIS was the 2nd MIXED-Risk week after 2 Risk-ON: US Stocks MIXED, Foreign Stocks MIXED, Bonds UP, and Gold UP.

	CI%	Description	ROC	TS	READ	RSI	PMO	+/-	Condition
1	100%	US Growth (IUSG)	23%	85%	very bullish	53.0	0.35	positive	deteriorating
2	78%	US Large-caps (SPY)	19%	93%	very bullish	55.8	0.51	positive	deteriorating
3	66%	US Momentum (MTUM)	13%	63%	bullish	54.7	0.04	positive	deteriorating
4	58%	US Fundamentals (QUAL)	15%	101%	very bullish	58.6	0.77	positive	improving
5	53%	US Value (IUSV)	14%	105%	very bullish	62.2	0.87	positive	improving
6	47%	S&P Equal Weight (RSP)	15%	108%	very bullish	69.1	1.43	positive	improving
7	15%	US High Dividend (SPYD)	4%	89%	very bullish	52.9	0.45	positive	improving
8	9%	Cash (SGOV)	3%	87%	very bullish	40.2	0.14	positive	deteriorating
9	-2%	Short Income (SHY)	0%	75%	bullish	42.9	0.01	positive	improving
10	-10%	US Low Volatility (SPLV)	-3%	9%	very bearish	47.0	-0.16	negative	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 negative, 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.

Best S&P Strategies
Rotation Out of IUSG to Broader Market (RSP) Marks Quarter

This week: MTUM leads over 3 years and over 52 weeks, IUSG over 6 and 9 months. Rotation into broader US market (RSP) in Q4. US equities catching up with offshore stocks but still lag. Among US strategies, Growth and Momentum outperform the S&P benchmark over 3 years.

	YTD	Description	this wk	last wk	13wk	26wk	39wk	52wk	3Y
1	**22%**	**US Momentum (MTUM)**	1.3%	-1.3%	-0.6%	10.2%	26.8%	**19.7%**	**67.6%**
2	21%	US Growth (IUSG)	0.6%	-1.6%	2.7%	**17.3%**	**31.7%**	17.1%	65.4%
3	17%	US Large-caps (SPY)	0.4%	-0.6%	3.9%	15.4%	23.3%	14.8%	49.2%
4	15%	S&P Equal Weight (RSP)	**3.5%**	0.7%	**6.6%**	13.9%	16.6%	13.0%	31.5%
5	13%	US Fundamentals (QUAL)	0.3%	-0.1%	4.8%	12.8%	17.7%	10.3%	39.9%
6	12%	US Value (IUSV)	0.3%	0.8%	5.5%	13.3%	14.2%	11.3%	28.9%
7	4%	US High Dividend (SPYD)	-0.8%	**1.4%**	-0.3%	5.1%	1.7%	6.2%	19.8%
8	4%	US Low Volatility (SPLV)	-0.4%	0.4%	-2.6%	-1.8%	-2.6%	0.5%	12.8%
9	4%	Short Income (SHY)	-0.1%	0.1%	0.1%	1.7%	2.7%	4.1%	8.3%
10	3%	Cash (SGOV)	-0.3%	0.0%	0.8%	1.8%	2.9%	4.0%	9.6%

The Global Index Model
TOP Index Model Move HOLD GLD

THIS YEAR: Strong gold and weak US stocks put the Index model into gold from January through April helping us to avoid the March-April V-bottom in equities caused by the tariff announcement. Exiting gold, which had flattened by mid-May, for International stocks set up a period of vacillation between gold and international stocks that ended with a switch back to gold in late August, ahead of the first Fed rate cut on 9/18. With rate cuts, trillions in US federal deficit spending, and US tariffs weakening the Dollar through December, foreign equities and hard assets still have excellent future prospects.

THIS WEEK: 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. Index Moose HOLDS #2 Gold (GLD) via buy-stop since 8/28/25. Severely overbought, gold corrected about 11% on hawkish Fed-speak in November, never triggering a stop-loss. This week, US small caps (IWM) have overtaken gold in the primary momentum metric (CI%). Gold continues to lead in technical strength, PMO, and quarterly performance. Gold is overbought, but we are sticking with the hold. Would wait for a dip to add.

THIS was the 2nd MIXED-Risk week after 2 Risk-ON: US Stocks MIXED, Foreign Stocks MIXED, Bonds UP, and Gold UP.

	CI%	FUND	TS+	READ	RSI	PMO	+/-	condition
1	95%	US Small-caps (IWM)	102%	very bullish	56.1	1.22	positive	improving
2	**86%**	**Gold Bullion (GLD)**	**114%**	**very bullish**	**71.1**	**2.17**	**positive**	**improving**
3	81%	US Large-caps (SPY)	93%	very bullish	55.8	0.51	positive	deteriorating
4	79%	Emerging Markets (EEM)	78%	bullish	52.0	0.09	positive	deteriorating
5	52%	Developed Markets (EFA)	107%	very bullish	61.5	1.25	positive	improving
6	1%	Very Long US Bonds (EDV)	34%	bearish	39.2	-0.94	negative	deteriorating
7	0%	Short US Income (SGOV)	60%	bullish	60.9	0.00	positive	improving

	YTD	Description	13wk	26wk	39wk	52wk	3Y
1	**65%**	**Gold Bullion (GLD)**	**18.9%**	**32.5%**	**43.3%**	**66.5%**	**111.4%**
2	30%	Emerging Markets (EEM)	2.6%	13.5%	22.6%	30.0%	36.1%
3	28%	Developed Markets (EFA)	6.3%	11.3%	20.5%	34.7%	43.1%
4	17%	US Large-caps (SPY)	3.7%	11.7%	22.2%	18.3%	49.2%
5	14%	US Small-caps (IWM)	2.8%	16.8%	23.9%	15.1%	29.4%
6	3%	Short US Income (SGOV)	0.0%	-0.1%	0.0%	0.4%	0.5%
7	0%	Very Long US Bonds (EDV)	-3.0%	-0.1%	-6.7%	-4.4%	-19.5%

Public Sector Strategies-- Thrift Savings Plan

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. **In 2025, the TSP** Timing Model is lagging Lifetime Funds. For buy and hold (Lifetime) investors: Relative strength in equities over income means aggressive portfolios are out-performing moderate and conservative Lifetime choices.

The TSP Model: SWITCH to Large-caps (Fund C)

THIS was the 2nd MIXED-Risk week after 2 Risk-ON: US Stocks MIXED, Foreign Stocks MIXED, Bonds UP, and Gold UP.

TSP Moose *HOLDS Large-cap equities (Fund C)* via CI since 12/3/25 (@109.48).

*All TSP funds with an equity component are working off buy-stops this week. Fund C holds the TSP Model's #1 spot per confidence index, but price momentum, technical strength, and price momentum are swinging to small caps as January approaches. No funds in the model are overbought or oversold.

	CI%	FUND	ROC	TS+	READ	RSI	PMO	+/-	condition
1	**100%**	**US Large-caps (C)**	**13%**	**93%**	**very bullish**	**54.28**	**0.50**	**positive**	**deteriorating**
2	98%	US Small-caps (S)	12%	92%	very bullish	55.05	0.66	positive	improving
3	91%	Lifetime 2060	13%	96%	very bullish	56.63	0.62	positive	deteriorating
4	78%	Internat stocks (I)	13%	103%	very bullish	60.46	0.80	positive	improving
5	74%	Lifetime 2050	11%	93%	very bullish	59.15	0.48	positive	deteriorating
6	66%	Lifetime 2040	9%	96%	very bullish	57.10	0.49	positive	deteriorating
7	55%	Lifetime 2030	8%	98%	very bullish	57.54	0.43	positive	deteriorating
8	24%	Long-term Inc (L)	4%	98%	very bullish	59.90	0.29	positive	deteriorating
9	10%	Fixed Income (F)	3%	87%	very bullish	52.13	0.08	positive	deteriorating
10	0%	Short-term Inc (G)	0%	88%	very bullish	100.00	0.17	positive	deteriorating

TSP RECENT PRICE ACTION: Fund I continues to lead performance year-to-date, and over 13 and 52-weeks. Fund C, however, leads over 26 weeks and 3 years. The models are more or less based on six-month momentum, so Fund C has the best answer to the question "what have you done for me lately?"

TSP Lifetime & Index Funds: Performance Progression

	FUND	13wk	26wk	39wk	52wk	YTD	3Y
1	Internat stocks (I)	**4.8%**	13.3%	21.5%	**31.0%**	**30.7%**	**38.4%**
2	Lifetime 2060	3.9%	14.3%	21.5%	21.7%	21.4%	42.1%
3	Lifetime 2050	2.9%	11.7%	17.8%	18.3%	18.0%	35.3%
4	US Large-caps (C)	3.9%	**14.9%**	**21.8%**	18.0%	17.6%	47.1%
5	Lifetime 2040	3.1%	11.0%	16.5%	17.2%	17.0%	32.7%
6	Lifetime 2030	2.8%	9.5%	14.3%	15.1%	14.8%	28.7%
7	US Small-caps (S)	2.0%	15.0%	20.9%	13.1%	13.0%	32.5%
8	Long-term Inc (L)	1.9%	5.5%	8.2%	9.3%	9.1%	17.8%
9	Fixed Income (F)	0.6%	4.1%	4.3%	7.3%	7.1%	9.2%
10	Short-term Inc (G)	1.1%	2.2%	3.3%	4.4%	4.3%	9.1%

***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: Yearly Performance

Strategy	2025 YTD	2024	2023	2022	2021	2020	2019	2018	2017
L2060	**21.4%**	**16.3%**	**23.3%**	-15.9%	19.9%	new	--	--	--
L2050	18.1%	14.0%	20.0%	-13.4%	16.3%	14.8%	23.3%	-6.0%	18.8%
L2040	17.0%	12.9%	18.1%	-11.4%	14.5%	13.2%	20.7%	-4.9%	16.8%
L2030	14.9%	11.5%	16.6%	-9.0%	12.4%	11.3%	17.6%	-3.6%	14.5%
TSP Moose	14.8%	11.8%	16.5%	-3.4%	13.3%	21.8%	14.9%	6.5%	21.0%

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. When the reckoning does eventually come, however, it can be far worse, shaking our national institutions as well as the economy.

Moospeak

Holiday Open House

It’s that time of year again, or at least close enough.

Every Christmas Day for the last 15 years or so, I’ve taken down the paywall for the 12 days of Christmas. It gives folks who aren’t familiar with Decision Moose a chance to explore the site and a chance for those who may want to subscribe to get an early bird discount on the subscription price.

The plausibility of that occurring, however, has changed over the last year or two. My Google search presence has mysteriously vanished after 30 years and my webservice provider refuses my customers’ credit cards. So forget about people ever hearing about the site and finding it— they wouldn’t be allowed to buy it if they did.

As a result, I’ve decided to free things up a bit early in 2025. The paywall is down. You are free to roam about the cabin.

As for whether Decision Moose returns in 2026-- that and the form it will take is yet to be determined. My obligation to provide a weekly newsletter in 2025 ends December 31. I haven’t missed an issue (a.k.a., had an entirely free weekend) in 30 years. I’m ready.