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Global Financial News & Analysis
NOV.28.2025 through DEC.07.2025

EXECUTIVE SUMMARY: DEC05, 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—Risk-ON (2)

THIS was the 2nd Risk-ON week in a row: US Stocks UP, Foreign Stocks UP, Bonds DOWN, and Gold DOWN.

A Fed Managed Market

The Fed spent the six weeks since its last FOMC meeting trying to talk US interest rates higher. Basically, they were successful in keeping rates elevated during the November off-year election season, but the market wasn't buying into their inflation pivot entirely. The 3-month-10-year median yield is in fact 1 basis point lower this Friday than it was the Friday before the October meeting. As a result, US large (+0.3%) and small-cap (+0.8%) equities crept higher this week and are sitting right below the highs they set for the year before the October meeting, Japan (+0.8%) Europe (+0.7%), and Asia Pacific (+0.7%) were also cautiously optimistic, as was Latin America (-1.6%) which took back some of last week's outsized gain. US long Treasury bonds (-2.9%) took a big hit as long yields jumped. The 10y yield rose 12 bps to 4.14%, a signal the bond market expects a rate cut and a normalization of the yield curve. The 3m yield dropped to 3.60%, also presaging a cut, which weakened the US Dollar (-0.6%). The weaker Dollar helped commodity prices (+1.5%), including oil prices (+1.2%), but not gold (-0.4%) which awaits the Fed's decision.

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: Better. PCE headline and core tame. Zero import inflation in September. Gold and Bitcoin recovering from 10% correction and 47% sell-off respectively.

US ECONOMIC DATA: Generally good. Sentiment Good, Claims Low, ADP Employment Contracts. Overall, should not negate a rate cut in 3 days. Latest Q3 GDP Now (+3.5%) down 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 3.75-4.00%. The Fed Check is neutral (steady rate policy warranted globally). The next 25 bps Fed rate cut (likelihood >50-50) is expected December 10 (87%).

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 this 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)

Indications are currently positive for the global economy.

An international shipping measure and proxy for current global trade, **the Baltic Dry Index fell to 2275 this week, and is higher after 13 weeks, a positive**. (After opening 2023 at 1515, BDI is still well below its 2010 peak @4640.)

Meanwhile, another proxy for world activity, **WTI oil price at 58.06 fell this week, and is lower for the latest quarter, a negative.** (Oil remains below its 2022 peak @$130, but well above its 2020 Covid lows @$10.)

Our proxy for global construction, **copper fell to 5.10 this week, and remains higher this quarter, a positive.**

Domestically, **10Y US bond yields rose to 4.14% this week and 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 DEC14.2025

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*

RANK	CI%	FUND	TS+	TREND	RSI	PMO	condition
1	**100%**	**Latin America (ILF)**	**114%**	**very bullish**	**54**	**2.5**	**+improving**
2	90%	Asia Pacific ex-Japan (AAXJ)	88%	very bullish	54	0.1	+deteriorating
3	81%	US Small-caps (IWM)	105%	very bullish	60	0.7	+improving
4	80%	Gold Bullion (GLD)	114%	very bullish	60	1.9	+improving
5	76%	US Large-caps (SPY)	104%	very bullish	60	0.6	+improving
6	69%	Japan (EWJ)	99%	very bullish	58	0.5	+improving
7	51%	Europe (IEV)	96%	very bullish	59	0.5	+improving
8	8%	Short US Income (SGOV)	88%	very bullish	-	0.2	+improving
9	2%	Very Long US Bonds (EDV)	73%	bullish	38	-0.3	-improving
		Ryan/CRB Indicator	1.01	no change			
		ST Interest Rate Equity Indicator	-74%	bearish			
		Volatility Index	29%	bullish	40.3	2.14	+deteriorating
		US Dollar (UUP)	80%	very bullish	45.8	0.34	+deteriorating
		Commodities (DBC)	102%	very bullish	61.7	0.65	+improving
		US Oil (USO)	7%	very bearish	54.2	-0.33	-improving

Global Economy through DEC14.2025

GLOBAL RANKING: TECHNICAL OVERVIEW

#1 LATIN AMERICA's Double-Top-Break-Out Fails—
Latin American equities are very bullish and ranked 1 globally, less attractive than cash. ILF fell 1.6% this week, following last week's 4.5% gain. That leaves ILF up 12.1% for the quarter (13 weeks), and up 32.8% for the year (52 weeks).

#2 Asia-Pacific ex-Japan equities (AAXJ) Rebounds to 50-day--
Asia-Pacific ex-Japan equities are very bullish and ranked 2 globally and more attractive than cash. AAXJ rose 0.7% this week, following last week's 2.3% gain. That leaves AAXJ up 7.3% for the quarter (13 weeks), and up 24.2% for the year (52 weeks).

#3 US SMALL-CAP STOCKS (IWM) Test Previous High--
US small-cap stocks are very bullish and ranked **3** globally, **more** attractive than cash. IWM **rose 0.8%** this week, following last week's **5.6% gain**. That leaves IWM **up 5.5%** for the quarter (13 weeks), **and up 5.0%** for the year (52 weeks).

#4 GOLD bullion (GLD) Tests New Buy-Stop--
Gold bullion's price is very bullish and ranked 4 globally, more attractive than cash. GLD fell 0.4% this week, following last week's 3.6% gain. That leaves GLD up 16.7% for the quarter (13 weeks), and up 59.1% for the year (52 weeks).

#5 US LARGE-CAP STOCKS (SPY) Test Previous High--
US large-cap stocks are very bullish and ranked 5 globally, more attractive than cash. SPY rose 0.3% this week, following last week's 3.7% gain. That leaves SPY up 5.9% for the quarter (13 weeks), and up 12.8% for the year (52 weeks). **GROWTH is again the top US equity strategy** due to stop-losses triggered in SPY and its strategic options. US equity sector momentum is still positive, and buys expanded this week-- 85% of US sectors are buy or hold (L85%) with **BUYS** now 33% (L26%) and HOLDS now 52% (L59%). **AVOIDS** are currently 15% (L15%). Potential "Buys" include Semiconductors, Bitcoin, Gold Miners, Technology, and Biotech. "Avoids" include Healthcare Providers, Consumer Staples, Food & Beverage, and Select Materials.

#6 JAPANESE EQUITIES' (EWJ) Gaps Retest Highs--
Japanese stock prices are **very bullish** and ranked **6** globally, **more** attractive than cash. EWJ **rose 0.8%** this week, following last week's **2.2% gain**. That leaves EWJ **up 5.7%** for the quarter (13 weeks), **and up 17.8%** for the year (52 weeks).

#7 EUROPEAN EQUITIES (IEV) Gap Off Latest Stop-Loss--
European equities are **very bullish** and ranked **7** globally, **more** attractive than cash.
IEV **rose 0.7%** this week, following last week's **2.9% gain**.
That leaves IEV **up 5.1%** for the quarter (13 weeks), **and up 22.7%** for the year (52 weeks).

#8 CASH and 10Y T Yields Mixed— Cash is ranked 8th in the regional index model. The US Treasury 10-year yield finished the week up 10 ticks at 4.12% while the 3-month yield was down 10 ticks at 3.60%, leaving the yield curve much steeper and positively sloped at 54 basis points.

#9 US LONG ZERO (EDV) BONDS' Gap Lower to Open Week--
US Long-zeros 25y+ are **very bullish** and ranked **9** globally, **less** attractive than cash. EDV **fell 2.9%** this week, following last week's **1.1% gain**. That leaves long bonds **down 2.1%** for the quarter (13 weeks), **and down 12.1%** for the year (52 weeks).

COMMODITY & OIL Prices Rise Again—
Commodities are **very bearish**. CRB **rose 1.5%** this week after last week's **2.0% gain**. That left commodity prices **up 2.8%** for the quarter (13 weeks), **and up 6.9%** for the year (52 weeks). **US Oil (USO)** US oil prices are **very bearish**. Oil **rose 1.2%** this week, following last week's **2.6% gain**. That leaves US oil prices **down 1.0%** for the quarter (13 weeks), **and up 2.4%** for the year (52 weeks).

US Dollar (UUP) Tests 20-day Low--
The US Dollar is **very bullish**. The dollar **fell 0.5%** this week, following last week's **0.6% loss**. That leaves it **up 2.5%** for the quarter (13 weeks), **and down 6.2%** in the last year (52 weeks).

US ECONOMY: GOV'T DATA

Sentiment Good, Claims Low, ADP Employment Contracts

US Economy: week of DEC05.2025

THIS WEEK: INCOMPLETE BUT GENERALLY GOOD

THE GOOD: WEEKLY **Initial Claims** (191K) below forecast and prior. WEEKLY **Continuing Claims** (1939K) below previous. WEEKLY **EIA Crude Oil Inventories** (0.574M) build shrinks again as prices rise. DEC **Univ. of Michigan Consumer Sentiment – Prelim** (53.3) above expectations and prior. NOV **ISM Services** (52.6%) beat consensus and prior. NOV **S&P Global U.S. Manufacturing PMI – Final** (52.2) expanding, beat previous. SEP **Industrial Production** (0.1%) beat prior, in line with expectations. SEP **Personal Income** (0.4%) in line with consensus and prior.

THE BAD: NOV **ADP Employment Change** (-32K) unexpectedly negative, below previous. NOV **ISM Manufacturing Index** (48.2%) below consensus and prior. NOV **S&P Global US Services PMI – Final** (54.1) below previous. SEP **Personal Spending** (0.3%) below consensus and prior. SEP **Capacity Utilization** (75.9%) unchanged, below consensus. SEP Factory Orders (+0.2%) weaker than prior.

THE UGLY: Nothing

US ECONOMY: INFLATION DATA

PCE IN LINE, IMPORT PRICES STEADY & COOL

US Inflation: week of DEC05.2025

SEP PPI (+0.3%) up inline. (1yr: 2.7%)
SEP Core PPI (+0.1%) COOL (1yr: 2.6%)
SEP CPI (+0.3%) below prior (1 yr= +3.0%)
SEP Core CPI (+0.2%) cooler than prior. (1 yr= +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 **PCE Prices – Core** (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%)

Q2 Employment Cost Index (+0.9%) in line with prior estimate.
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 (12/05/2025): **Q3 Annualized +3.5% (Last week: Q3 Annualized +3.9%)**

US ECONOMY: FEDERAL RESERVE

FED BALANCE SHEET ($6.536T); FFR @ (3.75-4.00%)

Federal Reserve: week of DEC05.2025

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 6.536T, DOWN (0.029T) in the latest week (DEC03, 2025). The Fed Funds Rate was lowered 25 BPS to 3.75-4.00% at the OCT29 FOMC meeting. The next FOMC meeting is next week, DEC10.

The Fed Check at 101% suggests global commodity inflation requires no change in the Fed overnight rate. The US 2-Year yield at 3.564%, however, is 31 bps LOWER than the Fed overnight rate (3.875%), implying US domestic conditions merit at least one more Fed rate cut.

CME Fed futures have been 100% sure that there will be no Fed rate hikes this year since January. Futures predicting a third December cut did fall from 92% to as low a 41% after Fed chair Powell's hawkish comments following the 10/29/2025 FOMC meeting, however, before rebounding to 87% on new dovish expectations.

The 3m-10y yield curve steepened this week, going from a positive slope of 34 bps to one of 54 bps, as the 10-year US Treasury yield rose 12 bpt to 4.14%, and the 3-month cash yield fell 10 ticks to 3.60%. 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 @ 3.92% is down this week, while the 3-month T-bill @ 3.60% is down. That puts the SOFR/T-Bill (SOF-T) spread at 32 basis points, above its 200-day (19 bps). A rising SOF-T spread signals a riskier, less 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 (2025.10.29) 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 but remained low through August; 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 3-3/4 to 4 percent. In considering 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 decided to conclude the reduction of its aggregate securities holdings on December 1. 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 take into account a wide range of information, including readings on labor market conditions, inflation pressures and inflation expectations, and financial and international developments. **(Next FOMC meeting: 2025.12.10)**

US Currency Market:
DOLLAR Tests 20-day Low

US Dollar: UUP fell 0.5% this week, following last week's 0.6% loss. It is currently very bullish—up 2.5% for the quarter (13 weeks), but down 6.2% in the last year (52 weeks). At 28, UUP is above its short-term (50-day) average at 28, and above its intermediate-term (200-day) average at 28. Momentum in the greenback is deteriorating, but RSI14 @45.8 is neither overbought nor oversold. A Dollar weakened this week, dampening US assets over foreign assets, commodities, and gold. Longer term, the bullish Dollar favors US investments over foreign assets and commodities, while reducing US trade competitiveness.

The Dollar (UUP) continued to back off its latest buy-stop for a second week as next week's Fed meeting and expected rate cut looms. (Lower US interest rates make US income instruments less attractive all else being equal, and that leads to less demand for Dollars.) Meanwhile, Dollar price momentum is still positive but no longer improving.) 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 vs the Dollar, the Euro is neutral, and up 0.1% this week. The Yen is very bearish, and up 0.1%. The Pound is bearish, and up 1.2%. The Canadian $ is bearish, and up 0.3%. The Australian $ is neutral, and up 0.9%.

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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	Trend	US $ investors in Foreign Assets
Australian $ (FXA)	83%	very bullish	US$ Investors match hedged
British Pound (FXB)	51%	neutral	US$ investors outperform hedged
Canadian Dollar (FXC)	39%	bearish	US$ investors outperform hedged
Euro Dollar (FXE)	53%	neutral	US$ investors match (IEV=HEDJ)
Swiss Franc (FXF)	46%	bearish	US$ investors outperform hedged
Japanese Yen FXY)	8%	very bearish	US$ investors outperform hedged (DXJ>EWJ)
US Dollar (UUP)	80%	very bullish	

US Bond Market:
#9 BONDS' Gap Lower to Open Week

US Long Treasury Bonds: EDV fell 2.9% this week, following last week's 1.1% gain, leaving it ranked #9 globally and less attractive than cash. Long bonds are down 2.1% for the quarter (13 weeks) and down 12.1% for the year (52 weeks) as yields have risen. The US Treasury 10-year yield finished the week 12 ticks higher at 4.14% and the 3-month yield was lower at 3.60%, leaving the yield curve positively sloped 54 basis points. Technically, US long bonds are very bullish and at 67, EDV is below its short-term (50-day) average at 69, and below its intermediate-term (200-day) average at 67. Momentum (PMO) is positive, and its 14-day RSI of 99.8 means EDV is neither overbought nor oversold. As for currency effects, the Dollar weakened this week, dampening return for dollar investors in US bonds. Longer term, bullish Dollar spurs investment in US assets, while reducing US trade competitiveness.

CME futures re: a December rate cut (87%) are now about where they were going into the October Fed meeting. Bond prices, however, after a long ride up and a quick drop have eroded 6.3% and yields have risen since the last meeting due to the chairman's pivot. The government shut-down and a lack of data haven't helped clarify policy matters. A higher unemployment rate and disappointing earnings growth recently stoked the rate cut thesis. This week, private sector job loss and quiet PCE inflation added to the rate cut fervor. The overnight Fed Funds rate (3.87%) is finally lower than the 10-year Treasury yield (+4.14%), but still higher than the 2-year yield (3.54%) and the 3-month yield (3.60%), suggesting the Fed should provide another 25 basis-point Fed rate cut at the next Fed meeting (12/10).

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%).

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US Equity Market:
#5 US LARGE-CAPS’ Test Previous High

US Large-Cap Stocks: US Large-Cap Stocks: SPY rose 0.3% this week, following last week's 3.7% gain, leaving it ranked #5 globally and more attractive than cash. The index is up 5.9% for the quarter (13 weeks), and up 12.8% for the year (52 weeks). Technically, US large caps are very bullish and at 686, SPY is above its short-term (50-day) average at 672, and above its intermediate-term (200-day) average at 618. Its momentum (PMO) is positive, and its 14-day RSI of 60.2 means SPY is neither overbought nor oversold. As for currency effects, the Dollar weakened this week, dampening return for dollar investors in US stocks. Longer term, bullish Dollar spurs investment in US assets, while reducing US trade competitiveness.

SPY triggered stop-losses two weeks ago and immediately rallied, triggering buy-stops this week. This week’s buy-stops are slightly short of previous highs, however, still waiting for a final rate cut verdict next week to break out. The stop-loss was a chance to buy-the-dip. Similarly, the buy-stop could be a chance to sell the bump, especially if the rate cut doesn’t materialize this week, or if it does but hawkish comments drown the future. For the moment 2026 looks bullish. 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 uncertainty over relatively high interest rates and self-inflicted taxes on imports have kept US stocks in check, at least pending this week’s December Fed rate decision and possibly 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:
#3 US SMALL-CAPS Test Previous High

US Small-Cap Stocks: IWM rose 0.8% this week, following last week's 5.6% gain, leaving it ranked #3 globally and less attractive than cash. The index is up 5.5% for the quarter (13 weeks), and up 5.0% for the year (52 weeks). Technically, US small caps are 0 and at 251, IWM is above its short-term (50-day) average at 244, and above its intermediate-term (200-day) average at 221. Its momentum (PMO) is positive, and its 14-day RSI of 57.6 means IWM is neither overbought nor oversold. As for currency effects, the Dollar weakened this week, dampening return for dollar investors in US assets. Longer term, bullish Dollar spurs investment in US assets, while reducing US trade competitiveness.

IWM triggered stop-losses three weeks ago and immediately rallied, triggering buy-stops this week. This week's buy-stops are slightly (11 bps) short of previous highs, however, still waiting for a final rate cut verdict next week to break out. The stop-losses were a chance to buy-the-dip, and the buy-stop could be a chance to sell the bump, especially if the Fed rate cut doesn't materialize this week, or if it does but hawkish comments drown the future. 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 uncertainty over relatively high interest rates and self-inflicted taxes on imports have kept US stocks in check, at least pending the December Fed rate decision and possibly 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, Bitcoin, Gold Miners, 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 still positive, and buys improved this week-- 85% of our sectors are buy or hold (L85%) with **BUYS** now 33% (L26%) and HOLDS now 52% (L59%). **AVOIDS** are currently 15% (L15%). Potential "Buys" include Semiconductors, Bitcoin, Gold Miners, Technology, and Biotech. "Avoids" include Healthcare Providers, Consumer Staples, Food & Beverage, and Select Materials.

CI%	Description	ROC	TS	READ	RSI		PMO	+/-	Condition
100%	Semiconductors (SMH)	75%	114%	very bullish	61.19		1.8	positive	deteriorating
87%	Bitcoin (BLOK)	55%	53%	neutral	48.07	OS	-2.3	negative	deteriorating
85%	Gold Miners (GDX)	59%	126%	very bullish	59.13		3.5	positive	deteriorating
63%	US Technology (IYW)	44%	97%	very bullish	58.26		0.4	positive	deteriorating
53%	Biotechnology (IBB)	36%	117%	very bullish	64.40	OB	3.5	positive	deteriorating
41%	Telecom (FCOM)	32%	103%	very bullish	67.79		0.9	positive	improving
40%	US Aerospace & Def (PPA)	25%	52%	neutral	48.67		-0.7	negative	deteriorating
38%	US Pharmaceuticals (IHE)	25%	111%	very bullish	61.83	OB	3.5	positive	deteriorating
35%	US Oil Equip & Serv (IEZ)	31%	116%	very bullish	66.58		2.7	positive	deteriorating
34%	**S&P 500 (SPY)**	**24%**	**104%**	**very bullish**	**60.16**		**0.6**	**positive**	**deteriorating**
31%	DJ Internet Index (FDN)	20%	40%	bearish	52.76		-0.8	negative	deteriorating
31%	Media Portfolio (XLC)	23%	80%	very bullish	64.13		0.2	positive	deteriorating
28%	Capital Markets (KCE)	20%	38%	bearish	60.46		-0.6	negative	deteriorating
28%	Retail (XRT)	23%	79%	bullish	64.47		0.4	positive	deteriorating
27%	Industrials (XLI)	19%	79%	bullish	56.69		0.1	positive	improving
26%	KB Banks (KBE)	19%	89%	very bullish	64.03		0.9	positive	deteriorating
25%	Transports (IYT)	22%	106%	very bullish	69.48		1.1	positive	deteriorating
25%	Oil/Gas Expl & Prod (XOP)	19%	100%	very bullish	61.61		1.4	positive	deteriorating
25%	Software (XSW)	18%	33%	bearish	55.87		-1.1	negative	deteriorating
20%	Utilities (XLU)	11%	70%	bullish	36.75		-0.2	negative	deteriorating
16%	Home Construction (XHB)	14%	73%	bullish	53.66		0.1	positive	improving
11%	US Medical Devices (IHI)	6%	91%	very bullish	58.05		1.3	positive	improving
6%	REITs (VNQ)	3%	67%	bullish	48.82		0.0	negative	improving
1%	KBW Insurance (IAK)	0%	91%	very bullish	48.29		0.7	positive	deteriorating
-1%	**CASH**	**-1%**	**79%**	**bullish**	**46.74**		**0.1**	**positive**	**improving**
-6%	Food & Beverage (PBJ)	-5%	19%	very bearish	51.24		0.0	negative	improving
-6%	Select Materials (XLB)	-47%	1%	very bearish	11.56		-10.2	negative	improving
-7%	Consumer Staples (XLP)	-5%	38%	bearish	54.07		0.2	positive	improving
-15%	US Health Providers (IHF)	-4%	73%	bullish	45.57		-0.2	negative	deteriorating

INTERNATIONAL MARKETS:
#4 GOLD Tests New Buy-Stop

Gold Bullion: GLD's price fell 0.4% this week, following last week's 3.6% gain, leaving it ranked 4 globally and more attractive than cash. Most recently GLD is up 16.7% for the quarter (13 weeks), and up 59.1% for the year (52 weeks). Technically, Gold bullion (GLD) is currently very bullish, and at 386 above its short-term (50-day) average at 375, and above its intermediate-term (200-day) average at 323. Its momentum (PMO) is positive, and its 14-day RSI of 60.3 means GLD is neither overbought nor oversold. As for currency effects, the US Dollar weakened this week, improving return for dollar investors in gold bullion. Longer term, a bullish Dollar dampens return to Dollar investors in gold.

Dollar weakness continued this week, but not enough to keep gold's rally from stalling out ahead of next week's Fed rate cut decision. Gold triggered a new buy-stop on Monday and then went flat-- slightly short of previous highs and still waiting for a final rate cut verdict next week to break out. Cheaper US money is potentially inflationary and good for gold, but If a December rate cut doesn't happen next week or if a more hawkish Fed stance comes out, gold could head south. That seems unlikely, however. 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 Rise Again

Commodities: A very bearish CRB rose 1.5% this week after last week's 2.0% gain. That left commodity prices up 2.8% for the quarter (13 weeks), and up 6.9% for the year (52 weeks). At 306 the CRB is above its short-term (50-day) average at 300, and above its intermediate-term (200-day) average at 300. Its momentum (PMO) is improving, and its 14-day RSI of 61.71567682 means the CRB is neither overbought nor oversold.

Crude Oil: Meanwhile, oil prices (USO) rose 1.2% this week, following last week's 2.6% gain, and are currently very bearish. That leaves US oil prices down 1.0% for the quarter (13 weeks), but up 2.4% for the year (52 weeks). At very bearish, USO is 72 above its short-term (50-day) average at 72, and 71 below its intermediate-term (200-day) average at 71. The Dollar weakened this week, enhancing return for investors in hard assets. Longer term, the bullish Dollar is dampening return for investors in commodities and oil.

Fed rate cuts and a weak Dollar have boosted hard assets since August, but the euphoria dimmed in November on hawkish Fed Speak and a strengthening Dollar. Optimism returned two weeks ago as Fed doves came out, and Dollar weakness began to add to commodities' party. OPEC still plans 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 dropped West Texas Intermediate crude prices into the mid-fifties before the sanctions on Russian oil pushed WTIC back above $60 in October. The Phase 1 peace agreement between Israel and Hamas slow-walking its way toward Phase 2, and warm East Coast weather into November has gotten oil prices back into the 50's. 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: Gaps Off Latest Stop-Loss

European Large-Cap Stocks: IEV rose 0.7% this week, following last week's 2.9% gain, leaving them ranked #7 globally and more attractive than cash. Most recently, Europe is up 5.1% for the quarter (13 weeks), and up 22.7% for the year (52 weeks). Technically, IEV is very bullish at 67—above its short-term (50-day) average at 66, and above its intermediate-term (200-day) average at 63. Its momentum (PMO) is positive, and its 14-day RSI of 59.1 means IEV is neither overbought nor oversold. As for currency effects, the Euro strengthened this week, enhancing returns. Longer term, a bullish Euro enhances return to Dollar investors, but limits Europe's trade competitiveness.

Fed rate cuts and a weak Dollar have boosted European stocks since August, but the euphoria dimmed in November on hawkish Fed Speak and a strengthening Dollar. Optimism returned two weeks ago as Fed doves came out, and Dollar weakness began to add to IEV'S party. 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 3.875% 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 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%).

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INTERNATIONAL EQUITIES:
#6 JAPAN: Gaps Retest Highs

Japanese Stocks: EWJ rose 0.8% this week, following last week's 2.2% gain, leaving it ranked #6 globally and more attractive than cash. Most recently, Japan is up 5.7% for the quarter (13 weeks), and up 17.8% for the year (52 weeks). Technically, EWJ is very bullish at 84, above its short-term (50-day) average at 82, and above its intermediate-term (200-day) average at 76. Its momentum (PMO) is positive, and its 14-day RSI of 99.8 means EWJ is neither overbought nor oversold. As for currency effects, the Yen strengthened this week, improving return for dollar investors in Japanese stocks. Longer term, a bullish Yen enhances return to Dollar investors, but limits Japan's trade competitiveness.

Fed rate cuts and a weak Dollar have boosted Japanese stocks since August, but the euphoria dimmed in November on hawkish Fed Speak and a strengthening Dollar. Optimism returned two weeks ago as Fed doves and Dollar weakness reappeared. Cheaper US money stokes demand for Japanese exports, and the tariff situation is less of a problem for Japan than it is for US consumers and business. 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 BoJ reports that it may be close to raising rates. (Note: Japanese headline inflation is above the Bank of Japan's 2% target for a third straight year, and a long anticipated 25-basis-point rate hike has consistently been pushed back.) Meanwhile, the dovish BoJ lending at 0.5% gives Japan and EWJ a significant but shrinking advantage over the US, which has a 3.875% 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 Rebounds to 50-day

Asia-Pacific ex-Japan: AAXJ rose 0.7% this week, following last week's 2.3% gain, leaving it ranked #2 globally and more attractive than cash. The index is up 7.3% for the quarter (13 weeks), and up 24.2% for the year (52 weeks). Technically, AAXJ is very bullish and at 93, above its short-term (50-day) average at 93, and above its intermediate-term (200-day) average at 84. Its momentum (PMO) is positive, and its 14-day RSI of 60.2 means AAXJ is neither overbought nor oversold. As for currency effects, the US Dollar weakened this week, improving return for dollar investors in Asian stocks. Longer term, a bullish Dollar dampens return to Dollar investors in Asian stocks but improves the region's trade competitiveness.

Fed rate cuts and a weak Dollar have boosted Asian stocks since August, but the euphoria dimmed in November on hawkish Fed Speak and a strengthening Dollar. Optimism then returned three weeks ago as Fed doves and Dollar weakness stimulated what turned out to be a three-week AAXJ rebound. Cheaper US money is good for Asian export demand, and the tariff situation is less of a problem for Asian exporters than it is for US consumers and business. Asian equities in Asia remain positive. Several Asian equity markets are still more attractive than US stocks (VTI +14) including South Korea (EWY +41), Taiwan (EWT +19) and Hong Kong (EWH +13) lead the US, while China (FXI +8) and Singapore (EWS +5) lag. Australia (EWA -1) and India (PIN -4) 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 Break Out of Double Top Fails

Latin America 40: ILF fell 1.6% this week, following last week's 4.5% gain, leaving it ranked #1 globally and less attractive than cash. The index is up 12.1% for the quarter (13 weeks), and up 32.8% for the year (52 weeks). Technically, ILF is very bullish and at 31, ILF is above its short-term (50-day) average at 29, and above its intermediate-term (200-day) average at 26. Its momentum (PMO) is positive, and its 14-day RSI of 60.4 means ILF is neither overbought nor oversold. As for currency effects, the Dollar weakened this week, enhancing return for dollar investors in Latin stocks. Longer term, a bullish Dollar dampens return to Dollar investors in Latin stocks but improves the region's trade competitiveness. It also makes repaying dollar-denominated debt tougher.

Fed rate cuts and a weak Dollar have boosted Latin stocks since August, but the euphoria dimmed in November on hawkish Fed Speak and a strengthening Dollar. Optimism then returned three weeks ago as Fed doves and Dollar weakness stimulated what turned out to be a three-week ILF rebound. 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 have outperformed their US cousins (VTI +14) for nine months but are fading lately. Colombia (COLO +25) Brazil (EWZ +18) and Chile (ECH +19) are strongest. Mexico (EWW +13) is comparable, while Argentina (ARGT 2) is digging itself out of its most recent leftist hole. Canada (EWC +16) which is not in ILF, but a key player in the hemisphere continues to do match the US despite facing deadlock over 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	**54.7%**	5.5%	3.6%	-16.3%	11.7%	13.2%	-6.5%	5.1%	9.0%	-6.0%
Aggressive G&I (AOA)	17.5%	11.5%	15.6%	-17.9%	13.5%	10.7%	12.5%	-6.2%	8.0%	3.5%
S&P Benchmark	17.0%	24.5%	24.3%	-19.5%						
Moderate G&I (AOM)	10.7%	4.9%	9.2%	-16.4%	5.3%	7.7%	19.5%	-9.9%	14.1%	5.3%
US Strategy Moose	9.4%	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: SWITCH to 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 triggered buy-stops this week, including SPY, exiting the previous false switch to cash and returning to US Growth (IUSG) 12/5/25 @169.25. Among US stock strategies, US Growth still leads in confidence index, rate of change, and PMO. If the stop-loss turns out to be a false signal and a buying opportunity US Growth is the likely beneficiary.

THIS was the 2nd Risk-ON week in a row: US Stocks UP, Foreign Stocks UP, Bonds DOWN, and Gold DOWN.

	CI%	Description	ROC	TS	READ	RSI	PMO	+/-	Condition
1	**100%**	**US Growth (IUSG)**	**33%**	**103%**	**very bullish**	**59.3**	**0.60**	**positive**	**improving**
2	75%	US Large-caps (SPY)	25%	104%	very bullish	60.2	0.62	positive	improving
3	72%	US Momentum (MTUM)	23%	63%	bullish	58.2	-0.27	negative	improving
4	54%	US Fundamentals (QUAL)	19%	104%	very bullish	63.5	0.63	positive	improving
5	47%	US Value (IUSV)	16%	106%	very bullish	59.4	0.65	positive	improving
6	42%	S&P Equal Weight (RSP)	14%	99%	very bullish	60.5	0.37	positive	improving
7	14%	US High Dividend (SPYD)	5%	78%	bullish	53.4	0.11	positive	improving
8	8%	Cash (SGOV)	3%	88%	very bullish	99.8	0.16	positive	improving
9	-1%	Short Income (SHY)	-1%	73%	bullish	42.4	0.02	positive	deteriorating
10	-5%	US Low Volatility (SPLV)	-2%	25%	bearish	43.7	-0.03	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
IUSG leads in all four quarters and over 3 years

This week: IUSG leads over 3 years, and over 52, 39, 26, and 13 weeks. It is edged out by Momentum YTD and this week. US equities catching up with offshore stocks. Among US strategies, Growth and Momentum outperforms the S&P benchmark over 3 years.

	YTD	Description	this wk	last wk	13wk	26wk	39wk	52wk	3Y
1	23%	US Momentum (MTUM)	**1.0%**	**5.1%**	4.0%	9.7%	21.3%	18.7%	71.3%
2	22%	US Growth (IUSG)	0.7%	5.0%	**8.3%**	**20.1%**	**27.2%**	**21.3%**	**71.3%**
3	18%	US Large-caps (SPY)	0.3%	4.7%	6.6%	17.0%	19.9%	14.9%	54.1%
4	13%	US Fundamentals (QUAL)	0.8%	4.6%	6.0%	13.3%	13.5%	8.5%	44.6%
5	12%	US Value (IUSV)	-0.1%	4.5%	4.3%	13.0%	11.7%	5.8%	33.4%
6	11%	S&P Equal Weight (RSP)	0.2%	5.1%	2.2%	9.7%	10.9%	4.8%	33.8%
7	4%	US High Dividend (SPYD)	-1.0%	4.5%	-2.5%	4.5%	1.8%	-1.8%	29.4%
8	4%	US Low Volatility (SPLV)	-2.5%	2.5%	-2.3%	-2.0%	-4.7%	-3.6%	17.9%
9	4%	Short Income (SHY)	-0.4%	0.2%	0.4%	1.8%	2.7%	4.2%	9.2%
10	3%	Cash (SGOV)	0.0%	0.0%	1.1%	2.2%	3.3%	4.4%	10.1%

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 #3 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, Emerging markets (EEM) and US small caps (IWM) have both overtaken gold in the primary momentum metric (CI%). Gold continues to lead in technical strength, PMO, and quarterly performance. Since the Fed meeting is three days away and the probability of a rate cut is high, we are sticking with gold until we get more clarity from the Fed meeting December 10.

THIS was the 2nd Risk-ON week in a row: US Stocks UP, Foreign Stocks UP, Bonds DOWN, and Gold DOWN.

	CI%	FUND	TS+	READ	RSI	PMO	+/-	condition
1	86%	Emerging Markets (EEM)	95%	very bullish	54	0.3	positive	deteriorating
2	81%	US Small-caps (IWM)	105%	very bullish	60	0.7	positive	improving
3	**80%**	**Gold Bullion (GLD)**	**114%**	**very bullish**	**60**	**1.9**	**positive**	**improving**
4	76%	US Large-caps (SPY)	104%	very bullish	60	0.6	positive	improving
5	56%	Developed Markets (EFA)	95%	very bullish	56	0.4	positive	improving
6	8%	Short US Income (SGOV)	88%	very bullish	100	0.2	positive	improving
7	2%	Very Long US Bonds (EDV)	73%	bullish	38	-0.3	negative	deteriorating

	YTD	Description	13wk	26wk	39wk	52wk	3Y
1	**60%**	**Gold Bullion (GLD)**	**18.3%**	**23.8%**	**44.0%**	**59.1%**	**104.7%**
2	50%	Latin America (ILF)	12.8%	20.7%	36.8%	39.2%	23.4%
3	32%	Europe (IEV)	5.5%	6.3%	13.2%	25.9%	40.5%
4	30%	Asia Pacific ex-Japan (AAXJ)	8.7%	14.5%	23.8%	26.7%	48.7%
5	26%	Japan (EWJ)	6.3%	13.7%	20.2%	20.7%	40.1%
6	18%	US Large-caps (SPY)	5.9%	14.2%	20.1%	14.4%	54.1%
8	14%	US Small-caps (IWM)	6.3%	18.2%	22.4%	6.2%	42.5%
	3%	Short US Income (SGOV)	1.1%	2.1%	3.2%	4.4%	10.1%

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 beating moderate Lifetime Funds but lags the most aggressive. 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 Risk-ON week in a row: US Stocks UP, Foreign Stocks UP, Bonds DOWN, and Gold DOWN.

TSP Moose *SWITCHES from Cash to Large-cap equities (Fund C)* via CI on 12/3/25 (@109.48).

*All TSP funds with an equity component triggered buy-stops this week, exiting the previous false switch to cash. Fund C holds the TSP Model's #1 spot per confidence index, price momentum, and technical strength. No funds in the model are overbought or oversold.

	CI%	FUND	ROC	TS+	READ	RSI	PMO	+/-	condition
1	**100%**	**US Large-caps (C)**	**20%**	**105%**	**very bullish**	60.28	**0.62**	**positive**	**improving**
2	98%	US Small-caps (S)	20%	91%	very bullish	59.64	0.24	positive	improving
3	92%	Lifetime 2060	18%	102%	very bullish	60.72	0.52	positive	improving
4	81%	International stocks (I)	15%	99%	very bullish	61.13	0.50	positive	improving
5	76%	Lifetime 2050	15%	102%	very bullish	59.15	0.43	positive	improving
6	66%	Lifetime 2040	13%	102%	very bullish	61.04	0.43	positive	improving
7	55%	Lifetime 2030	11%	101%	very bullish	61.44	0.38	positive	improving
8	24%	Long-term Inc (L)	5%	102%	very bullish	63.48	0.26	positive	improving
9	10%	Fixed Income (F)	1%	98%	very bullish	48.56	0.16	positive	deteriorating
10	0%	Short-term Income (G)	0%	88%	very bullish	--	0.17	positive	improving

TSP RECENT PRICE ACTION: Fund I continues to lead performance year-to-date, and over 52 and 39-weeks. Fund C, however, leads over 26 weeks and 13-weeks. 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?" If the stop-loss turns out to be a false signal and a buying opportunity US large-caps are the likely beneficiary.

TSP Lifetime & Index Funds: Performance Progression

	FUND	13wk	26wk	39wk	52wk	YTD	3Y
1	**International stocks (I)**	**7.2%**	12.7%	**21.6%**	**23.7%**	**29.5%**	42.4%
2	Lifetime 2060	6.7%	14.5%	21.0%	16.4%	21.3%	48.6%
3	US Large-caps (C)	6.9%	**15.8%**	20.9%	14.5%	18.2%	**54.4%**
4	Lifetime 2050	5.3%	12.0%	17.5%	14.0%	18.0%	40.8%
5	Lifetime 2040	5.2%	11.2%	16.2%	13.3%	16.8%	37.3%
6	Lifetime 2030	4.5%	9.7%	14.0%	11.9%	14.7%	32.4%
7	US Small-caps (S)	4.6%	15.0%	20.5%	5.2%	13.1%	43.3%
8	Long-term Inc (L)	2.7%	5.6%	8.1%	7.9%	9.0%	19.0%
9	Fixed Income (F)	1.8%	4.7%	4.6%	5.0%	6.9%	11.1%
10	Short-term Income (G)	1.1%	2.2%	3.3%	4.5%	4.2%	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	20.7%	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	16.4%	12.9%	18.1%	-11.4%	14.5%	13.2%	20.7%	-4.9%	16.8%
TSP Moose	14.8%	11.8%	16.5%	-3.4%	13.3%	21.8%	14.9%	6.5%	21.0%
L2030	14.3%	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. When the reckoning does eventually come, however, it can be far worse, shaking our national institutions as well as the economy.

Moospeak

A Day of Infamy

Eighty-four years ago, the Empire of Japan attacked the US Naval base at Pearl Harbor, Hawaii. The attack on Dec. 7, 1941, killed 2,403 service members, and civilians were killed during the attack on Pearl Harbor, according to the National Park Service. Five of the eight battleships, three destroyers, and seven other ships stationed at the base were sunk or severely damaged. More than 200 aircraft were destroyed.

The next day, the United States declared war on Japan, Germany, and Italy. World War II would go on until August 1945, and millions would die. It ended with the atomic bombs dropped on Hiroshima and Nagasaki, and when it was over the world had become a different place forever.