

[Youtube Channel](#) 

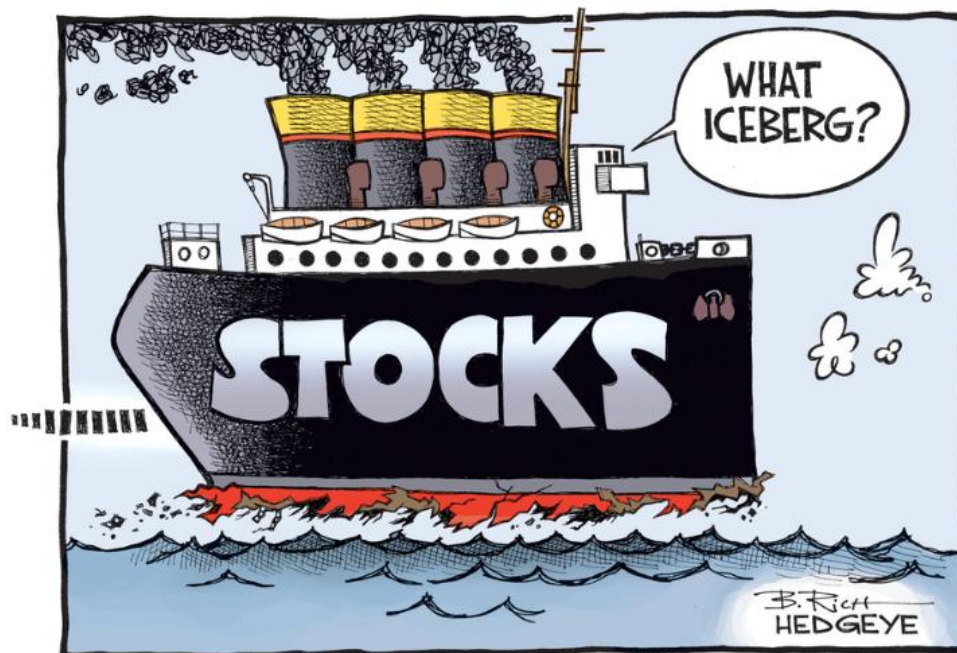


## Gen Zer Dies Of Starvation After DoorDash Driver Gets Flat Tire





## Noah Fined By HOA For Parking Boat In Driveway



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Disclaimer: I am not a financial advisor, and do not make any recommendations on what to buy or sell.

The information offered here is for educational purposes only and does not constitute financial, legal or professional advice. NO ONE, including me, has any idea what the market will do.

Each person must determine their own risk profile, trading/investing style and take responsibility for any trades they make. Always do your own research and due diligence before making any investment decisions.

**Past performance does not guarantee future results!**

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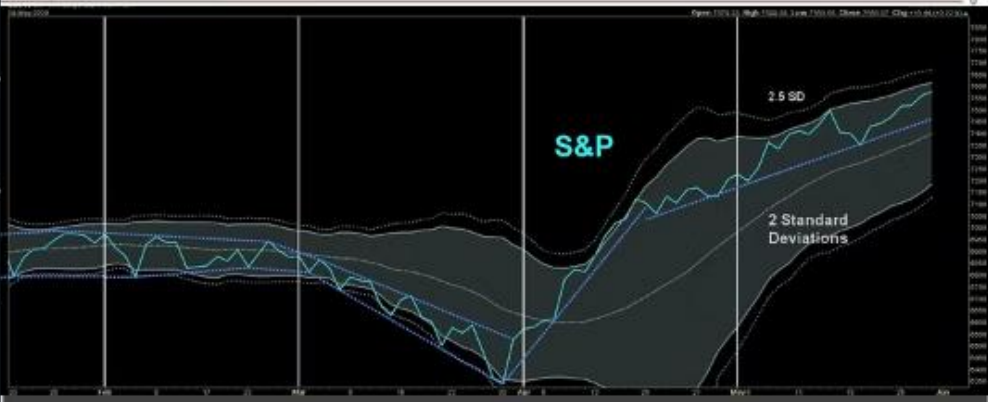
Most of the charts shown in this newsletter are courtesy of StockCharts.com and can be found on the website shown at the top of the page. Here is a link to the StockCharts.com pricing and if you sign up, I would appreciate if you used my email as a referral ([danbyrd@comcast.net](mailto:danbyrd@comcast.net))

[Service Levels, Data Plans and Pricing | StockCharts.com](#)

MARKET BIAS MATRIX				
Day over Day & Week over Week Trend				
% Bullish Across All Asset Classes				
(Overall, Short Term, Mid Term, Long Term)				
Date	Overall %	ST %	MT %	LT %
5/29/2026	74%	67%	79%	76%
5/28/2026	74%	72%	79%	76%
5/27/2026	74%	73%	79%	76%
5/26/2026	74%	69%	82%	76%
5/22/2026	77%	73%	82%	75%
5/21/2026	75%	67%	82%	75%
5/20/2026	74%	66%	81%	75%
5/19/2026	75%	68%	81%	75%
5/18/2026	77%	75%	82%	75%
5/15/2026	78%	76%	84%	76%
5/14/2026	79%	77%	84%	76%
5/13/2026	78%	75%	84%	76%
5/12/2026	80%	81%	84%	76%
5/11/2026	79%	80%	81%	76%
5/9/2026	78%	78%	81%	76%
5/7/2026	77%	77%	78%	76%
5/6/2026	78%	78%	80%	77%
5/5/2026	78%	78%	80%	76%
5/4/2026	78%	78%	80%	75%
5/1/2026	79%	82%	80%	75%
4/30/2026	79%	84%	80%	75%
4/29/2026	79%	82%	80%	75%
4/28/2026	79%	82%	80%	75%
4/27/2026	78%	81%	80%	75%
4/24/2026	79%	84%	80%	73%
4/23/2026	78%	82%	78%	75%
4/22/2026	77%	80%	77%	75%
4/21/2026	78%	84%	76%	75%
4/20/2026	77%	85%	72%	75%
4/17/2026	79%	85%	65%	75%
4/16/2026	70%	82%	51%	76%
4/15/2026	67%	78%	47%	76%
4/14/2026	68%	81%	41%	76%
4/13/2026	62%	75%	34%	76%
4/10/2026	60%	70%	33%	76%
4/9/2026	57%	57%	32%	76%
4/8/2026	55%	54%	32%	76%
4/7/2026	48%	37%	29%	76%
4/6/2026	46%	34%	25%	77%
4/2/2026	44%	29%	25%	77%
4/1/2026	43%	25%	27%	77%
3/31/2026	42%	22%	27%	77%
3/30/2026	42%	20%	27%	80%
3/27/2026	43%	22%	26%	76%
3/26/2026	43%	25%	29%	76%
3/25/2026	45%	28%	29%	77%
3/24/2026	44%	27%	29%	77%
3/23/2026	45%	27%	32%	77%
3/20/2026	47%	32%	32%	77%
3/19/2026	49%	34%	35%	77%
3/18/2026	49%	34%	35%	77%
3/17/2026	51%	37%	38%	76%
3/16/2026	49%	35%	34%	76%
3/13/2026	51%	35%	38%	76%
3/12/2026	53%	37%	43%	76%
3/11/2026	55%	41%	47%	77%
3/10/2026	59%	42%	47%	77%
3/9/2026	54%	37%	48%	77%
3/6/2026	58%	37%	54%	77%
3/5/2026	59%	41%	59%	77%
3/4/2026	62%	51%	59%	77%

Fear/Greed Index

Current Reading **61 - Greed**  
 Previous Reading **60 - Greed**



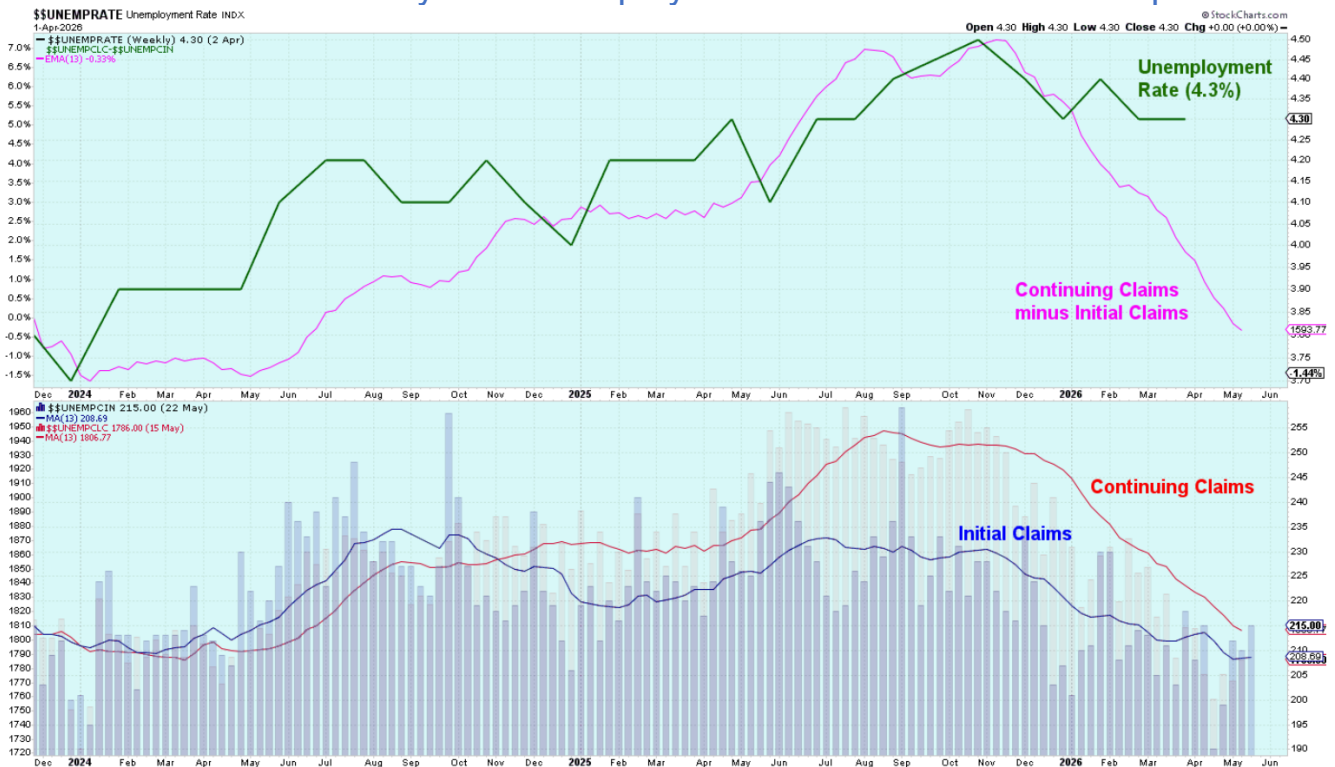
Market Bias as of 5/29/26
















## Economic Calendar for Last Week:

Time	Cur.	Event	Imp.	Actual	Forecast	Previous
<b>Tuesday, May 26, 2026</b>						
10:00	US	CB Consumer Confidence (May)	★★★	93.1	91.9	93.8
<b>Thursday, May 28, 2026</b>						
08:30	US	Core PCE Price Index (MoM) (Apr)	★★★	0.2%	0.3%	0.3%
08:30	US	Core PCE Price Index (YoY) (Apr)	★★★	3.3%	3.3%	3.2%
08:30	US	GDP (QoQ) (Q1) P	★★★	1.6%	2.0%	0.5%
08:30	US	Durable Goods Orders (MoM) (Apr) P	★★★	7.9%	4.0%	1.3%
08:30	US	Initial Jobless Claims	★★★	215K	211K	210K
10:00	US	New Home Sales (Apr)	★★★	622K	661K	663K
12:00	US	Crude Oil Inventories	★★★	-3.327M	-3.800M	-7.863M
<b>Friday, May 29, 2026</b>						
09:45	US	Chicago PMI (May)	★★★	62.7	50.6	49.2

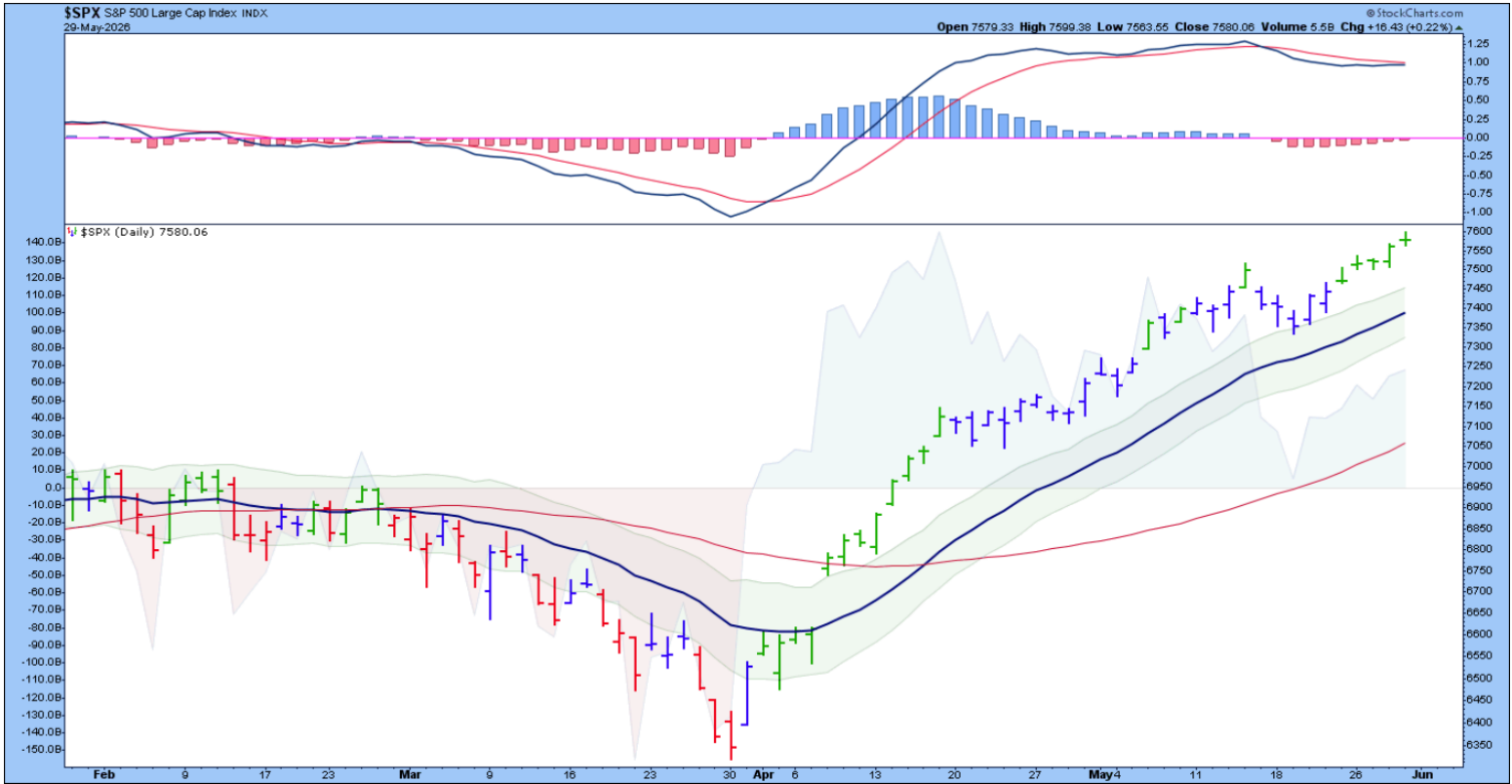
## Jobs next Friday and Unemployment Claims continue to drop



## Economic Calendar for Next Week:

Time	Cur.	Event	Imp.	Actual	Forecast	Previous
09:45	 US	S&P Global Manufacturing PMI (May)	★★★		55.3	55.3
10:00	 US	ISM Manufacturing PMI (May)	★★★		53.3	52.7
10:00	 US	ISM Manufacturing Prices (May)	★★★		85.3	84.6
<b>Tuesday, June 2, 2026</b>						
10:00	 US	JOLTS Job Openings (Apr)	★★★		6.800M	6.866M
<b>Wednesday, June 3, 2026</b>						
08:15	 US	ADP Nonfarm Employment Change (May)	★★★		110K	109K
09:45	 US	S&P Global Services PMI (May)	★★★		50.9	50.9
10:00	 US	ISM Non-Manufacturing Prices (May)	★★★			70.7
10:00	 US	ISM Non-Manufacturing PMI (May)	★★★		53.6	53.6
10:30	 US	Crude Oil Inventories	★★★			-3.327M
<b>Thursday, June 4, 2026</b>						
08:30	 US	Initial Jobless Claims	★★★			215K
<b>Friday, June 5, 2026</b>						
08:30	 US	Average Hourly Earnings (MoM) (May)	★★★		0.3%	0.2%
08:30	 US	Nonfarm Payrolls (May)	★★★		95K	115K
08:30	 US	Unemployment Rate (May)	★★★		4.3%	4.3%

The S&P still solidly bullish, although with a spinning top, potential reversal on Friday. Not a single Red bar since the 3/30 bottom!



Same thing with the Nasdaq 100...

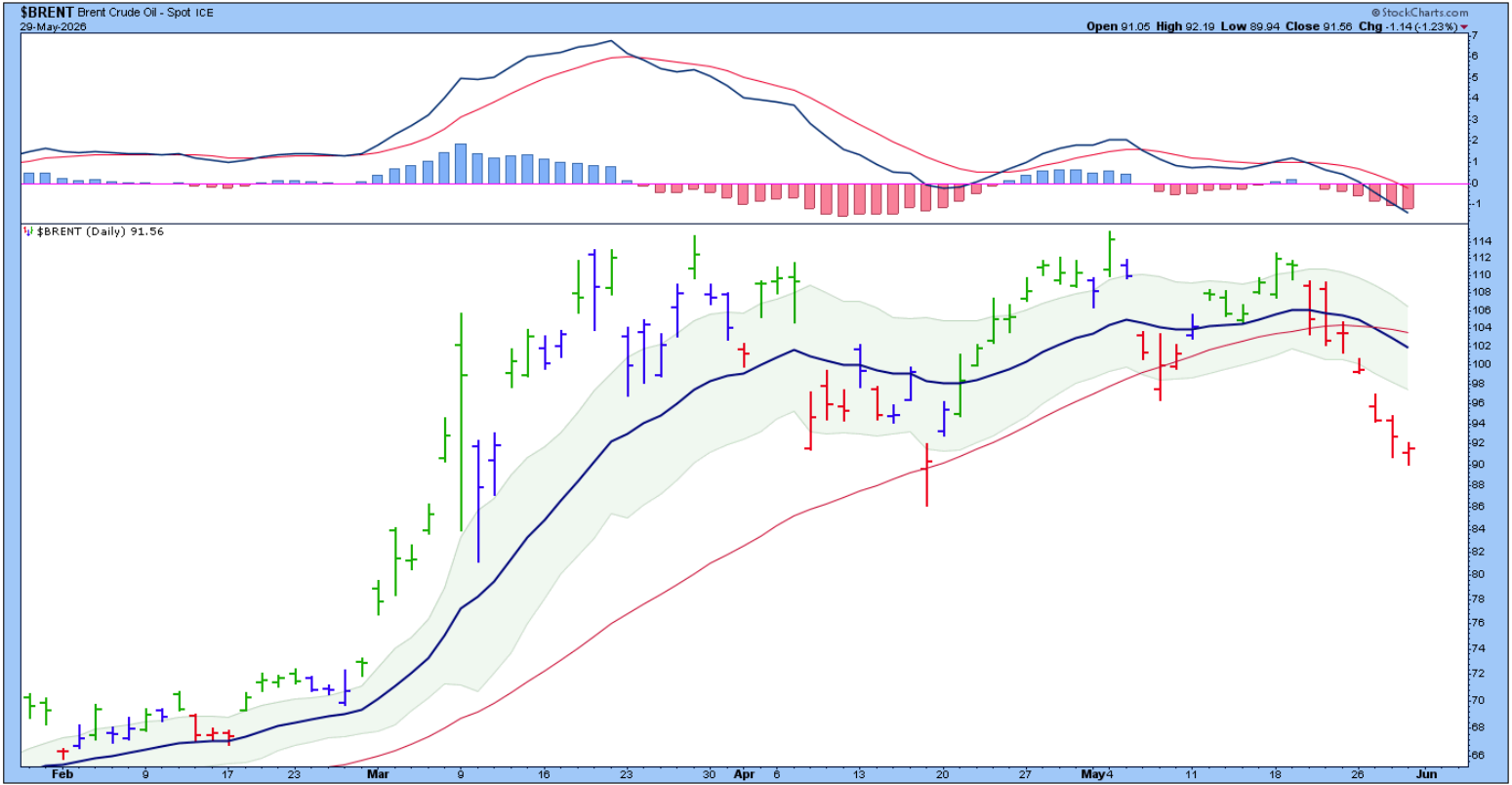


Of the various industry groups, Software is making a major move, including Cyber Security and Cloud. Software has been lagging YTD, but look what it has done in the last 3 months.

Interestingly, the best performer YTD has been Space Exploration, even better than Semis, although it took a hit on Friday with the Blue Origin explosion.

SYMBOL	NAME	1D PERF	5D PERF	3M PERF	YTD PERF
CIBR	CIBR - First Trust NASDAQ Cybersecurity ETF	+6.41%	+5.65%	+41.78%	+24.83%
IGV	IGV - iShares Expanded Tech-Software Sector ETF	+6.25%	+8.14%	+24.63%	-3.81%
CLOU	CLOU - Global X Cloud Computing ETF	+5.52%	+6.12%	+29.37%	+7.29%
AIQ	AIQ - Global X Artificial Intelligence & Technology ETF	+1.48%	+7.18%	+33.94%	+32.36%
CHAT	CHAT - Roundhill Generative AI & Technology ETF	+1.40%	+9.33%	+53.73%	+66.59%
ICLN	ICLN - iShares Global Clean Energy ETF	+0.73%	+5.18%	+29.36%	+43.46%
XBI	XBI - SPDR S&P Biotech ETF	+0.51%	+3.82%	+7.32%	+12.11%
QTUM	QTUM - Defiance Quantum ETF	+0.43%	+4.11%	+37.50%	+45.97%
KRE	KRE - SPDR S&P Regional Banking ETF	+0.09%	+0.35%	+4.86%	+8.03%
KBE	KBE - SPDR S&P Bank ETF	+0.02%	-0.08%	+4.60%	+5.22%
ITA	ITA - iShares U.S. Aerospace & Defense ETF	-0.06%	+4.47%	-3.33%	+9.74%
ITB	ITB - iShares U.S. Home Construction ETF	-0.13%	+2.30%	-13.28%	-3.18%
SMH	SMH - VanEck Semiconductor ETF	-0.15%	+3.92%	+47.39%	+66.31%
DTCR	DTCR - Global X Data Center & Digital Infrastructure ETF	-0.19%	+3.68%	+23.59%	+49.72%
IYT	IYT - iShares Transportation Average ETF	-0.21%	+2.89%	+2.84%	+12.88%
BOTZ	BOTZ - Global X Robotics & Artificial Intelligence Thematic ETF	-0.32%	-0.35%	+2.90%	+10.82%
IAK	IAK - iShares U.S. Insurance ETF	-0.91%	-4.28%	-4.56%	-4.26%
DRIV	DRIV - Global X Autonomous & Electric Vehicles ETF	-1.13%	+2.95%	+27.37%	+40.61%
XRT	XRT - SPDR S&P Retail ETF	-1.89%	+1.76%	-3.18%	-1.26%
UFO	UFO - Procure Space ETF	-3.68%	+5.51%	+46.86%	+68.98%

### Oil:



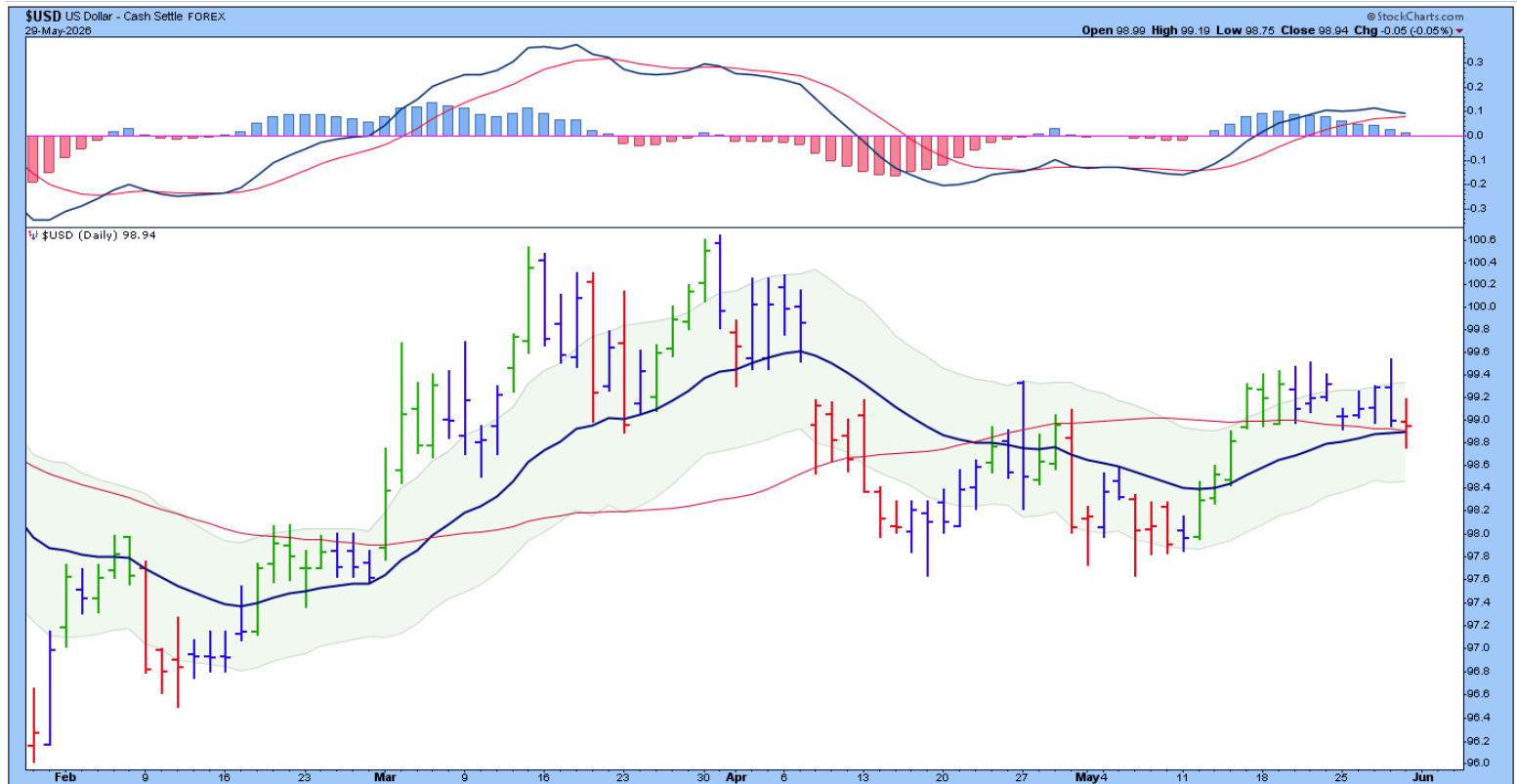
### Gold:



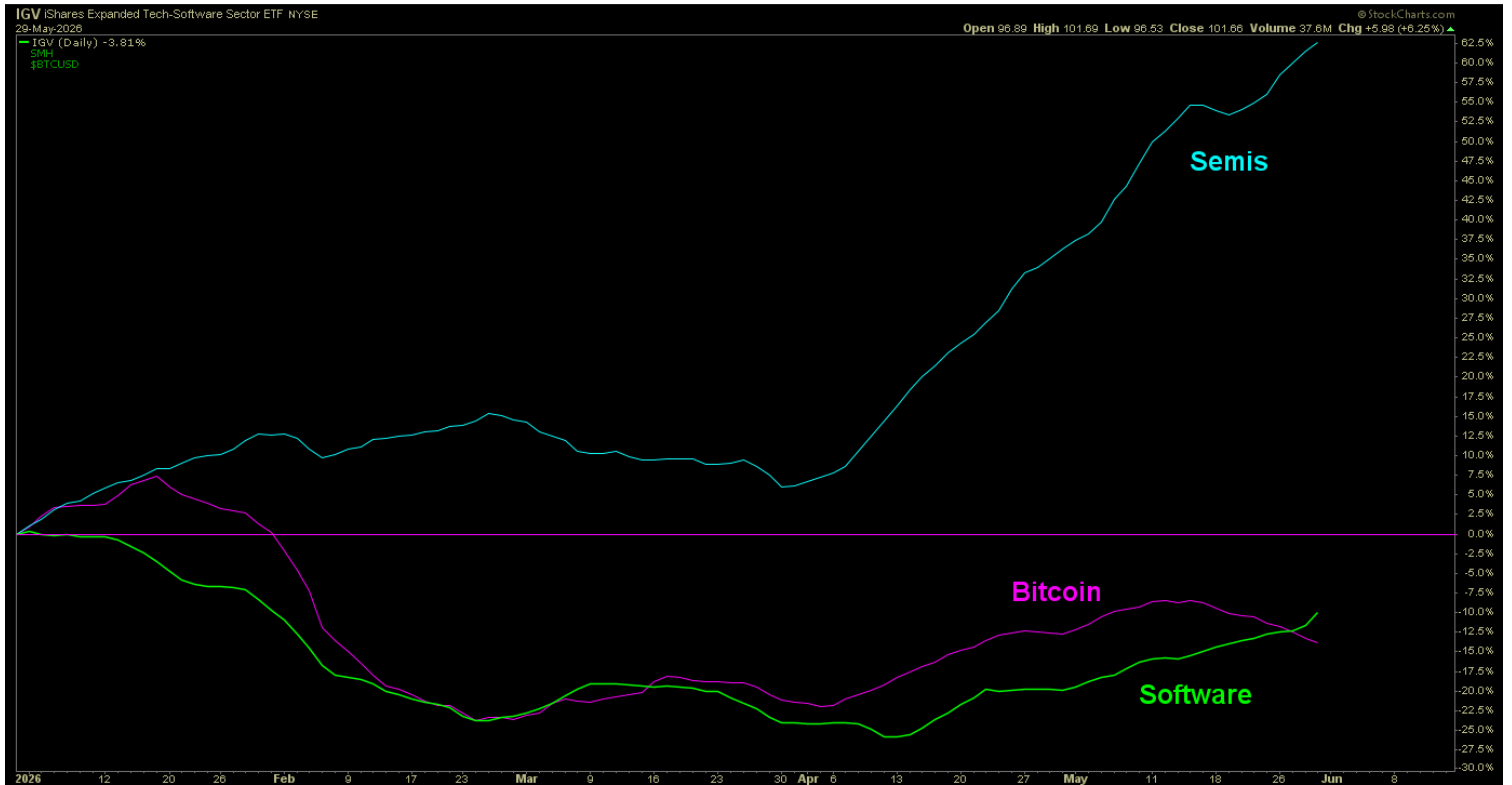
## 10-Year Yield:



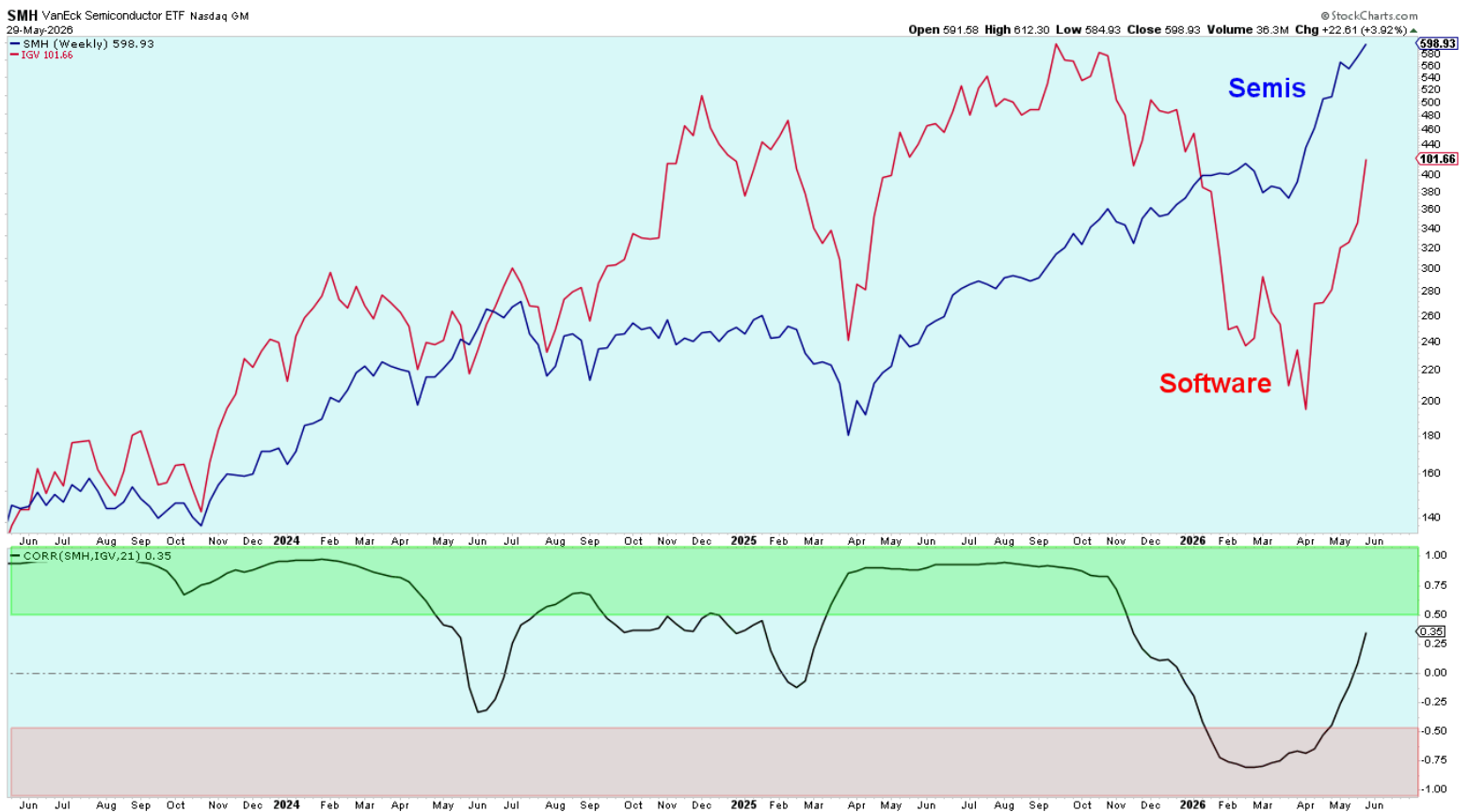
## US Dollar:



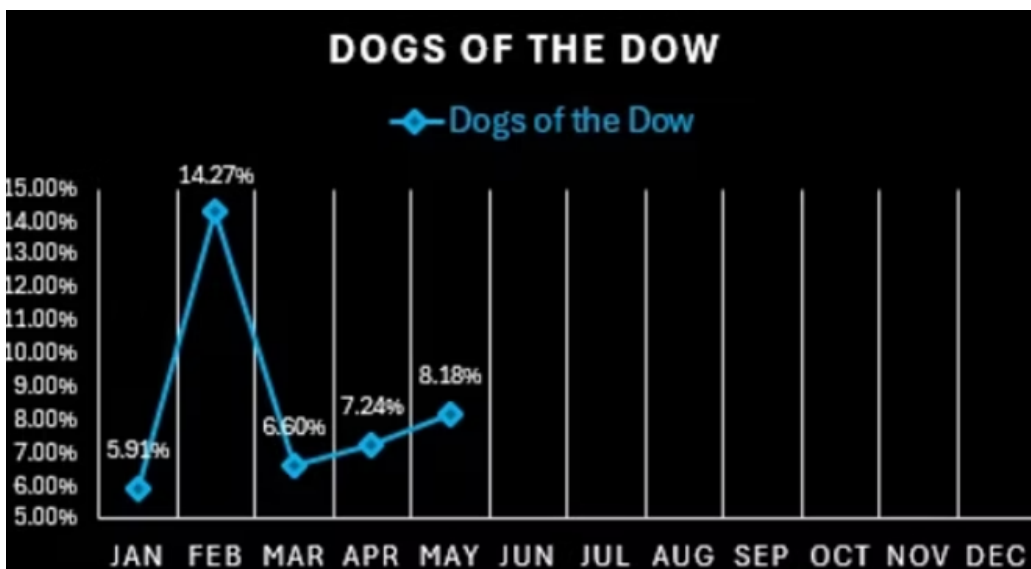
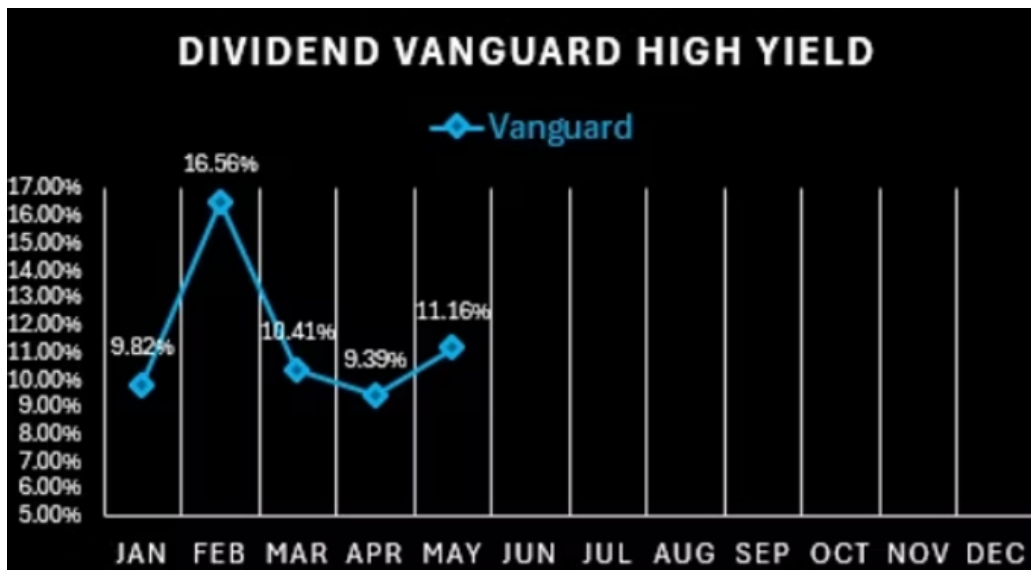
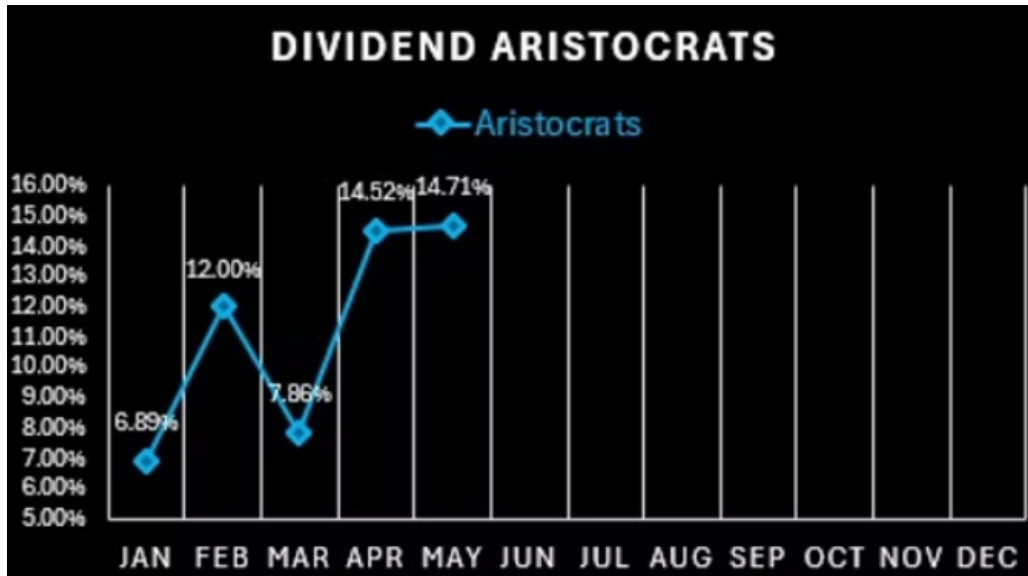
## YTD Performance of Bitcoin, Semiconductors and Software:



## Semiconductors correlated with Software:



Monthly status of the Dividend Portfolios found on the website in the Portfolios tab:



## Weekly Performance:



Double click on a box to open the Symbol Summary for that ticker

5/21/2026 - 5/29/2026 09:09 ET

Send Daily Report
  Send Weekly Report

SYMBOL	NAME	CHG	% CHG	+/-	DATE
XLK	XLK - Technology Select Sector SPDR Fund	+10.63	+5.89%	<div style="width: 100%; height: 10px; background-color: green;"></div>	05-29, 16:00
\$NDX	\$NDX - Nasdaq 100 Index	+851.54	+2.89%	<div style="width: 100%; height: 10px; background-color: green;"></div>	05-29, 16:21
IWM	IWM - iShares Russell 2000 ETF	+5.27	+1.85%	<div style="width: 100%; height: 10px; background-color: green;"></div>	05-29, 16:00
XLB	XLB - Materials Select Sector SPDR Fund	+0.88	+1.75%	<div style="width: 100%; height: 10px; background-color: green;"></div>	05-29, 16:00
\$SPX	\$SPX - S&P 500 Large Cap Index	+106.59	+1.43%	<div style="width: 100%; height: 10px; background-color: green;"></div>	05-29, 16:20
XLY	XLY - Consumer Discretionary Select Sector SPDR Fund	+1.69	+1.42%	<div style="width: 100%; height: 10px; background-color: green;"></div>	05-29, 16:00
GLD	GLD - SPDR Gold Shares	+3.30	+0.80%	<div style="width: 100%; height: 10px; background-color: green;"></div>	05-29, 16:00
XLI	XLI - Industrial Select Sector SPDR Fund	+1.36	+0.79%	<div style="width: 100%; height: 10px; background-color: green;"></div>	05-29, 16:00
XLC	XLC - Communication Services Select Sector SPDR Fund	+0.23	+0.20%	<div style="width: 100%; height: 10px; background-color: green;"></div>	05-29, 16:00
XLV	XLV - Health Care Select Sector SPDR Fund	-0.42	-0.28%	<div style="width: 100%; height: 10px; background-color: red;"></div>	05-29, 16:00
XLF	XLF - Financial Select Sector SPDR Fund	-0.36	-0.69%	<div style="width: 100%; height: 10px; background-color: red;"></div>	05-29, 16:00
XLRE	XLRE - Real Estate Select Sector SPDR Fund	-0.56	-1.26%	<div style="width: 100%; height: 10px; background-color: red;"></div>	05-29, 16:00
XLU	XLU - Utilities Select Sector SPDR Fund	-0.93	-2.05%	<div style="width: 100%; height: 10px; background-color: red;"></div>	05-29, 16:00
XLP	XLP - Consumer Staples Select Sector SPDR Fund	-1.93	-2.28%	<div style="width: 100%; height: 10px; background-color: red;"></div>	05-29, 16:00
\$BTCUSD	\$BTCUSD - Bitcoin to US Dollar	-1,872.34	-2.48%	<div style="width: 100%; height: 10px; background-color: red;"></div>	05-29, 20:21
XLE	XLE - Energy Select Sector SPDR Fund	-3.17	-5.33%	<div style="width: 100%; height: 10px; background-color: red;"></div>	05-29, 16:00

## Rotation Graphs: EVERYTHING is rotating lower except Technology!

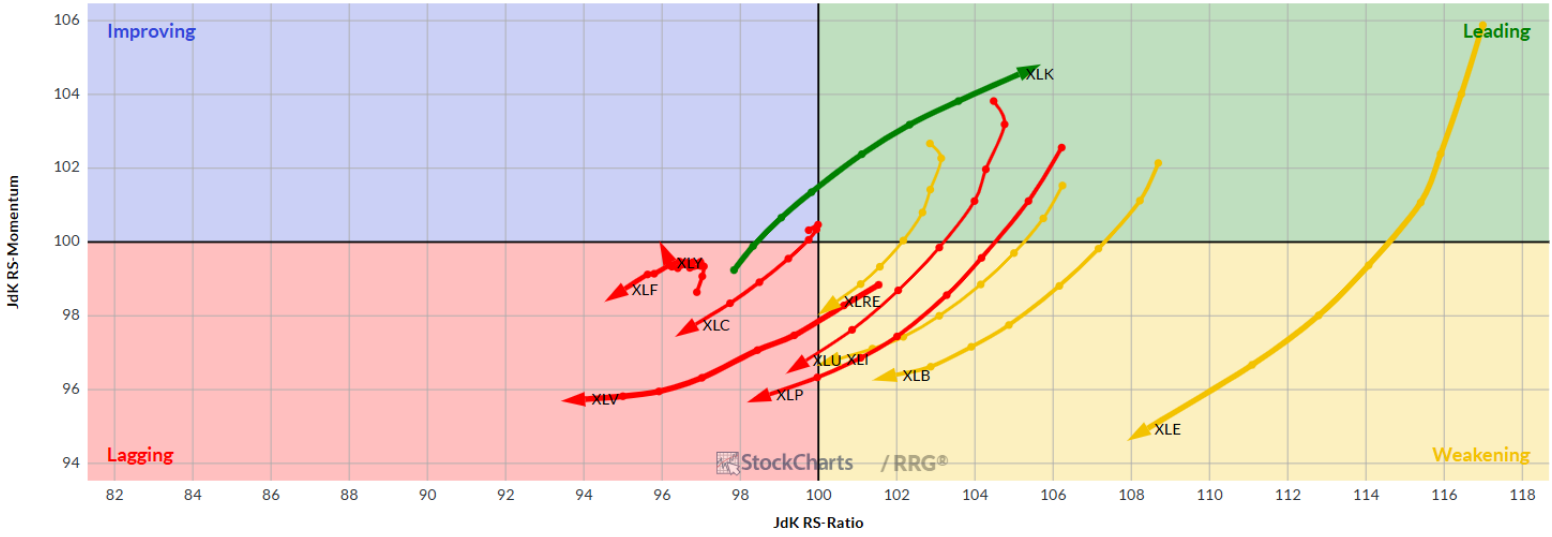
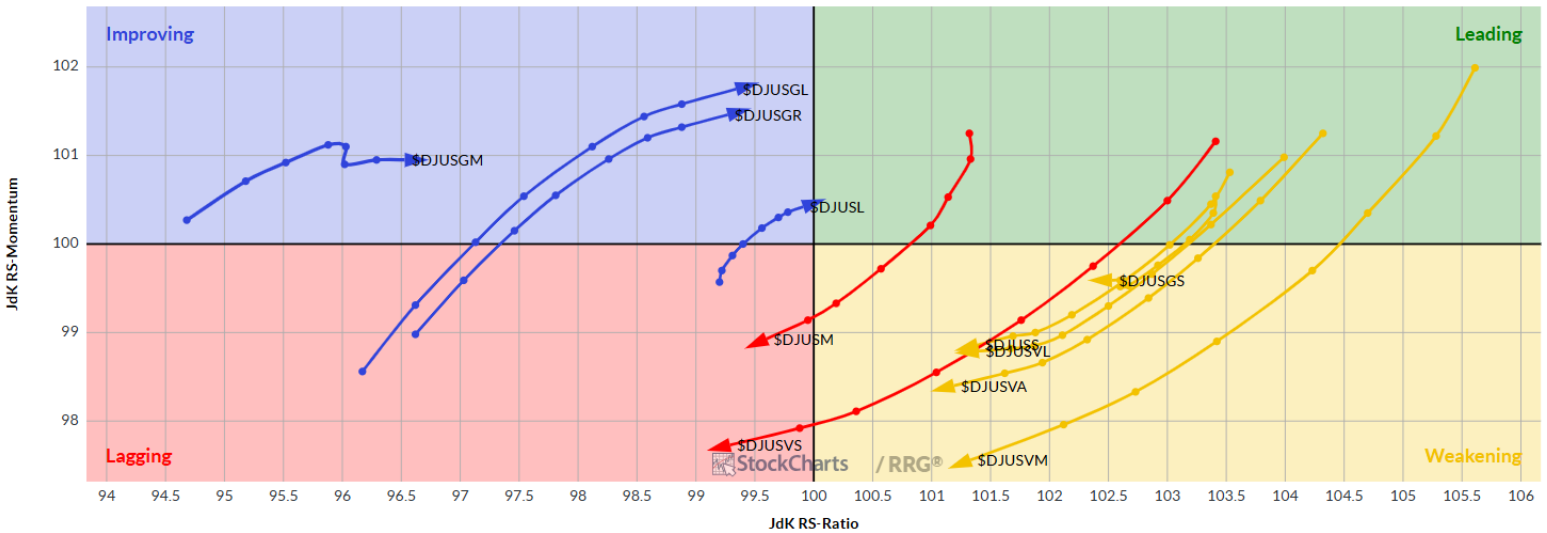
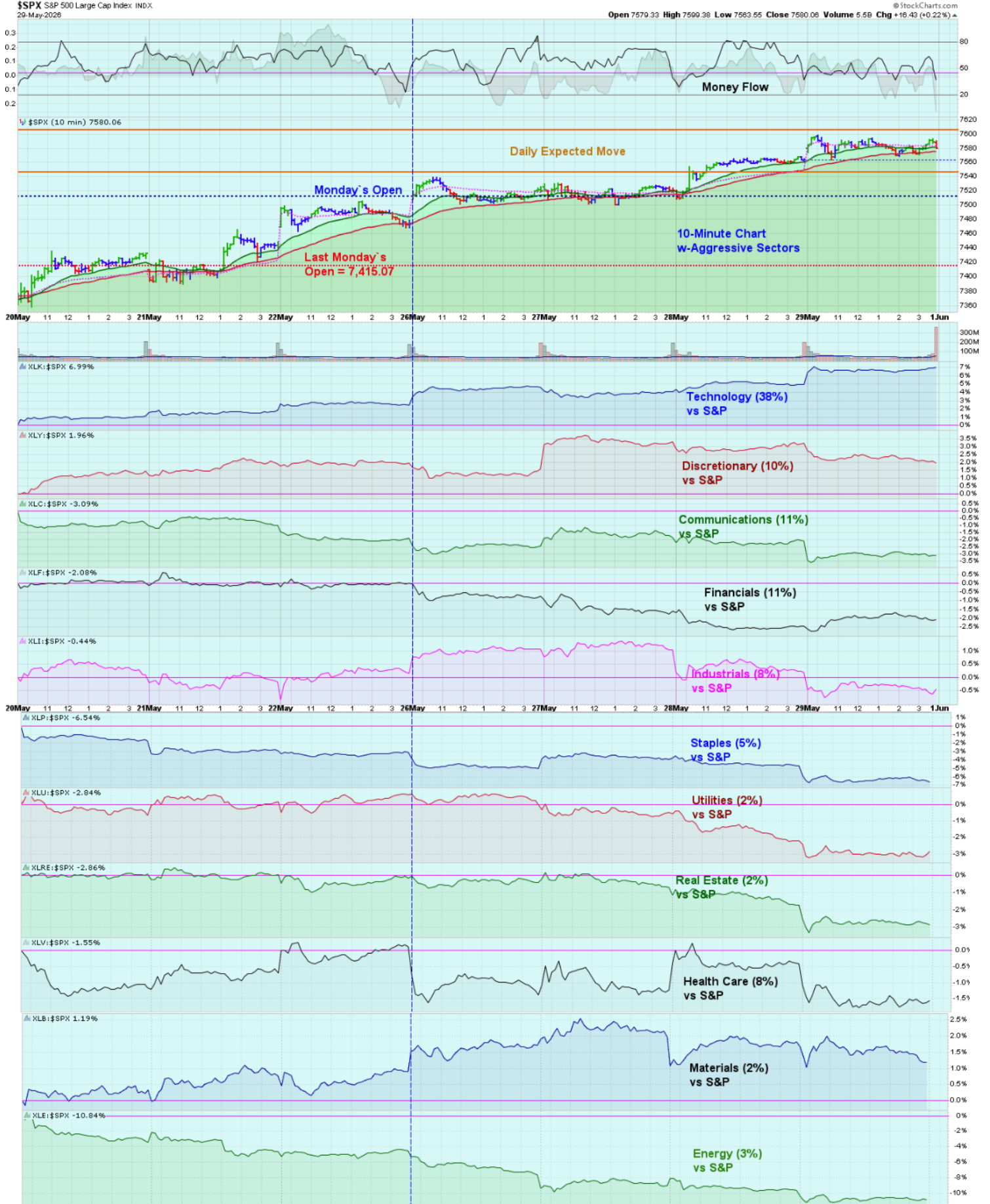


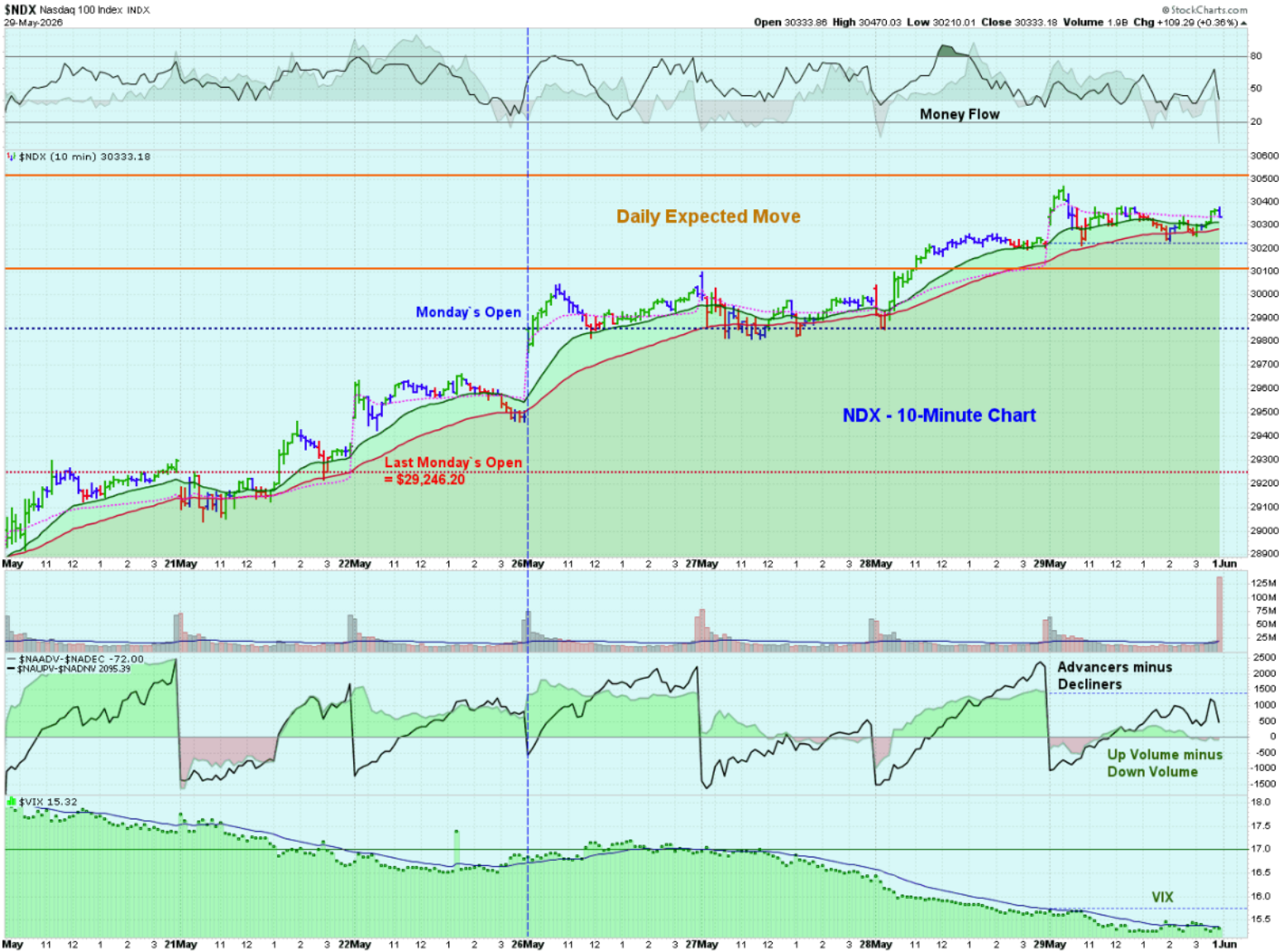
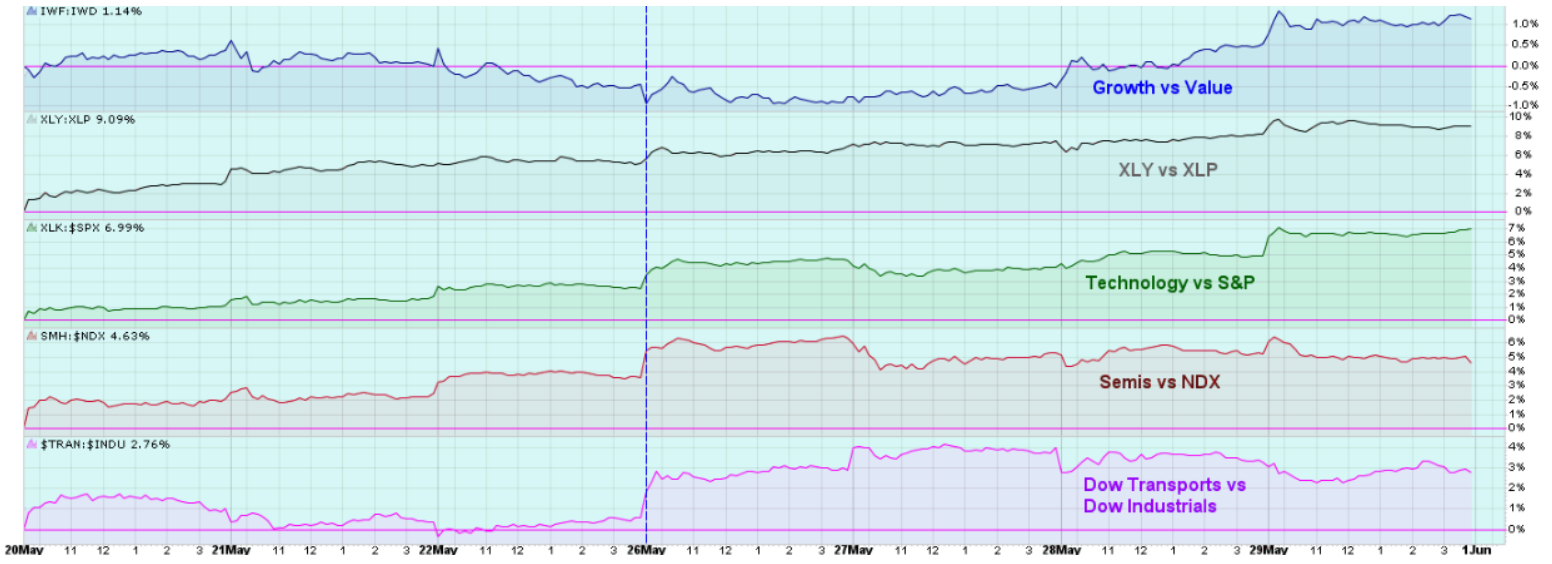
CHART	VISIBLE	TAIL	SYMBOL	NAME	SECTOR	INDUSTRY	PRICE	% CHG
#1	<input checked="" type="checkbox"/>	█	XLK	Technology Select Sector SPDR Fund			\$191.02	+33.94%
#2	<input checked="" type="checkbox"/>	█	XLE	Energy Select Sector SPDR Fund			\$56.29	-1.14%
#3	<input checked="" type="checkbox"/>	█	XLB	Materials Select Sector SPDR Fund			\$51.15	-1.56%
#4	<input checked="" type="checkbox"/>	█	XLI	Industrial Select Sector SPDR Fund			\$173.13	+0.94%
#5	<input checked="" type="checkbox"/>	█	XLRE	Real Estate Select Sector SPDR Fund			\$43.99	+2.73%
#6	<input checked="" type="checkbox"/>	█	XLV	Health Care Select Sector SPDR Fund			\$149.47	+1.47%
#7	<input checked="" type="checkbox"/>	█	XLF	Financial Select Sector SPDR Fund			\$51.58	+1.60%
#8	<input checked="" type="checkbox"/>	█	XLP	Consumer Staples Select Sector SPDR Fund			\$82.91	+0.66%
#9	<input checked="" type="checkbox"/>	█	XLC	Communication Services Select Sector SPDR Fund			\$115.69	+1.53%
#10	<input checked="" type="checkbox"/>	█	XLU	Consumer Discretionary Select Sector SPDR Fund			\$120.87	+7.07%
#11	<input checked="" type="checkbox"/>	█	XLU	Utilities Select Sector SPDR Fund			\$44.42	-5.41%
#12			SPY	SPDR S&P 500 ETF			\$756.48	+11.34%

## Rotation of Growth vs Value:



# 10-Minute Charts:

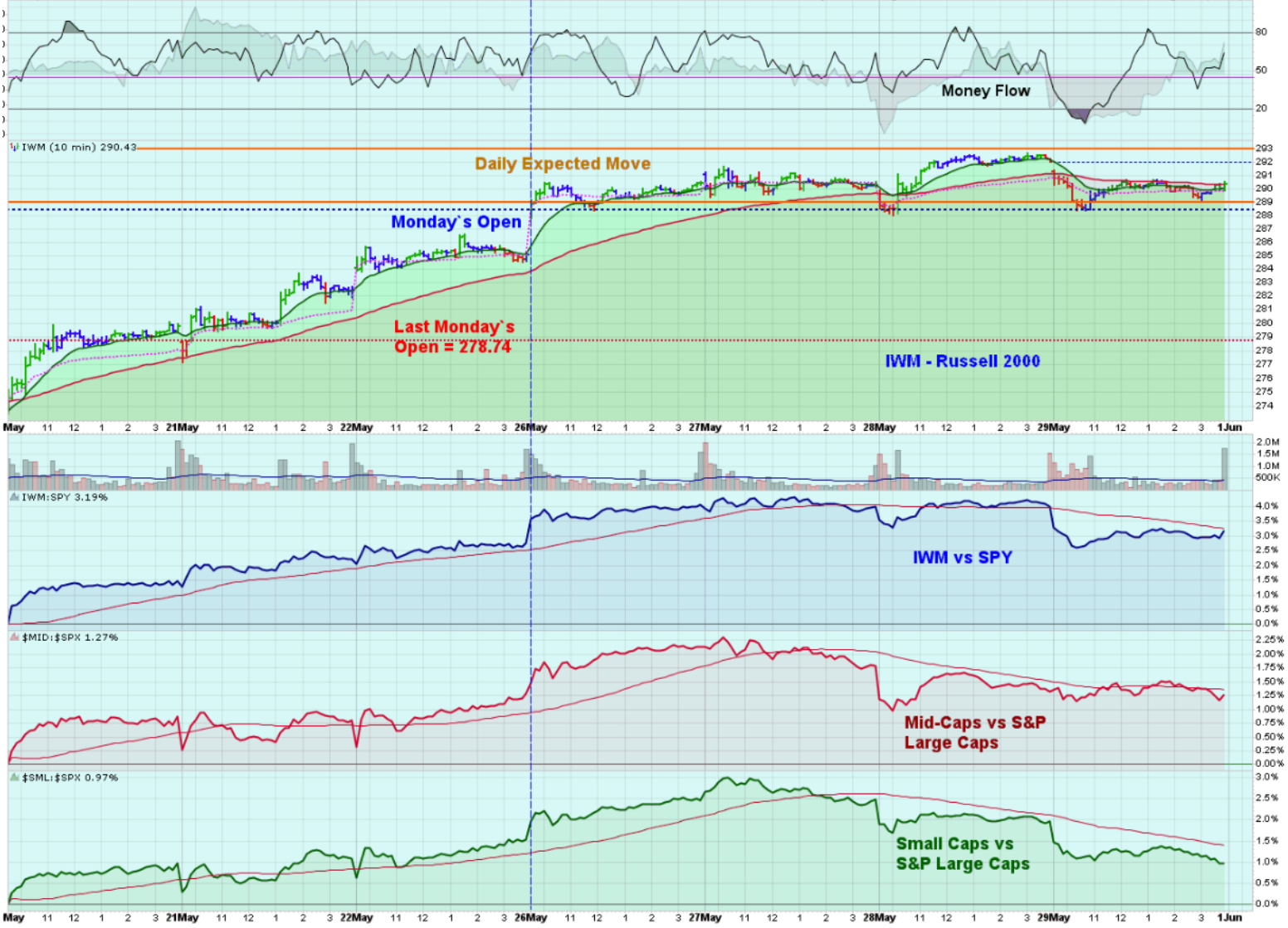




IWM iShares Russell 2000 ETF NYSE  
20-May-2026

Open 291.38 High 291.41 Low 288.33 Close 290.43 Volume 26.9M Chg -1.60 (-0.55%)

© StockCharts.com



Volatility is super low (at almost 15) as is the Put/Call Ratio, implying that no one thinks the market will ever go down and no one is hedging their positions. This is fine as long as it keeps moving higher, but a sudden selloff could spark the flames of a raging decline.



Top 10 Best & Worst Large Caps for the Week: (Note the Software names)

NAME	SECTOR	INDUSTRY	LAST	CHG	% CHG	+/-
MU - Micron Technology, Inc.	Technology	Semiconductors	971.00	+220.00	+29.29%	▲
APP - Applovin Corp.	Technology	Software	613.09	+131.41	+27.28%	▲
TEAM - Atlassian Corp.	Technology	Software	107.61	+22.19	+25.98%	▲
NOW - ServiceNow, Inc.	Technology	Software	124.37	+22.24	+21.78%	▲
ORCL - Oracle Corp.	Technology	Software	225.78	+33.70	+17.54%	▲
IBM - International Business Machines	Technology	Computer Services	297.80	+43.96	+17.32%	▲
AXON - Axon Enterprise, Inc.	Industrial	Defense	448.72	+62.72	+16.25%	▲
ARM - Arm Holdings Plc	Technology	Semiconductors	353.29	+46.78	+15.26%	▲
SHOP - Shopify, Inc.	Technology	Software	118.71	+15.71	+15.25%	▲
PLTR - Palantir Technologies, Inc.	Technology	Software	156.54	+19.66	+14.36%	▲

NAME	SECTOR	INDUSTRY	LAST	CHG	% CHG	+/-
ZS - Zscaler, Inc.	Technology	Software	139.73	-42.64	-23.38%	▼
PDD - PDD Holdings Inc.	Discretionary	Broadline Retailers	84.44	-10.08	-10.66%	▼
SNPS - Synopsys, Inc.	Technology	Software	475.62	-49.12	-9.36%	▼
COST - Costco Wholesale Corp.	Staples	General Retailers	956.32	-71.92	-6.99%	▼
GFS - GlobalFoundries Inc.	Technology	Semiconductors	79.97	-5.67	-6.62%	▼
XOM - Exxon Mobil Corp.	Energy	Integrated Oil & Gas	145.26	-9.66	-6.24%	▼
PM - Philip Morris Intl Inc.	Staples	Tobacco	177.38	-11.61	-6.14%	▼
MDT - Medtronic, Inc.	Health Care	Medical Equipment	73.81	-4.79	-6.09%	▼
MO - Altria Group Inc.	Staples	Tobacco	69.58	-4.32	-5.85%	▼
COP - ConocoPhillips	Energy	Integrated Oil & Gas	113.98	-6.48	-5.38%	▼

DAILY VIEW



DAILY VIEW



## Top 10 Best & Worst Small/Mid-Caps for the Week:

NAME	SECTOR	INDUSTRY	LAST	CHG	% CHG	+/-
CRSR - Corsair Gaming Inc.	Technology	Computer Hardware	12.14	+4.44	+57.66%	▲
OKTA - Okta, Inc.	Technology	Software	123.27	+31.03	+33.64%	▲
BRKR - Bruker Corp.	Health Care	Medical Equipment	58.89	+13.20	+28.89%	▲
AMWD - American Woodmark Corp.	Industrial	Building Materials	48.09	+9.66	+25.14%	▲
VICR - Vicor Corp.	Technology	Electrical Components	334.84	+66.85	+24.94%	▲
DY - Dycom Industries, Inc.	Technology	Telecom Equipment	510.00	+98.80	+24.03%	▲
SEDG - SolarEdge Technologies, Inc.	Technology	Renewable Energy Equipment	76.35	+14.40	+23.24%	▲
CLF - Cleveland-Cliffs Inc	Materials	Steel	13.60	+2.37	+21.10%	▲
FWRD - Forward Air Corp.	Industrial	Delivery Services	10.58	+1.78	+20.23%	▲
NXT - Nextpower Inc.	Technology	Renewable Energy Equipment	156.40	+25.90	+19.85%	▲

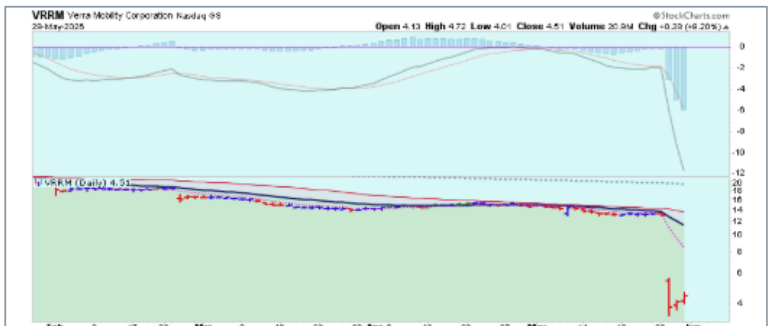
  

NAME	SECTOR	INDUSTRY	LAST	CHG	% CHG	+/-
VRRM - Verra Mobility Corporation	Industrial	Diversified Industrials	4.51	-8.98	-66.57%	▼
PLAB - Photronics, Inc.	Technology	Semiconductors	32.35	-19.11	-37.14%	▼
GSHD - Goosehead Insurance, Inc.	Financial	Insurance Brokers	34.39	-7.29	-17.49%	▼
KMPR - Kemper Corp.	Financial	Full Line Insurance	24.67	-5.04	-16.96%	▼
GKOS - Glaukos Corp.	Health Care	Medical Equipment	103.35	-16.88	-14.04%	▼
LPG - Dorian LPG Ltd.	Energy	Oil Equipment & Services	40.22	-6.24	-13.43%	▼
AESI - Atlas Energy Solutions Inc.	Energy	Oil Equipment & Services	16.69	-2.38	-12.48%	▼
CRGY - Crescent Energy Company	Energy	Integrated Oil & Gas	11.56	-1.64	-12.42%	▼
INVX - Innovex International, Inc.	Energy	Oil Equipment & Services	26.71	-3.34	-11.11%	▼
NE - Noble Corp.	Energy	Exploration & Production	46.48	-5.52	-10.62%	▼

### DAILY VIEW



### DAILY VIEW



As a follow-up to my YouTube video last week on TokenMaxxing and the exploding cost of AI, here is yet another article that came up today. You can view my video [HERE](#).

[What smart people are saying about AI costs: 'Where's the revenue?'](#)

From Real Investment Advice:

[Parabolic Semiconductor Rally: What Breaks The Trade? - RIA](#)

Excerpt:

 **Market Brief – AI Validation Fuels A Ninth Weekly Advance**

The headline tape made fresh history. The S&P 500 closed Friday at **7,580.06**, finishing up 1.43% on the week and posting its ninth consecutive weekly gain. That's the longest weekly winning streak since 2024, and only the 5th time since 1965 that has occurred. While markets previously saw weakness following such streaks, the 24- and 52-week outcomes were primarily positive, except in 1989.

Date	S&P 500	1-Week Later	4-Weeks Later	12-Weeks Later	26-Weeks Later	52-Weeks Later
11/29/1985	202.17	0.41%	3.68%	11.10%	22.35%	23.27%
9/1/1989	353.73	(1.41%)	(1.29%)	(2.76%)	(5.14%)	(8.81%)
1/23/2004	1,141.55	(0.91%)	0.22%	(0.61%)	(4.85%)	2.31%
12/29/2023	4,769.83	(1.52%)	2.54%	9.74%	14.48%	25.18%
Average	1,616.82	-0.9%	1.3%	4.4%	6.7%	10.5%
Median	747.64	-1.2%	1.4%	4.6%	4.8%	12.8%
% Positive		25.0%	75.0%	50.0%	50.0%	75.0%

However, the Russell 2000 actually fell 0.59% to 2,919, a reminder that the small-cap participation everyone hoped for in March still hasn't shown up despite the megacap rip. Underneath the headline, the dispersion that's defined this rally has only widened. Technology and financials carried Friday's tape while energy lagged on falling crude.

 **The Parabolic Semiconductor Rally**

Previously, we laid out the case that [market leadership is narrow, increasing summer risk](#). This week I want to focus the lens on Friday's **Daily Market Commentary** topic: ["The parabolic semiconductor rally."](#) That short commentary generated several questions that deserved a more complete response. So, I want to use today's **BullBearReport** to expand on my thoughts on the trade: *it's not just leadership; it's nearly the entire trade.*

The sector we want to focus on today is the parabolic semiconductor sector, for which we will use the VanEck Semiconductor ETF (SMH), which closed Friday at \$598,

putting it 168% above its 50-month moving average. That is the most extreme deviation from trend in any major sector ETF on record. The setup is unique, and the asymmetry has turned against holders. Here's why semis could break first, and how to position accordingly.

The standard measures of stretched are useful, but they understate what's happening in semiconductors. Bank of America's technical desk flagged the SMH weekly RSI above 80 for two consecutive weeks, an all-time high reading and only the fifth such instance since 2012. The fund trades roughly 150% above its 200-week moving average, exceeding the prior peaks of 100% to 108% set in 2021 and 2024. Both of those readings preceded drawdowns of more than 30%.

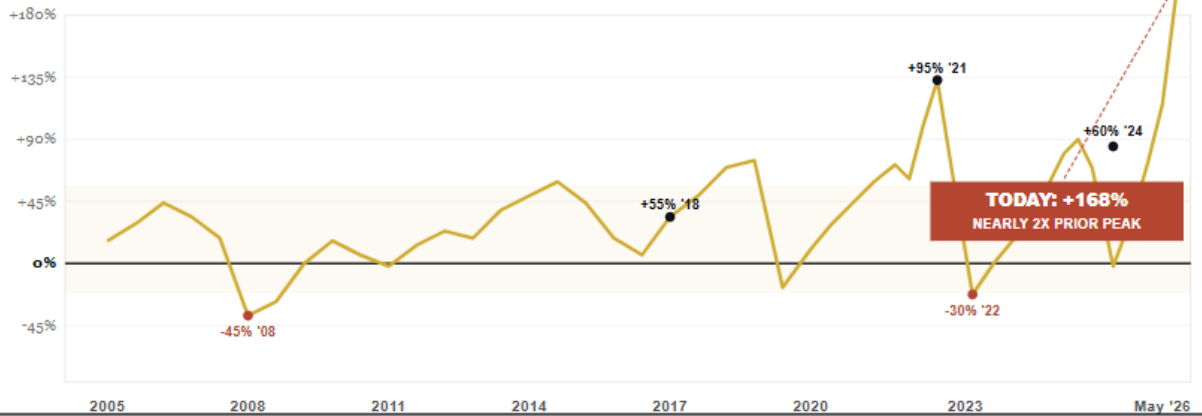
However, the cleanest single picture is the 50-month moving average. The 200-month MA at \$88 is too far below the current price to be a useful mean reversion target. The 50-month MA at \$224 is the actual trend that has tracked semis through every cycle since 2002.



Today, SMH sits 168% above that line. The prior peak deviation was 95% when the same parabolic semiconductor surge occurred in 2021, and that move resolved in a 49% drawdown over the following twelve months. By comparison, today's reading nearly doubles the prior record.

### SMH DEVIATION FROM 50-MONTH MOVING AVERAGE

Percent above the trend-following mean · Monthly · 2005–May 2026



Source: RIA Advisors. Deviation = (Price - 50-Month MA) / 50-Month MA. SMH monthly closes via StockCharts.com, as of May 28, 2026.

The picture is unambiguous. Today's reading isn't part of the historical range. It is the historical range plus an additional 70 percentage points of overshoot. Mean reversion to the 50-MMA from \$598 to \$224 implies a ~63% price decline. That's not a forecast, just arithmetic.

The question is what would cause such a mean-reverting event?

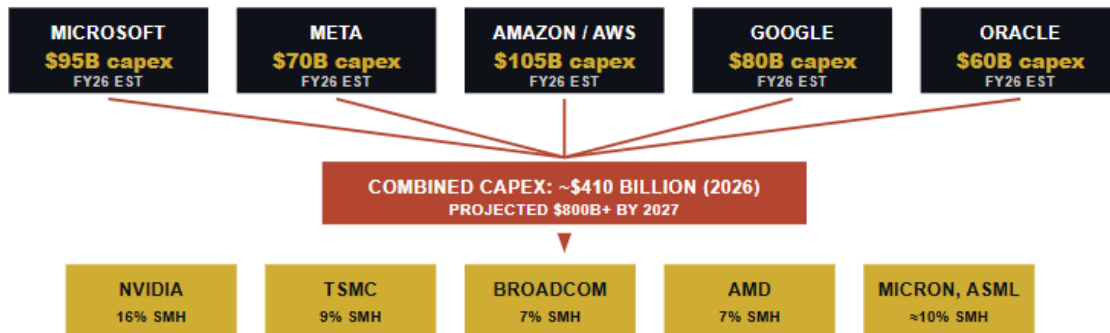
### The Customers Are Five Companies

Every parabolic move eventually runs into a customer concentration problem, and the semiconductor rally has the most extreme version I've seen in my career. The entire AI infrastructure thesis rests on five hyperscalers continuing to underwrite the buildout. Microsoft, Meta, Amazon, Google, and Oracle account for the overwhelming majority of demand for forward AI chips. Their combined 2026 capital expenditure is projected above \$800 billion, **and the SMH basket is priced for that number to keep accelerating into 2028.**

Importantly, the dependency runs in only one direction. The hyperscalers can throttle capex at will. They have the cash flow, the balance sheet flexibility, and shareholder bases that increasingly want to see returns on the prior years' spending. Semiconductor names cannot create demand in a reciprocal manner. They are at the mercy of the hyperscalers' ongoing spending commitments. Therefore, the moment any single hyperscaler tempers forward capex guidance, the bid under Nvidia, Broadcom, AMD, and Micron evaporates instantly.

## FIVE BUYERS, ONE TRADE

*Hyperscaler capex flows into a concentrated set of semiconductor suppliers*



Source: RIA Advisors. Hyperscaler capex estimates from company guidance and Visible Alpha consensus, FY26. SMH holdings weights via VanEck, May 2026.

The customer dependency runs five-to-one, and the supplier dependency is even tighter. Notice in the diagram above that more than half of SMH is exposed to four names that all rely on the same five buyers. There is no diversification inside the basket. If hyperscalers throttle, the entire ETF moves together.

***“When 73% of professional money managers sit on the same side of a trade, the marginal buyer is already in. There is no second leg of buyers waiting to bid the dip.” Bank of America’s May Fund Manager Survey identified long global semiconductors as the most crowded trade on Wall Street at a record 73% reading.***

The answer to why the parabolic semiconductor move has been so sharp, and why fundamentals do not seem to matter, comes down to a single word:

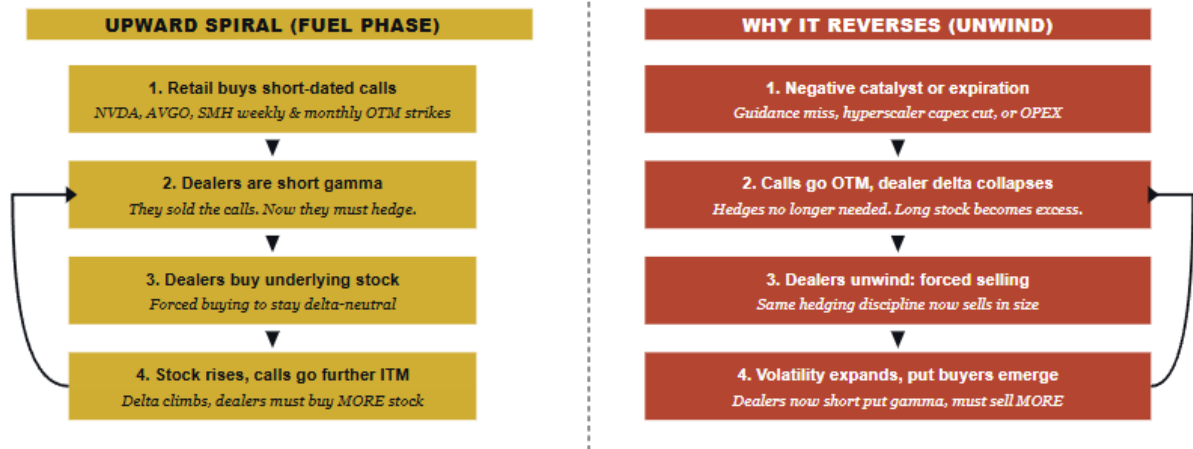
### ***Gamma.***

#### **The Gamma Squeeze Is Doing The Work**

The fundamental story explains why semis are extended. It doesn’t explain why the move went vertical over the last six weeks. That mechanical acceleration is a textbook gamma squeeze, and understanding the plumbing matters because the same mechanism that drove the move up is what makes the unwind violent on the way down. The chain of events is straightforward. Retail and momentum traders pile into short-dated call options on Nvidia, Broadcom, and SMH. Dealers who sold those calls are short gamma and must buy the underlying stock to stay delta-neutral as the price rises. Their hedging buys push the stock higher, which forces more hedging, which pushes the stock higher still. The feedback loop runs until call buying stalls or expiration removes the options from the dealers’ books.

## THE GAMMA SQUEEZE FEEDBACK LOOP

*Why the move goes vertical on the way up and violent on the way down*



*Source: RIA Advisors. Schematic illustration of dealer gamma hedging mechanics.*

The mechanics of this particular parabolic semiconductor advance are symmetric, and that's the danger. **Every share that dealers were forced to buy on the way up becomes a share they're forced to sell on the way down.** The buying and selling aren't driven by fundamentals. They're driven by hedging discipline against a derivatives book. When the catalyst hits, whether it's a guidance disappointment, a hyperscaler capex cut, or simply monthly options expiration removing the gamma support, the loop reverses.

An additional wrinkle makes the unwind worse than the rally. **Once stocks start falling, put buying replaces call buying.** Dealers are now short put gamma and must sell stock as prices fall to stay hedged. **The selling begets more selling, just as the buying begets more buying.** We saw this exact pattern in the August 2024 unwind, when SMH dropped 34% in roughly six weeks despite no change in the underlying AI demand thesis. The fundamentals weren't worse. The gamma was gone.

For positioning, the gamma backdrop changes how you think about hedging. Buying puts after the move starts is expensive because implied volatility has already expanded. The cheap insurance is bought before the unwind. That window is open today, but there is a high probability it will close after Broadcom reports earnings on Thursday if their guidance disappoints.

## History Doesn't Repeat, But It Rhymes Loudly

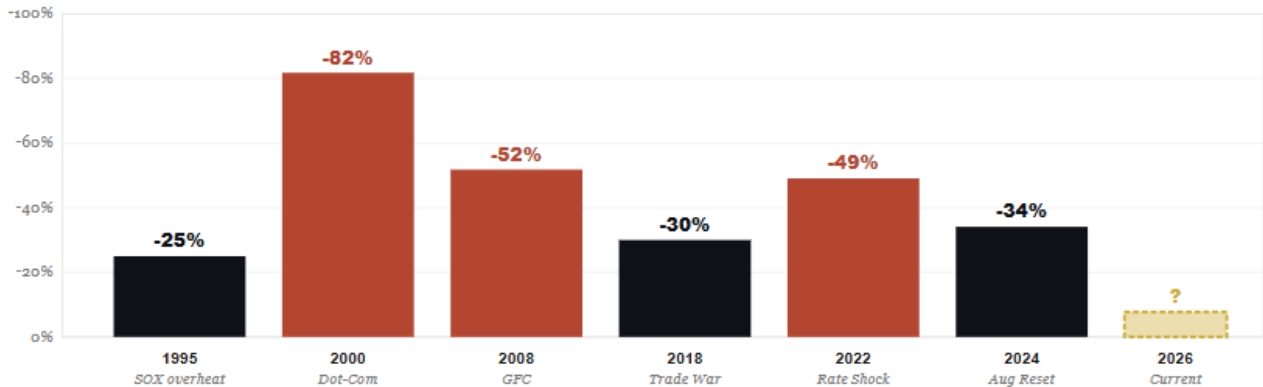
Every prior parabolic semiconductor move resolved the same way. The 2000 dot-com peak gave back 82%. By 2008, the GFC drawdown cost another 52%. In 2018, the trade war pulled the index back 30%. Then the 2022 rate-shock cycle delivered a 49% peak-to-trough decline, followed by a 34% reset during the 2024 August unwind. None

of these were forecast in advance. Each was justified by a “*different this time*” narrative right up until the moment it wasn’t.

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### DRAWDOWNS AFTER PRIOR SEMICONDUCTOR PEAKS

Peak-to-trough decline (%) · SOX index (pre-2011) and SMH ETF (post-2011)



Source: RIA Advisors, BofA Global Research, Bloomberg, PortfoliosLab. Prior recoveries took five months to nine years.

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The 2000 entry on the chart matters most. That parabolic semiconductor move featured the same combination of features that defines today’s landscape: a “*different this time*” narrative built on a real technology transition, and a concentrated trade among professional investors. The post-peak drawdown was 82%, and SMH itself took roughly 9 years to recover to its prior high from the 2008 trough, which compounded the damage. The current setup doesn’t have to deliver that outcome. However, the prior parabolic peaks all delivered something materially worse than the typical correction. The current setup is more extreme than any of them, not less.

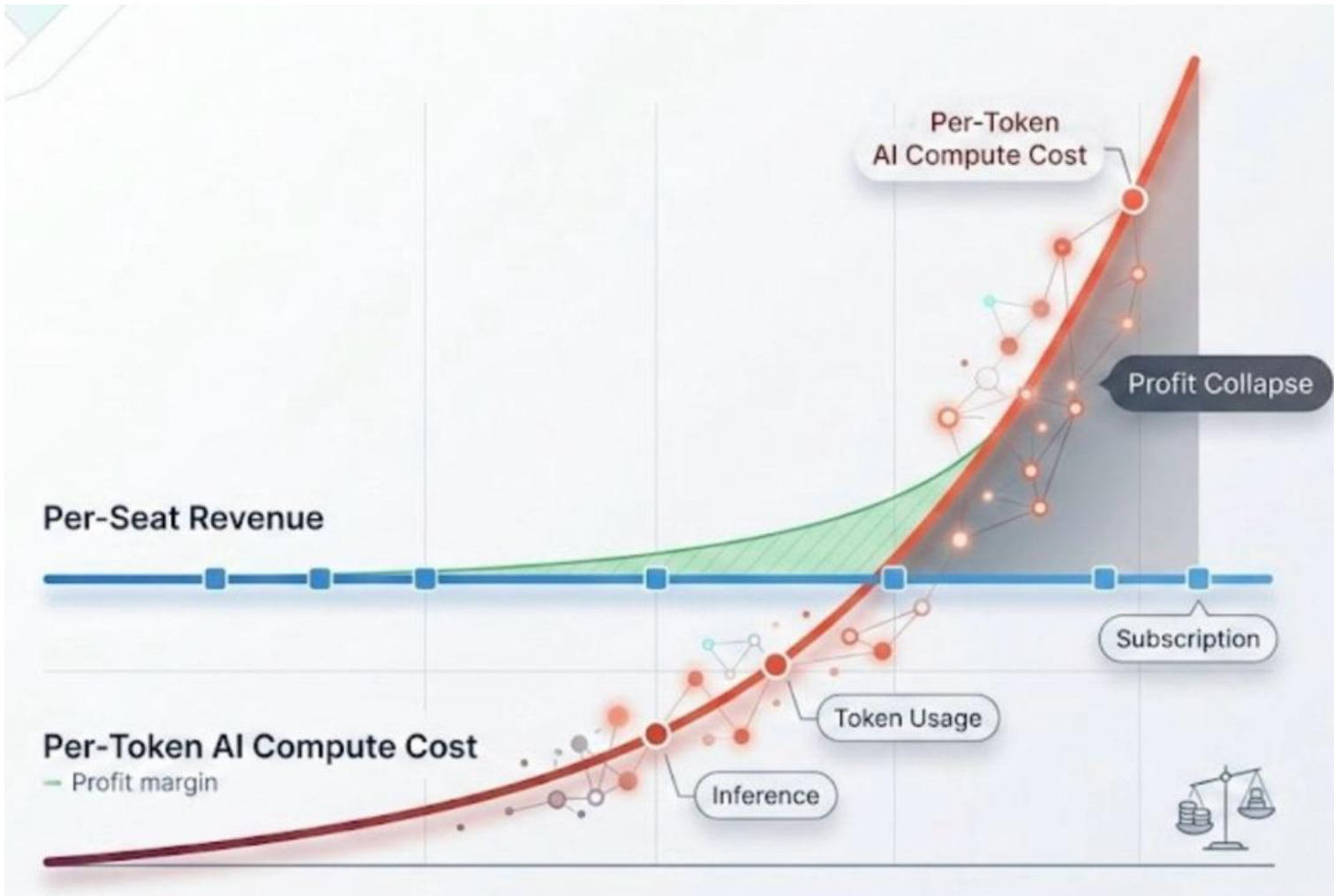
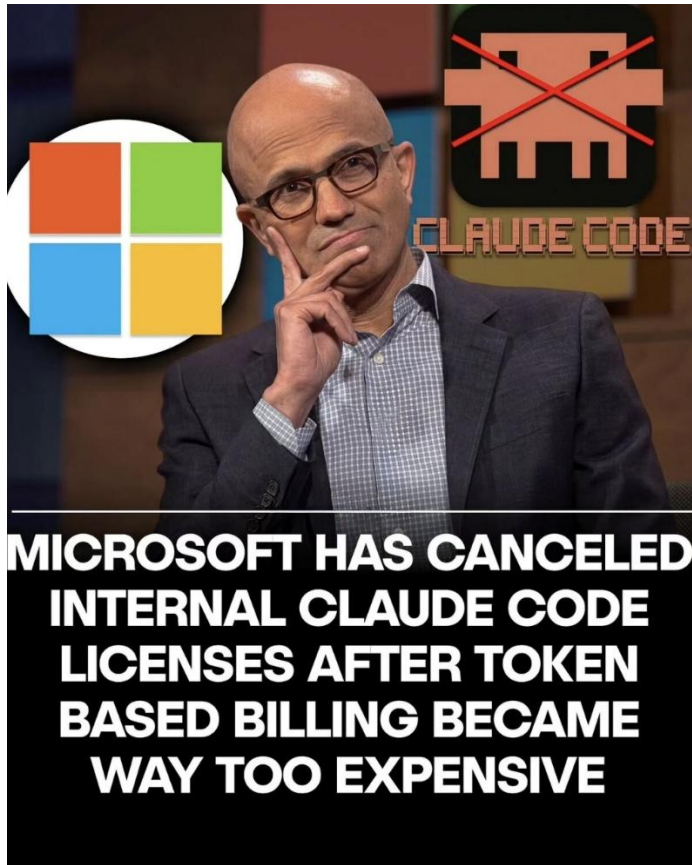
### What Should Investors Do Now

Here’s the problem with selling a parabolic semiconductor move outright. Parabolic moves run further than anyone thinks possible before they break, and the final leg often delivers the largest gains of the entire move. Outright shorting is a way to get “*carried out on a stretcher.*” We saw it in 1999, and then the same trap caught short sellers in 2021, and again in early 2024. The discipline is to manage the asymmetry of the move, not to predict the top.

Specifically, here’s the playbook we’re applying in the model portfolios this week.

[\(For the rest, read the article in the link above\)](#)

**Good Luck Trading...**



RISK MANAGEMENT

**1%** **Per Trade.**  
The most important number  
in my **entire trading system.**

10 CONSECUTIVE LOSSES · WHAT EACH CHOICE COSTS YOU

**1%**

PER TRADE

DRAWDOWN

**9.6%**

RECOVERY NEEDED

**10.6%**

**2%**

PER TRADE

DRAWDOWN

**18.3%**

RECOVERY NEEDED

**22.4%**

**5%**

PER TRADE

DRAWDOWN

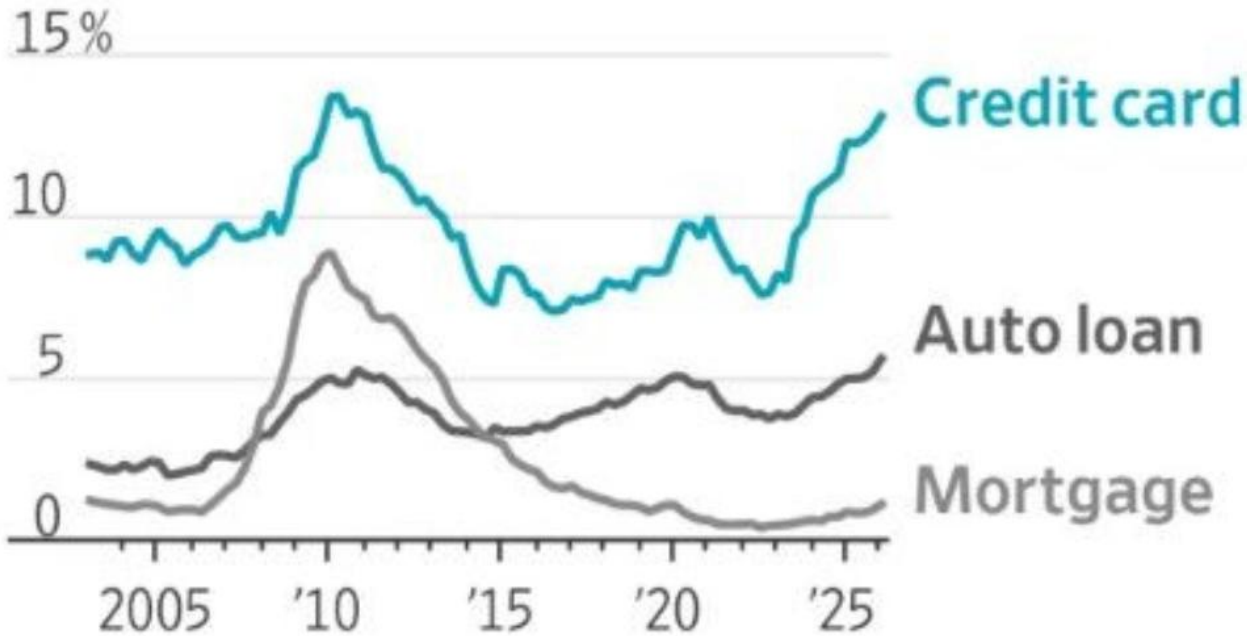
**40.1%**

RECOVERY NEEDED

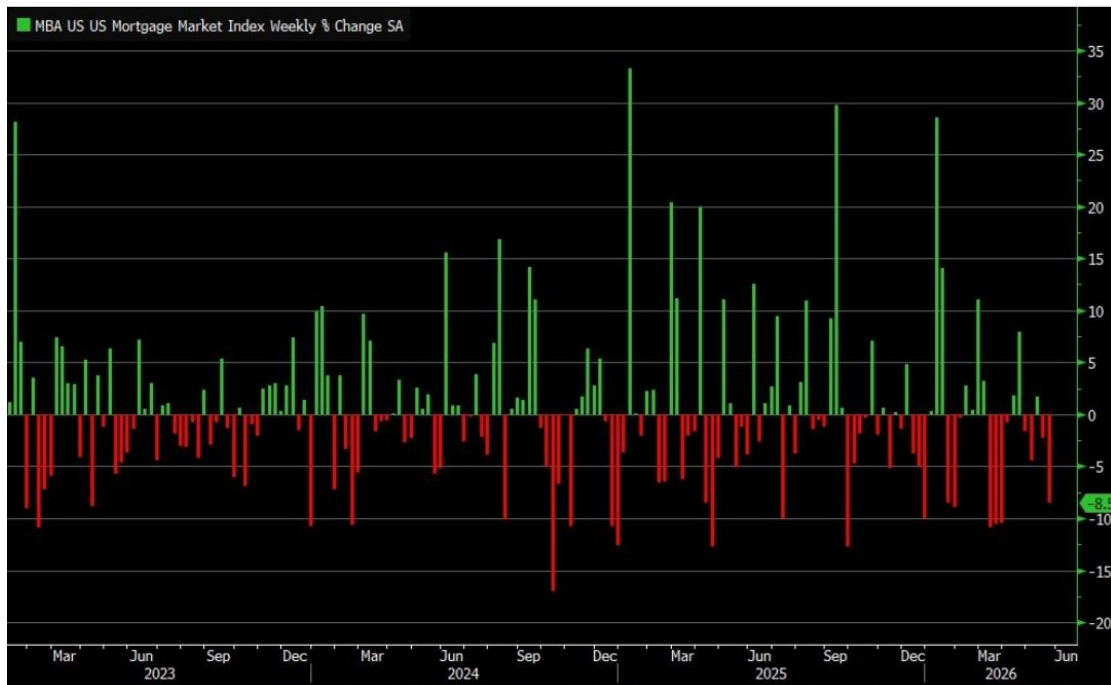
**67.0%**

**Position sizing isn't conservatism.  
It's survival math.**

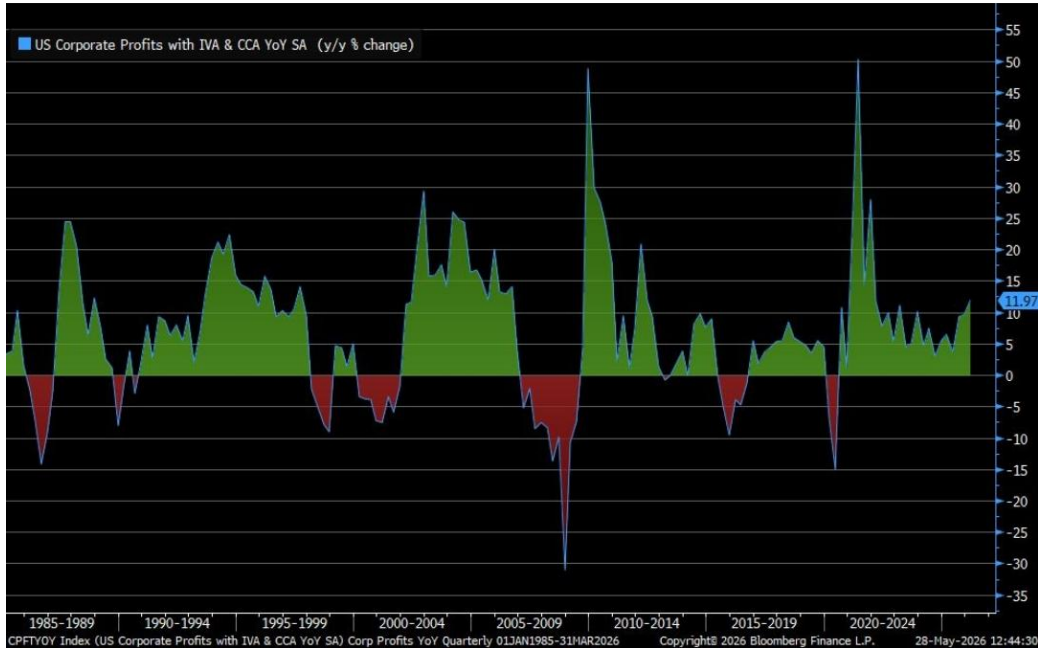
## Percentage of balances 90+ days delinquent, by loan type



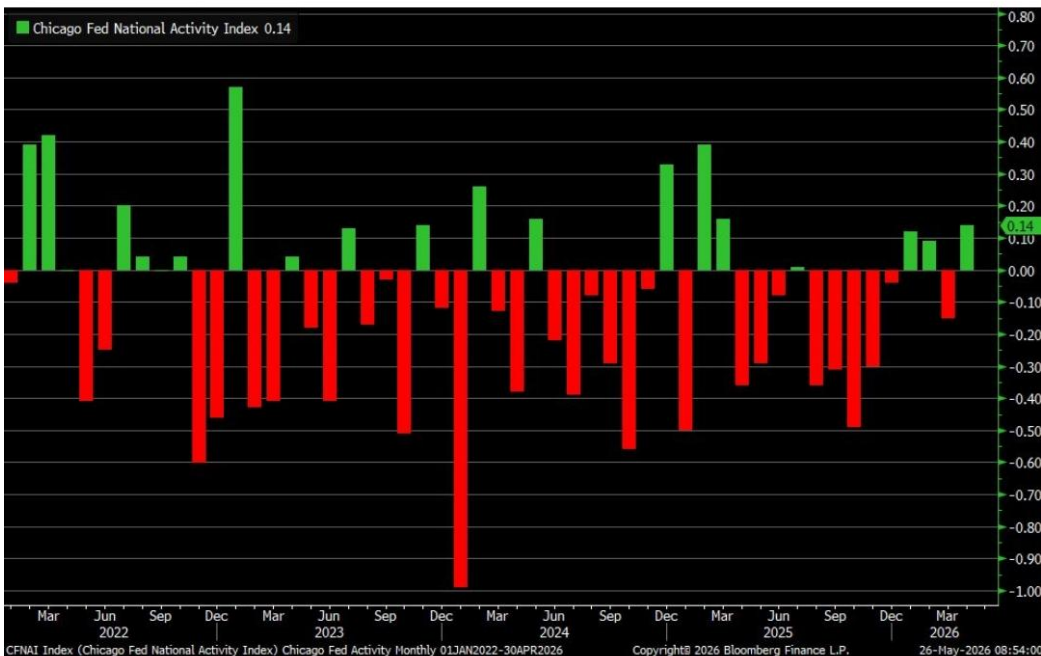
**Mortgage Bankers Association** mortgage applications for week ended May 22 decreased 8.5% from a week ago... refinancings fell 18.1%



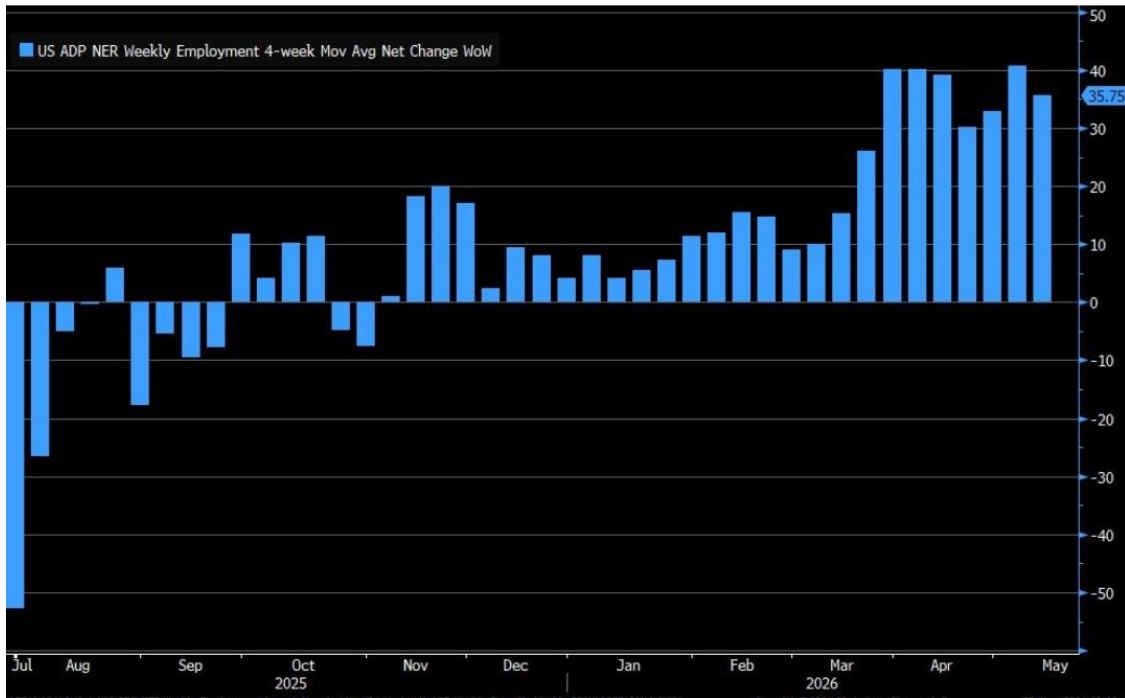
**In year/year terms, corporate profits remained robust in 1Q26 and advanced +12.0% vs. +9.6% prior**



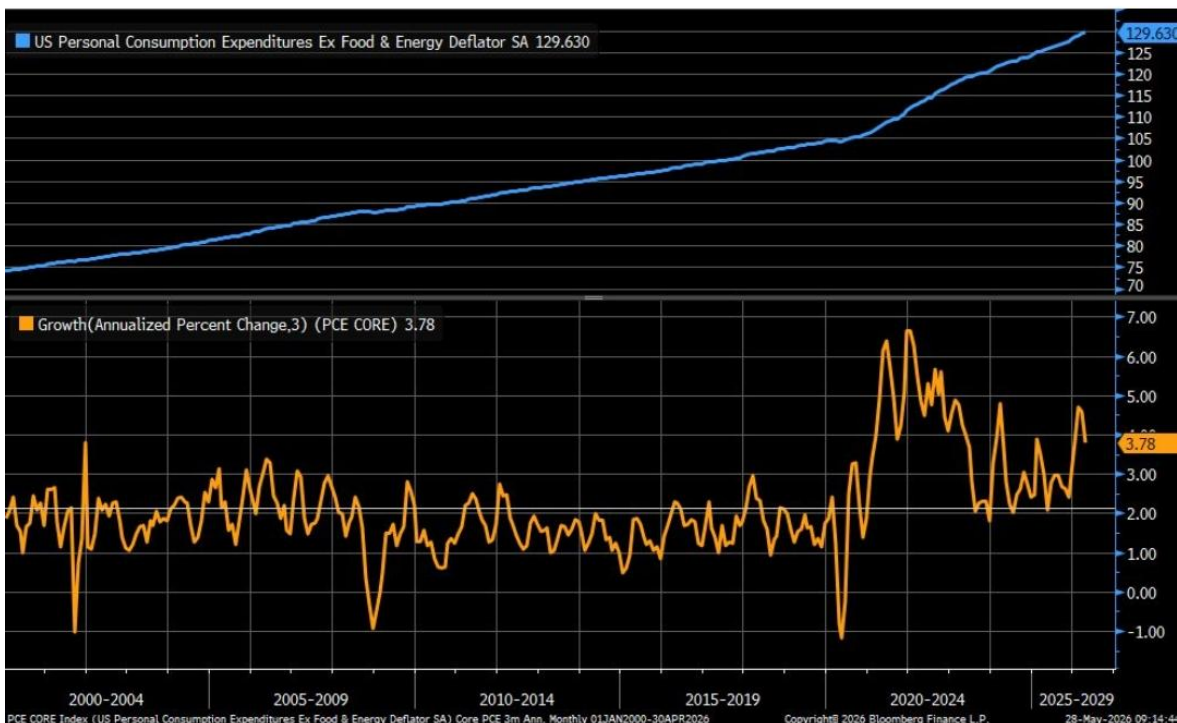
**April Chicago Fed National Activity +0.14 vs. -0.03 est. & -0.15 prior (rev up from -0.20)... 47 of 85 monthly indicators made positive contributions**



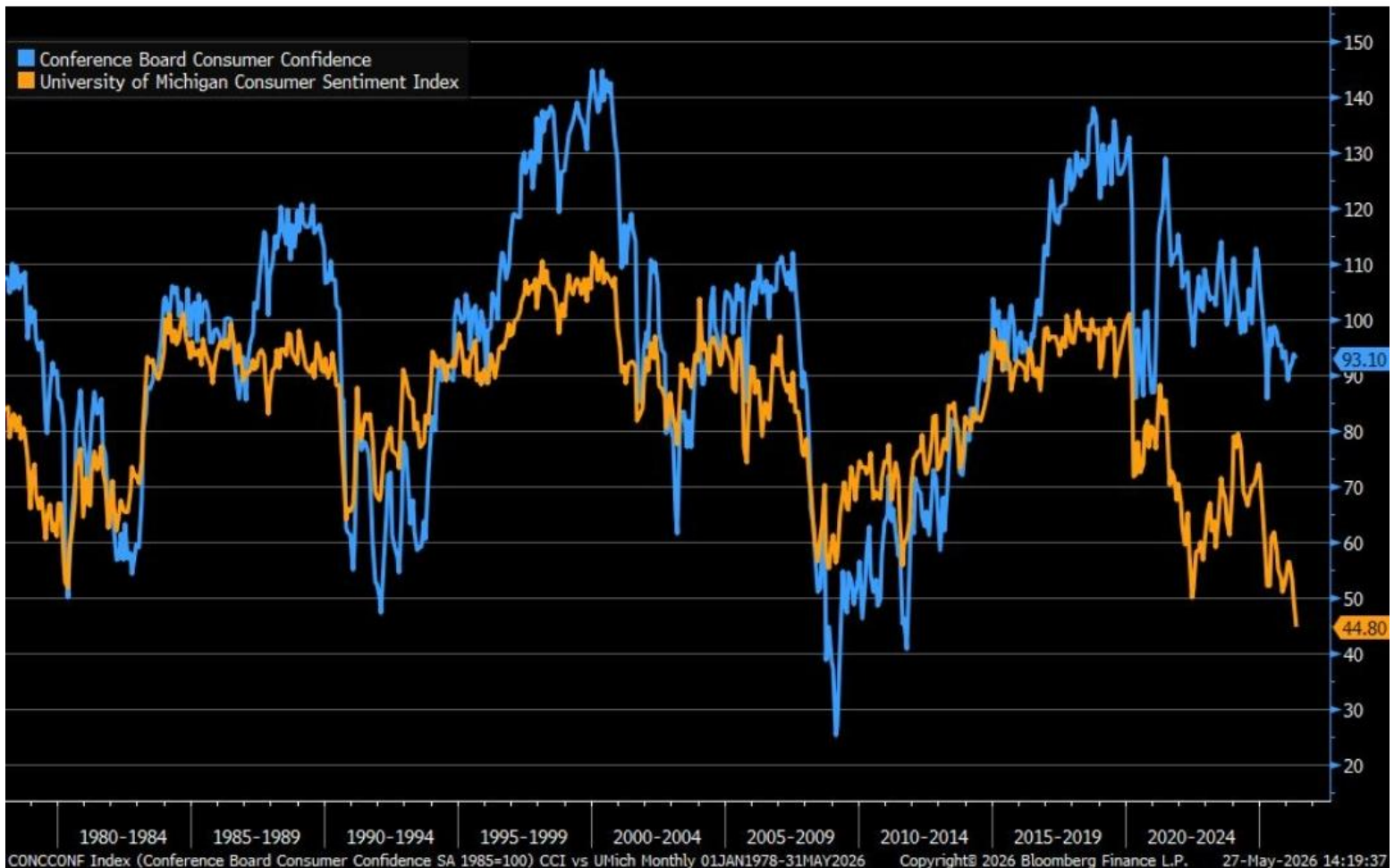
Slower hiring per latest from **ADP Research...**  
private payrolls added an average of 35,750  
jobs per week for four-weeks ending May 9  
down from 40,750 prior



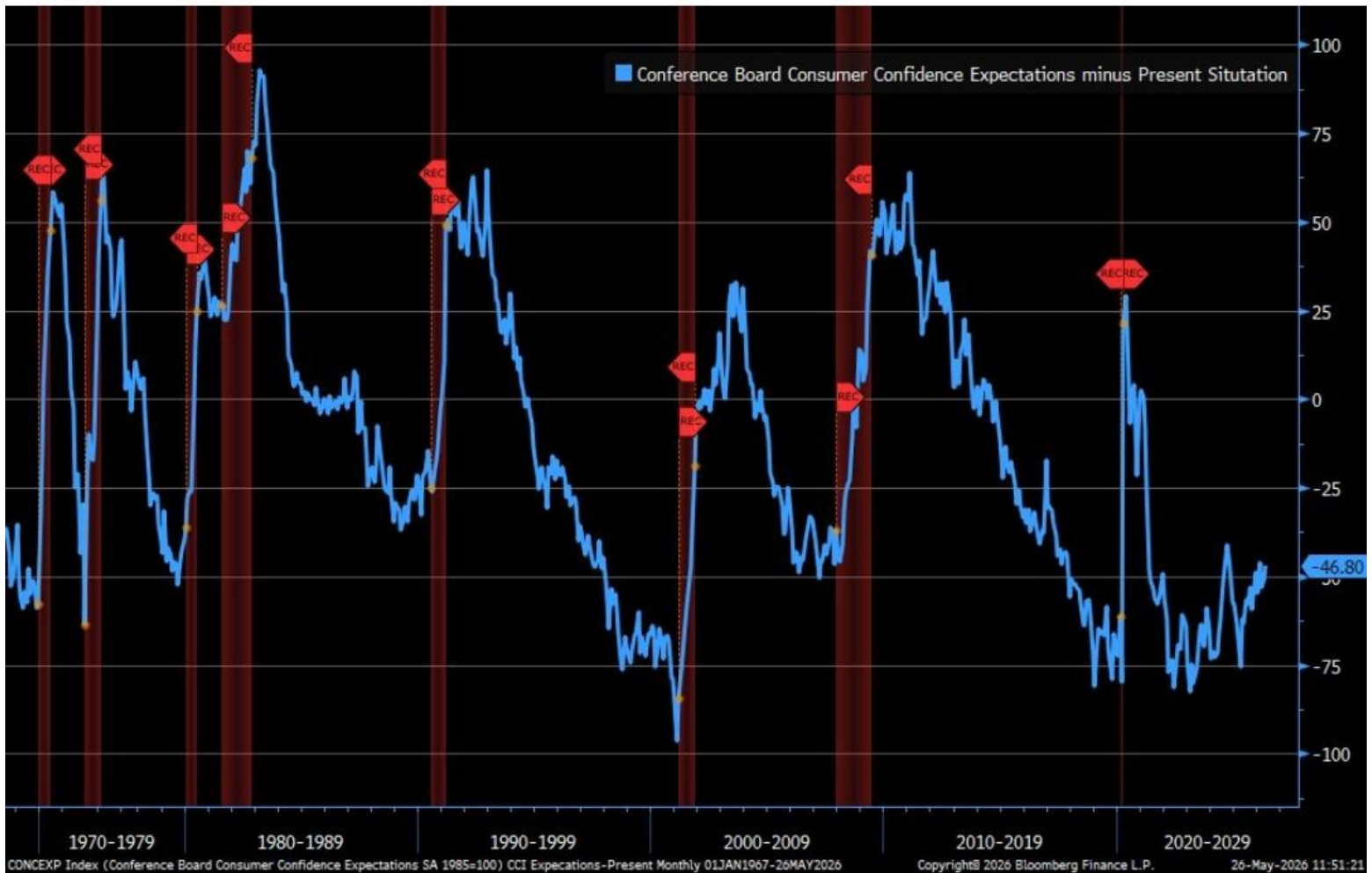
On a 3-month annualized basis, core PCE  
**#inflation** eased to +3.78% in April



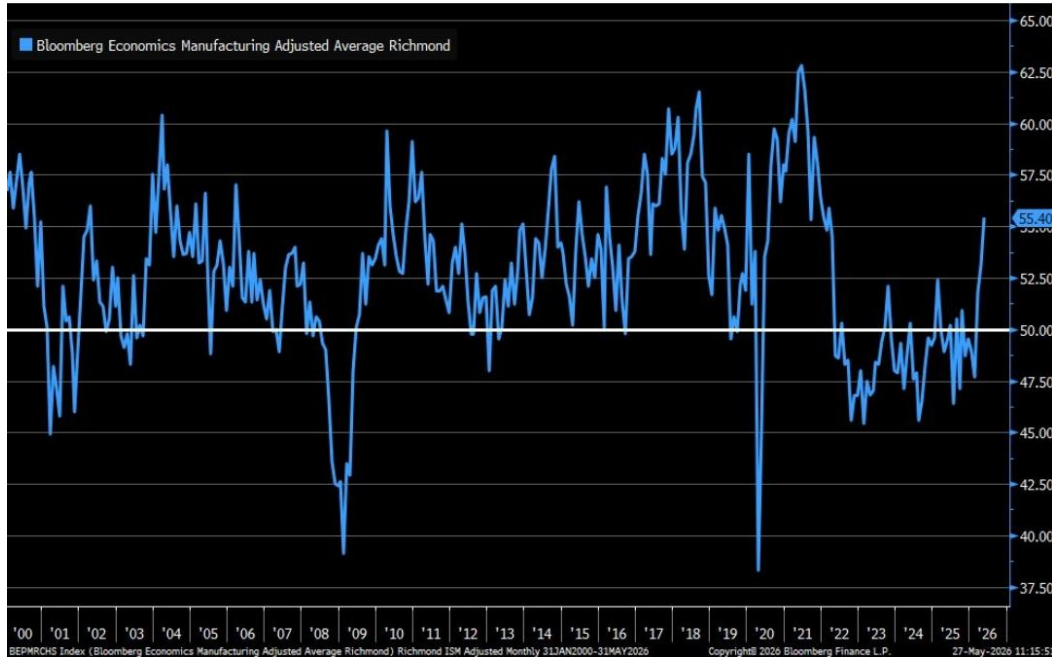
Consumer confidence (as measured by **The Conference Board**) has remained stronger when compared to consumer sentiment (as measured by **University of Michigan**) but important to note former tends to be biased more by what's going on in the labor market while latter tends to be biased more by what's going on with inflation



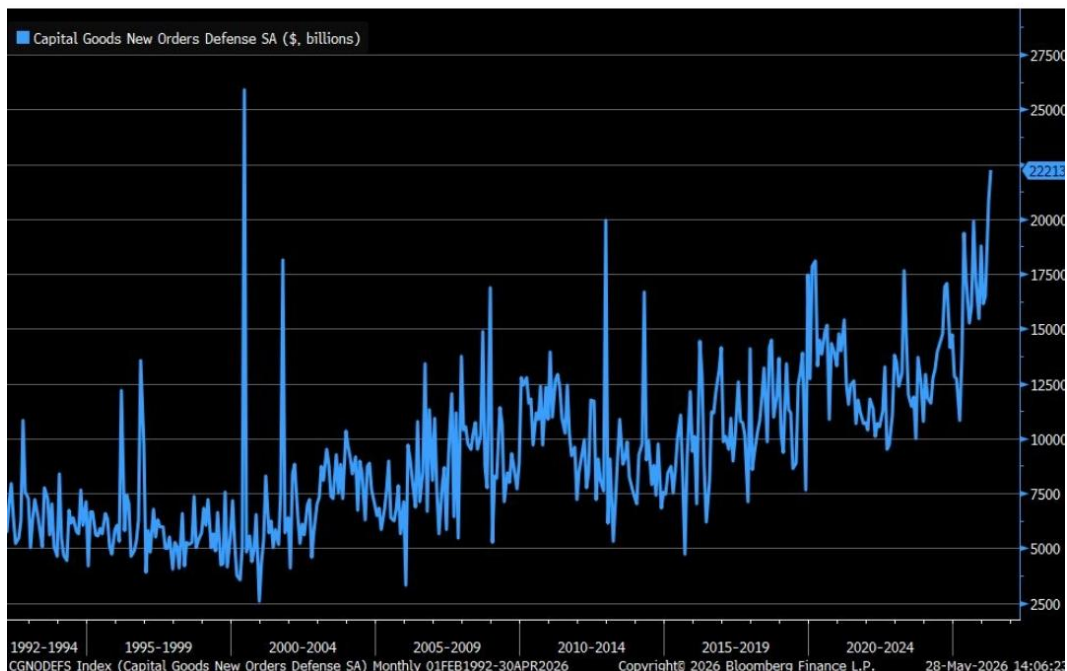
May spread between expectations and present situation components in **The Conference Board Consumer Confidence Index** moved up to -46.8 vs. -51.0 prior but has largely remained stagnant since late last year



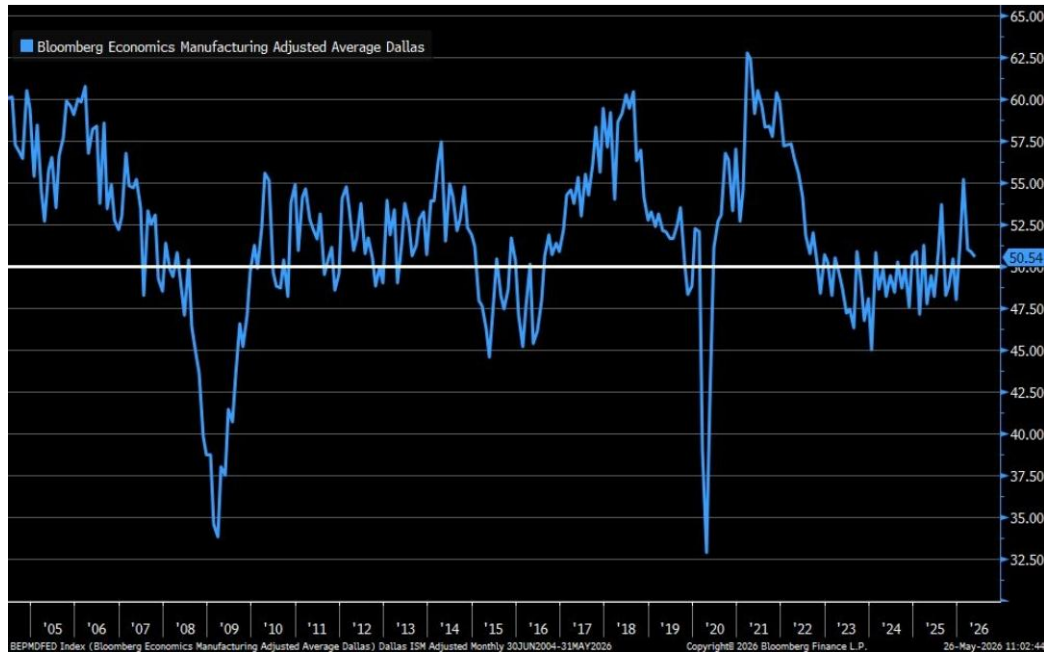
## Adjusted for ISM methodology, Richmond Fed Manufacturing Index hit 55.4 in May and expanded for a third consecutive month



## Orders for defense capital goods rose 7% in April to a 25-year high of \$22.2b likely driven by demand for military hardware from Iran war



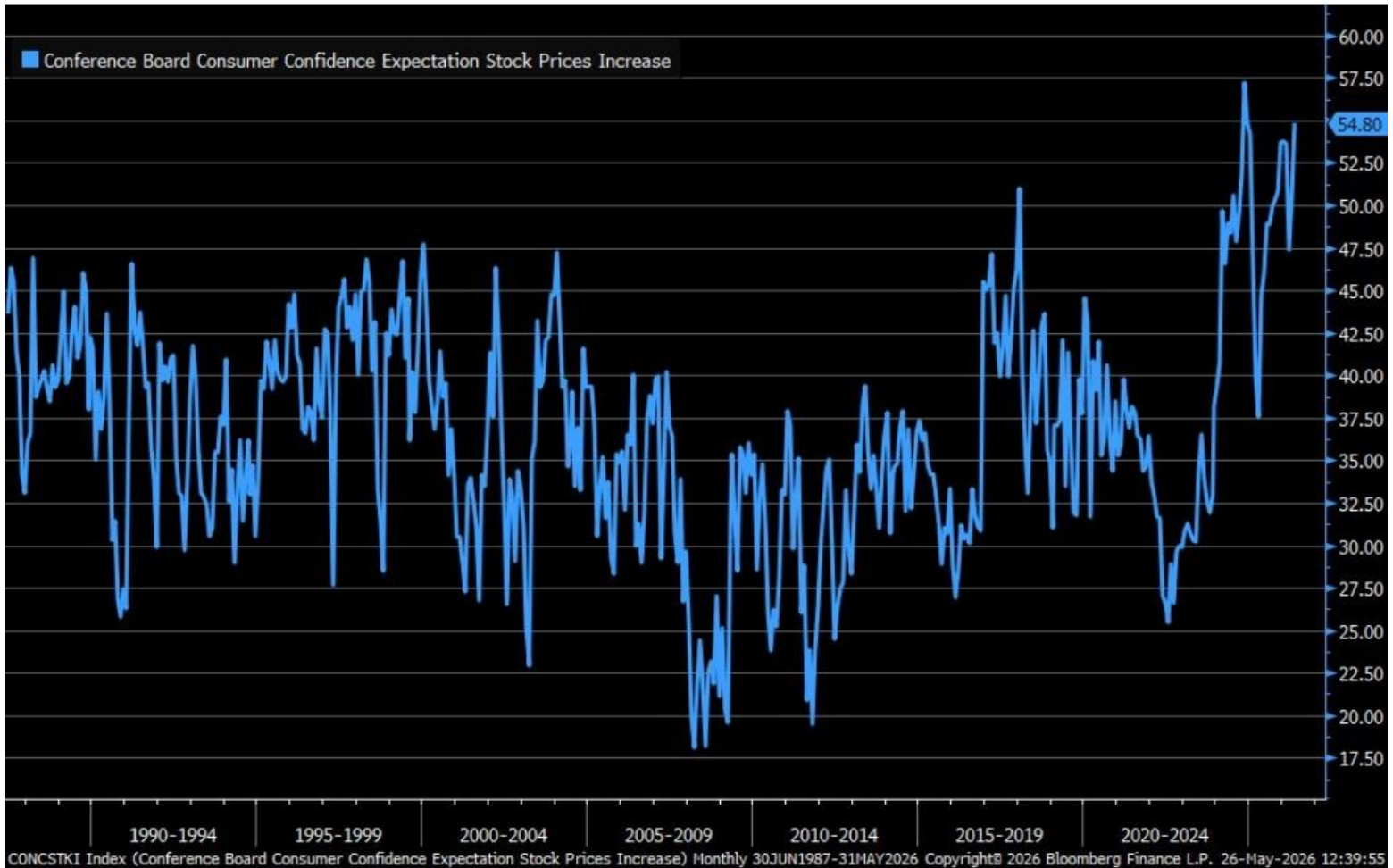
## Adjusted for ISM methodology, Dallas Fed Manufacturing Index fell slightly to 50.54 in May, still holding in expansion territory



**The Conference Board labor market differential (jobs plentiful minus jobs hard to get) deteriorated further in May and is hovering around cycle low**



# Consumers expecting higher stock prices a year from now rose to nearly 55% in May... highest read since Dec. 2024





# The top 10% of US earners account for nearly half of all consumer spending

Share of US consumer spending by income percentile





# AMERICA'S RATE OF

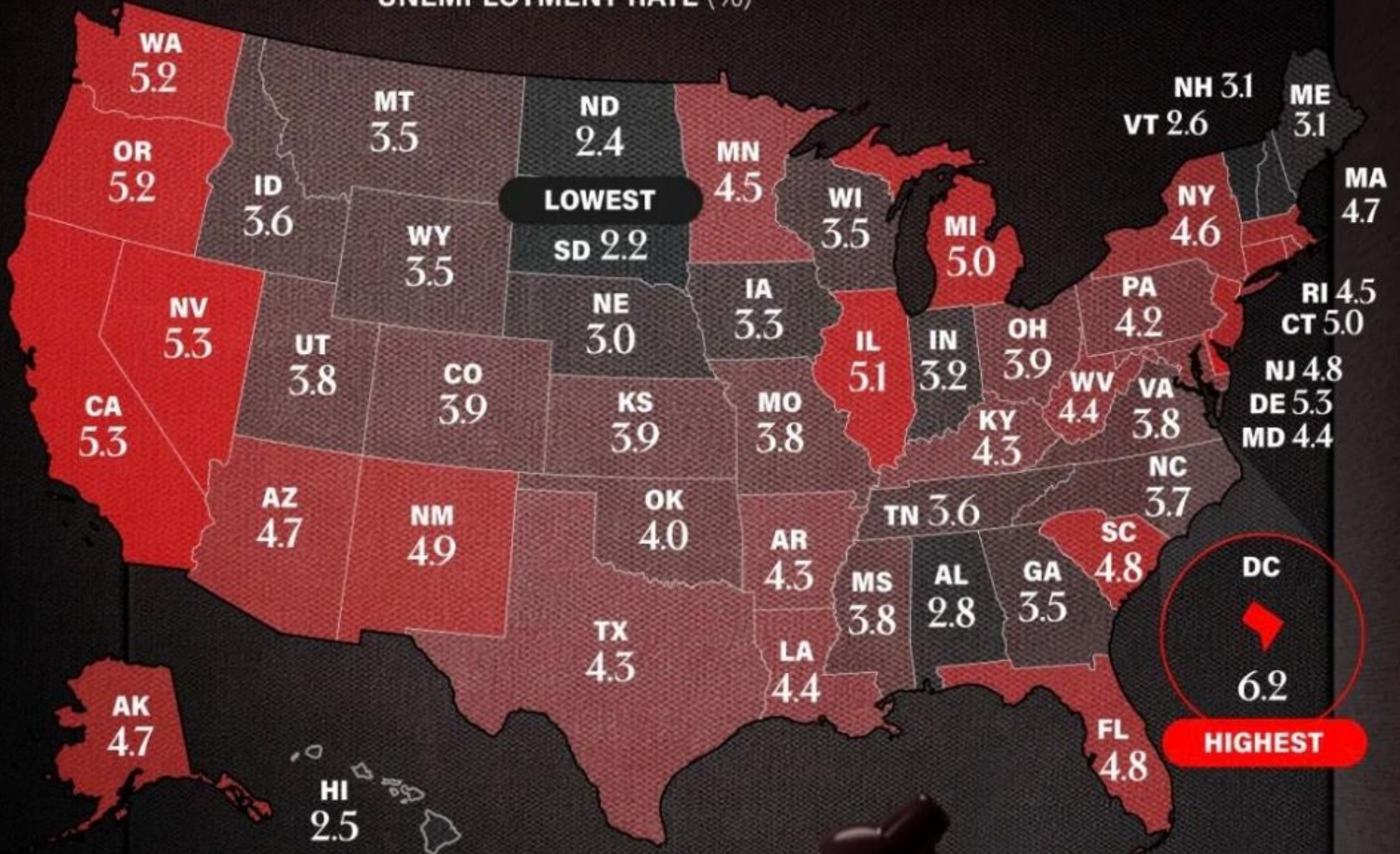
# UNEMPLOYMENT

2.2%

6.2%

BY STATE

UNEMPLOYMENT RATE (%)



4.3

U.S. OVERALL

SOURCE: U.S. BUREAU OF LABOR STATISTICS, APRIL 2026



VISUAL CAPITALIST

# Hiring Demand

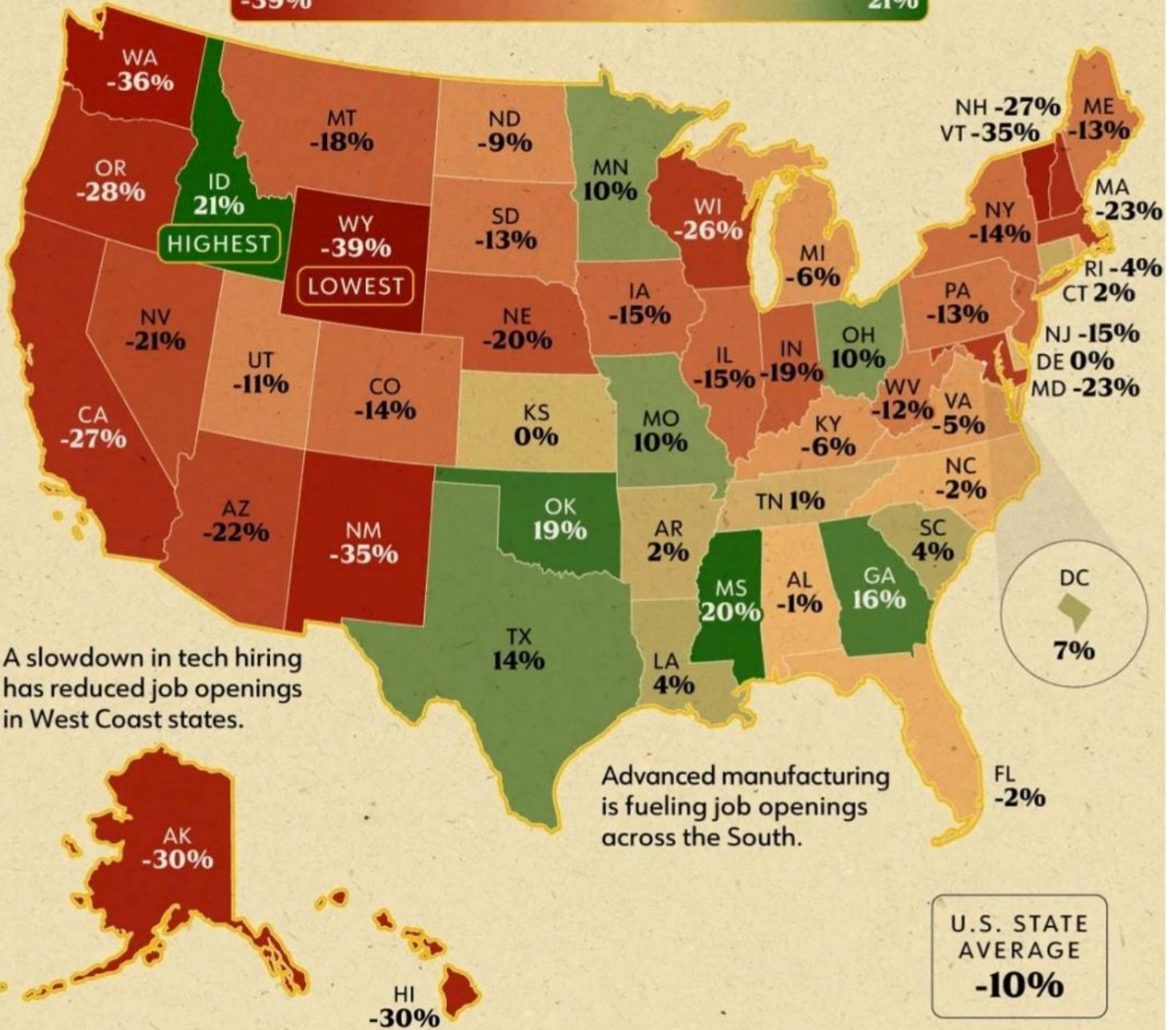
SINCE 2020

CHANGE IN JOB OPENINGS  
FEB 2020 VS JAN 2026



-39%

21%



A slowdown in tech hiring has reduced job openings in West Coast states.

Advanced manufacturing is fueling job openings across the South.

U.S. STATE  
AVERAGE  
**-10%**



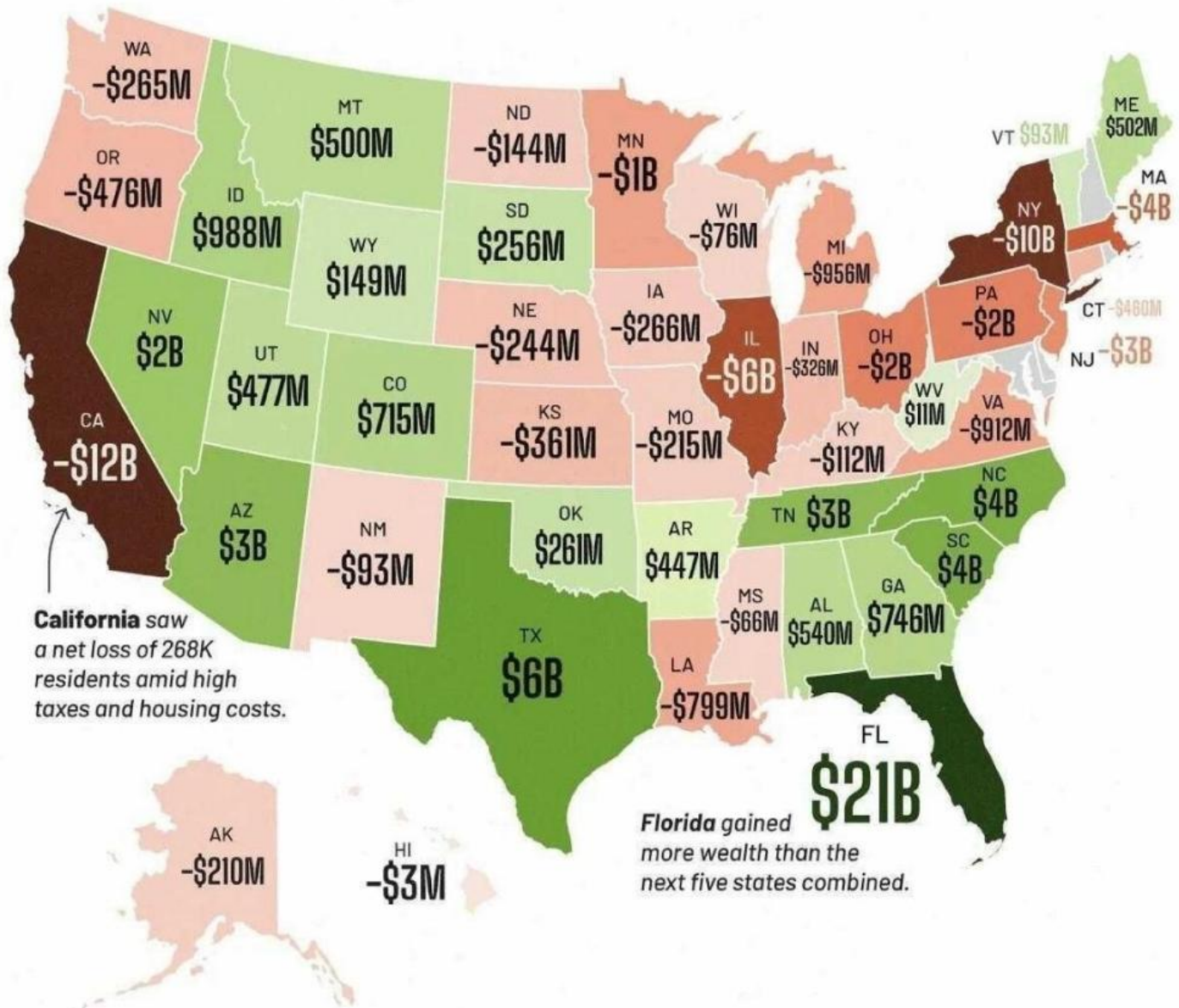
Source: U.S. Chamber of Commerce, U.S. Bureau of Labor Statistics  
Latest available data as of May 2026.

# Wealth Migration

By State



**-\$12B** Net Interstate Income Flows 2023 **\$21B**



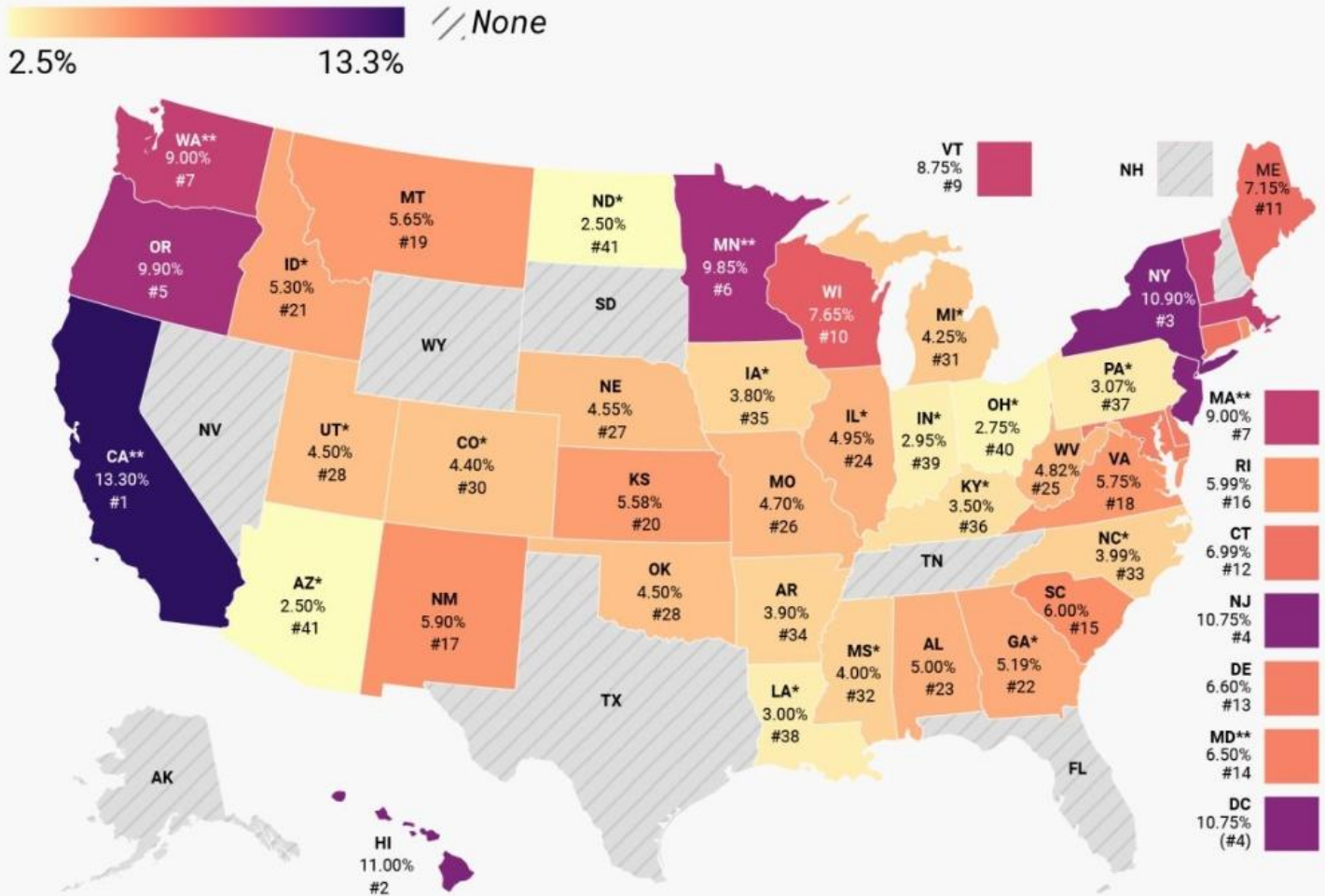
California saw a net loss of 268K residents amid high taxes and housing costs.

Florida gained more wealth than the next five states combined.

Estimated annual change in adjusted gross income from inter-state moves in 2023. No data for DE, NH, MD, and RI. Source: Realtor.com, Internal Revenue Service

VISUAL CAPITALIST

# Top Marginal State Individual Income Tax Rates (as of January 1, 2026)



Note: Map shows top marginal rates: the maximum statutory rate in each state. This map does not show effective tax rates, which would include the effects of various tax preferences. Local income taxes are not included.

(\*) State has a flat income tax.

(\*\*) Washington's 9% rate only applies to high earners' capital gains income. Top rates exclude non-UI payroll taxes in CA (1.3%), MA (0.46%), and WA (0.58%), a 1% high earners' investment income surtax in MN, and a 2% high earners' capital gains surtax in MD.

Sources: Tax Foundation; state tax statutes, forms, and instructions; Bloomberg Tax.

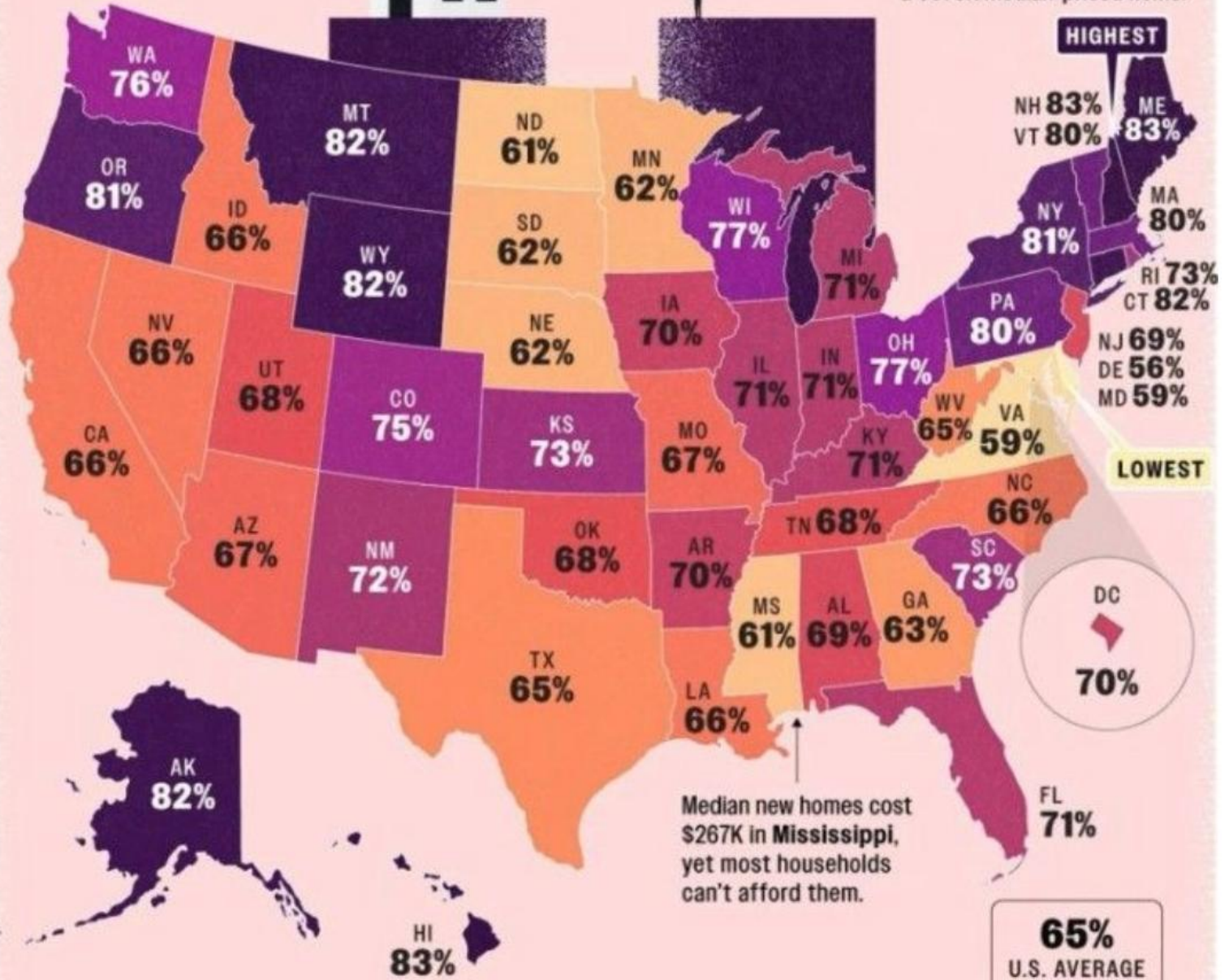
# WHERE AMERICANS ARE Priced Out of Homes IN 2026

% OF HOUSEHOLDS PRICED OUT OF NEW HOMES

56%

83%

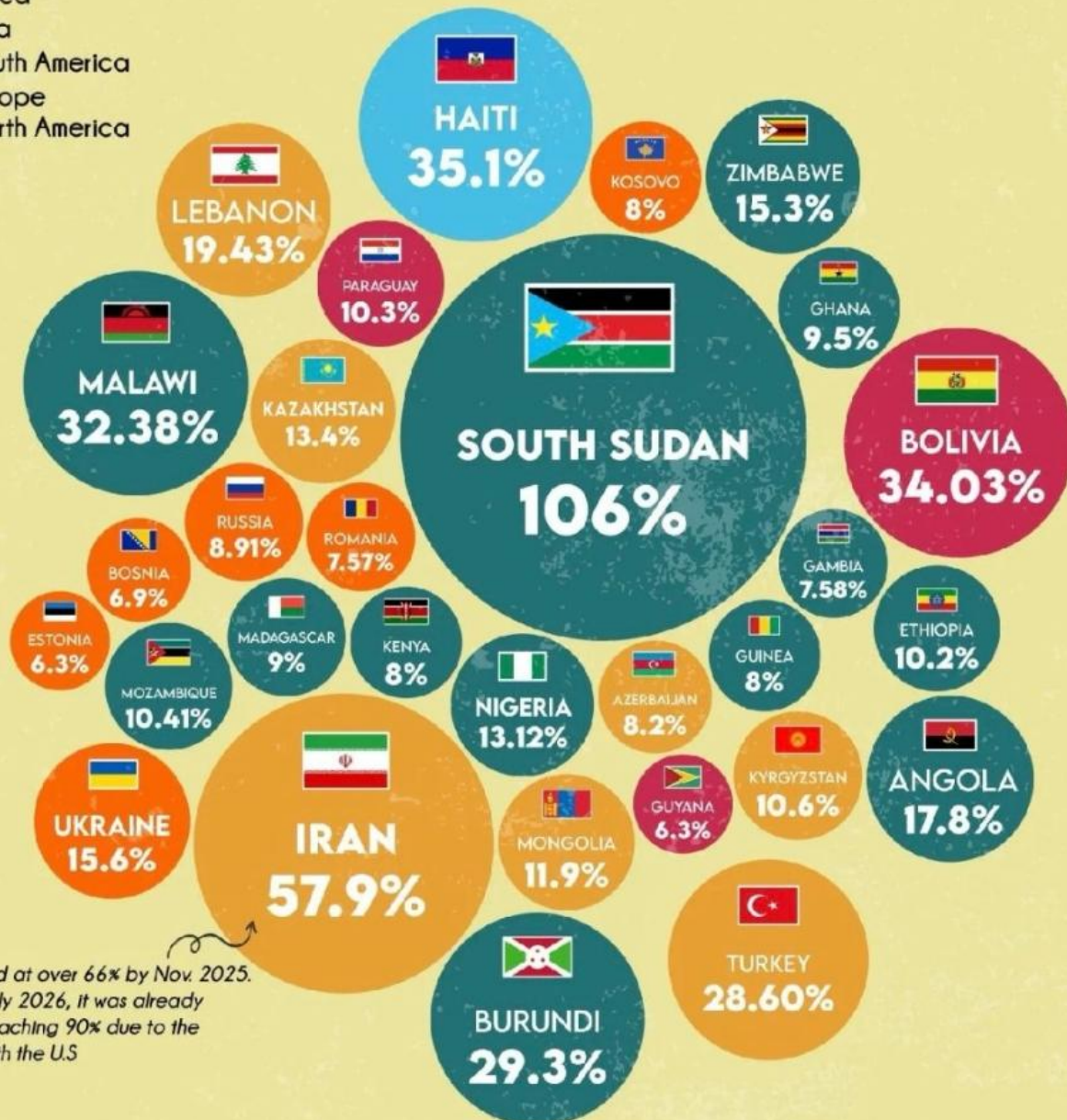
New Hampshire households need \$211K in income to afford a \$678K median-priced home.



# Countries With HIGHEST INFLATION FOOD RATES



- Africa
- Asia
- South America
- Europe
- North America



Peaked at over 66% by Nov. 2025. By early 2026, it was already approaching 90% due to the war with the U.S

South Sudan leads the world in food inflation at 106%, driven by civil war, droughts, and import disruptions.

Generally, Africa and Asia dominate high rates, with 13 and 7 countries in the top 30, respectively.

# America's 30 MOST RELIABLE COMPANIES

Based on 2,400 decision-makers evaluating B2B firms covering



- ✔ Value
- ✔ Consistency
- ✔ Dependability
- ✔ Business ease
- ✔ Recommendation

Tech	14	Professional Services	7	Finance	5	Industrial	2	Telecom	1	Others	1
------	----	-----------------------	---	---------	---	------------	---	---------	---	--------	---

Rank	Company	Score	Rank	Company	Score
1	Microsoft	91.5	16	FORTINET	85.8
2	IBM	89.6	17	GRAINGER	85.8
3	amazon	89.2	18	DELL Technologies	85.6
4	Google	88.8	19	AMERICAN EXPRESS	85.6
5	McAfee	88.7	20	BASF	85.5
6	Apple	87.7	21	AppleOne	85.5
7	Capital One	87.2	22	CWJ	85.4
8	AT&T	86.8	23	DIGITALSILK	85.4
9	BANK OF AMERICA	86.7	24	BCG BOSTON CONSULTING GROUP	85.4
10	ORACLE	86.7	25	JPMorganChase	85.2
11	Toptal	86.5	26	Sysco	85.1
12	Adobe	86.4	27	GOODWIN	85.0
13	salesforce	86.3	28	vistaprint	84.9
14	charles SCHWAB	86.2	29	Staples	84.9
15	CISCO	86.1	30	NVIDIA	84.9

# World's Biggest Economies Changed in 10 Years

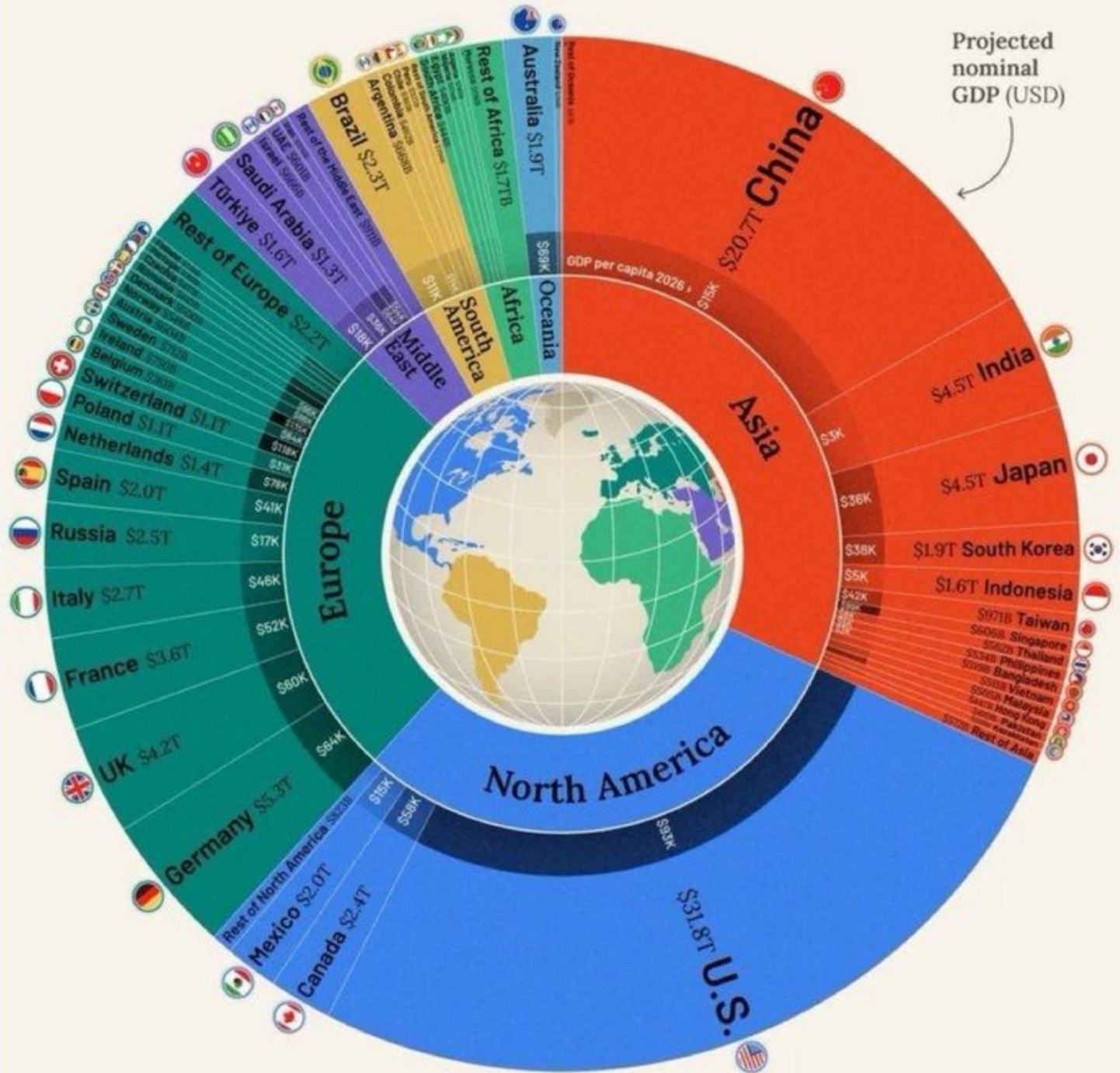
Major economies changed from 2015 to 2025, showing their GDP then, now, and the percent growth over the decade.

	Countries	2015 GDP	2025 GDP	Change %
01	 United States	\$18.3 Tn	\$30.6 Tn	+67.21%
02	 China	\$11.3 Tn	\$19.4 Tn	+71.68%
03	 Germany	\$3.4 Tn	\$5.01 Tn	+47.35%
04	 Japan	\$4.4 Tn	\$4.28 Tn	-2.73%
05	 India	\$2.1 Tn	\$4.13 Tn	+96.67%
06	 United Kingdom	\$2.9 Tn	\$3.96 Tn	+36.55%
07	 France	\$2.4 Tn	\$3.36 Tn	+40.00%
08	 Italy	\$1.8 Tn	\$2.54 Tn	+41.11%
09	 Russia	\$1.4 Tn	\$2.54 Tn	+81.43%
10	 Canada	\$1.6 Tn	\$2.28 Tn	+42.50%
11	 Brazil	\$1.8 Tn	\$2.26 Tn	+25.56%
12	 Spain	\$1.2 Tn	\$1.89 Tn	+57.50%
13	 Mexico	\$1.2 Tn	\$1.86 Tn	+55.00%
14	 South Korea	\$1.5 Tn	\$1.86 Tn	+24.00%
15	 Australia	\$1.2 Tn	\$1.83 Tn	+52.50%
16	 Türkiye	\$868.2 Bn	\$1.57 Tn	+80.83%
17	 Indonesia	\$860.9 Bn	\$1.44 Tn	+67.27%
18	 Netherlands	\$775.8 Bn	\$1.32 Tn	+70.15%
19	 Saudi Arabia	\$693.4 Bn	\$1.27 Tn	+83.16%
20	 Poland	\$479.7 Bn	\$1.04 Tn	+116.80%



# \$124 Trillion

## THE WORLD ECONOMY IN 2026



## What the U.S. Buys From China

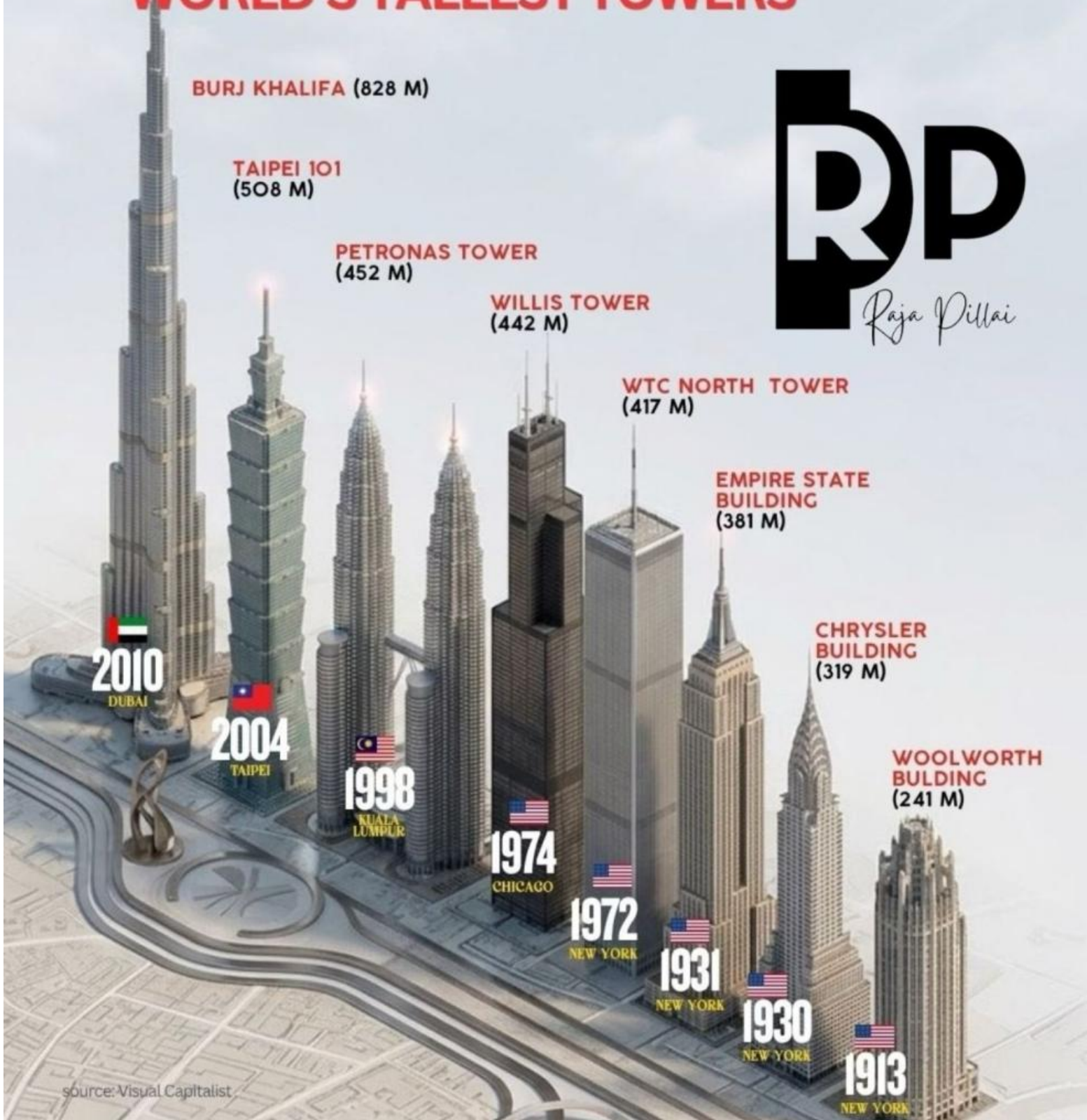


## What China Buys From the U.S.



Source: UN Comtrade Database (2024), latest full-year data available as of May 2026. Values in current U.S. dollars. Product labels paraphrased.

# The Evolution of the **WORLD'S TALLEST TOWERS**



source: Visual Capitalist

# DAD BUYS STOCK AT \$500K

A simplified example of how appreciated assets can avoid capital gains tax

- 1** | Stock is purchased for \$500,000
- 2** | It grows to \$10 million
- 3** | If he sells, he owes tax on a \$9.5 million gain
- 4** | Instead, he places it in a trust and borrows against it
- 5** | Borrowing isn't income, so there's no income tax on the loan proceeds
- 6** | He lives on loans and never sells the asset
- 7** | He dies still holding the asset
- 8** | Kids inherit with a stepped-up basis of \$10 million



**IRS gets \$0  
in capital gains tax**



This is the classic 'buy, borrow, die' concept.



*Simplified example for illustration only. Actual tax results depend on trust*

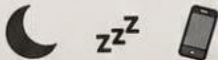


# WHAT YOUR ORGANS HATE



## THE BRAIN

**✗ HATES:** Staying up late and lack of sleep



**✓ LOVES:** Good sleep, reading, learning & meditation



## THE KIDNEYS

**✗ HATES:** Excessive use of painkillers



**✓ LOVES:** Water, fruits, vegetables & regular exercise



## THE LIVER

**✗ HATES:** Fatty foods and sugar



**✓ LOVES:** Leafy greens, turmeric, beetroot & lemons

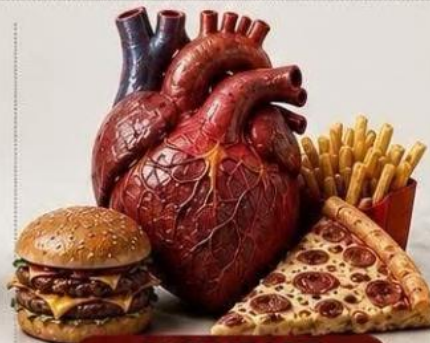


## THE BONES

**✗ HATES:** Carbonated drinks



**✓ LOVES:** Calcium, vitamin D, almonds, milk & sunlight



## THE HEART

**✗ HATES:** Junk food and excess salt



**✓ LOVES:** Oats, nuts, berries, olive oil & walking



## THE STOMACH

**✗ HATES:** Fried food and irritants



**✓ LOVES:** Fiber-rich foods, yogurt, ginger & warm water



TAKE CARE OF YOUR ORGANS TODAY,  
SO THEY CAN TAKE CARE OF YOU TOMORROW.



DRINK WATER

EAT REAL FOOD

STAY ACTIVE

MANAGE STRESS

SLEEP WELL