

MOOSECALLS

Global Financial News & Analysis
JUN.19.2026 through JUN.28.2026

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EXECUTIVE SUMMARY: JUN.19.2026

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 (3)

**THIS WEEK a 3rd Risk-OFF week after 2 Risk-ON:
US Stocks UP, Foreign Stocks MIXED, Bonds UP and Gold UP.**

SECOND THOUGHTS?

US stocks gapped up on the announcement of a US-Iran memorandum of understanding to start the week, but enthusiasm waned as details came out. The hawkish tenor to Chairman Warsh's first FOMC meeting on Wednesday also dampened enthusiasm. Even so, US small caps (+1.1%) led US large caps (+0.9%) higher for a second week, while equities offshore were mixed. Asia-Pacific (+5.1%) and Japan (+4.4%) saw healthy advances while Europe (-0.2%) stalled, and Latin America (-1.5%) retreated. US long bond prices (+2.1%) rallied as the US ten-year yield dropped 5 bps to 4.45% and the three-month yield rose to 3.66%, flattening the yield curve to 79 basis points. The Dollar added +1.3% contributing to weaker oil (-8.4%) and commodities generally (-3.2%), but gold (+0.2%) held its own. There were no changes to the models this week.

GLOBAL OUTLOOK POSITIVE (3 of 4). No change. War has the Baltic Dry Index, the 10-year US yield, and copper prices are all higher over the last 13 weeks. Only oil is down for the quarter.

INFLATION: Export-Import inflation warming as expected given recent constraints in oil supply. Oil prices down this week and quarter, and below \$75/bbl. Global inflation per Fed Check (84) still warrants tightening, but it is improving.

US ECONOMIC DATA: PRODUCTION AND HOUSING WEAK, RETAIL SALES GOOD. Recession chance a year out minimal. Financial system health per SOFR-T spread: sound. GDP Now estimate (Q2) UP as of 6/17: 3.0%.

FEDERAL RESERVE: The Fed's balance sheet stands at \$6.74 trillion, with the Fed Funds Rate at 3.50-3.75%. Next Fed meeting is in late July (7/29). Fed Chairman Kevin Warsh replaced Jerome Powell May 22. Iran war has spiked inflation fears. Fed Check (84) improved but remains hawkish as of 1/30/2026 (market price of hard assets going up faster than the market price of paper promises.) The odds are 61% that rates will remain unchanged at the next meeting in July, but chances of a December Fed rate HIKE (56%) are still greater than 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 (3 of 4)

Indications are positive (3 of 4) for the global economy.

An international shipping measure and proxy for current global trade, **the Baltic Dry Index is at 2722 this week, down from 2729 last week but up 32% 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 down to \$76.54 this week, and down (-22%) in the latest quarter, a negative economic signal.** (Oil remains below its 2022 peak (\$130), but well above the 2020 Covid low (\$10).)

Our proxy for global construction, **copper is \$6.40, down this week, but up 19% this quarter, a positive signal.**

Domestically, **the 10Y US bond yield is down to 4.45% this week, but up 6 basis points over the past 13 weeks, a positive bet on the largest world economy.**

GLOBAL RANKING: Asia-Pacific Top Region

Index Moose
ETF Rankings
through
JUN.28.2026

**THIS WEEK a 3rd Risk-OFF week after 2 Risk-ON:
US Stocks UP, Foreign Stocks MIXED, Bonds UP and Gold UP.**

Asia-Pacific ex-Japan leads in regional global momentum since 6/3/2026 after ILF's stop loss, and after posting a 5%+ gain in each of the last two weeks.

AAXJ leads in overall confidence and PMO. Technical strength is very bullish. Though AAXJ is the #1 regional choice, it is very volatile. The best alternative at the moment remains emerging markets (EEM), though Asia Pacific ex-Japan 5%+ this week and last.

** 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%	Asia Pacific ex-Japan (AAXJ)	106%	very bullish	62.3	2.86	positive	deteriorating
2	88%	Latin America (ILF)	46%	neutral	46.6	-1.09	negative	improving
3	72%	Japan (EWJ)	103%	very bullish	66.4	1.61	positive	improving
4	57%	US Small-caps (IWM)	107%	very bullish	60.9	1.97	positive	deteriorating
5	38%	Europe (IEV)	90%	very bullish	56.3	0.94	positive	improving
6	35%	US Large-caps (SPY)	96%	very bullish	55.1	1.30	positive	deteriorating
7	13%	Gold Bullion (GLD)	13%	very bearish	38.2	-2.51	negative	deteriorating
8	9%	Short US Income (SGOV)	88%	very bullish	100.0	0.14	positive	improving
9	-33%	Very Long US Bonds (EDV)	56%	neutral	65.0	0.44	positive	improving
		US Dollar	101%	very bullish	73.4	OB	positive	improving
		Commodities	53%	neutral	28.9	OS	negative	deteriorating
		US Oil	60%	bullish	33.2		negative	deteriorating
		Ryan/CRB	84%	HIKE RATES				80%
		Volatility	16.4	reduced fear				16.4

AAXJ is the best performing region YTD, and over 13, 26, 39 and 52 weeks. It took a major hit (6/5) but has recovered 10% in the last two weeks. ILF continued to fade. In spite of the volatility however, emerging market equities continue to outperform those of developed markets.

YTD	FUND	06/18/26	06/12/26	13wk	26wk	39wk	52wk	3Y
32.4%	Asia Pacific ex-Japan (AAXJ)	5.1%	5.1%	22.8%	34.8%	38.2%	60.4%	82.5%
20.1%	US Small-caps (IWM)	1.1%	4.0%	18.5%	17.1%	24.7%	42.9%	48.4%
19.2%	Japan (EWJ)	4.4%	2.2%	13.8%	20.4%	29.1%	47.8%	60.8%
11.3%	Latin America (ILF)	-1.5%	5.2%	0.3%	14.2%	26.2%	45.0%	60.1%
9.5%	US Large-caps (SPY)	0.9%	0.6%	11.9%	9.6%	14.6%	27.1%	41.8%
5.5%	Europe (IEV)	-0.2%	3.3%	7.2%	8.1%	16.8%	24.0%	38.7%
0.9%	Very Long US Bonds (EDV)	2.1%	1.0%	1.0%	1.7%	-1.9%	5.3%	-3.0%
0.2%	Short US Income (SGOV)	0.1%	0.1%	0.9%	1.8%	2.9%	3.9%	9.0%
-2.3%	Gold Bullion (GLD)	0.2%	-2.4%	-15.7%	-5.2%	14.9%	24.8%	80.3%

GLOBAL RANKING: TECHNICAL OVERVIEW

#1 ASIA-PACIFIC Retests High--

AAXJ rose 5.1% this week, after gaining 5.1% last week. That left it very bullish and ranked #1 globally and more attractive than cash. The index is up 22.8% for the quarter (13 weeks), and up 60.4% for the year (52 weeks).

#2 LATIN AMERICA Balks At Resistance--

ILF fell 1.5% this week, after gaining 5.2% last week. That left it neutral and ranked #2 globally and more attractive than cash. The index is up 0.3% for the quarter (13 weeks), and up 45.0% for the year (52 weeks).

#3 JAPAN Breaks Higher--

EWJ rose 4.4% this week, after gaining 2.2% last week. That left it very bullish and ranked #3 globally and more attractive than cash. The index is up 13.8% for the quarter (13 weeks), and up 47.8% for the year (52 weeks).

#4 US SMALL-CAPS Edge Higher--

IWM rose 1.1% this week, after gaining 4.0% last week. That left it very bullish and ranked #4 globally and more attractive than cash. The index is up 18.5% for the quarter (13 weeks), and up 42.9% for the year (52 weeks).

#5 EUROPE's Advance Slows--

IEV fell 0.2% this week, after gaining 3.3% last week. That left it very bullish and ranked #5 globally and more attractive than cash. The index is up 7.2% for the quarter (13 weeks), and up 24.0% for the year (52 weeks).

#6 US LARGE-CAPS Gap Up on Deal Rumor—

SPY rose 0.9% this week, after gaining 0.6% last week. That left it very bullish and ranked #6 globally and more attractive than cash. The index is up 11.9% for the quarter (13 weeks), and up 27.1% for the year (52 weeks).

#7 GOLD's Bounce Ended by the Fed--

GLD rose 0.2% this week, after losing 2.4% last week. That left it very bearish and ranked #7 globally and more attractive than cash. The index is down 15.7% for the quarter (13 weeks), but up 24.8% for the year (52 weeks).

#8 US Cash Yield Up--

The three-month T-Bill yield is 3.66%, up from 3.62 last week. The cash yield is close to the Fed overnight rate (3.625%) following the 6/17 FOMC meeting at which no changes in rate policy were expected or made. Meanwhile, the two-year Treasury is yielding 4.18%, a 56 basis-point premium to cash

#9 LONG US TREASURIES Higher on Hawkish Fed--

EDV rose 2.1% this week, after gaining 1.0% last week. That left it neutral and ranked #9 globally and less attractive than cash. Long bonds are up 1.0% for the quarter (13 weeks) and up 5.3% for the year (52 weeks) as yields have risen.

COMMODITIES Continue Lower With Oil--

A neutral CRB fell 3.2% this week after losing 2.3% last week. That left commodity prices down 4.3% for the quarter (13 weeks), but up 19.7% for the year (52 weeks).

Crude Oil Tanks

USO fell 8.4% this week, following last week's loss of 5.7%, and remains bullish. That leaves US oil prices down 3.0% for the quarter (13 weeks), but up 39.6% for the year (52 weeks).

US Dollar Overbought

UUP rose 1.3% this week, after losing 0.2% last week. It is currently very bullish—up 3.2% for the quarter (13 weeks) and up 3.4% for the year (52 weeks).

US ECONOMY: JUN.19.2026:

DATA MIXED-TO-WEAK

PRODUCTION: INDUSTRIAL PRODUCTION DISAPPOINTS

WEEKLY EIA Crude Oil Inventories (-8.26M) draw deepens as oil prices fall.

MAY Industrial Production (+0.1%) lagged prior and targets.

MAY Capacity Utilization (76.2) improved by less 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.

CONSTRUCTION: MAY HOUSING WEAKENS

MAY Housing Starts (1177K) below previous and well below expectations.

MAY Building Permits (1413K) below consensus and prior.

MAY Existing Home Sales (4.17M) beat previous and consensus.

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

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

INFLATION: EX-IM PRICES RISING

MAY CPI (+0.5%) in line less hot than previous. (+4.2% y-o-y)

MAY Core CPI (+0.2%) cooler than previous (+2.9% y-o-y)

MAY PPI:(+1.1%) hot as prior and above consensus. (+6.5% y-o-y)

MAY Core PPI (+0.4%) hotter than prior and consensus. (+4.9% y-o-y)

MAY Import Prices (+1.9%) in line with previous. (+6.7% y-o-y)

MAY Export Prices (+1.3%) hotter from previous. (+11.2% 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.)

JOBS: CLAIMS IN LINE

Weekly initial Claims (226K) in line with previous and forecasts.

Weekly Continuing Claims (1810K) slightly higher.

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

CONSUMPTION: RETAIL SALES BEAT

MAY Retail Sales (+0.9%) beat consensus and 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 (48.9) still fading but up more than anticipated.

MAY NFIB Small Business Optimism (95.3) strong but below prior (95.6).

APR Trade Deficit (-55.9B) less than previous.

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 (6/17/2026): Q2 Annualized 3.0% (Last week: Q2 Annualized +3.3%)

US ECONOMY: FEDERAL RESERVE

FED BALANCE SHEET (\$6.74T); FFR @ (3.50-3.75%)

Federal Reserve:
week of
JUN.19.2026

Currently, the Fed's balance sheet is 6.74T, (up +.01T) in the latest week (6/17/2026). The Fed Funds Rate was lowered 25 BPS to 3.50-3.75% at the DEC10 FOMC meeting. No change since at the January, March, April or June FOMC meetings.

The next FOMC meeting is July 29. Trump replaced Jerome Powell with Kevin Warsh in the chair on May 22 and he chaired his first FOMC meeting June 17. No near term rate hikes are expected, but a more hawkish tone suggests supply-side inflation pressures brought on by the war with Iran may eventually force rate hikes by year-end. The odds are 61% that rates will remain unchanged at the next meeting in July, but chances of a December Fed rate HIKE (56%) are still greater than 50-50.

The Fed Check at 84% turned hawkish as of 1/30/2026 (tighter monetary policy needed to combat global inflation pressures.) The US 2-Year yield at 4.09%, however, is now 47 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 **flattened to a slope of 79 bps** this week, as the 10-year US Treasury yield fell to 4.45%, and the 3-month cash yield rose to 3.66%. Intermediate term, the curve was inverted from 11/22 through 12/24 but has been positive since. The 30d-10y median yield (4.06%) is just above its 200-day (3.94%). A rising median yield and a steepening yield curve are both bullish for stocks.

3-month SOFR yield at 3.63% is up this week, while the 3-month T-bill at 3.66% is also up. That puts the SOFR/T-Bill (SOF-T) spread at -3 basis points, below its 200-day average of 14 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 (2026.6.17) The Federal Open Market Committee approved the following statement for release by a 12 – 0 vote: The Committee decided to maintain the target range for the federal funds rate at 3-1/2 to 3-3/4 percent, in support of the Federal Reserve's dual mandate. The Committee reaffirmed its policy of maintaining ample reserves in the banking system. Economic activity is expanding at a solid pace despite elevated uncertainty that owes, in part, to the conflict in the Middle East. Productivity growth and capital investment are strong. Job gains have kept pace with the workforce, and the unemployment rate has changed little. Inflation remains elevated relative to the Committee's 2 percent goal, in part reflecting supply shocks that have driven price increases in certain sectors, including energy. The Committee will deliver price stability. (Next Meeting: 7/29/2026)

US Currency Market: US DOLLAR Rallies on Hawkish Fed



US Dollar: UUP rose 1.3% this week, after losing 0.2% last week. It is currently very bullish—up 3.2% for the quarter (13 weeks), and up 3.4% in the last year (52 weeks). At \$28.30, 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. RS14 @ 73.4 is neither overbought nor oversold. As for other major currencies vs the Dollar, the Australian \$ (FXA) is neutral, and up 0.1% this week. The British Pound (FXB) is bearish, and up 0.6%. The Canadian Dollar (FXC) is very bearish, and down 0.2%. The Euro Dollar (FXE) is very bearish, and up 0.5%. The Swiss Franc (FXF) is very bearish, and down 0.1%, and the Japanese Yen (FXJ) is very bearish and down 0.1%.

The Dollar rally resumed with gusto this week after the new Fed chair set a more hawkish tone. The Dollar has essentially followed oil prices and interest rates higher, but with oil and

rates both down this week, the script flipped. Suspicion about the durability of the deal leading to lower oil prices this week and expectations of Fed rate hikes later in the year helped the Dollar. (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)	neutral	US\$ Investors match hedged
British Pound (FXB)	bearish	US\$ Investors outperform hedged
Canadian Dollar (FXC)	very bearish	US\$ Investors outperform hedged
Euro Dollar (FXE)	very bearish	US\$ investors outperform hedged (IEV>HEDJ)
Swiss Franc (FXF)	very bearish	US\$ investors outperform hedged
Japanese Yen (FXJ)	very bearish	US\$ investors outperform hedged (EWJ<DXJ)
US Dollar	very bullish	

#9 LONG US TREASURIES Higher on Hawkish Fed



US Long Treasury Bonds: EDV rose 2.1% this week, after gaining 1.0% last week. That left it neutral and ranked #9 globally and less attractive than cash. Long bonds are up 1.0% for the quarter (13 weeks) and up 5.3% for the year (52 weeks) as yields have risen since March. The US Treasury 10-year yield fell to 4.45% and the 3-month yield rose to 3.66% with the yield curve flattening to 79 basis points. That reduces the odds of a recession in mid-2027. At \$65.60, EDV is above its short-term 50-day average and above its intermediate-term 200-day average. Momentum (PMO) is positive and improving, and its 14-day RSI of 65.0 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 continue their five-week fight higher after breaking down in a death-cross and posting a nine-month low in mid-

May. EDV's 50-day, however, still remains below its 200-day in a steady "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: #6 US LARGE-CAPS Gap Up on Deal Rumor



US Large-Cap Stocks: SPY rose 0.9% this week, after gaining 0.6% last week. That left it very bullish and ranked 6 globally and more attractive than cash. The index is up 11.9% for the quarter (13 weeks), and up 27.1% for the year (52 weeks). At \$746.74, 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 55.1 means SPY 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.

US large cap stocks gapped up after the US-Iran MOU announcement last weekend, but disappointment soon intervened, aided in part by a more hawkish tone set by the new Fed chair on Wednesday. Solid earnings and GDP growth continue to add to the optimism in the US, however. That said, 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: #4 US SMALL-CAPS Edge Higher



US Small-Cap Stocks: IWM rose 1.1% this week, after gaining 4.0% last week. That left it very bullish and ranked 4 globally and more attractive than cash. The index is up 18.5% for the quarter (13 weeks), and up 42.9% for the year (52 weeks). At \$295.59, 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 60.9 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.

US small cap stocks led the way higher after the US-Iran MOU announcement last weekend, but disappointment soon intervened, aided in part by a more hawkish tone set by the new Fed chair on Wednesday. Solid earnings and GDP growth continue to add to investor optimism in the US, however. That said, 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, Technology Still on Top, Energy Fading

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 (L74%) with **BUYS at 33%** (L30%) up and **HOLDS down at 41%** (L48%). **Avoids are unchanged at 26%** (L26%). Top performers in the past two weeks: Semiconductors, Bitcoin, and US Technology.

CI%	Description	ROC	TS	READ	RSI	PMO	+/-	Condition
100%	Semiconductors (SMH)	71%	135%	very bullish	64.1	7.13	positive	deteriorating
76%	US Oil Equip & Serv (IEZ)	39%	65%	bullish	30.7	-0.79	negative	deteriorating
39%	Oil/Gas Expl & Prod (XOP)	23%	44%	neutral	34.3	-1.52	negative	deteriorating
31%	US Pharmaceuticals (IHE)	22%	100%	very bullish	52.4	1.75	positive	improving
29%	US Technology (IYW)	17%	107%	very bullish	59.4	3.85	positive	deteriorating
24%	Transports (IYT)	17%	107%	very bullish	52.8	2.07	positive	deteriorating
20%	Select Materials (XLB)	20%	93%	very bullish	53.4	0.50	positive	improving
16%	Industrials (XLI)	14%	104%	very bullish	63.1	1.17	positive	improving
16%	KB Banks (KBE)	15%	102%	very bullish	57.4	1.39	positive	improving
13%	S&P 500 (SPY)	8%	96%	very bullish	55.1	1.30	positive	deteriorating
13%	Gold Miners (GDX)	16%	18%	very bearish	46.5	-2.52	negative	improving
12%	US Aerospace & Def (PPA)	9%	75%	bullish	54.4	0.93	positive	improving
10%	Biotechnology (IBB)	7%	70%	bullish	57.0	0.38	positive	improving
7%	Consumer Staples (XLP)	10%	78%	bullish	45.6	0.31	positive	improving
6%	Food & Beverage (PBJ)	7%	36%	bearish	34.3	-0.86	negative	deteriorating
6%	REITs (VNQ)	7%	100%	very bullish	46.5	0.72	positive	deteriorating
2%	KBW Insurance (IAK)	5%	92%	very bullish	56.8	0.73	positive	improving
1%	US Health Providers (IHF)	6%	112%	very bullish	59.1	3.06	positive	improving
1%	Capital Markets (KCE)	5%	97%	very bullish	56.2	1.11	positive	improving
0%	Telecommunications (FCOM)	-1%	30%	bearish	40.6	-0.82	negative	deteriorating
-1%	Retail (XRT)	4%	70%	bullish	57.1	1.09	positive	improving
-4%	CASH	-3%	11%	very bearish	45.0	-0.12	negative	improving
-6%	Media Portfolio (XLC)	-5%	24%	bearish	33.0	-1.16	negative	deteriorating
-6%	Home Construction (XHB)	2%	58%	neutral	63.2	1.57	positive	improving
-6%	Utilities (XLU)	-1%	37%	bearish	51.7	-0.57	negative	improving
-7%	DJ Internet Index (FDN)	-7%	61%	bullish	45.8	0.83	positive	deteriorating
-14%	Bitcoin (BLOK)	-7%	92%	very bullish	57.5	2.76	positive	deteriorating
-23%	Software (XSW)	-18%	51%	neutral	46.0	2.01	positive	deteriorating
-28%	US Medical Devices (IHI)	-20%	9%	very bearish	47.1	-1.04	negative	improving

US Sector Top Performers: YTD (6/19/26)

YTD	Description	THIS wk	LAST wk	2 wks	13wk	26wk	39wk	52wk	3Y
83.2%	Semiconductors (SMH)	6.4%	8.8%	15.3%	70.0%	79.4%	117.6%	153.3%	153.0%
32.2%	US Oil Equip & Serv (IEZ)	-9.6%	3.0%	-6.6%	3.8%	27.9%	46.8%	54.6%	30.6%
27.0%	US Technology (IYW)	3.6%	1.5%	5.1%	34.2%	24.2%	34.5%	53.9%	70.5%
21.5%	Oil/Gas Expl & Prod (XOP)	-7.2%	-0.4%	-7.6%	-8.0%	14.8%	19.5%	16.0%	8.6%
17.4%	Bitcoin (BLOK)	4.3%	4.9%	9.1%	28.4%	5.1%	4.7%	29.4%	95.4%
16.6%	Industrials (XLI)	2.7%	1.1%	3.8%	9.5%	18.5%	20.3%	28.3%	50.8%
14.2%	Select Materials (XLB)	-0.7%	3.1%	2.4%	4.3%	20.1%	14.1%	20.6%	19.4%
12.7%	Transports (IYT)	-2.8%	2.6%	-0.2%	15.3%	12.7%	20.0%	30.6%	32.0%
11.9%	US Aerospace & Def (PPA)	0.7%	2.1%	2.8%	0.7%	16.2%	17.8%	29.4%	70.2%
9.5%	S&P 500 (SPY)	0.9%	0.6%	1.5%	12.7%	10.3%	14.9%	26.8%	41.8%

INTERNATIONAL MARKETS: #7 GOLD's Bounce Ended by the Fed



Gold Bullion: GLD rose 0.2% this week, after losing 2.4% last week. That left it very bearish and ranked 7 globally and more attractive than cash. The index is down 15.7% for the quarter (13 weeks), but up 24.8% for the year (52 weeks). At \$387.12, 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 38.2 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, but improves the region's trade competitiveness.

Gold broke below its 200-day this month but got a reprieve this week. Sharply falling oil prices were enough to lower interest rates and give gold some hope early in the week, but that faded with doubts about the US-Iran MOU and a more hawkish Fed.

(Rate policy is key to gold's prospects and gold is fading now that the chances of a Fed rate hike later in 2026 are better than 50-50.) 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 Continue Lower With Oil



Commodities: A neutral CRB fell 3.2% this week after losing 2.3% last week. That left commodity prices down 4.3% for the quarter (13 weeks), but up 19.7% for the year (52 weeks). At \$27.63, the CRB 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 28.9 means the CRB is neither overbought nor oversold.

Crude Oil: Meanwhile, the broader oil complex (USO) fell 8.4% this week, following last week's loss of 5.7% and currently bullish. That leaves US oil prices down 3.0% for the quarter (13 weeks), but up 39.6% for the year (52 weeks). At \$114.87, USO is below its short-term 50-day average and above its intermediate-term average. Its momentum (PMO) is negative and deteriorating, and its 14-day RSI of 33.2 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.

Announcement of an MOU with Iran caused oil prices to sink lower this week, causing commodities to dip. WTI oil prices fell below \$75 this week as tanker traffic, though still severely restricted will reportedly be freed up and the US blockade lifted. 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: #5 EUROPE's Advance Slows



European Large-Cap Stocks: IEV fell 0.2% this week, after gaining 3.3% last week. That left it very bullish and ranked 5 globally and more attractive than cash. The index is up 7.2% for the quarter (13 weeks), and up 24.0% for the year (52 weeks). At \$72.40, IEV is above its short-term 50-day average and above its intermediate-term 200-day average. Its momentum (PMO) is positive and improving, and its 14-day RSI of 56.3 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, but improves the region's trade competitiveness.

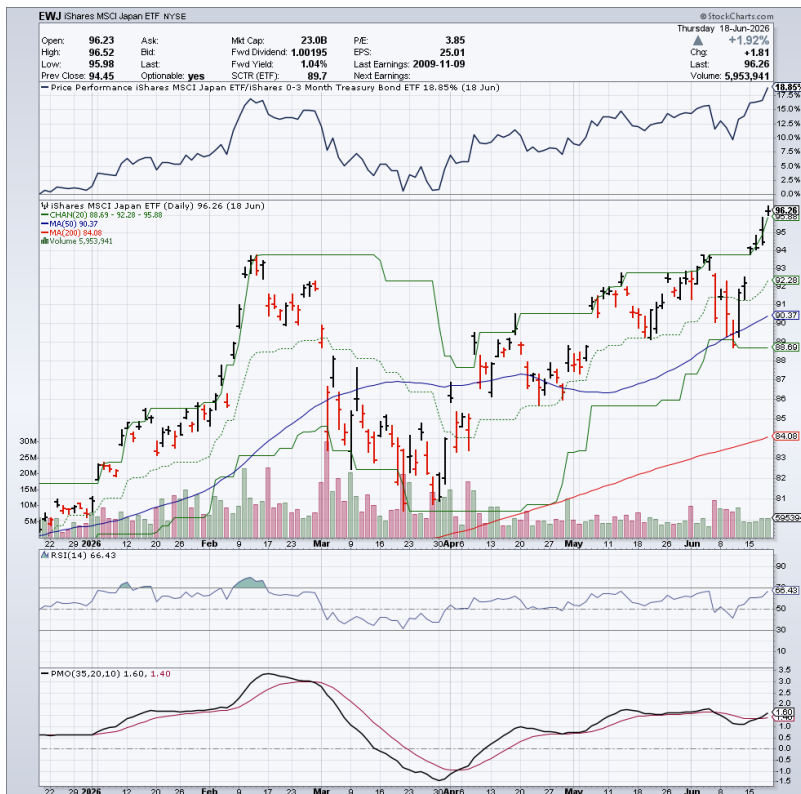
Technology has driven the global equity rally this year, and Europe has accordingly lagged. This week technology recovered but Europe stalled out. IEV remains bullish even as rising energy costs continue to delay ECB rate cut plans. That leaves Europe

potentially exposed to an energy-driven stagflation shock. NOTE: A bearish Euro vs. Dollar keeps Europe (IEV +7) just behind Europe's hedged version (HEDJ +9) of equities and the US market (VTI +10). Across the pond, Netherlands (EWN +25) is alone in outperforming the US. Italy (EWI +13), Spain (EWP +11), Britain (EWU +5), Ireland (EIRL +5), Switzerland (EWL +3), and France (EWQ +3) are laggards, while Germany (EWG -1), and Denmark (EDEN -5) 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: #3 JAPAN Breaks Higher



Japanese Stocks: EWJ rose 4.4% this week, after gaining 2.2% last week. That left it very bullish and ranked 3 globally and more attractive than cash. The index is up 13.8% for the quarter (13 weeks), and up 47.8% for the year (52 weeks). At \$96.26, EWJ is above its short-term 50-day average and above its intermediate-term 200-day average. Its momentum (PMO) is positive and improving, and its 14-day RSI of 66.4 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, but improves the region's trade competitiveness.

Announcement of a MOU with Iran on Hormuz caused oil prices to sink below \$75 this week, lowering interest rates and stimulating Japanese equities. In addition, a broad recovery in Taiwanese and South Korean tech and semi-conductors after

last week's swoon drove Japanese large caps higher. NOTE: For Dollar investors, Japan's return to its traditional weak yen policy makes the hedged version (DXJ @24) of Japanese equities preferable to the dollar version we track (EWJ @19). Both are outperforming the US (VTI@10).

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: #1 ASIA-PACIFIC Retests High



Asia-Pacific ex-Japan: AAXJ rose 5.1% this week, after gaining 5.1% last week. That left it very bullish and ranked 1 globally and more attractive than cash. The index is up 22.8% for the quarter (13 weeks), and up 60.4% for the year (52 weeks). At \$123.30, 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 62.3 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, but improves the region's trade competitiveness.

Announcement of a MOU with Iran on Hormuz caused oil prices to sink below \$75 this week, lowering interest rates and stimulating Japanese equities. In addition, a broad recovery in Taiwanese and South Korean

tech and semi-conductors after last week's swoon drove Japanese large caps higher. (AAXJ and ILF are still the top 2 regional index choices based on six-month performance, but both are very volatile and we don't follow them formally. Emerging markets (EEM) are the better choice. As a result, Asian equity markets (AAXJ +34) are still substantially more attractive than US stocks (VTI +10). South Korea (EWY +139) is a standout along with Taiwan (EWT +110). Singapore (EWS +11), and Australia (EWA +10) are doing passably. Hong Kong (EWH -1), India (IMVP -7), and China (FXI -14), 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: #2 LATIN AMERICA Balks At Resistance



Latin America 40: ILF fell 1.5% this week, after gaining 5.2% last week. That left it neutral and more attractive than cash. The index is up 0.3% for the quarter (13 weeks), and up 45.0% for the year (52 weeks). At \$33.90, ILF is below its short-term 50-day average and above its intermediate-term 200-day average. Its momentum (PMO) is negative and improving, and its 14-day RSI of 46.6 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, but improves the region's trade competitiveness.

Latin equities' (ILF) oversold bounce last week withered this week as a more hawkish Fed boosted the Dollar. (ILF and AAXJ are still the top 2 regional index choices based on six-month performance, but as noted previously, both are very volatile

and we don't follow them formally.) Emerging markets (EEM) are the better choice. Even so, Latin equities (ILF +12) are outperforming their US cousins (VTI +10) in Price-Performance vs cash. Colombia (COLO +24) and Mexico (EWW +12) are beating the US, while Brazil (EWZ +8), Argentina (ARGT +5) and Chile (ECH +5) are lagging. Canada (EWC +7) which is not in ILF, but a key player in the Americas also continues to do well despite 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 3rd Risk-OFF week after 2 Risk-ON:
US Stocks UP, Foreign Stocks MIXED, Bonds UP and Gold UP.**

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
37%	(AOA) Aggressive Growth	8%	96%	very bullish	58.0	1.07	positive	deteriorating
15%	(AOM) Moderate Growth & Inc	4%	83%	very bullish	57.9	0.59	positive	deteriorating
YTD	Description	this wk	last wk	13wk	26wk	39wk	52wk	3Y
9.7%	(AOA) Aggressive Growth	1.0%	1.4%	10.3%	10.9%	14.3%	24.2%	37.5%
4.7%	(AOM) Moderate Growth & Inc	0.6%	1.0%	5.6%	6.2%	7.9%	14.5%	23.7%
PR/HI	Description	SL	PRICE	BS	52w HI	52w LO	50d avg	210d avg
99.5%	(AOM) Moderate Growth & Inc	94.70	98.22	98.68	98.68	80.52	95.75	90.31
99.7%	(AOA) Aggressive Growth	48.88	49.97	50.10	50.10	45.00	49.21	47.66

Market Timing v. Diversified Buy & Hold: Performance*

Strategy	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Index Moose	30.5%	58.7%	5.5%	3.6%	-16.3%	11.7%	13.2%	-6.5%	5.1%	9.0%
Aggressive G&I (AOA)	9.7%	19.3%	11.5%	15.6%	-17.9%	13.5%	10.7%	12.5%	-6.2%	8.0%
Moderate G&I (AOM)	4.7%	11.0%	4.9%	9.2%	-16.4%	5.3%	7.7%	19.5%	-9.9%	14.1%
Strategy	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
US Strategy Moose	12.7%	16.7%	26.1%	12.3%	-7.0%	22.2%	20.9%	23.6%	1.2%	28.5%
S&P Benchmark	8.8%	14.5%	24.5%	24.3%	-19.5%					

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 3rd Risk-OFF week after 2 Risk-ON:
US Stocks UP, Foreign Stocks MIXED, Bonds UP and Gold UP.**

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)	28%	121%	very bullish	66	4.53	positive	improving
2	66%	US Small-Caps (IWM)	18%	107%	very bullish	61	1.98	positive	deteriorating
3	46%	US Growth (IUSG)	8%	97%	very bullish	56	1.70	positive	deteriorating
4	46%	US High Dividend (SPYD)	14%	103%	very bullish	48	1.05	positive	deteriorating
5	40%	US Large-caps (SPY)	8%	96%	very bullish	55	1.30	positive	deteriorating
6	39%	S&P Equal Weight (RSP)	11%	105%	very bullish	56	1.27	positive	deteriorating
7	36%	US Fundamentals (QUAL)	9%	104%	very bullish	56	1.41	positive	deteriorating
8	35%	US Value (IUSV)	8%	95%	very bullish	53	0.92	positive	deteriorating
9	10%	Cash (SGOV)	2%	88%	very bullish	100	0.14	positive	improving
10	2%	US Low Volatility (SPLV)	4%	72%	bullish	48	0.11	positive	improving

NOTE: All of the strategies in this model are derivative of and highly correlated to the S&P. When SPY's TS and/or CI is bearish, when it hits a stop-loss, is overbought, or gives some other sell signal, adopting any sub-strategy that is highly correlated to it is not recommended. To initiate a switch both SPY and the strategy ETF must have TS>50% and CI>0 or better, not be overbought, and be working off a buy-stop.

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

Best Alternatives: Small caps continue to be a solid back-up year-t-date.

	YTD	Description	This Wk	Last Wk	13wk	26wk	39wk	52wk	3Y
1	35%	US Momentum (MTUM)	4.4%	6.0%	39.1%	34.2%	34.5%	48.3%	78.7%
2	20%	US Small-Caps (IWM)	0.9%	4.3%	20.0%	18.5%	25.4%	43.3%	48.4%
3	12%	US Growth (IUSG)	2.1%	0.5%	17.2%	12.1%	16.8%	31.7%	51.4%
4	10%	US High Dividend (SPYD)	-3.3%	2.5%	4.7%	12.7%	10.1%	17.3%	29.0%
5	10%	S&P Equal Weight (RSP)	-0.8%	1.8%	9.0%	11.1%	12.5%	20.4%	31.3%
6	10%	US Large-caps (SPY)	0.9%	0.6%	12.7%	10.2%	14.8%	26.7%	41.7%
7	9%	US Fundamentals (QUAL)	-0.5%	1.9%	10.5%	9.6%	14.2%	22.6%	29.3%
8	7%	US Value (IUSV)	-1.1%	1.5%	7.9%	8.9%	13.0%	21.6%	30.0%
9	2%	US Low Volatility (SPLV)	-1.9%	1.4%	-1.4%	5.1%	1.3%	3.9%	17.0%
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 3rd Risk-OFF week after 2 Risk-ON:
US Stocks UP, Foreign Stocks MIXED, Bonds UP and Gold UP.**

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

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

Best Alternative: Small caps are technically sound (very bullish) with a positive PMO.

Volatility Alert: It is likely EEM will fill its latest downside gaps (57-59) 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	90%	Emerging Markets (EEM)	105%	very bullish	62.3	2.53	positive	improving
2	57%	US Small-caps (IWM)	107%	very bullish	60.9	1.97	positive	deteriorating
3	37%	Developed Markets (EFA)	97%	very bullish	59.0	0.95	positive	improving
4	35%	US Large-caps (SPY)	96%	very bullish	55.1	1.30	positive	deteriorating
5	13%	Gold Bullion (GLD)	13%	very bearish	38.2	-2.51	negative	deteriorating
6	9%	Short US Income (SGOV)	88%	very bullish	100.0	0.14	positive	improving
7	-33%	Very Long US Bonds (EDV)	56%	neutral	65.0	0.44	positive	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	06/18/26	06/12/26	13wk	26wk	39wk	52wk
1	29.4%	Emerging Markets (EEM)	4.8%	5.1%	21.2%	31.9%	35.7%	56.2%
2	20.1%	US Small-caps (IWM)	1.1%	4.0%	18.5%	17.1%	24.7%	42.9%
3	9.5%	US Large-caps (SPY)	0.9%	0.6%	11.9%	9.6%	14.6%	27.1%
4	8.7%	Developed Markets (EFA)	1.0%	2.7%	9.8%	10.3%	15.9%	24.6%
5	0.9%	Very Long US Bonds (EDV)	2.1%	1.0%	1.0%	1.7%	-1.9%	5.3%
6	0.2%	Short US Income (SGOV)	0.1%	0.1%	0.9%	1.8%	2.9%	3.9%
7	-2.3%	Gold Bullion (GLD)	0.2%	-2.4%	-15.7%	-5.2%	14.9%	24.8%

Strategy	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Index Moose	30.5%	58.7%	5.5%	3.6%	-16.3%	11.7%	13.2%	-6.5%	5.1%	9.0%
Aggressive G&I (AOA)	9.7%	19.3%	11.5%	15.6%	-17.9%	13.5%	10.7%	12.5%	-6.2%	8.0%
Moderate G&I (AOM)	4.7%	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 3rd Risk-OFF week after 2 Risk-ON:
US Stocks UP, Foreign Stocks MIXED, Bonds UP and Gold UP.**

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. Technicals as very bullish.

Best Alternative: Lately US small caps have the highest technical strength, and Price Momentum (PMO). Overall, however, aggressive Lifetime Portfolios outperform more moderate B&H portfolios.

	CI%	Fund	ROC	TS+	READ	RSI	PMO	+/-	condition
1	100%	International Fund (I)	18%	104%	very bullish	62.7	1.55	positive	improving
2	71%	Lifetime 2060	12%	100%	very bullish	59.1	1.46	positive	deteriorating
3	59%	US Small-caps (S)	11%	107%	very bullish	60.5	1.96	positive	deteriorating
4	58%	Lifetime 2050	10%	99%	very bullish	59.2	1.23	positive	deteriorating
5	55%	US Large-caps (C)	8%	96%	very bullish	55.4	1.31	positive	deteriorating
6	51%	Lifetime 2040	8%	98%	very bullish	59.4	1.10	positive	deteriorating
7	40%	Lifetime 2030	7%	98%	very bullish	59.7	0.89	positive	deteriorating
8	21%	Long-term Inc (L)	3%	97%	very bullish	61.2	0.53	positive	deteriorating
9	2%	Short-term Inc (G)	0%	101%	very bullish	100.0	0.18	positive	deteriorating
10	-11%	Fixed Income (F)	-1%	73%	bullish	56.1	0.07	positive	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 small caps have garnered interest over the last 2 and 13 weeks.

	Fund	THIS	LAST	13wk	26wk	39wk	52wk	YTD	3Y
1	International Fund (I)	2.2%	2.8%	13.1%	20.9%	25.0%	36.6%	18.2%	54.7%
2	US Small-caps (S)	1.0%	2.9%	14.4%	13.8%	16.3%	30.6%	15.7%	47.4%
3	Lifetime 2030	1.4%	1.7%	11.9%	14.2%	18.3%	30.7%	13.6%	46.3%
4	Lifetime 2040	1.2%	1.4%	9.9%	12.0%	15.5%	25.9%	11.5%	39.5%
5	Lifetime 2060	1.0%	1.3%	8.8%	10.8%	13.9%	23.1%	10.3%	35.6%
6	US Large-caps (C)	1.0%	0.7%	10.7%	10.1%	14.5%	27.2%	10.2%	40.5%
7	Lifetime 2050	0.8%	1.0%	7.0%	8.8%	11.6%	19.2%	8.4%	30.3%
8	Long-term Inc (L)	0.4%	0.6%	4.1%	5.6%	7.3%	11.3%	5.2%	18.9%
9	Short-term Inc (G)	0.1%	0.1%	1.2%	2.3%	3.3%	4.4%	2.0%	9.0%
10	Fixed Income (F)	0.1%	0.5%	-0.5%	0.7%	1.1%	4.8%	0.6%	9.5%

***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	13.6%	22.6%	16.3%	23.3%	-15.9%	19.9%	new	--	--	--
TSP Moose	13.0%	15.3%	11.8%	16.5%	-3.4%	13.3%	21.8%	14.9%	6.5%	21.0%
L2050	11.5%	19.7%	14.0%	20.0%	-13.4%	16.3%	14.8%	23.3%	-6.0%	18.8%
L2040	10.3%	17.8%	12.9%	18.1%	-11.4%	14.5%	13.2%	20.7%	-4.9%	16.8%
L2030	8.4%	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

FED WEEK: The Warsh Era Begins

This week Kevin Warsh, President Trump's new appointee to the Fed chairmanship took over the reins of the US central bank, presiding over his first FOMC meeting June 16-17, 2026. The key takeaways from that meeting and Chair Kevin Warsh's first press conference follow.

No rate change (for now). A unanimous 12-0 vote kept the federal funds rate target range between 3.50% and 3.75% despite solid growth and persistent inflation worries.

A hawkish shift in projections. The median projection for the federal funds rate at end-2026 rose to **3.8%** (from 3.4% in March), implying a likely rate hike (or at least no cut) this year. Nine of 18 participating officials projected at least one hike in 2026. Meanwhile, real GDP growth is projected at 2.2% for 2026 (down slightly); unemployment is steady around 4.3%; and PCE inflation is seen higher at ~3.6% for 2026, exacerbated by supply shocks, including energy from Middle East conflicts. (Warsh's hawkish tone dovetails more closely with our Fed Check.)

Chair skepticism about Fed projections in general. Warsh has said he thinks Fed governors talk too much. Notably he did not submit his own projections, consistent with his skepticism of the dot plot/SEP process. He also initiated a shorter, simpler policy statement with less forward guidance: The statement was pared down, dropping prior easing bias language and emphasizing "The Committee will deliver price stability." It highlighted solid economic activity, strong productivity/capital investment, stable labor market, and elevated inflation (partly from supply shocks/energy).

Fed reform agenda and a change in tone. In his first press conference (shorter, with reduced forward guidance), Warsh announced five task forces to review Fed operations with respect to communications, balance sheet, data sources, productivity/jobs (including AI/tech impacts), and inflation. He stressed data-dependence, commitment to the 2% inflation target, and rebuilding credibility on price stability.

The meeting reflected a focus on fighting above-target inflation (headline CPI around 4.2% recently, driven partly by energy) while the labor market remains resilient. Warsh's first official comments point to a shift toward simpler communications, potential long-term reforms, and caution on easing. No immediate rate moves are expected soon, but the bar for cuts appears higher, with possible hikes if inflation persists.

Markets reacted with higher yields and stock declines on Wednesday's hawkish tilt and uncertainty, but a Thursday bounce kept a generally positive week for US equities intact. Investors will now watch incoming data (e.g., July CPI, jobs reports) and await the next FOMC meeting in late July.