MOOSECALLS

Global Financial News & Analysis

NOV21.2025 through NOV30.2025

EXECUTIVE SUMMARY: NOV21, 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-OFF (1)

THIS was the 1st Risk-OFF week after one MIXED-Risk week: US Stocks DOWN, Foreign Stocks DOWN, Bonds UP, and Gold DOWN.

Pivoting-on-the-Pivot-Pivot

Three months ago, the Fed pivoted from inflation worries to job concerns and began easing US interest rates. After two meetings the chairman decided to pivot-on-the-pivot and snatch away the December punch bowl. Last week two voting Fed Presidents joined Chairman Powell in opposing an expected December rate cut. The markets weakened as a result. Late this week, however, two Fed governors came out in support of the December cut, stemming equities' retreat in part on Friday. US Large cap (-1.9%) and small cap (-0.8%) equities still triggered stop-losses in equity models and switches from equities into cash, but the lack of follow-through to the downside suggests a false stop and a buy-the-dip opportunity once the Fed quiet period begins next weekend. US Treasury bonds (+0.7%) attracted minor support and slightly lower yields as stocks fell. Global markets are also down since the Fed's last meeting and got slammed again this week. Asia Pacific (-3.6%), Japan (-3.3%), Europe (-2.5%) and Latin America (-2.4%) all suffered losses. thanks in part to a stronger Dollar (+1.0%). The firmer greenback also weighed on the commodity index (-2.2%), including oil prices (-2.9%) and gold (-0.4%). Two of out three models switched.

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: No inflation news this week. Gold remains in a 10% correction from overbought levels. Bitcoin has suffered a 47% collapse in six weeks.

US ECONOMIC DATA: Generally good. Jobs Beat, Unemployment Up, Earnings & Workweek Disappoint. Latest Q3 GDP Now (+4.2%) above post-war trend. Latest recession probability a year out (10/2026) still negligible. Federal data reappears as government reopens.

FEDERAL RESERVE: Two Fed governors touted a December rate cut this week, balancing out the two who pooh poohed it during the shut-down. The Fed's balance sheet stands at $6.59 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 (70%).

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 however did trigger a stop-loss this week (11/18) pushing the US Equity Strategy (USES) Model into money market cash. Similarly, all Thrift Savings Plan (TSP) assets with an equity component have triggered the same stop, putting the model in cash (Fund G) as well. Current equity stop-losses reflect uncertainty over Fed rate cut plans, which should be resolved on December 10.

GLOBAL OUTLOOK: NEUTRAL (2 of 4)

Indications are currently neutral for the global economy.

An international shipping measure and proxy for current global trade**, the Baltic Dry Index rose 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 rose to 5.10 this week, and remains higher this quarter, a positive.** Domestically, **10Y US bond yields fell to 4.06% 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 NOV30.2025

This week: Gold (GLD) leads in global momentum. The free 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	+/-
1	100%	Gold Bullion (GLD)	104%	very bullish	52.4	1.74	positive
2	97%	Latin America (ILF)	104%	very bullish	53.1	2.10	positive
3	92%	Asia Pacific ex-Japan (AAXJ)	85%	very bullish	36.4	0.36	positive
4	71%	US Large-caps (SPY)	79%	bullish	41.6	0.12	positive
5	71%	Japan (EWJ)	81%	very bullish	45.2	0.32	positive
6	69%	US Small-caps (IWM)	61%	bullish	43.9	-0.67	negative
7	50%	Europe (IEV)	74%	bullish	44.0	0.07	positive
8	9%	Short US Income (SGOV)	88%	very bullish	99.4	0.16	positive
9	-6%	Very Long US Bonds (EDV)	74%	bullish	45.5	-0.04	negative
		Ryan/CRB Indicator	102%	no change			
		ST Interest Rate Equity Indicator	-56%	bearish			
		Volatility Index	136%	very bearish	59.3	-0.58	negative
		US Dollar (UUP)	80%	very bullish	67.6	0.62	positive
		Commodities (DBC)	92%	very bullish	43.5	0.57	positive
		US Oil (USO)	6%	very bearish	41.6	-0.58	negative

Global Economy through NOV30.2025

GLOBAL RANKING: TECHNICAL OVERVIEW

#1 GOLD Holds Near-Term Support--
Gold bullion's price is **very bullish** and ranked **1** globally, **more** attractive than cash. GLD **fell 0.4%** this week, following last week's **2.1% gain** leaving it **up 20.5%** for the quarter (13 weeks) **and up 49.8%** for the year (52 weeks).

#2 LATIN AMERICA Reverts to the Mean--
Latin American equities (ILF) are **very bullish** and ranked **2** globally, **more** attractive than cash. ILF **fell 2.4%** this week, following last week's **0.9% gain**. That leaves ILF **up 11.5%** for the quarter (13 weeks) **and up 23.4%** for the year (52 weeks).

#3 ASIA-PACIFIC Weakens on China-Japan Trade--
Asia-Pacific ex-Japan equities (AAXJ) are **very bullish** and ranked **3** globally and **less** attractive than cash. AAXJ **fell 3.6%** this week, following last week's **0.6% gain**. That leaves AAXJ **up 3.9%** for the quarter (13 weeks) **and up 22.4%** for the year (52 weeks).

#4 US LARGE-CAPS Trigger 20-day Stop-Loss--
US large-cap stocks (SPY) are **bullish** and ranked **4** globally, **less** attractive than cash. SPY **fell 1.9%** this week, following last week's **0.1% gain**. That leaves SPY **up 2.1%** for the quarter (13 weeks) **and up 10.7%** for the year (52 weeks). **CASH has replaced GROWTH** as the top US equity strategy due to stop-losses triggered in SPY and its strategic options. US equity sector breadth is positive, but technicals are deteriorating. **Top "Buys"** include Semiconductors, Gold Miners, Technology. **Top "Avoids"**: Food and Beverage, Staples, Healthcare Providers.

#5 US SMALL-CAPS Trigger New Stop-Loss--
Japanese stock prices (EWJ) are **very bullish** and ranked **5** globally, **less** attractive than cash.
EWJ **fell 3.3%** this week, following last week's **0.8% gain**. That leaves EWJ **up 1.5%** for the quarter (13 weeks) **and up 19.5%** for the year (52 weeks).

#6 JAPAN Down As China Restricts Trade-- US small-cap stocks (IWM) are **bullish** and ranked **6** globally, **less** attractive than cash. IWM **fell 0.8%** this week, following last week's **1.7% loss**. That leaves IWM **up 0.3%** for the quarter (13 weeks) **but down 1.3%** for the year (52 weeks). (Quarterly up vs annual down → keep **"but"**)

#7 EUROPE: Gaps Below Near-Term Support--
European equities (IEV) are **bullish** and ranked **7** globally, **less** attractive than cash. IEV **fell 2.5%** this week, following last week's **1.5% gain**. That leaves IEV **down 0.6%** for the quarter (13 weeks) **but up 22.8%** for the year (52 weeks).

#8 CASH and 10Y T Yields Lower— Cash is ranked 8th in the index model. The US Treasury 10-year yield finished the week 9 ticks lower at 4.06% and the 3-month yield was down 5 ticks at 3.74%, leaving the yield curve flatter but still positively sloped at 34 basis points.

#9 BONDS 4-Week Decline Slows--
US Long-zeros 25y+ are **bullish** and ranked **9** globally, **less** attractive than cash. EDV **rose 0.7%** this week, following last week's **1.2% loss**. That leaves long bonds **up 4.1%** for the quarter (13 weeks) **but down 4.3%** for the year (52 weeks).

Bullish Dollar Breaks to New High--
The US Dollar is **very bullish**. It **rose 1.0%** this week, following last week's **0.2% loss**. That leaves it **up 3.9%** for the quarter (13 weeks) **but down 6.4%** in the last year (52 weeks).

COMMODITY & OIL Prices Down--
The CRB is **very bullish** this week after last week's **0.5% gain**. That left commodity prices **down 1.5%** for the quarter (13 weeks) **but up 2.0%** for the year (52 weeks). Meanwhile, **very bearish** oil prices (USO) **fell 2.9%** this week, following last week's **0.2% gain**. That leaves US oil prices **down 7.2%** for the quarter (13 weeks) **and down 6.7%** for the year (52 weeks).

US ECONOMY: GOV'T DATA

Jobs Beat, Unemployment Up, Earnings & Workweek Disappoint

US Economy: week of NOV21.2025

THIS WEEK: INCOMPLETE BUT GENERALLY GOOD

THE GOOD: Most recent WEEKLY **Initial Claims** (220K) less than prior which was revised lower. NOV **Empire State Manufacturing** (18.7) beat consensus and prior. NOV **NAHB Housing Market Index** (38) beat consensus and prior. NOV **S&P Global U.S. Services PMI – Prelim** (55.0) up from previous. NOV **Univ. of Michigan Consumer Sentiment – Final** (51.0) beat consensus and prior. OCT **Existing Home Sales** (4.10M) beat consensus and prior. SEP **Nonfarm Payrolls** (119K) beat forecast and revised prior. AUG **Construction Spending** (+0.2%) in line with previous, beating forecasts. AUG **Factory Orders** (1.4%) unexpectedly positive beating prior and estimates. AUG **Trade Balance** (-$59.6B) Trade deficit less than expected and below previous month. AUG **Wholesale Inventories** (0.0%) no build or draw

THE BAD: Early WEEKLY **Initial Claims** (232K) higher than previous. WEEKLY **Continuing Claims** (1947K) higher than previous. WEEKLY **Continuing Claims** (1974K) up from previous. WEEKY **EIA Crude Oil Inventories** (-3.43M) shifted to draw from build (+6.41M) as oil prices fell. NOV **Philadelphia Fed Index** (-1.7) still unexpectedly contracting, but far less than previous. NOV **S&P Global U.S. Manufacturing PMI – Prelim** (51.9) down from prior. SEP **Unemployment Rate** (4.4%) up a tick. SEP **Avg. Hourly Earnings** (+0.2%) below prior and forecasts. SEP **Average Workweek** (34.2) in line with prior, below consensus

THE UGLY: Nothing

US ECONOMY: INFLATION DATA

OCT CPI & PPI DELAYED

US Inflation: week of NOV21.2025

AUG PCE (+0.3%) up inline. (1yr: 2.7%)
AUG Core PCE (+0.2%) up inline (1yr: 2.9%)
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 CPI (+0.3%) below prior (1 yr= +3.0%)
SEP Core CPI (+0.2%) cooler than prior. (1 yr= +3.0%)
AUG PPI (-0.1%) cooler. (1 yr= +2.6%)
AUG Core PPI (-0.1%) cooler. (1 yr= +2.8%)
AUG Import Prices (+0.3%) warmer (1yr= +0.0%)
AUG Export Prices (+0.3%) warmer (1yr= +3.4%)

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 4.2%

Atlanta Fed Current GDP Model (11/21/2025): **Q3 Annualized +4.2% (Last week: Q3 Annualized +4.2%)**

US ECONOMY: FEDERAL RESERVE
FED BALANCE SHEET ($6.57T); FFR @ (3.75-4.00%)

Federal Reserve: week of NOV21.2025

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 6.569T, DOWN (0.011T) in the latest week (NOV19, 2025). The Fed Funds Rate was lowered 25 BPS to 3.75-4.00% at the OCT29 FOMC meeting. The next FOMC meeting is DEC10.

The Fed Check at 102% suggests global commodity inflation requires no change in the Fed overnight rate. The US 2-Year yield at 3.50%, however, is 37 bps LOWER than the Fed overnight rate (3.87%), 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. **After Fed chair Powell's hawkish comments following the 10/29/2025 FOMC meeting, futures regarding a December cut dropped to 41% this week before rebounding to 70% Friday on new dovish Fed comments.**

The 3m-10y yield curve flattened this week, going from a positive slope of 36 bps to one of 34 bps, as the 10-year US Treasury yield fell 9 bpt to 4.06%, and the 3-month cash yield fell 5 ticks to 3.74%. 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.**

The 3-month SOFR yield at 3.91% is down this week, while the 3-month T-bill at 3.74% is also down. That puts the SOFR/T-Bill (SOF-T) spread at 17 basis points, below its 200-day (19 bps). **A falling SOF-T spread signals a safer, more confident financial system.**

FED OVERALL THIS WEEK: NEUTRAL (0) LW: DOVISH (+1)
Rate Posture: (Cutting) DOVISH (+1),
Balance Sheet (Steady) NEUTRAL, (0),
Fed Speak HAWKISH (-1),
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:
Bullish Dollar Breaks to New High

US Dollar: UUP rose 1.0% this week, following last week's 0.2% loss. It is currently very bullish—up 3.9% for the quarter (13 weeks), **but** down 6.4% 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 improving, but RSI14 at 67.6 is neither overbought nor oversold. A Dollar strengthened this week, enhancing 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) triggered a buy-stop this week as the Federal government reopened after 39 days. (Dollar price momentum is still positive and now improving.) The Dollar rallied even as US interest rates fell. After three weeks of Fed hawks backing away from a December rate cut, a couple of Fed doves came out in favor of one. The notion that the Fed might not be inclined to trash the economy to spite Trump apparently helped the Dollar. 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 down 0.9% this week. The Yen is very bearish, and down 1.3%. The Pound is bearish, and down 0.4%. The Canadian $ is bearish, and down 0.5%. The Australian $ is neutral, and down 1.2%, and the Swiss franc is neutral and down 1.7%.

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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)	47%	neutral	US$ Investors match hedged
British Pound (FXB)	30%	bearish	US$ investors outperform hedged
Canadian Dollar (FXC)	22%	bearish	US$ investors outperform hedged
Euro Dollar (FXE)	46%	neutral	US$ investors match (IEV=HEDJ)
Swiss Franc (FXF)	53%	neutral	US$ investors match hedged
Japanese Yen (EXY)	2%	very bearish	US$ investors outperform hedged (DXJ>EWJ)

US Bond Market:
#9 BONDS' 4-Week Decline Slows

US Long Treasury Bonds: EDV rose 0.7% this week, following last week's 1.2% loss, leaving it ranked #9 globally and less attractive than cash. Long bonds are up 4.1% for the quarter (13 weeks) but down 4.3% for the year (52 weeks) as yields have risen. The US Treasury 10-year yield finished the week 8 ticks lower at 4.06% and the 3-month yield was lower at 3.74%, leaving the yield curve positively sloped 32 basis points. That reduces the odds of a recession in late 2026. Technically, US long bonds are bullish and at 68, EDV is below its short-term (50-day) average at 69, and above its I Intermediate-term (200-day) average at 67. Momentum (PMO) is fractionally negative, and its 14-day RSI of 46 means EDV is neither overbought nor oversold. As for currency effects, the Dollar strengthened this week, enhancing return for dollar investors in US bonds. Longer term, the bullish Dollar spurs investment in US assets, while reducing US trade competitiveness.

This week, a higher unemployment rate and disappointing earnings growth, along with Fed jawboning in support of a December cut, helped bonds make up some lost ground. Over the last four weeks, with the Fed newly hawkish, bond prices are down, a bet on economic strength. With the Federal government reopened, "free money" is once again flowing (freely) and adding to the public debt. In addition, private cap-ex debt is expanding under the 2025 tax legislation and pressuring interest rates. Despite this week's small gain, EDV remains below its 50-day (and bearish short term) for the first time since the August rate cut announcements. Momentum is negative and deteriorating, suggesting inflation worries are picking up. The overnight Fed Funds rate (3.87%) is finally lower than the 10-year Treasury yield (4.06%), but still higher than the 2-year yield (3.50%) suggesting the Fed should provide at least another 25 basis-point Fed rate cut (70%) 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%).

(Charts reprinted with permission from stockcharts.com.)

US Equity Market:
#4 US LARGE-CAPS Trigger 20-day Stop-Loss

US Large-Cap Stocks: SPY fell 1.9% this week, following last week's 0.1% gain, leaving it ranked #4 globally and less attractive than cash. The index is up 2.1% for the quarter (13 weeks), **and** up 10.7% for the year (52 weeks). Technically, US large caps are bullish and at 659, SPY is below its short-term (50-day) average at 668, and above its intermediate-term (200-day) average at 614. Its momentum (PMO) is positive, and its 14-day RSI of 99.4 means SPY is neither overbought nor oversold. As for currency effects, the Dollar strengthened this week, enhancing return for dollar investors in US stocks. Longer term, the bullish Dollar spurs investment in US assets, while reducing US trade competitiveness.

SPY triggered stop losses this week, ending six months of unwavering short-term support. Equity models (TSP and USES) were kicked into cash, but it may be a false signal and chance to buy the dip. The index has backed off its peak since the last rate cut (10/29), and Fed chairman Powell's hawkish attempt to pull away the December punchbowl. But the Fed-induced negativity may be approaching its nadir as two Fed governors came out this Friday in favor of the December cut and stocks rallied. Meanwhile, SPY is up 12.5% in six months, and large cap momentum remains positive but deteriorating. 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: EDV-- A market value-weighted index of high-duration, zero-coupon 25-year US Treasury securities. **Countries:** US (100%). **Top Sectors:** Government (93%), Cash (4%), ETFs (2%), Energy minerals (1%).

(Charts reprinted with permission from stockcharts.com.)

US Equity Market:
#5 US SMALL-CAPS Trigger New Stop-Loss

US Small-Cap Stocks: IWM fell 0.8% this week, following last week's 1.7% loss, leaving it ranked #6 globally and less attractive than cash. The index is up 0.3% for the quarter (13 weeks), **but** down 1.3% for the year (52 weeks). Technically, US small caps are bullish and at 236, IWM is below its short-term (50-day) average at 242, and above its intermediate-term (200-day) average at 219. Its momentum (PMO) is positive, and its 14-day RSI of 44.0 means IWM is neither overbought nor oversold. As for currency effects, the Dollar strengthened this week, enhancing return for dollar investors in US assets. Longer term, the bullish Dollar spurs investment in US assets, while reducing US trade competitiveness.

IWM triggered more stop losses this week, extending a month-long decline. Small-cap equities in our models (TSP and USES) were kicked into cash last week. They are less likely than large caps to be a near-term chance to buy the dip. Although IWM is up 15.2% in six months, small cap momentum has turned negative this week and is still deteriorating. The index has backed off its peak since the last rate cut (10/29), and Fed chairman Powell's hawkish attempt to pull away the December punchbowl. But the Fed-induced negativity may be approaching its nadir as two dovish Fed governors came out this Friday in favor of the December cut and small caps rallied. 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, 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, but technical strength is deteriorating-- 85% of our sectors are buy or hold (L74%) with BUYS now 26% (L26%) and HOLDS now 59% (L48%). AVOIDS are currently 15% (L26%). Potential "Buys" include Gold Miners, Semiconductors, Biotechnology. "Avoids": Healthcare Providers, Staples, Food and Beverage.

CI%	Description	ROC	TS	READ	RSI		PMO	+/-	Condition
100%	Bitcoin (BLOK)	60%	36%	bearish	27.57	OS	-3.7	negative	deteriorating
96%	Semiconductors (SMH)	67%	89%	very bullish	39.31		1.0	positive	deteriorating
92%	Gold Miners (GDX)	62%	113%	very bullish	48.49		1.7	positive	deteriorating
62%	US Technology (IYW)	43%	73%	bullish	36.15		0.1	positive	deteriorating
45%	US Aerospace & Def (PPA)	30%	53%	neutral	30.10		-0.7	negative	deteriorating
38%	Biotechnology (IBB)	40%	119%	very bullish	70.75	OB	3.2	positive	improving
34%	Telecom (FCOM)	27%	47%	neutral	45.70		-0.6	negative	deteriorating
31%	**S&P 500 (SPY)**	**24%**	**79%**	**bullish**	**41.65**		**0.1**	**positive**	**deteriorating**
31%	DJ Internet Index (FDN)	21%	30%	bearish	29.97		-1.6	negative	deteriorating
25%	Media Portfolio (XLC)	21%	44%	neutral	44.39		-0.8	negative	deteriorating
25%	Industrials (XLI)	20%	48%	neutral	40.42		-0.4	negative	deteriorating
23%	Capital Markets (KCE)	21%	15%	very bearish	36.75		-1.8	negative	deteriorating
23%	Retail (XRT)	18%	27%	bearish	45.00		-1.8	negative	deteriorating
23%	Software (XSW)	16%	17%	very bearish	33.30		-2.2	negative	deteriorating
22%	US Pharmaceuticals (IHE)	30%	118%	very bullish	78.61	OB	3.2	positive	improving
21%	Utilities (XLU)	17%	90%	very bullish	42.13		0.3	positive	deteriorating
18%	Transports (IYT)	17%	56%	neutral	44.77		-0.3	negative	deteriorating
16%	US Oil Equip & Serv (IEZ)	28%	88%	very bullish	52.80		2.0	positive	deteriorating
15%	KB Banks (KBE)	18%	25%	bearish	53.17		-0.8	negative	deteriorating
9%	Home Construction (XHB)	9%	15%	very bearish	48.13		-1.9	negative	deteriorating
5%	Oil/Gas Expl & Prod (XOP)	21%	93%	very bullish	49.98		0.6	positive	improving
4%	US Medical Devices (IHI)	8%	69%	bullish	58.49		0.7	positive	improving
2%	Select Materials (XLB)	8%	15%	very bearish	47.55		-1.0	negative	improving
2%	REITs (VNQ)	7%	43%	neutral	48.73		-0.4	negative	deteriorating
0%	**CASH**	**0%**	**101%**	**very bullish**	**69.98**		**0.2**	**positive**	**improving**
-6%	KBW Insurance (IAK)	3%	82%	very bullish	61.63		0.5	positive	improving
-8%	Consumer Staples (XLP)	-3%	17%	very bearish	54.15		-0.6	negative	improving
-8%	Food & Beverage (PBJ)	-3%	10%	very bearish	49.44		-1.2	negative	improving
-16%	US Health Providers (IHF)	-13%	44%	neutral	44.74		-0.8	negative	deteriorating

INTERNATIONAL MARKETS:
#1 GOLD Holds Near-Term Support

Gold Bullion: GLD's price fell 0.4% this week, following last week's 2.1% gain, leaving it ranked 1 globally and more attractive than cash. Most recently GLD is up 20.5% for the quarter (13 weeks), **and** up 49.8% for the year (52 weeks). Technically, Gold bullion (GLD) is currently very bullish and at 374 above its short-term (50-day) average at 367, and above its intermediate-term (200-day) average at 317. Its momentum (PMO) is positive, and its 14-day RSI of 41.6 means GLD is neither overbought nor oversold. As for currency effects, the US Dollar strengthened this week, dampening return for dollar investors in gold bullion. Longer term, a bullish Dollar dampens return to Dollar investors in gold.

GLD was overbought for 7 weeks before correcting 10% in late October. About a week later chairman Powell suggested the Fed might pull back the December punchbowl and gold bugs braced for the worst, but nothing happened. GLD showed no signs of a meltdown, making for a possible buy-the dip opportunity. On the bearish side, a bullish US Dollar medium-term is a drag on gold but that will change in a heartbeat with a third rate cut or rumors of it. 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 Down

Commodities: A very bullish CRB fell 2.2% this week after last week's 0.5% gain. That left commodity prices down 1.5% for the quarter (13 weeks), **and** up 2.0% for the year (52 weeks). At 296 the CRB is below its short-term (50-day) average at 299, and below its intermediate-term (200-day) average at 300. Its momentum (PMO) is deteriorating, and its 14-day RSI of 43 means the CRB is neither overbought nor oversold.

Crude Oil: Meanwhile, oil prices (USO) fell 2.9% this week, following last week's 0.2% gain, and are currently very bearish. That leaves US oil prices down 7.2% for the quarter (13 weeks), **and** down 6.7% for the year (52 weeks). At very bearish, USO is 69 its short-term (50-day) average at 69, and 72 its intermediate-term (200-day) average at 72 (values preserved as provided). The Dollar strengthened this week, dampening return for investors in hard assets. Longer term, the bullish Dollar is dampening return for investors in commodities and oil.

Commodities and oil dropped substantially lower this week, weakened by a stronger medium-term US Dollar. Should the Fed decide on a December rate cut however, commodities could reverse higher. 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 Below Near-Term Support

European Large-Cap Stocks: IEV fell 2.5% this week, following last week's 1.5% gain, leaving them ranked #7 globally and less attractive than cash. Most recently, Europe is down 0.6% for the quarter (13 weeks), **and** up 22.8% for the year (52 weeks). Technically, IEV is bullish at 65—below 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 44 means IEV is neither overbought nor oversold. As for currency effects, the Euro weakened this week, dampening return for dollar investors in European stocks. Longer term, a neutral Euro enhances return to Dollar investors, but limits Europe's trade competitiveness.

European equities gapped down below its 50-day on Monday's open, triggered three stop-losses by Thursday and bounced fractionally on Friday. The swoon followed a common theme in offshore equities this week—sharp losses exacerbated by a stronger US Dollar as the frustration over no Fed December rate cut in Europe's key trading partner seemed to peak. Then on Friday two Fed governors came out in favor of the December cut and stocks rallied. 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 Down As Stimulus Meets Inflation Fear

Japanese Stocks: EWJ fell 3.3% this week, following last week's 0.8% gain, leaving it ranked #5 globally and less attractive than cash. Most recently, Japan is up 1.5% for the quarter (13 weeks), **and** up 19.5% for the year (52 weeks). Technically, EWJ is very bullish at 81, below its short-term (50-day) average at 82, but above its intermediate-term (200-day) average at 75. Its momentum (PMO) is 0, and its 14-day RSI of 45.5 means EWJ is neither overbought nor oversold. As for currency effects, the Yen weakened this week, dampening return for dollar investors in Japanese stocks. Longer term, a bullish Yen enhances return to Dollar investors, but limits Japan's trade competitiveness.

New Japanese PM, Sanae Takeichi announced a US$135B stimulus program to boost growth and assist households with affordability. Meanwhile, inflation continues to rise at 3% or so, prompting reports from the BoJ this week that it is 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. The swoon followed a common theme in offshore equities this week— sharp losses exacerbated by a stronger US Dollar as the frustration over no Fed December rate cut in Japan's key trading partner seemed to peak. 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 Weakens on China-Japan Trade

Asia-Pacific ex-Japan: AAXJ fell 3.6% this week, following last week's 0.6% gain, leaving it ranked #3 globally and less attractive than cash. The index is up 3.9% for the quarter (13 weeks), **and** up 22.4% for the year (52 weeks). Technically, AAXJ is very bullish and at 91, below its short-term (50-day) average at 92, and above its intermediate-term (200-day) average at 83. Its momentum (PMO) is 0, and its 14-day RSI of 43.9 means AAXJ is neither overbought nor oversold. As for currency effects, the US Dollar strengthened this week, dampening 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.

Asia-Pacific equities finished sharply lower this week and have been a struggling for four weeks. This week's swoon followed a common theme in offshore equities this week—sharp losses exacerbated by a stronger US Dollar as the frustration over no Fed December rate cut in Asia's key trading partner seemed to peak. Fed rate cuts and a weak Dollar have boosted Asian stocks over the last six months, but now the Dollar has broken above intermediate term resistance and further US rate cuts have been put into question, according to the Fed chair. Despite the last four weeks, equities in Asia remain positive. Several Asian equity markets are still more attractive than US stocks (VTI +11) including South Korea (EWY +48), Hong Kong (EWH +15), and Taiwan (EWT +13). Singapore (EWS +8) and China (FXI +7) lag the US but are positive, while Australia (EWA -1) and India (PIN -3) are bearish and lagging 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:
#2 LATIN AMERICA Reverts to the Mean

Latin America 40: ILF fell 2.4% this week, following last week's 0.9% gain, leaving it ranked #2 globally and more attractive than cash. The index is up 11.5% for the quarter (13 weeks), **and** up 23.4% for the year (52 weeks). Technically, ILF is very bullish and at 30, 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 45.2 means ILF is neither overbought nor oversold. As for currency effects, the Dollar strengthened this week, dampening return for dollar investors in Latin stocks. Longer term, the 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.

ILF’s 5-week rally off its 50-day ended two weeks ago. This week the swoon followed a common theme in offshore equities—sharp losses exacerbated by a stronger US Dollar as the frustration over no Fed December rate cut in a key Latin American trading partner seemed to peak. Fed rate cuts and a weak Dollar have boosted Asian stocks since August, but now the Dollar has broken above intermediate term resistance and further US rate cuts have been called into question, according to the Fed chair. 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 +11) for nine months but are fading lately. Colombia (COLO +23) and Brazil (EWZ +15) are strongest. Mexico (EWW +9), and Chile (ECH +11) are comparable, and while Argentina was bearish, new elections last week tossed the lefties and gave capitalism a new lease (ARGT now at -10, down from -4 three weeks ago.) Even Canada (EWC +13) which is not in ILF, but a key player in the hemisphere continues to do well 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	**49.8%**	5.5%	3.6%	-16.3%	11.7%	13.2%	-6.5%	5.1%	9.0%	-6.0%
Aggressive G&I (AOA)	13.7%	11.5%	15.6%	-17.9%	13.5%	10.7%	12.5%	-6.2%	8.0%	3.5%
S&P Benchmark	12.4%	24.5%	24.3%	-19.5%						
Moderate G&I (AOM)	9.1%	4.9%	9.2%	-16.4%	5.3%	7.7%	19.5%	-9.9%	14.1%	5.3%
US Strategy Moose	0.0%	26.1%	12.3%	-7.0%	22.2%	20.9%	23.6%	1.2%	28.5%	-5.6%

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

The table above is short, but it illustrates several points: (1) Success of any strategy can be highly variable year-to-year. (2) Just because it worked last year doesn't mean it will next year. (3) Buy-and-hold is preferable in a bull market with few lasting or deep corrections amid trendless volatility. (4) When stocks are trending strong, aggressive buy-and-hold is best, but when stocks go bearish it can be a huge loser. (5) To avoid substantial losses, buy-and-hold investors should have a separate exit plan, whereas such plans are implicit in index targeting (a loss-minimization strategy). (6) Market timing is most profitable when there is one predominant asset choice, or in extended bear market scenarios.

The US Equity Strategy (USES) Model
TOP US Equity Strategy: SWITCH to CASH

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 of the US Equity Strategy funds triggered stop-losses this week, including SPY, initiating a switch from Growth to money market cash on 11/18/25. 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 1st Risk-OFF week after one MIXED-Risk week: US Stocks DOWN, Foreign Stocks DOWN, Bonds UP, and Gold DOWN.

	CI%	Description	ROC	TS	READ	RSI	PMO	+/-	Condition
1	100%	US Growth (IUSG)*	32%	71%	bullish	40.6	0.01	positive	deteriorating
2	76%	US Momentum (MTUM)*	24%	45%	neutral	29.3	-1.06	negative	deteriorating
3	70%	US Large-caps (SPY)*	25%	79%	bullish	41.6	0.12	positive	deteriorating
4	47%	US Fundamentals (QUAL)*	18%	77%	bullish	44.4	-0.07	negative	deteriorating
5	36%	US Value (IUSV)*	16%	85%	very bullish	46.2	0.19	positive	deteriorating
6	31%	S&P Equal Weight (RSP)*	14%	46%	very bullish	45.8	-0.40	negative	deteriorating
7	**9%**	**Cash (SGOV)***	**3%**	**88%**	**very bullish**	**99.4**	**0.16**	**positive**	**deteriorating**
8	0%	Short Income (SHY)*	0%	79%	bullish	61.1	0.05	positive	deteriorating
9	-1%	US High Dividend (SPYD)*	6%	31%	bearish	49.9	-0.61	negative	deteriorating
10	-10%	US Low Volatility (SPLV)*	2%	24%	bearish	55.7	-0.21	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 three quarters & MTUM over 3 years

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

	YTD	Description	this wk	last wk	13wk	26wk	39wk	52wk	3Y
1	16%	US Growth (IUSG)	-2.1%	-0.4%	2.5%	**13.7%**	**10.9%**	**18.5%**	**64.5%**
2	16%	US Momentum (MTUM)	-3.3%	-0.9%	-2.6%	3.6%	4.5%	13.9%	61.6%
3	13%	US Large-caps (SPY)	-1.9%	0.1%	**2.7%**	11.5%	8.5%	13.0%	50.2%
4	9%	US Value (IUSV)	-1.6%	**0.7%**	**2.7%**	8.4%	4.9%	5.0%	32.2%
5	9%	US Fundamentals (QUAL)	-1.2%	0.6%	2.3%	7.7%	3.8%	7.5%	40.2%
6	7%	S&P Equal Weight (RSP)	-0.8%	-0.1%	0.4%	4.1%	2.9%	4.3%	32.6%
7	5%	US Low Volatility (SPLV)	**0.5%**	0.8%	-0.6%	-0.8%	0.6%	1.2%	24.3%
8	4%	Short Income (SHY)	0.2%	0.0%	1.1%	2.4%	3.8%	4.8%	9.9%
9	3%	Cash (SGOV)	0.0%	0.0%	1.1%	2.2%	3.2%	4.4%	10.1%
10	2%	US High Dividend (SPYD)	-0.2%	0.5%	-0.8%	1.4%	-0.3%	-3.3%	31.7%

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 #1 Gold (GLD) via buy-stop after selling #2 EFA 8/28/25.

THIS was the 1st Risk-OFF week after one MIXED-Risk week: US Stocks DOWN, Foreign Stocks DOWN, Bonds UP, and Gold DOWN.

CI%	FUND	ROC	TS+	READ	RSI	PMO	+/-	condition	CI%
100%	Gold Bullion (GLD)	28%	104%	very bullish	52.4	1.74	positive	deteriorating	100%
88%	Emerging Markets (EEM)	31%	86%	very bullish	37.5	0.52	positive	deteriorating	88%
71%	US Large-caps (SPY)	24%	79%	bullish	41.6	0.12	positive	deteriorating	71%
69%	US Small-caps (IWM)	25%	61%	bullish	43.9	-0.67	negative	deteriorating	69%
56%	Developed Markets (EFA)	21%	70%	bullish	42.5	-0.01	negative	deteriorating	56%
9%	Short US Inc (SGOV)	3%	88%	very bullish	99.4	0.16	positive	deteriorating	9%
-6%	Long US Bonds (EDV)	1%	74%	bullish	45.5	-0.04	negative	deteriorating	-6%

	YTD	Description	13wk	26wk	39wk	52wk	3Y
1	55%	Gold Bullion (GLD)	21.8%	23.3%	37.5%	51.7%	103.8%
2	28%	Emerging Markets (EEM)	7.0%	17.8%	21.3%	26.0%	42.3%
3	25%	Developed Markets (EFA)	0.9%	6.1%	15.7%	23.7%	38.8%
4	13%	US Large-caps (SPY)	4.0%	12.5%	11.3%	12.4%	50.2%
5	7%	US Small-caps (IWM)	4.6%	15.2%	9.5%	1.3%	36.7%
6	4%	Very Long US Bonds (EDV)	6.2%	7.4%	0.5%	0.6%	5.2%
8	3%	Short US Income (SGOV)	1.1%	2.0%	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 Cash (Fund G)

THIS was the 1st Risk-OFF week after one MIXED-Risk week: US Stocks DOWN, Foreign Stocks DOWN, Bonds UP, and Gold DOWN.

TSP Moose *SWITCHES to Cash (Fund G)* via SL on 11/18/25 (@105.71).

*All of the TSP funds with an equity component triggered stop-losses this week, initiating a switch to cash. Fund C holds the TSP Model's #1 spot per confidence index, price momentum, and technical strength. All of the funds in the TSP universe are working off stop-losses this week. PMO for S has turned negative and it lags Funds C and I in technical strength, RSI and PMO which are more current indicators (0-20 days) than ROC and CI% (130-155 days). No funds in the model are overbought or oversold.

	CI%	FUND	ROC	TS+	READ	RSI	PMO	+/-	condition
1	**0%**	**Short-term Inc (G)**	**0%**	**88%**	**very bullish**	**--**	**0.16**	**positive**	**improving**
2	100%	US Small-caps (S)*	21%	42%	neutral	39.96	-0.99	negative	deteriorating
2	100%	US Large-caps (C)*	22%	76%	bullish	42.01	0.08	positive	deteriorating
4	97%	Lifetime 2060*	20%	67%	bullish	41.00	-0.04	negative	deteriorating
5	94%	International stocks (I)*	18%	71%	bullish	40.94	0.13	positive	deteriorating
6	80%	Lifetime 2050*	17%	71%	very bullish	41.27	-0.01	negative	deteriorating
7	69%	Lifetime 2040*	15%	71%	bullish	41.49	0.01	positive	deteriorating
8	58%	Lifetime 2030*	12%	73%	bullish	41.89	0.04	positive	deteriorating
9	25%	Long-term Inc (L)	5%	73%	bullish	44.18	0.10	positive	deteriorating
10	7%	Fixed Income (F)	2%	92%	very bullish	55.82	0.11	positive	deteriorating

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)	2.4%	9.7%	**18.1%**	**23.2%**	**24.8%**	38.2%
2	Lifetime 2060	2.9%	10.6%	12.7%	14.6%	16.4%	44.3%
3	Lifetime 2050	2.7%	9.3%	11.4%	13.1%	14.5%	38.2%
4	US Large-caps (C)	**3.6%**	**11.8%**	10.9%	12.4%	13.5%	**49.4%**
5	Lifetime 2040	2.5%	8.5%	10.4%	12.2%	13.3%	34.5%
6	Lifetime 2030	2.3%	7.5%	9.4%	11.0%	11.9%	30.2%
7	Long-term Inc (L)	1.7%	4.6%	6.1%	7.5%	7.6%	18.1%
8	Fixed Income (F)	2.4%	5.1%	5.5%	6.8%	7.1%	13.4%
9	US Small-caps (S)	1.1%	8.3%	6.0%	1.4%	6.4%	40.6%
10	Short-term Income (G)	1.1%	2.2%	3.3%	4.5%	4.0%	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	**18.9%**	16.3%	23.3%	-15.9%	19.9%	new	--	--	--
L2050	16.6%	14.0%	20.0%	-13.4%	16.3%	14.8%	23.3%	-6.0%	18.8%
L2040	15.1%	12.9%	18.1%	-11.4%	14.5%	13.2%	20.7%	-4.9%	16.8%
TSP Moose	14.6%	11.8%	16.5%	-3.4%	13.3%	21.8%	14.9%	6.5%	21.0%
L2030	13.2%	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

The DATA Drip Begins

One of the benefits from the reopening of the federal government last week, we are told, is that the Fed will no longer be "flying blind". The economic data regularly expected from the Federal bureaucracy is back, fresh from a month-long paid vacation... more or less. The schedule is still irregular, future revisions are considered highly likely, and some data may be lost forever, and but there are numbers again. Better than a poke in the eye with a sharp stick, you say?

Actually, it depends. Perspective is everything.

We are only a year past a period in which a White House actively conspired with the bureaucracy to create totally false jobs data to win elections. The Bureau of Labor Statistics (BLS) reported millions of new jobs that didn't exist from 2022 through 2024 to sell Bidenomics. When the Fed discovered it and called them on it, the press covered for them and ignored it.

Not until the perpetrators were sent packing did the whole truth finally come out in 2025, but by then the damage had been done. The institutional reputation of both the White House and the Federal data collectors had been severely compromised. Naturally then, when this week's shut-down-delayed September BLS jobs numbers came out on Thursday, the first hurdle for any reasonable observer is to consider the source-- and to try to get past it.

The second hurdle is to figure out how much validity two-month-old data has in November and how much it should have when the Fed next meets December 10. This is the only jobs report before that FOMC meeting and frankly it is not particularly definitive for either the hawks or the doves at the Fed.

For example, the September new jobs headline number (119K) beat expectations (50K) handily, indicating that job growth remains firm. In part, however, negative revisions to July and August (-36K) made the September increase look steeper than it otherwise would have been. (Recall that it was the July and August jobs weakness that caused the Fed to pivot and start easing after nine months of delay.) That the revised July and August have turned out to be even weaker than initially thought would seem to bolster the Fed's original belief that three rate cuts were needed.

The downward revisions for the last two months betray an environment that isn't creating enough payroll jobs to keep unemployment from rising. The U-6 unemployment rate climbed to 4.4%, and the labor force participation rate ticked higher, suggesting some of this unemployment rate increase was driven by better supply growth. Even so, this is the highest U-6 reading since October 2021, and it suggests that the FOMC is struggling vis a vis its 'maximum employment' mandate. (Keep in mind that all of this happened amid estimated 4.2% growth in third quarter US GDP.)

The September jobs report contributed to a 1-2% open for Wall Street early on. Sentiment soured by the close, however, and the morning's gains were lost. The markets seemed to understand that the jobs data, being old and not particularly reliable probably won't change any minds down at the Fed.

Two Fed speakers during the US government shutdown have already joined Chairman Powell and cautioned against further interest rate cuts amid the paucity of economic data. Early in the week, the odds of a cut dropped to 40%, down from 93% before the last Fed meeting.

By Friday, however, two more Fed speakers had taken the rate cut side, pushing the odds of a December 10 rate cut back up to 70%. US stocks after being down all week and triggering 20-day stop-loss levels on Tuesday (11/18) rallied on the better odds Friday. The equity models have to abide by stop-loss rules, but you don't. A market that rallies prior to the weekend suggests short-run confidence and that there is little fear of another shoe to drop.

Those who own stocks should verify this latest stop-loss is not a false signal. My guess would be that it is, and that stocks will recover even if there is no December rate cut. The need for and promise of an additional cut will remain into 2026. As we saw in 2025, after a rocky start, nine months of foregone promises prior to the first Fed rate cut helped stock investors turn a nice profit from April on nonetheless.