

MOOSECALLS

Global Financial News & Analysis
JUN.26.2026 through JUL.05.2026

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EXECUTIVE SUMMARY: JUN.26.2026

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

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

THIS WEEK the first Risk-ON week after 3 Risk-OFF:
US Stocks MIXED, Foreign Stocks DOWN, Bonds UP and Gold DOWN.

TECH/AI CORRECTION LEADS WORLD LOWER

While the US-Iran agreement (reopening Hormuz, oil export resumption, sanctions relief) provided a positive macro backdrop by calming energy markets, equity markets were dominated by a tech/AI correction that weighed especially on growth-oriented indices in the US. Large-cap US stocks (-2.4%) pulled global sentiment lower as Asia-Pacific (-5.2%), Japan (-3.6%), Europe (-0.9%), and Latin America (-0.3%) all lost ground. US small-caps (+1.4%) were the only equity space that managed a gain this week. As equities slid, US long bond prices (+0.7%) rallied with the US ten-year yield falling 8 bps to 4.37% and the three-month yield steady at 3.66%, flattening the yield curve to 71 basis points. The Dollar added +0.6% contributing to weaker oil (-8.2%), gold (-3.5%) and commodities generally (-3.8%). There were no changes to the models this week.

GLOBAL OUTLOOK NEUTRAL (2 of 4). Down this week. War has the Baltic Dry Index, and copper prices higher over the last 13 weeks. Meanwhile, both the 10-year US yield, and oil are down for the quarter.

INFLATION: PCE inflation warming as expected given recent constraints in oil supply. Oil prices continue lower this week and quarter, however, and are now back below \$70/bbl. Global inflation per Fed Check (88) still warrants tightening, but it is improving and oil falls.

US ECONOMIC DATA: MAY GLOBAL ACTIVITY, US INCOME & SPENDING, SENTIMENT IMPROVE, HOUSING WEAK. Recession chance a year out minimal. Financial system health per SOFR-T spread: sound. GDP Now estimate (Q2) DOWN as of 6/24: 2.5%.

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 (88) is improving 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 70% that rates will remain unchanged at the next meeting in July. Chances of no change in December however are down to 41%-- with a Fed rate HIKE (36%) more likely than a rate cut (23%).

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: NEUTRAL (2 of 4)

Indications fell into neutral (2 of 4) for the global economy.

An international shipping measure and proxy for current global trade, **the Baltic Dry Index is at 2574 this week, down from 2722 last week but up 24% 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 \$69.23 this week, and down (-31%) 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 \$6.21, down this week, but up 13% this quarter, a positive signal.**

Domestically, **the 10Y US bond yield is down to 4.37% this week, a -7 basis point decline over the past 13 weeks, a negative bet on the largest world economy.**

GLOBAL RANKING: Asia-Pacific Top Region

Index Moose
ETF Rankings
through
JUL.05.2026

**THIS WEEK the first Risk-ON week after 3 Risk-OFF:
US Stocks MIXED, Foreign Stocks DOWN, Bonds UP and Gold DOWN.**

Asia-Pacific ex-Japan leads in regional global momentum since 6/3/2026, despite a 5%+ loss this week.

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)	107%	very bullish	49.7	2.37	positive	deteriorating
2	77%	Latin America (ILF)	43%	neutral	47.5	-1.05	negative	improving
3	73%	Japan (EWJ)	92%	very bullish	51.3	1.46	positive	improving
4	64%	US Small-caps (IWM)	112%	very bullish	63.3	2.21	positive	improving
5	41%	Europe (IEV)	84%	very bullish	51.5	0.75	positive	deteriorating
6	31%	US Large-caps (SPY)	82%	very bullish	44.2	0.77	positive	deteriorating
7	10%	Gold Bullion (GLD)	11%	very bearish	35.5	-3.21	negative	deteriorating
8	9%	Short US Income (SGOV)	88%	very bullish	100.0	0.14	positive	improving
9	-29%	Very Long US Bonds (EDV)	68%	bullish	63.8	0.90	positive	improving
		US Dollar	104%	very bullish	73.4	OB	positive	improving
		Commodities	41%	neutral	27.4	OS	negative	deteriorating
		US Oil	40%	neutral	29.5	OS	negative	deteriorating
		Ryan/CRB	80%	HIKE RATES				
		Volatility	18.4	reduced fear				

AAXJ is the best performing region YTD, and over 13, 26, 39 and 52 weeks. It took a major hit this week but has previously recovered from a couple of 5% hits in the last month. ILF continued to fade. In spite of the volatility however, emerging market equities continue to outperform those of developed markets due to June rate hikes in Europe and Japan.

YTD	FUND	06/26/26	06/18/26	13wk	26wk	39wk	52wk	3Y
25%	Asia Pacific ex-Japan (AAXJ)	-5.2%	5.1%	21.4%	25.6%	32.5%	46.1%	70.9%
22%	US Small-caps (IWM)	1.4%	1.1%	20.9%	21.4%	25.1%	40.7%	53.5%
15%	Japan (EWJ)	-3.6%	4.4%	12.1%	15.3%	25.0%	35.2%	58.7%
11%	Latin America (ILF)	-0.3%	-1.5%	0.9%	11.9%	25.1%	40.6%	57.8%
7%	US Large-caps (SPY)	-2.4%	0.9%	11.9%	6.7%	11.2%	19.9%	37.0%
5%	Europe (IEV)	-0.9%	-0.2%	10.0%	6.2%	15.9%	18.9%	39.9%
2%	Very Long US Bonds (EDV)	0.7%	2.1%	3.8%	1.6%	0.8%	4.7%	-4.4%
0%	Short US Income (SGOV)	0.1%	0.1%	0.9%	1.8%	2.8%	3.9%	8.9%
-6%	Gold Bullion (GLD)	-3.5%	0.2%	-7.5%	-6.3%	8.8%	24.0%	71.3%

GLOBAL RANKING: TECHNICAL OVERVIEW

#1 ASIA-PACIFIC Gaps Down From Latest High--

AAXJ fell 5.2% 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 21.4% for the quarter (13 weeks), and up 46.1% for the year (52 weeks).

#2 LATIN AMERICA Gives Ground--

ILF fell 0.3% this week, after losing 1.5% last week. That left it neutral and ranked #2 globally and more attractive than cash. The index is up 0.9% for the quarter (13 weeks), and up 40.6% for the year (52 weeks).

#3 JAPAN Gaps Lower—

EWJ fell 3.6% this week, after gaining 4.4% last week. That left it very bullish and ranked #3 globally and more attractive than cash. The index is up 12.1% for the quarter (13 weeks), and up 35.2% for the year (52 weeks).

#4 US SMALL-CAPS Edge Higher—

IWM rose 1.4% this week, after gaining 1.1% last week. That left it very bullish and ranked #4 globally and more attractive than cash. The index is up 20.9% for the quarter (13 weeks), and up 40.7% for the year (52 weeks).

#5 EUROPE's Advance Slowing-- IEV fell 0.9% this week, after losing 0.2% last week. That left it very bullish and ranked #5 globally and more attractive than cash. The index is up 10.0% for the quarter (13 weeks), and up 18.9% for the year (52 weeks).

#6 US LARGE-CAPS Back Off MOU Bump--

SPY fell 2.4% this week, after gaining 0.9% 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 19.9% for the year (52 weeks).

#7 GOLD Drops Into Oversold Bounce--

GLD fell 3.5% this week, after gaining 0.2% last week. That left it very bearish and ranked #7 globally and more attractive than cash. The index is down 7.5% for the quarter (13 weeks), but up 24.0% for the year (52 weeks).

#8 US Cash Yield Steady--

The three-month T-Bill yield is 3.66%, unchanged from 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 Cool Their Jets--

EDV rose 0.7% this week, after gaining 2.1% last week. That left it bullish and ranked #9 globally and less attractive than cash. Long bonds are up 3.8% for the quarter (13 weeks) and up 4.7% for the year (52 weeks) as yields have risen.

COMMODITIES Continue Lower With Oil--

A neutral CRB fell 3.8% this week after losing 3.2% last week. That left commodity prices down 7.9% for the quarter (13 weeks), but up 21.7% for the year (52 weeks). Meanwhile, the broader oil complex (USO) fell 8.2% this week, following last week's loss of 8.4% and is currently neutral.

Fed US DOLLAR Rally Slows—

UUP rose 0.6% this week, after gaining 1.3% last week. It is currently very bullish—up 3.3% for the quarter (13 weeks), and up 5.1% in the last year (52 weeks). At \$28.46, UUP is above its short-term (50-day) average and above its intermediate-term (200-day) average.

US ECONOMY: JUN.26.2026:

DATA: MIXED-TO-WEAK

PRODUCTION: GLOBAL ACTIVITY IMPROVES

(-) WEEKLY EIA Crude Oil Inventories (-6.09) draw lessens 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 – (55.7) expanding, up from previous.

(+) MAY S&P Global U.S. Services PMI – (51.3) expanding, up from previous.

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.

(-) MAY New Home Sales (580K) down from prior more than expected.

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

INFLATION: PCE 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)

(-) MAY PCE Prices (+0.4%) as expected. (1yr 4.1% up.)

(-) MAY PCE Prices – Core (+0.3%) as expected. (1yr 3.4% up.)

JOBS: CLAIMS IN LINE

(+) Weekly initial Claims (216K) below previous and forecasts.

(-) Weekly Continuing Claims (1821K) slightly higher this week.

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: INCOME, SPENDING UP; SENTIMENT BETTER

MAY Retail Sales (+0.9%) beat consensus and previous.

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

(-) MAY Durable Orders (-4.5%) correcting after 8.5% surge in April..

(+) MAY Personal Income up strong (+0.7%), better than expected and prior.

(+) MAY Personal Spending (+0.7%) better than expected and prior.

(+) MAY Michigan Consumer Sentiment (49.5) still contracting but improving and better than anticipated.

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

(-) MAY Trade Deficit (-105.8B) greater than previous.

GDP & RECESSION INDICATORS: IMPROVE

(+) Q1 GDP - Third Estimate (+2.1%) up from previous and consensus.

(-) Q1 GDP Deflator - Third Estimate (+3.6 %) up a tick from previous and 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.

(-) Q1 Current Account Balance (-\$226.8) deficit greater than previous quarter and consensus forecast.

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 2.5%

Atlanta Fed Current GDP Model (6/25/2026): Q2 Annualized 2.5% (Last week: Q2 Annualized +3.0%)

US ECONOMY: FEDERAL RESERVE

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

Federal Reserve:
week of
JUN.26.2026

Currently, the Fed's balance sheet is 6.74T, (up +.00T) in the latest week (6/24/2026). 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 70% that rates will remain unchanged at the next meeting in July. Chances of no change in December however are down to 41%-- with a Fed rate HIKE (36%) more likely than a rate cut (23%).

The Fed Check at 88% turned hawkish as of 1/30/2026 (tighter monetary policy needed to combat global inflation pressures.) The US 2-Year yield at 4.10%, however, is now 48 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 71 bps this week, as the 10-year US Treasury yield fell to 4.37%, and the 3-month cash yield held at 3.66%. Intermediate term, the curve was inverted from 11/22 through 12/24 but has been positive since. The 30d-10y median yield (4.02%) 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 3.64% is up this week, while the 3-month T-bill at 3.66% is steady. That puts the SOFR/T-Bill (SOF-T) spread at -2 basis points, below its 200-day average of 13 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: Fed US DOLLAR Rally Slows



US Dollar: UUP rose 0.6% this week, after gaining 1.3% last week. It is currently very bullish—up 3.3% for the quarter (13 weeks), and up 5.1% in the last year (52 weeks). At \$28.46, UUP is above its short-term (50-day) average and above its intermediate-term (200-day) average. Momentum in the greenback is positive but improving. RSI14 @ 73.4 is currently overbought and correcting. As for other major currencies vs. the Dollar, the Australian \$ (FXA) is bearish, and down 0.5% this week. The British Pound (FXB) is very bearish, and down 1.5%. The Canadian Dollar (FXC) is very bearish, and down 1.1%. The Euro Dollar (FXE) is very bearish, and down 1.0%. The Swiss Franc (FXF) is very bearish, and down 1.0%, and the Japanese Yen (FXJ) is very bearish and down 0.7%.

The Dollar rally continued 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 for two straight weeks, the script has 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)	bearish	US\$ Investors outperform hedged
British Pound (FXB)	very 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 Cool Their Yields



US Long Treasury Bonds: EDV rose 0.7% this week, after gaining 2.1% last week. That left it bullish and ranked #9 globally and less attractive than cash. Long bonds are up 3.8% for the quarter (13 weeks) and up 4.7% for the year (52 weeks) as yields have risen. The US Treasury 10-year yield fell 8 ticks to 4.37% and the 3-month yield held steady at 3.66% with the yield curve flattening to 71 basis points. That keeps the odds of a recession in late 2026 low. At \$66.08, 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 63.8 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 six-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%).

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US Equity Market: #6 US LARGE-CAPS Back Off MOU Bump



US Large-Cap Stocks: SPY fell 2.4% this week, after gaining 0.9% 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 19.9% for the year (52 weeks). At \$728.99, SPY is below its short-term (50-day) average and above its intermediate-term (200-day) average. Its momentum (PMO) is positive and deteriorating, and its 14-day RSI of 44.2 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.

Large cap growth got pounded this week, victim of a global AI/tech sell-off. Worries over SpaceX bonds, a more hawkish tone recently set by the new Fed chair, recent rate hikes in Europe and Japan didn't inspire confidence. 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 1.4% this week, after gaining 1.1% last week. That left it very bullish and ranked 4 globally and more attractive than cash. The index is up 20.9% for the quarter (13 weeks), and up 40.7% for the year (52 weeks). At \$299.83, IWM 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 63.3 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 continued higher as oil prices dropped below \$70 and the US Dollar strengthened. Solid earnings and GDP growth continue to add to investor optimism in the US, but 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, Energy, Pharma, Tech, and Transports

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-- 82% of our sectors are buy or hold (L74%) with **BUYS at 41%** (L33%) up and **HOLDS flat at 41%** (L41%). **Avoids are down to 18%** (L26%). Top performers in the past two weeks: Semiconductors, Bitcoin, and US Technology.

CI%	Description	ROC	TS	READ	RSI	PMO	+/-	Condition
100%	Semiconductors (SMH)	75%	130%	very bullish	51.6	6.31	positive	deteriorating
62%	US Oil Equip & Serv (IEZ)	31%	38%	bearish	33.9	-2.39	negative	deteriorating
32%	Oil/Gas Expl & Prod (XOP)	18%	42%	neutral	38.2	-2.28	negative	deteriorating
31%	US Pharmaceuticals (IHE)	22%	105%	very bullish	73.5	2.19	positive	improving
26%	US Technology (IYW)	18%	105%	very bullish	46.8	2.77	positive	deteriorating
24%	Transports (IYT)	17%	104%	very bullish	62.5	2.05	positive	deteriorating
22%	Select Materials (XLB)	18%	73%	bullish	51.9	0.42	positive	improving
19%	KB Banks (KBE)	16%	105%	very bullish	68.7	1.93	positive	improving
18%	Industrials (XLI)	16%	105%	very bullish	58.1	1.54	positive	improving
14%	Gold Miners (GDX)	4%	13%	very bearish	41.3	-3.44	negative	deteriorating
11%	US Aerospace & Def (PPA)	9%	60%	bullish	48.4	0.54	positive	deteriorating
11%	S&P 500 (SPY)	7%	82%	very bullish	44.2	0.77	positive	deteriorating
10%	Biotechnology (IBB)	11%	98%	very bullish	73.7	1.74	positive	improving
9%	Consumer Staples (XLP)	8%	70%	bullish	53.6	0.20	positive	deteriorating
7%	Food & Beverage (PBJ)	6%	16%	very bearish	51.1	-0.92	negative	deteriorating
7%	REITs (VNQ)	6%	101%	very bullish	59.3	0.78	positive	deteriorating
6%	US Health Providers (IHF)	10%	113%	very bullish	76.0	3.21	positive	improving
5%	KBW Insurance (IAK)	5%	107%	very bullish	70.0	1.45	positive	improving
3%	Retail (XRT)	6%	70%	bullish	62.4	1.45	positive	improving
2%	Capital Markets (KCE)	1%	63%	bullish	40.6	0.33	positive	deteriorating
-2%	Home Construction (XHB)	5%	74%	bullish	66.8	2.69	positive	improving
-2%	Telecommunications (FCOM)	-3%	19%	very bearish	35.4	-1.57	negative	deteriorating
-4%	Utilities (XLU)	0%	55%	neutral	64.0	0.11	positive	improving
-4%	CASH	-3%	15%	very bearish	55.5	-0.08	negative	improving
-8%	Media Portfolio (XLC)	-8%	5%	very bearish	28.8	-2.00	negative	deteriorating
-9%	DJ Internet Index (FDN)	-8%	36%	bearish	41.1	-0.26	negative	deteriorating
-12%	Bitcoin (BLOK)	-5%	88%	very bullish	47.3	1.90	positive	deteriorating
-25%	Software (XSW)	-17%	44%	neutral	54.3	1.11	positive	deteriorating
-29%	US Medical Devices (IHI)	-20%	8%	very bearish	59.1	-0.51	negative	improving

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

YTD	Description	THIS wk	LAST wk	2 wks	13wk	26wk	39wk	52wk	3Y
69.8%	Semiconductors (SMH)	-7.3%	6.4%	-0.9%	54.9%	74.3%	94.4%	123.1%	129.4%
30.2%	US Oil Equip & Serv (IEZ)	-1.5%	-9.6%	-11.1%	-3.2%	33.9%	45.6%	64.6%	31.6%
22.5%	Oil/Gas Expl & Prod (XOP)	0.9%	-7.2%	-6.4%	-11.6%	24.7%	20.6%	24.4%	11.8%
20.0%	US Technology (IYW)	-5.5%	3.6%	-1.9%	27.1%	21.6%	23.5%	41.0%	58.9%
17.0%	Transports (IYT)	3.9%	-2.8%	1.1%	18.7%	16.4%	23.2%	31.3%	39.0%
16.9%	US Pharmaceuticals (IHE)	7.9%	-2.7%	5.2%	16.9%	17.7%	42.5%	53.0%	54.3%
16.8%	Industrials (XLI)	0.2%	2.7%	2.8%	10.4%	16.5%	19.2%	27.0%	51.0%
16.0%	US Health Providers (IHF)	6.3%	-2.1%	4.2%	29.7%	15.8%	16.6%	18.7%	8.7%
13.8%	Select Materials (XLB)	-0.4%	-0.7%	-1.1%	8.1%	15.3%	14.8%	20.1%	19.2%
12.7%	KB Banks (KBE)	4.1%	-1.8%	2.3%	18.1%	10.4%	13.0%	27.0%	60.2%

INTERNATIONAL MARKETS: #7 GOLD Drops Into Oversold Bounce



Gold Bullion: GLD fell 3.5% this week, after gaining 0.2% last week. That left it very bearish and ranked 7 globally and more attractive than cash. The index is down 7.5% for the quarter (13 weeks), but up 24.0% for the year (52 weeks). At \$373.63, 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 35.5 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 gapped down to oversold levels on Wednesday, and only partially recover by Friday. Sharply falling oil prices were enough to lower bond yields again and give gold some hope late in the week, but with a more hawkish Fed, and recent rate

hikes in Japan and Europe, gold's prospects are dim. (Rate policy is key and gold has been fading since chances of a Fed rate hike later in 2026 exceeded those of a cut.) 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 3.8% this week after losing 3.2% last week. That left commodity prices down 7.9% for the quarter (13 weeks), but up 21.7% for the year (52 weeks). At \$26.57, 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 27.4 means the CRB is neither overbought nor oversold.

Crude Oil: Meanwhile, the broader oil complex (USO) fell 8.2% this week, following last week's loss of 8.4% and currently neutral. That leaves US oil prices down 10.1% for the quarter (13 weeks), but up 43.9% for the year (52 weeks). At \$105.48, USO 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 29.5 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.

The US MOU with Iran sent oil prices below \$70 this week, causing commodities to go even lower. News that tanker traffic in the Strait of Hormuz had resumed and that the US blockade had begun to be lifted sent commodities lower and the US Dollar higher. A massive earthquake in Venezuela, however, may retard development of oil resources there as humanitarian efforts take center stage. Meanwhile, the commodity and bond markets are now telling us that inflation is becoming less of a concern.

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INTERNATIONAL EQUITIES: #5 EUROPE's Advance Slowing



European Large-Cap Stocks: IEV fell 0.9% this week, after losing 0.2% last week. That left it very bullish and ranked 5 globally and more attractive than cash. The index is up 10.0% for the quarter (13 weeks), and up 18.9% for the year (52 weeks). At \$71.76, IEV is above its short-term (50-day) average and above its intermediate-term (200-day) average. Its momentum (PMO) is positive and deteriorating, and its 14-day RSI of 51.5 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.

A 25bps ECB rate hike effective June 17 in response to energy-driven inflation concerns due to Middle East disruptions has weighed on European equities this week. Technology has driven the global equity rally this

year, and tech feeds on low interest rates. Hence, we saw a world-wide tech sell-off this week. IEV remains bullish, nonetheless. With oil prices falling and rates up Europe has less to worry about regarding an energy-driven stagflation shock, but its equities may remain lackluster compared to emerging markets. NOTE: A bearish Euro vs. Dollar keeps Europe (IEV +4) just behind Europe's hedged version (HEDJ +7) of equities and the US market (VTI +5). Across the pond, Netherlands (EWN +17), Italy (EWI +10), and Spain (EWP +9) are outperforming the US. Ireland (EIRL +5), Britain (EWU +3), and Switzerland (EWL +3) are doing passably, while France (EWQ +0) Germany (EWG -4), and Denmark (EDEN -6) 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 Gaps Lower



Japanese Stocks: EWJ fell 3.6% this week, after gaining 4.4% last week. That left it very bullish and ranked 3 globally and more attractive than cash. The index is up 12.1% for the quarter (13 weeks), and up 35.2% for the year (52 weeks). At \$92.80, 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 51.3 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.

A 25bps BoJ rate hike effective June 16 in response to energy-driven inflation concerns due to Middle East disruptions has weighed on Japanese equities this week. Technology has driven the global equity rally this year, and tech feeds on low interest

rates. Hence, we saw a world-wide tech sell-off this week. Taiwanese and South Korean tech and semi-conductors swooned and drove Japanese large caps lower. EWJ remains bullish, nonetheless. With oil prices falling below \$70 and rates still among the lowest in the world, Japan has less to worry regarding energy-driven stagflation. Equities may be less ebullient going forward, however. NOTE: For Dollar investors, Japan's return to its traditional weak yen policy makes the hedged version (DXJ @20) of Japanese equities preferable to the dollar version we track (EWJ @13). Both are outperforming the US (VTI@+5).

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 Gaps Down From Latest High



Asia-Pacific ex-Japan: AAXJ fell 5.2% 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 21.4% for the quarter (13 weeks), and up 46.1% for the year (52 weeks). At \$116.86, 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 49.7 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.

A sharp reversal in the AI/semiconductor trade after months of outperformance reinforced by continued US dollar strength, falling oil prices, recent monetary tightening by the Bank of Japan, and China-specific regulatory developments all

affected AAXJ this week. On a positive note, oil prices sank below \$70 this week leaving AAXJ the top regional index choice based on six-month performance, despite a 5% hit. (Due to AAXJ volatility, emerging markets (EEM) are the better timing model choice.) Even so, Asian equity markets (AAXJ 18) are still substantially more attractive than US stocks (VTI +5). South Korea (EWY +95) is a standout along with Taiwan (EWT +53). Singapore (EWS +2), and Australia (EWA -1) are doing passably. Hong Kong (EWH -8), India (IMVP -21), and China (FXI -23), 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 Gives Ground



Latin America 40: ILF fell 0.3% this week, after losing 1.5% last week. That left it neutral and ranked 2 globally and more attractive than cash. The index is up 0.9% for the quarter (13 weeks), and up 40.6% for the year (52 weeks). At \$33.81, 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 47.5 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.

ILF's recent decline, reinforced by continued US dollar strength, falling oil prices, and recent monetary tightening by the Banks of Japan and Europe continued this week. Though still ranked #2 regionally, ILF's performance is very volatile

making Emerging markets (EEM) a more attractive market timing choice. That is especially true with Latin equities (ILF +4) now underperforming performing their US cousins (VTI +5) in Price-Performance vs cash. Colombia (COLO +6) is beating the US, while Brazil (EWZ +4), Mexico (EWW +1), Chile (ECH -6) and Argentina (ARGT -7) are lagging. Canada (EWC +4) which is not in ILF, but a key player in the Americas also continues respond positively 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 the first Risk-ON week after 3 Risk-OFF:
US Stocks MIXED, Foreign Stocks DOWN, Bonds UP and Gold DOWN.**

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

CI%	Description	ROC	TS	READ	RSI	PMO	+/-	Condition
31%	(AOA) Aggressive Growth	8%	88%	very bullish	48.3	0.74	positive	deteriorating
12%	(AOM) Moderate Growth & Inc	3%	84%	very bullish	51.3	0.46	positive	deteriorating
YTD	Description	this wk	last wk	13wk	26wk	39wk	52wk	3Y
7.8%	(AOA) Aggressive Growth	-1.7%	1.0%	9.0%	9.0%	11.5%	20.2%	34.9%
3.9%	(AOM) Moderate Growth & Inc	-0.7%	0.6%	5.1%	5.2%	6.7%	12.4%	22.4%
PR/HI	Description	SL	PRICE	BS	52w HI	52w LO	50d avg	210d avg
97.8%	(AOA) Aggressive Growth	94.70	96.55	98.68	98.68	80.52	96.20	90.62
99.0%	(AOM) Moderate Growth & Inc	48.88	49.61	50.10	50.10	45.01	49.34	47.76

Market Timing v. Diversified Buy & Hold: Performance*

Strategy	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Index Moose	23.8%	58.7%	5.5%	3.6%	-16.3%	11.7%	13.2%	-6.5%	5.1%	9.0%
Aggressive G&I (AOA)	7.8%	19.3%	11.5%	15.6%	-17.9%	13.5%	10.7%	12.5%	-6.2%	8.0%
Moderate G&I (AOM)	3.9%	11.0%	4.9%	9.2%	-16.4%	5.3%	7.7%	19.5%	-9.9%	14.1%
Strategy	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
US Strategy Moose	13.2%	16.7%	26.1%	12.3%	-7.0%	22.2%	20.9%	23.6%	1.2%	28.5%
S&P Benchmark	6.9%	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 the first Risk-ON week after 3 Risk-OFF:
US Stocks MIXED, Foreign Stocks DOWN, Bonds UP and Gold DOWN.**

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

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

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

Best Alternative: Small caps continue to behave well.

	CI%	Description	ROC	TS	READ	RSI	PMO	+/-	Condition
1	100%	US Momentum (MTUM)	31%	121%	very bullish	53	4.39	positive	deteriorating
2	64%	US Small-Caps (IWM)	21%	112%	very bullish	63	2.21	positive	improving
3	44%	US High Dividend (SPYD)	12%	92%	very bullish	61	0.85	positive	deteriorating
4	37%	S&P Equal Weight (RSP)	10%	101%	very bullish	55	1.11	positive	deteriorating
5	34%	US Growth (IUSG)	7%	80%	bullish	44	0.93	positive	deteriorating
6	31%	US Fundamentals (QUAL)	8%	87%	very bullish	50	0.96	positive	deteriorating
7	30%	US Large-caps (SPY)	7%	82%	very bullish	44	0.76	positive	deteriorating
8	30%	US Value (IUSV)	8%	85%	very bullish	54	0.73	positive	deteriorating
9	9%	Cash (SGOV)	2%	88%	very bullish	100	0.14	positive	improving
10	7%	US Low Volatility (SPLV)	4%	78%	bullish	65	0.48	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) is mixed the last two weeks, but leads 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	30%	US Momentum (MTUM)	-3.8%	4.4%	32.1%	31.8%	27.5%	39.5%	68.3%
2	22%	US Small-Caps (IWM)	1.4%	0.9%	21.4%	20.5%	24.4%	43.1%	53.5%
3	12%	US High Dividend (SPYD)	2.3%	-3.3%	8.2%	13.9%	13.6%	19.1%	31.1%
4	10%	S&P Equal Weight (RSP)	0.2%	-0.8%	9.3%	10.3%	12.6%	19.1%	31.4%
5	8%	US Growth (IUSG)	-3.6%	2.1%	14.2%	9.5%	10.8%	24.1%	44.2%
6	8%	US Fundamentals (QUAL)	-1.0%	-0.5%	10.2%	8.2%	11.7%	20.3%	26.4%
7	7%	US Value (IUSV)	0.1%	-1.1%	8.7%	8.4%	12.3%	20.0%	29.4%
8	7%	US Large-caps (SPY)	-2.4%	0.9%	11.1%	8.3%	10.7%	21.4%	36.9%
9	6%	US Low Volatility (SPLV)	3.7%	-1.9%	3.8%	7.3%	6.6%	7.7%	19.9%
10	0%	Cash (SGOV)	0.1%	0.1%	1.0%	1.9%	2.9%	3.9%	8.9%

INVESTMENT STRATEGIES: THE GLOBAL INDEX TIMING MODEL

TOP Index Model Move: HOLD Emerging Markets (EEM)

THIS WEEK the first Risk-ON week after 3 Risk-OFF:
US Stocks MIXED, Foreign Stocks DOWN, Bonds UP and Gold DOWN.

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	91%	Emerging Markets (EEM)	106%	very bullish	49.6	2.08	positive	deteriorating
2	64%	US Small-caps (IWM)	112%	very bullish	63.3	2.21	positive	improving
3	39%	Developed Markets (EFA)	88%	very bullish	49.9	0.75	positive	deteriorating
4	31%	US Large-caps (SPY)	82%	very bullish	44.2	0.77	positive	deteriorating
5	10%	Gold Bullion (GLD)	11%	very bearish	35.5	-3.21	negative	deteriorating
6	9%	Short US Income (SGOV)	88%	very bullish	100.0	0.14	positive	improving
7	-29%	Very Long US Bonds (EDV)	68%	bullish	63.8	0.90	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 EEM 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	06/26/26	06/18/26	13wk	26wk	39wk	52wk
1	22.8%	Emerging Markets (EEM)	-5.1%	4.8%	19.6%	23.2%	29.2%	42.8%
2	21.8%	US Small-caps (IWM)	1.4%	1.1%	20.9%	21.4%	25.1%	40.7%
3	6.9%	US Large-caps (SPY)	-2.4%	0.9%	11.9%	6.7%	11.2%	19.9%
4	6.8%	Developed Markets (EFA)	-1.8%	1.0%	7.9%	8.6%	15.7%	19.0%
5	1.6%	Very Long US Bonds (EDV)	0.7%	2.1%	3.8%	1.6%	0.8%	4.7%
6	0.3%	Short US Income (SGOV)	0.1%	0.1%	0.9%	1.8%	2.8%	3.9%
7	-5.7%	Gold Bullion (GLD)	-3.5%	0.2%	-7.5%	-6.3%	8.8%	24.0%

Strategy	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Index Moose	23.8%	58.7%	5.5%	3.6%	-16.3%	11.7%	13.2%	-6.5%	5.1%	9.0%
Aggressive G&I (AOA)	7.8%	19.3%	11.5%	15.6%	-17.9%	13.5%	10.7%	12.5%	-6.2%	8.0%
Moderate G&I (AOM)	3.9%	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 the first Risk-ON week after 3 Risk-OFF:
US Stocks MIXED, Foreign Stocks DOWN, Bonds UP and Gold DOWN.**

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

International Equities (Fund I) lead in overall confidence, and rate of change. PMO is positive and improving. 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%	96%	very bullish	50.6	1.26	positive	deteriorating
2	67%	Lifetime 2060	12%	92%	very bullish	50.4	1.09	positive	deteriorating
3	64%	US Small-caps (S)	14%	109%	very bullish	61.3	1.92	positive	deteriorating
4	55%	Lifetime 2050	10%	92%	very bullish	50.8	0.93	positive	deteriorating
5	49%	Lifetime 2040	9%	89%	very bullish	51.1	0.84	positive	deteriorating
6	47%	US Large-caps (C)	7%	82%	very bullish	46.4	0.79	positive	deteriorating
7	38%	Lifetime 2030	7%	88%	very bullish	51.6	0.69	positive	deteriorating
8	20%	Long-term Inc (L)	4%	89%	very bullish	53.9	0.43	positive	deteriorating
9	3%	Short-term Inc (G)	0%	101%	very bullish	100.0	0.18	positive	improving
10	-10%	Fixed Income (F)	-1%	72%	bullish	62.3	0.17	positive	improving

TSP Lifetime & Index Funds: Performance Progression

Performance leader Fund I no longer leads YTD after a poor week 6/26, but it still leads over 26, 39 and 52 weeks and 3 years. Lately, US small caps have garnered interest over the last 2 and 13 weeks and may be poised to take over the #1 spot.

	Fund	THIS	LAST	13wk	26wk	39wk	52wk	YTD	3Y
1	US Small-caps (S)	0.5%	1.0%	17.5%	12.3%	15.3%	27.5%	16.3%	48.2%
2	International Fund (I)	-2.5%	2.2%	11.1%	16.5%	22.1%	28.8%	15.2%	49.4%
3	Lifetime 2030	-1.8%	1.4%	11.3%	11.1%	15.5%	24.2%	11.5%	43.2%
4	Lifetime 2040	-1.4%	1.2%	9.5%	9.5%	13.3%	20.7%	9.9%	37.1%
5	Lifetime 2060	-1.3%	1.0%	8.5%	8.6%	12.1%	18.6%	8.9%	33.5%
6	US Large-caps (C)	-1.9%	1.0%	10.1%	7.2%	11.3%	20.6%	8.1%	37.8%
7	Lifetime 2050	-0.9%	0.8%	6.8%	7.2%	10.2%	15.7%	7.3%	28.8%
8	Long-term Inc (L)	-0.4%	0.4%	4.0%	4.8%	6.7%	9.7%	4.8%	18.2%
9	Short-term Inc (G)	0.1%	0.1%	1.2%	2.4%	3.3%	4.4%	2.1%	9.0%
10	Fixed Income (F)	0.5%	0.1%	0.8%	1.3%	2.1%	4.6%	1.1%	9.7%

***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	11.5%	22.6%	16.3%	23.3%	-15.9%	19.9%	new	--	--	--
TSP Moose	10.1%	15.3%	11.8%	16.5%	-3.4%	13.3%	21.8%	14.9%	6.5%	21.0%
L2050	9.9%	19.7%	14.0%	20.0%	-13.4%	16.3%	14.8%	23.3%	-6.0%	18.8%
L2040	8.9%	17.8%	12.9%	18.1%	-11.4%	14.5%	13.2%	20.7%	-4.9%	16.8%
L2030	7.3%	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

MOU: Something For Everyone... To Hate

If one believes the pollsters, the recent US ceasefire agreement (Islamabad MOU, 6/17/26) with the Islamic Republic is considered the worst thing since weevil-infested, moldy, unsliced bread. It seems there is something for everyone to complain about, and they are. It has put President Trump's approval rating in the tank. That, of course, is part and parcel of "the art of the deal". Nobody gets everything they want.

The MOU's immediate goals are ceasefire enforcement, reopening the Strait of Hormuz (toll-free for 60 days), lifting the US naval blockade, oil export waivers, and access to frozen Iranian assets.

Primary negotiations: Ending Iran's nuclear weapons program (especially highly enriched uranium), full sanctions relief, reconstruction funding (~\$300 billion plan), and regional issues like Lebanon. Early talks in Switzerland (June 21–22) produced a roadmap, working groups, and modest progress (e.g., IAEA inspectors returning).

Key Challenges include very ambitious 60-day timeline. Experts call a full deal in 60 days unrealistic due to complex issues such as Nuclear limits, a sanctions schedule, curbing proxies in Lebanon, and long-term control of the Strait of Hormuz. Deep distrust is also an issue. Iran benefits from early concessions and a "status quo" freeze on new US sanctions or military moves. It is perceived as a nation with a less than stellar past over the last 50 years when it comes to keeping its word.

This week (a few days after signing) Iran attacked Bahrain and Kuwait with missiles and drones, hitting a couple of ships in the Strait as well (neither sunk, no fatalities). The US responded with airstrikes on coastal installations and weapons storage facilities. We're only about 1–2 weeks in, but that is hardly a fortuitous start.

History can be unkind to deal-makers. British Prime Minister Neville Chamberlain claimed to have secured "Peace for our time" with his 1938 Munich deal with Adolph Hitler. A year later World War II broke out when Hitler invaded Poland and Chamberlain got dumped for Winston "we will never surrender" Churchill.

Short-term, MOU progress may be possible on technical issues, but a comprehensive agreement will likely need extensions and patience. Success hinges on whether both sides prefer compromise over returning to conflict. The situation remains fragile but moving forward for now. It won't hurt to give it some time. Avoiding US casualties on the ground in Iran is a worthwhile objective-- but only if it never comes at the expense of millions of American casualties from a dirty bomb.