www.breakpointtrading.net

Newsletter for Week Ending 11/20/26

Youtube Channel



God Tells Dallas Cowboys Fans To Stop Praying, Says He's Done Everything He Can

SPORTS · Nov 16, 2026 · BabylonBee.com



With Online Banking Down, Gen Z Wishing There Were Some Physical Form Of Currency You Could Always Carry With You

FINANCE · Nov 18, 2026 · BabylonBee.com



www.breakpointtrading.net



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!

---

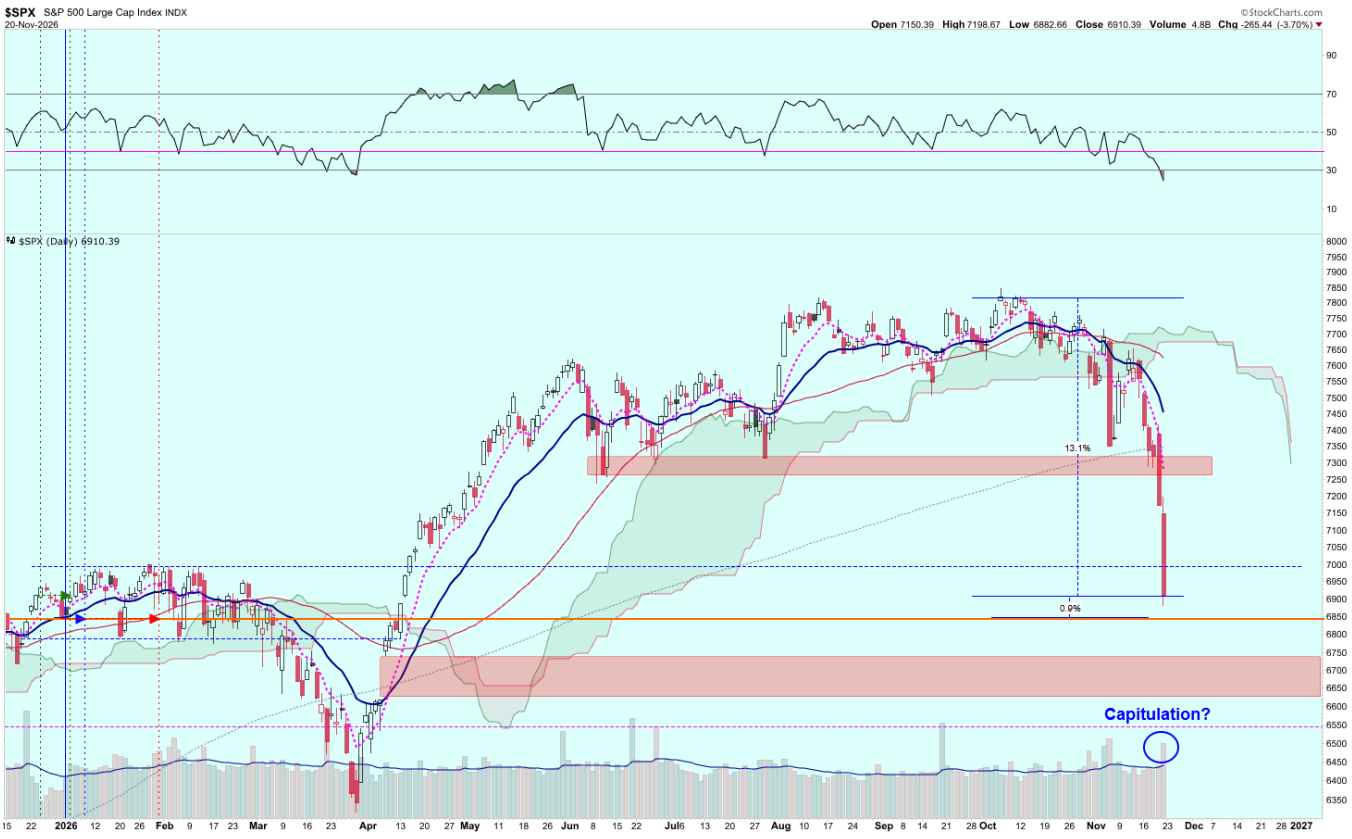
www.breakpointtrading.net

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)

Service Levels, Data Plans and Pricing | StockCharts.com



Chart of the Week: SPX down 13%, officially a correction and only 1% away from the opening price for the year. "If" a reaction rally happens, it could quickly get back to the support zone at 7300, or nearly 400 points higher. If that doesn't happen in the next week or so, then this selloff might be much deeper. (See the RIA report this week, further down).



www.breakpointtrading.net

The Market Timing System on the website gave a “CASH” signal on 10/30/26, just before the selling began. It was up 6% since April at that point. The SPX index has given back almost all of the gains this year. The MTS Strategy is designed to go flat during extended downtrends and could be used for 401K investing. While most of the 401K is safe in 4% yielding treasuries as the market crashes, new money coming in from payrolls are invested at the lower prices, while keeping all of the previous gains.

MTS Strategy uses the Weekly as the Primary Trend for Entries AND Exits.							As of 11/20/2026	
Symbol	Early	Short Term	Mid Term	Long Term (Primary Trend)	MTS Strategy	Start / End Date	Current Performance	Cumulative MT Performance Since 11/3/23
VTI (Weekly)		BEAR	BEAR	BULL	CASH	4/17/2026 - 10/30/26	6.0%	60.0%

When a square is highlighted, the trend has changed on that day.
Short Term is usually the first entry signal, Mid Term confirms the Short Term trend and Long Term is a sustained trend.
"Early Signal" is a Daily Color Bar and can change quickly either way.
MTS Strategy is the "Primary Trend" of the VTI (Weekly) according to the rules above.

Cumulative MT Performance = All entries & exits since the Primary Trend

Strategy		
Early Signal	Weekly	Bar Changes Color
Short Term	Weekly	8 EMA crosses 21 EMA
Mid Term (Primary Trend)	Weekly	21 EMA crosses 50 SMA
LONG/CASH Signal	Weekly	Close Above/Below 21 EMA

Leveraged Trends	
2X	12.00%
3X	18.00%

There is a good chance the market may rally next week before resuming a downtrend. Here is the VIX which was very extended.



www.breakpointtrading.net

Economic Calendar for Last Week:

Time	Cur.	Event	Imp.	Actual	Forecast	Previous
		Monday, November 16, 2026				
12:00	US	Fed Chair Warsh Speaks	★★★			
		Tuesday, November 17, 2026				
08:30	US	Retail Sales (MoM) (Oct)	★★★	0.2%	0.1%	0.8%
08:30	US	Core Retail Sales (MoM) (Oct)	★★★	0.6%	0.4%	1.1%
		Wednesday, November 18, 2026				
10:30	US	Crude Oil Inventories	★★★	3.380M	0.400M	4.657M
14:00	US	FOMC Meeting Minutes	★★★			
		Thursday, November 19, 2026				
08:30	US	Philadelphia Fed Manufacturing Index (Nov)	★★★	6.3	20.6	20.9
08:30	US	Initial Jobless Claims	★★★	203K	198K	202K

www.breakpointtrading.net

Economic Calendar for Next Week: PCE is the one to watch, likely to come in hot

Time	Cur.	Event	Imp.	Actual	Forecast	Previous
		Monday, November 23, 2026				
09:45	US	S&P Global Services PMI (Nov) P	★★★			56.1
09:45	US	S&P Global Manufacturing PMI (Nov) P	★★★			54.9
		Tuesday, November 24, 2026				
10:00	US	CB Consumer Confidence (Nov)	★★★		92.0	91.7
		Wednesday, November 25, 2026				
08:30	US	Core PCE Price Index (MoM) (Oct)	★★★		0.3%	0.3%
08:30	US	Core PCE Price Index (YoY) (Oct)	★★★		3.2%	3.1%
08:30	US	GDP (QoQ) (Q3) P	★★★		3.4%	3.4%
08:30	US	Durable Goods Orders (MoM) (Oct) P	★★★		0.0%	1.9%
08:30	US	Initial Jobless Claims	★★★			203K
10:00	US	New Home Sales (Oct)	★★★		670K	676K
10:30	US	Crude Oil Inventories	★★★			3.380M
		Thursday, November 26, 2026				
All Day	US	United States - Thanksgiving Day	**Holiday**			
		Friday, November 27, 2026				
	US	United States - Thanksgiving Day - Early close at 13:00	**Holiday**			

www.breakpointtrading.net

A rate hike is all but assured in December, but the next one is pushed back now to March.

If PCE comes in hotter than expected, there is talk that they may to with 50 bps in December.

	CME FEDWATCH TOOL - AGGREGATED MEETING PROBABILITIES			
MEETING DATE	**375-400**	**400-425**	**425-450**	**450-475**
12/9/2026	11.41 %	88.59 %	0.00 %	0.00 %
1/27/2027	0.00 %	54.00 %	46.00 %	0.00 %
3/17/2027	0.00 %	7.14 %	92.86 %	0.00 %
4/28/2027	0.00 %	0.00 %	90.00 %	10.00 %
6/9/2027	0.00 %	0.00 %	70.21 %	29.79 %
7/28/2027	0.00 %	0.00 %	68.00 %	32.00 %
9/15/2027	0.00 %	0.00 %	66.00 %	34.00 %
11/17/2027	0.00 %	0.00 %	84.46 %	15.54 %

And the 10-Year has backed off considerably in the last week, now dropping below 5%.

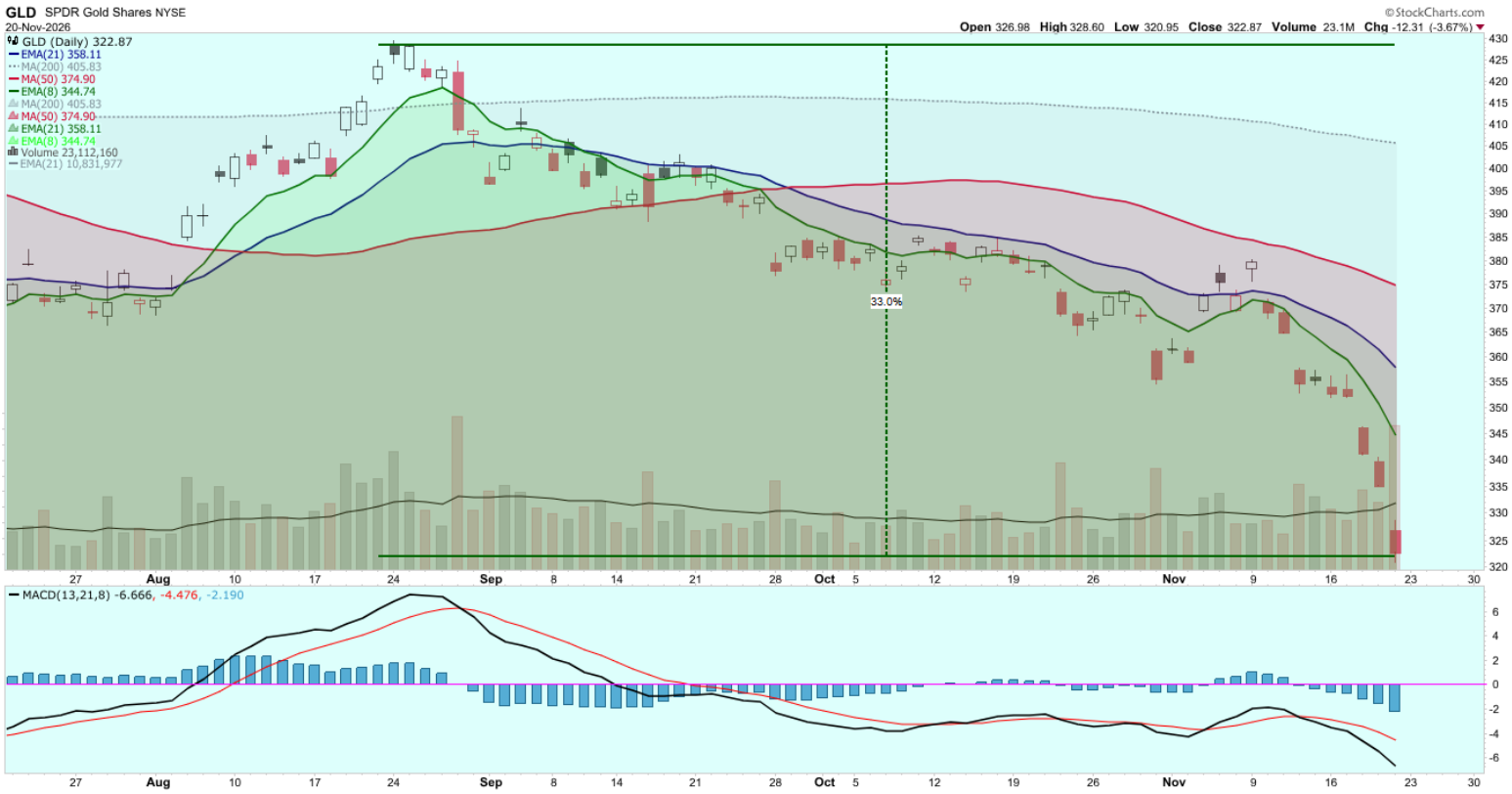


www.breakpointtrading.net

Crude Oil also continues to drop, down 23% from its high:



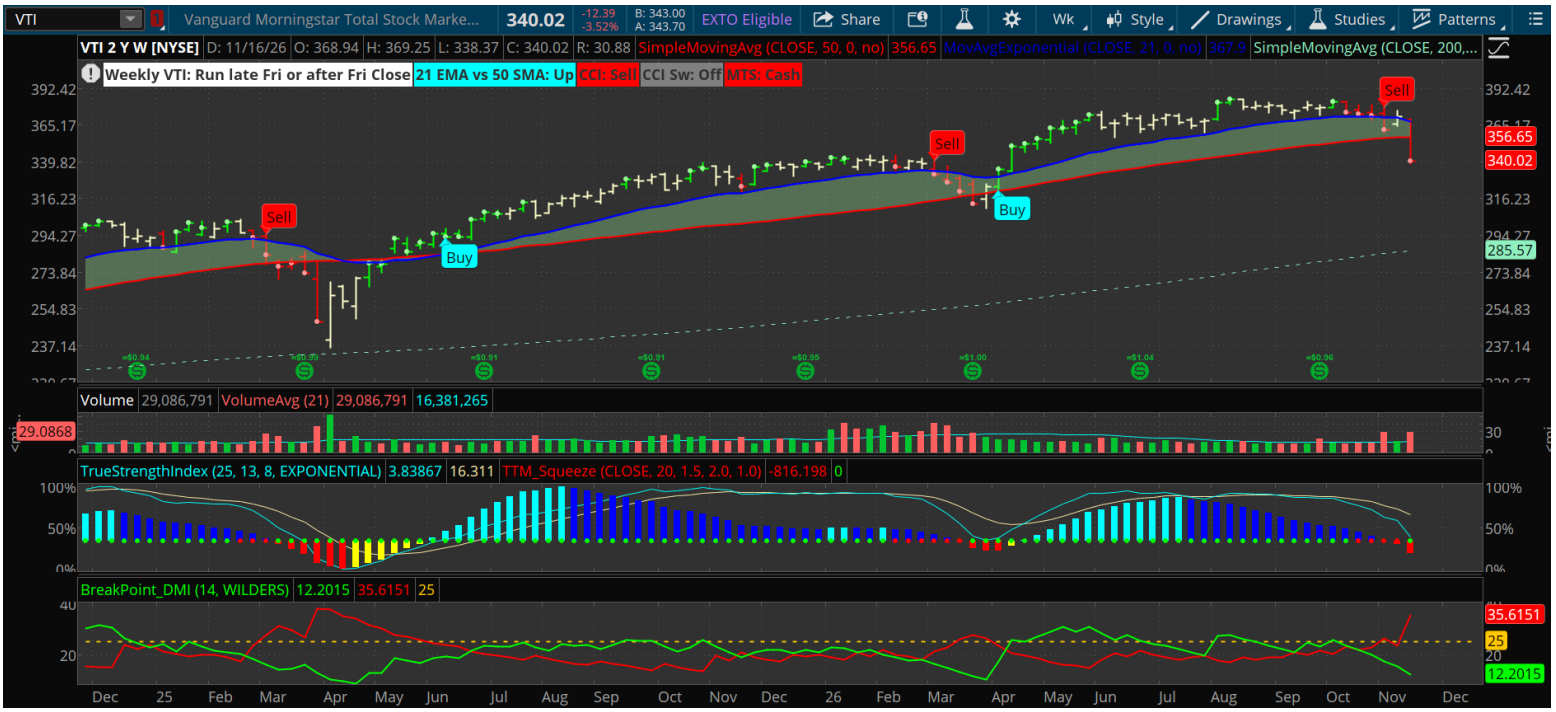
As does Gold, down almost 35% from its high:



www.breakpointtrading.net

Talking about the MTS Strategy, a friend created a Think Or Swim (ToS) script that shows the signals based on the rules I created. It looks pretty good, but there could be some future tweaks. For those who are subscribers to the website, you can download the full chart with both the MTS indicator and the others that I use. Just go to the "Portfolios" tab and you'll sese the link for the download. You can't miss it!

Notice how the last box in the upper left of the screen shows the current status (MTS: Cash)



The download will include all of the above indicators and will give you the signal automatically.

www.breakpointtrading.net

Weekly Performance:

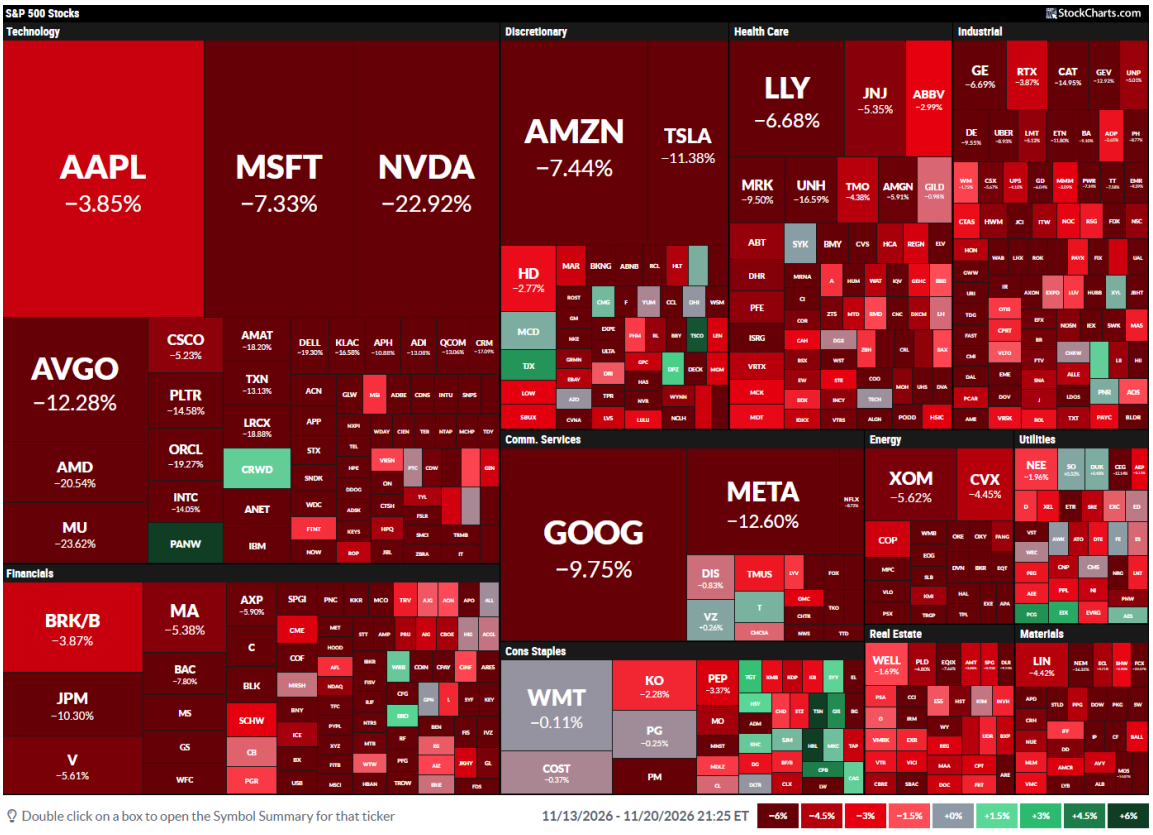
NAME	LAST	CHG	% CHG	+/-
$VIX - Volatility Index - New Methodology	35.89	+16.59	+85.96%	
TLT - iShares 20+ Year Treasury Bond ETF	81.45	+2.07	+2.61%	
$USD - US Dollar - Cash Settle	103.84	+0.43	+0.41%	
DBA - Invesco DB Agriculture Fund	26.15	-0.40	-1.51%	
$BRENT - Brent Crude Oil - Spot	92.49	-3.35	-3.50%	
$TNX - CBOE 10-Year US Treasury Yield	49.12	-2.42	-4.70%	
DBC - Invesco DB Commodity Index Tracking Fund	29.32	-1.47	-4.77%	
XRT - SPDR S&P Retail ETF	86.49	-4.56	-5.01%	
XHB - SPDR S&P Homebuilders ETF	96.60	-5.47	-5.36%	
$BTCUSD - Bitcoin to US Dollar	60,139.17	-3,987.06	-6.22%	
$SML - S&P 600 Small Cap Index	1,594.64	-114.43	-6.70%	
XLE - Energy Select Sector SPDR Fund	60.51	-4.45	-6.85%	
XBI - SPDR S&P Biotech ETF	140.18	-10.37	-6.89%	
$MID - S&P 400 Mid Cap Index	3,424.66	-257.21	-6.99%	
XLF - Financial Select Sector SPDR Fund	54.57	-4.11	-7.00%	
IWM - iShares Russell 2000 ETF	256.61	-20.93	-7.54%	
DIA - SPDR Dow Jones Industrial Average ETF	481.08	-41.49	-7.94%	
SPY - SPDR S&P 500 ETF	689.81	-64.56	-8.56%	
GLD - SPDR Gold Shares	322.87	-32.58	-9.17%	
$OEX - S&P 100 Index	3,375.28	-345.34	-9.28%	
IGV - iShares Expanded Tech-Software Sector ETF	91.66	-9.53	-9.42%	
MAGS - Roundhill Big Tech ETF	61.66	-7.00	-10.20%	
QQQ - Invesco QQQ Trust	608.45	-71.44	-10.51%	
MTUM - iShares MSCI USA Momentum Factor ETF	60.27	-7.71	-11.34%	
DTCR - Global X Data Center & Digital Infrastructure ETF	22.43	-2.94	-11.59%	
VGT - Vanguard Information Technology ETF	97.64	-13.54	-12.18%	
XLK - Technology Select Sector SPDR Fund	149.01	-21.27	-12.49%	
CHAT - Roundhill Generative AI & Technology ETF	60.78	-10.50	-14.73%	
SMH - VanEck Semiconductor ETF	400.06	-86.69	-17.81%	

www.breakpointtrading.net

Here's what it looks like for the Large Cap Tech Names:

NAME	LAST	CHG	% CHG	+/-
236 - WMT - Trend Model	127.95	-0.14	-0.11%	
244 - COST - Trend Model	1,102.15	-4.06	-0.37%	
225 - AAPL - Trend Model	342.56	-13.71	-3.85%	
237 - CSCO - Cisco Systems, Inc.	90.64	-5.00	-5.23%	
242 - LLY - Trend Model	1,347.11	-96.39	-6.68%	
226 - MSFT - Trend Model	484.52	-38.35	-7.33%	
229 - AMZN - Trend Model	246.82	-19.84	-7.44%	
232 - SPCX - Space Exploration Technologies Corp	127.79	-11.32	-8.14%	
239 - NFLX - Trend Model	56.73	-5.42	-8.72%	
231 - GOOGL - Trend Model	265.29	-30.48	-10.31%	
233 - TSLA - Trend Model	345.82	-44.40	-11.38%	
234 - AVGO - Trend Model	304.41	-42.60	-12.28%	
230 - META - Trend Model	560.84	-80.85	-12.60%	
243 - GEV - GE Vernova LLC	699.33	-103.80	-12.92%	
235 - INTC - Intel Corp.	51.28	-8.38	-14.05%	
238 - PLTR - Trend Model	143.49	-24.50	-14.58%	
241 - ANET - Trend Model	167.62	-29.67	-15.04%	
240 - ORCL - Trend Model	101.19	-24.16	-19.27%	
228 - AMD - Trend Model	424.39	-109.67	-20.54%	
224 - NVDA - Trend Model	125.53	-37.32	-22.92%	
227 - MU - Micron Technology, Inc.	594.51	-183.80	-23.62%	

www.breakpointtrading.net



SYMBOL	VALUE
TSN Tyson	+10.71%
HRL Hormel	+6.56%
PANW Palo Alto Ne...	+6.54%
TSCO Tractor Sup...	+5.46%
CPB The Campbe...	+4.46%
GIS General Mills	+4.14%
PCG PG&E	+4.00%
TJX TJX	+3.91%
EIX Edison	+3.42%
TGT Target	+2.71%
DPZ Domino's Pi...	+2.02%
BRO Brown&Bro...	+1.58%
HSY Hershey	+1.54%
SYY Sysco	+1.39%
CAG ConAgra Br...	+1.29%
GNRC Generac Hol...	+1.28%
CRWD	+1.25%

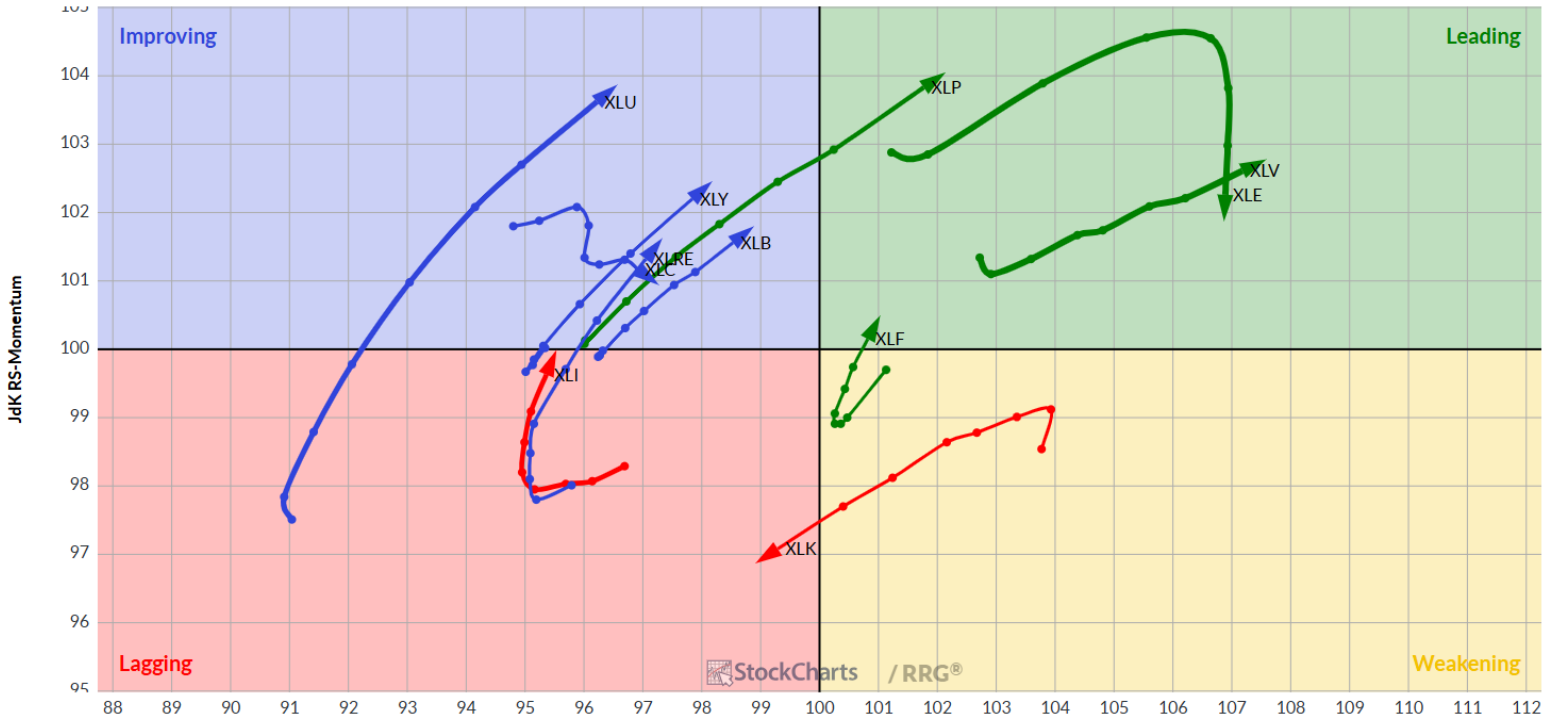
TIMEFRAME

One Week | Columns | Send Daily Report | Send Weekly Report | Search Table

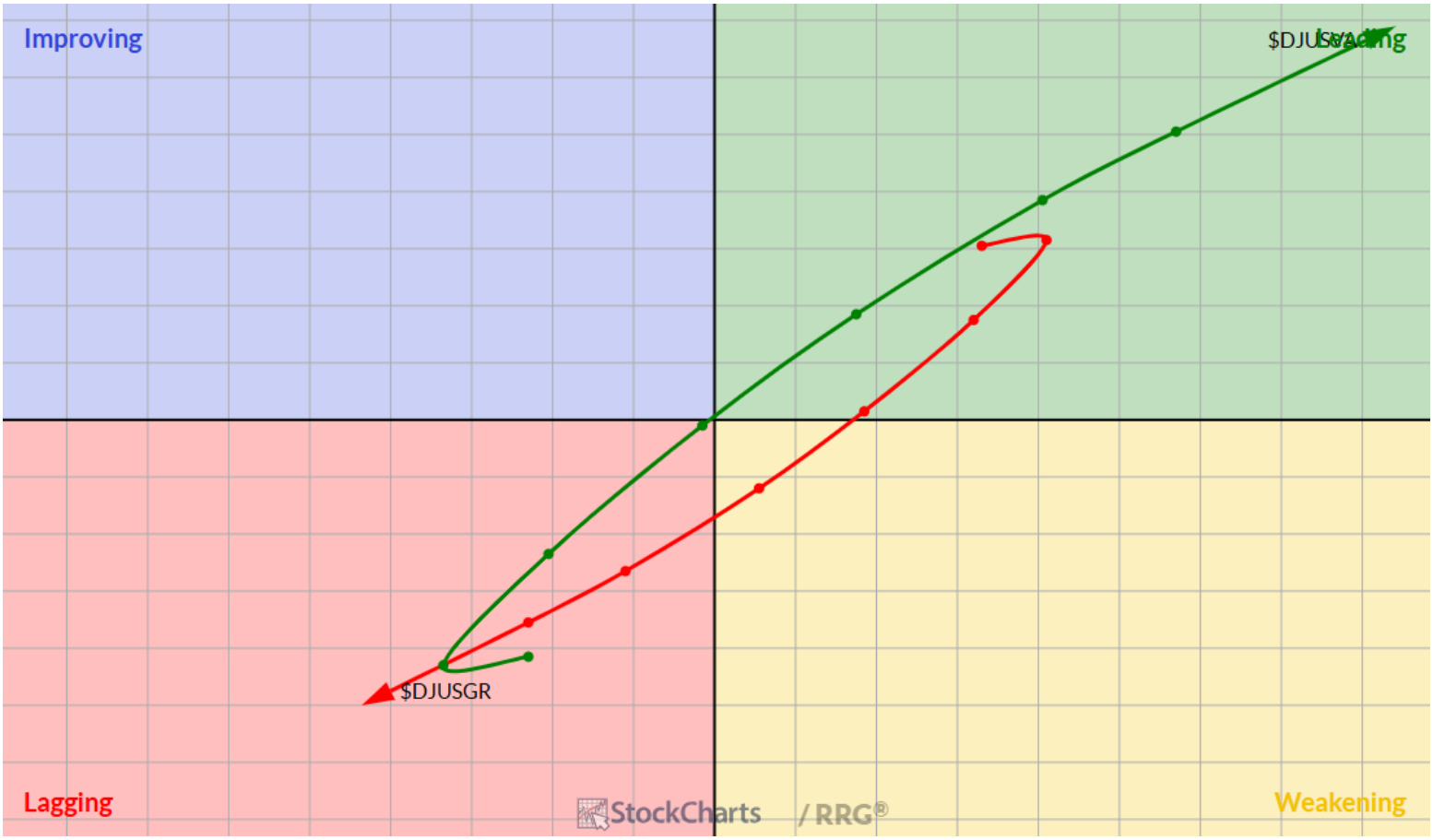
NAME	LAST	CHG	% CHG	+/-	DATE
Defensive - 06 - XLP - Consumer Staples Select Sector SPDR Fund	90.46	-1.89	-2.05%		11-20, 16:00
Defensive - 07 - XLU - Utilities Select Sector SPDR Fund	42.69	-1.35	-3.07%		11-20, 16:00
Defensive - 08 - XLRE - Real Estate Select Sector SPDR Fund	42.46	-1.91	-4.30%		11-20, 16:00
Defensive - 09 - XLV - Health Care Select Sector SPDR Fund	177.24	-11.61	-6.15%		11-20, 16:00
Aggressive - 03 - XLY - Consumer Discretionary Select Sector SPDR Fund	112.46	-7.52	-6.27%		11-20, 16:00
Defensive - 11 - XLE - Energy Select Sector SPDR Fund	60.51	-4.45	-6.85%		11-20, 16:00
Aggressive - 04 - XLF - Financial Select Sector SPDR Fund	54.57	-4.11	-7.00%		11-20, 16:00
Aggressive - 05 - XLI - Industrial Select Sector SPDR Fund	156.37	-12.41	-7.35%		11-20, 16:00
Defensive - 10 - XLB - Materials Select Sector SPDR Fund	48.34	-3.89	-7.45%		11-20, 16:00
z3 IWM - iShares Russell 2000 ETF	256.61	-20.93	-7.54%		11-20, 16:00
Aggressive - 02 - XLC - Communication Services Select Sector SPDR Fund	100.03	-8.66	-7.97%		11-20, 16:00
z1 $SPX - S&P 500 Large Cap Index	6,910.39	-651.28	-8.61%		11-20, 16:20
z4 GLD - SPDR Gold Shares	322.87	-32.58	-9.17%		11-20, 16:00
z2 $NDX - Nasdaq 100 Index	25,028.98	-2,914.75	-10.43%		11-20, 16:28
Aggressive - 01 - XLK - Technology Select Sector SPDR Fund	149.01	-21.27	-12.49%		11-20, 16:00
z5 $BTCUSD - Bitcoin to US Dollar	58,673.75	-9,599.00	-14.06%		11-20, 21:28

www.breakpointtrading.net

Everything except Technology (XLK) heading to the Leading quadrant.

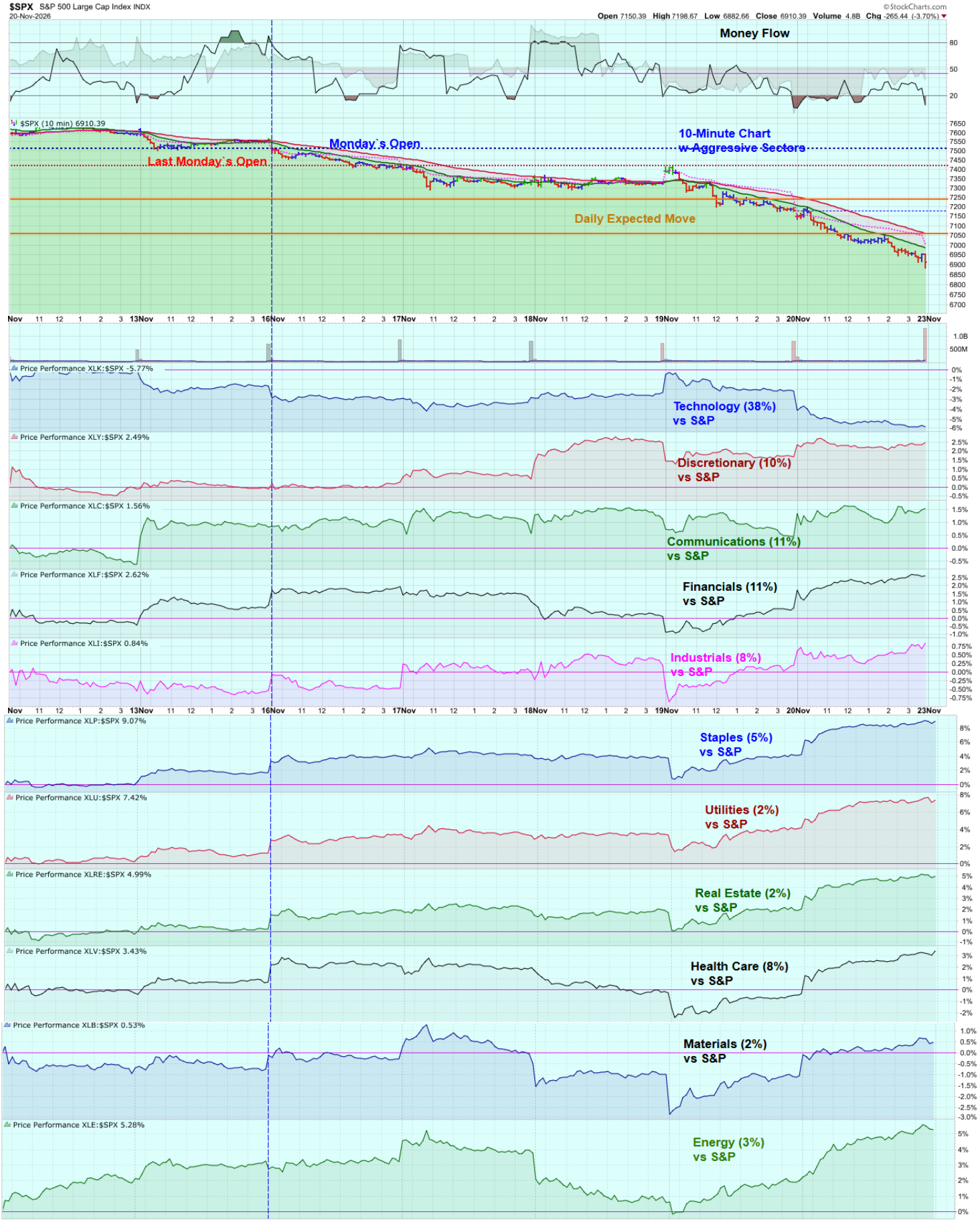


Growth and Value are polar opposites!

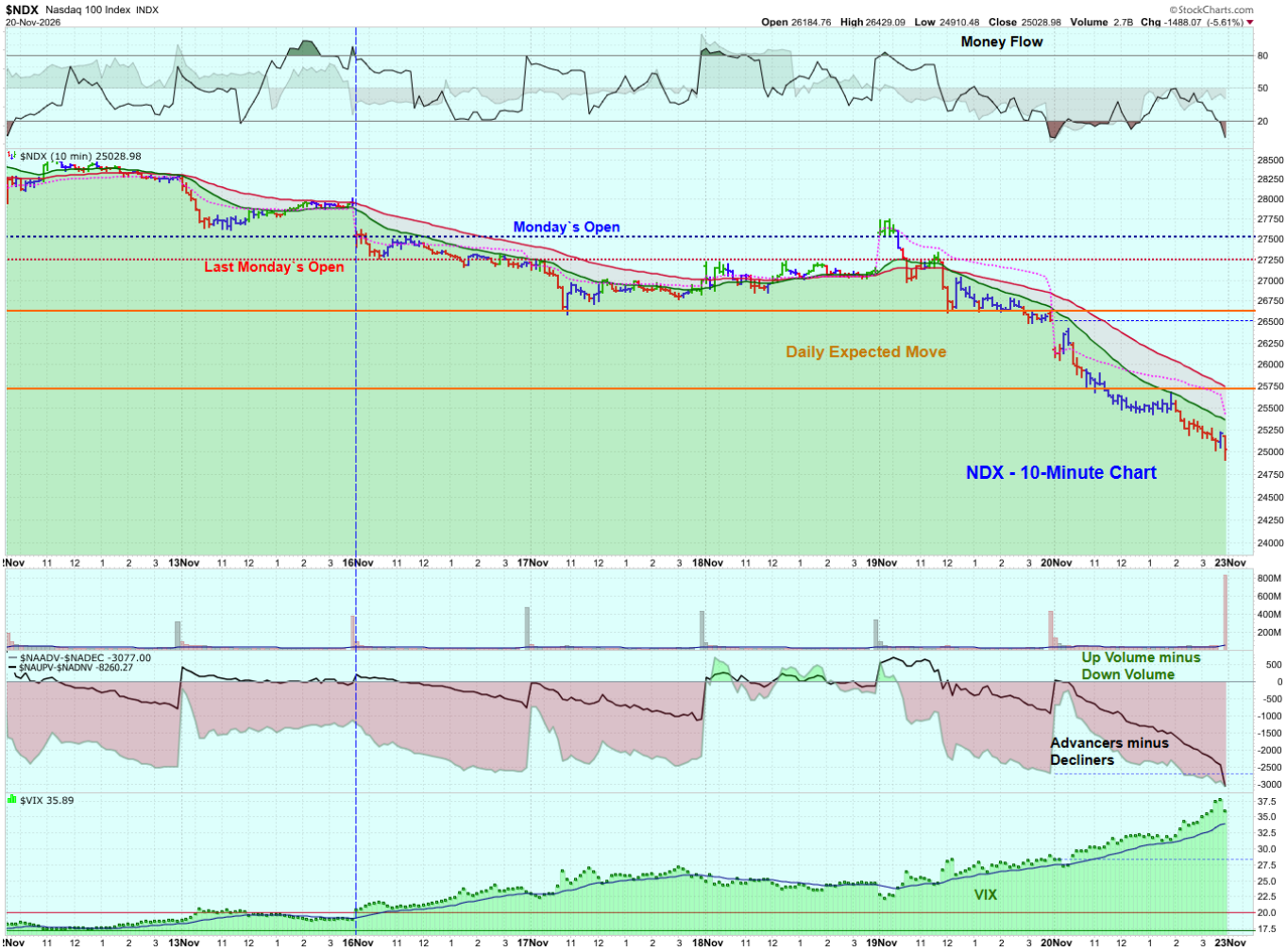


www.breakpointtrading.net

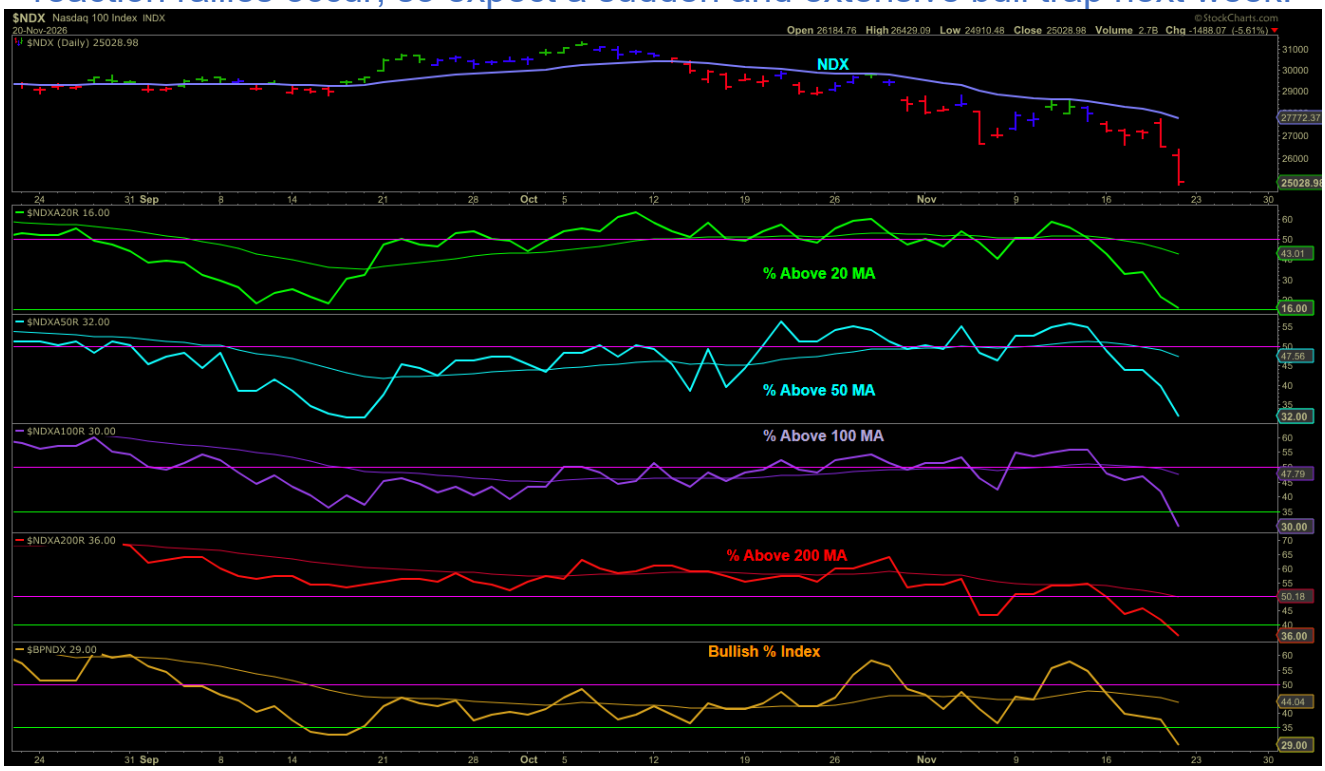
10-Minute Charts:



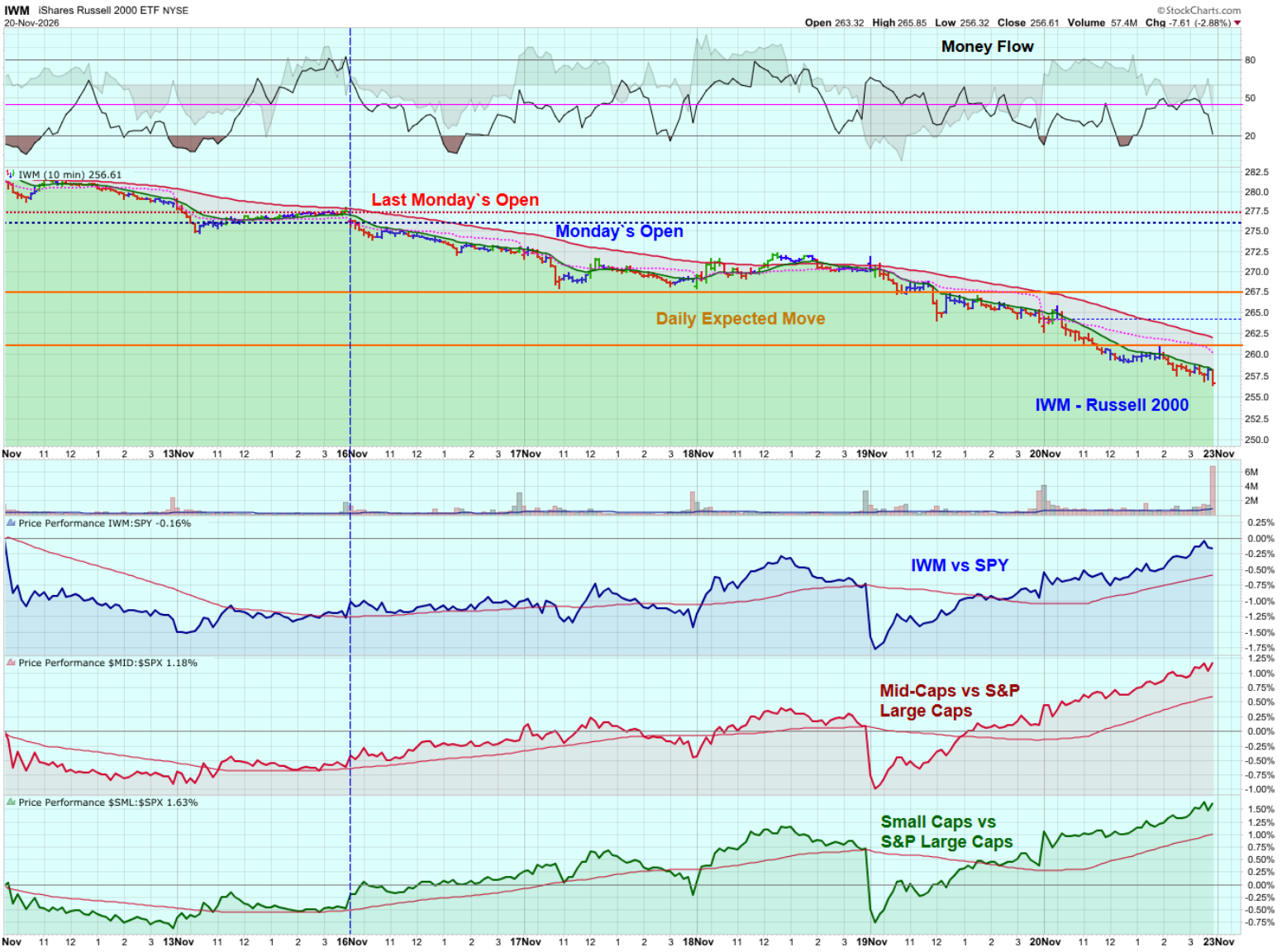
www.breakpointtrading.net



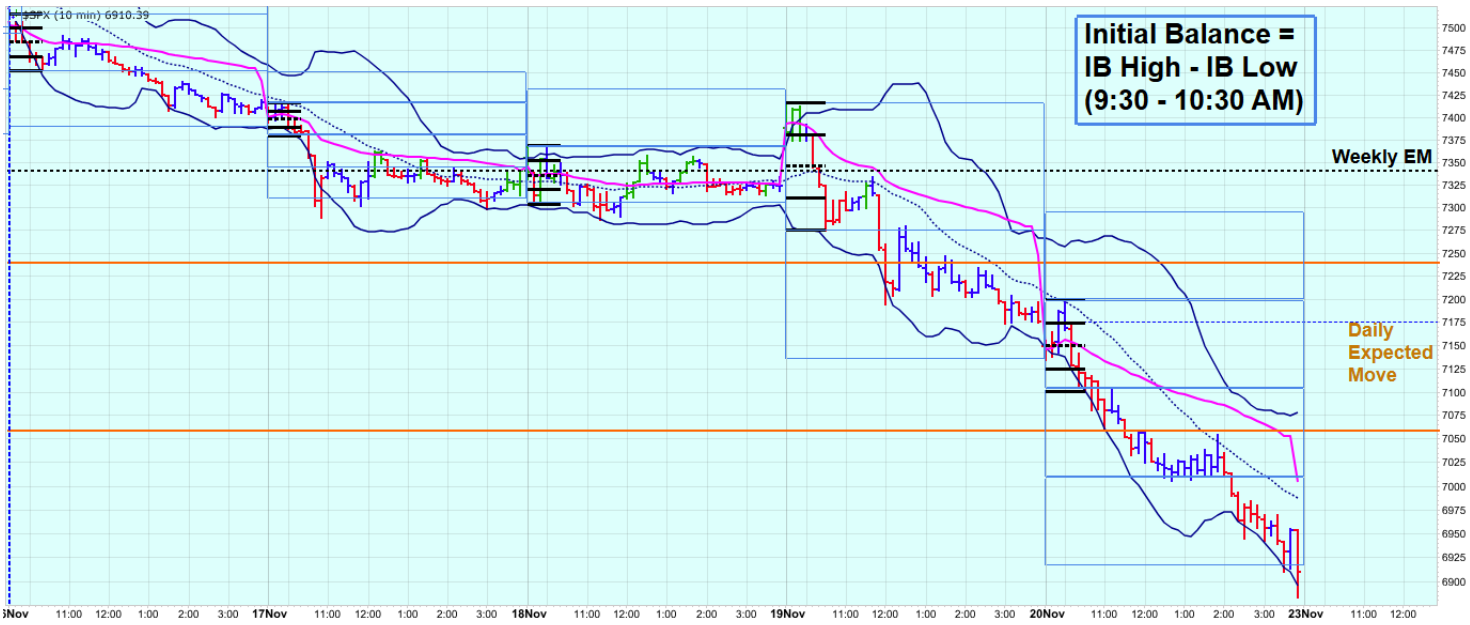
Note below that all but the 50-Day have reached their extremes (Green Line). This is where reaction rallies occur, so expect a sudden and extensive bull trap next week.



www.breakpointtrading.net



Price well below both the Daily and Weekly Expected Moves:



www.breakpointtrading.net

Top 10 Best & Worst Large Caps for the Week:

NAME	SECTOR	INDUSTRY	LAST	CHG	% CHG	+/-	SCTR	U
PANW - Palo Alto Networks Inc.	Technology	Telecom Equipment	343.32	+21.08	+6.54%		90.4	lrg
PDD - PDD Holdings Inc.	Discretionary	Broadline Retailers	83.68	+4.71	+5.96%		48.0	lrg
TGT - Target Corp.	Staples	General Retailers	165.83	+4.38	+2.71%		96.7	lrg
CRWD - CrowdStrike Holdings, Inc.	Technology	Software	229.44	+2.83	+1.25%		93.7	lrg
ZS - Zscaler, Inc.	Technology	Software	194.82	+2.35	+1.22%		53.6	lrg
KHC - Kraft Heinz Co.	Staples	Food Products	25.39	+0.28	+1.12%		77.7	lrg
T - AT&T, Inc.	Comm. Services	Fixed Telecommunications	22.31	+0.13	+0.59%		47.1	lrg
ORLY - O'Reilly Automotive, Inc.	Discretionary	Specialty Retailers	92.65	+0.46	+0.50%		69.1	lrg
DUK - Duke Energy Corp.	Utilities	Multiutilities	129.78	+0.62	+0.48%		76.4	lrg
MCD - McDonalds Corp.	Discretionary	Restaurants & Bars	273.24	+1.27	+0.47%		67.4	lrg

NAME	SECTOR	INDUSTRY	LAST	CHG	% CHG	+/-	SCTR	U
MSTR - Strategy Inc	Technology	Software	77.80	-33.82	-30.30%		0.7	lrg
MU - Micron Technology, Inc.	Technology	Semiconductors	594.51	-183.80	-23.62%		8.2	lrg
NVDA - NVIDIA Corp.	Technology	Semiconductors	125.53	-37.32	-22.92%		2.3	lrg
MRVL - Marvell Technology Inc	Technology	Semiconductors	122.28	-34.48	-22.00%		2.4	lrg
INTU - Intuit, Inc.	Technology	Software	270.44	-71.26	-20.85%		14.5	lrg
AMD - Advanced Micro Devices, Inc.	Technology	Semiconductors	424.39	-109.67	-20.54%		20.8	lrg
ARM - Arm Holdings Plc	Technology	Semiconductors	152.20	-38.33	-20.12%		2.5	lrg
ORCL - Oracle Corp.	Technology	Software	101.19	-24.16	-19.27%		5.3	lrg
LRCX - Lam Research Corp.	Technology	Semiconductors	183.27	-42.65	-18.88%		6.4	lrg
AMAT - Applied Materials, Inc.	Technology	Semiconductors	302.63	-67.31	-18.20%		9.1	lrg

WEEKLY VIEW



WEEKLY VIEW



www.breakpointtrading.net

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

NAME	SECTOR	INDUSTRY	LAST	CHG	% CHG	+/-	SCTR	U
BRBR - Bellring Brands Inc	Staples	Food Products	14.57	+4.01	+37.97%		98.3	sml
ENR - Energizer Holdings, Inc.	Staples	Nondurable Home Products	28.56	+4.43	+18.36%		98.2	sml
BILL - Bill.com Holdings Inc.	Technology	Software	61.44	+6.96	+12.78%		98.5	mid
ACM - Aecom Technology Corp.	Industrial	Heavy Construction	78.65	+8.15	+11.56%		88.3	mid
CALM - Cal-Maine Foods, Inc.	Staples	Food Products	72.33	+5.88	+8.85%		67.2	mid
QLYS - Qualys, Inc.	Technology	Software	185.92	+12.98	+7.51%		96.8	mid
PBH - Prestige Consumer Healthcare Inc.	Health Care	Pharmaceuticals	49.63	+3.44	+7.45%		65.7	mid
JJSF - J&J Snack Foods Corp.	Staples	Food Products	94.33	+5.94	+6.72%		94.0	sml
ATEN - A10 Networks, Inc.	Technology	Computer Services	30.36	+1.76	+6.15%		91.7	sml
CBRL - Cracker Barrel Old Country Store, Inc.	Discretionary	Restaurants & Bars	70.75	+3.80	+5.68%		99.1	sml

NAME	SECTOR	INDUSTRY	LAST	CHG	% CHG	+/-	SCTR	U
SNEX - StoneX Group Inc.	Financial	Investment Services	36.63	-20.61	-36.02%		3.3	mid
LQDT - Liquidity Services Inc.	Discretionary	Broadline Retailers	31.87	-13.30	-29.44%		43.7	sml
NXT - Nextpower Inc.	Technology	Renewable Energy Equipment	67.13	-27.90	-29.36%		6.1	lrg
ANGI - Angie's List Inc.	Discretionary	Special Consumer Services	4.64	-1.84	-28.40%		38.4	sml
MARA - Marathon Digital Holdings Inc	Industrial	Business Support Services	5.08	-1.91	-27.25%		2.1	mid
UNIT - Uniti Group Inc.	Real Estate	Specialty REITs	3.55	-1.33	-27.25%		15.0	sml
CLSK - CleanSpark, Inc.	Technology	Software	4.89	-1.76	-26.47%		12.4	sml
AVAV - AeroVironment Inc.	Industrial	Defense	86.79	-30.73	-26.15%		3.7	mid
HIMS - Hims & Hers Health, Inc.	Health Care	Health Care Providers	14.60	-5.13	-26.00%		3.9	mid
HTZ - Hertz Global Holdings Inc.	Discretionary	Automobiles	1.11	-0.39	-26.00%		9.9	sml

WEEKLY VIEW



WEEKLY VIEW



www.breakpointtrading.net

From Real Investment Advice:

The 200-Day Average Broke. The Next 4 Weeks Are Critical - RIA

Excerpt:

> *The S&P 500 lost 8.6% this week and closed 6% below its 200-day average. Earnings haven't cracked, which makes this a liquidity event. The question is whether the Fed blinks before the break hardens.*

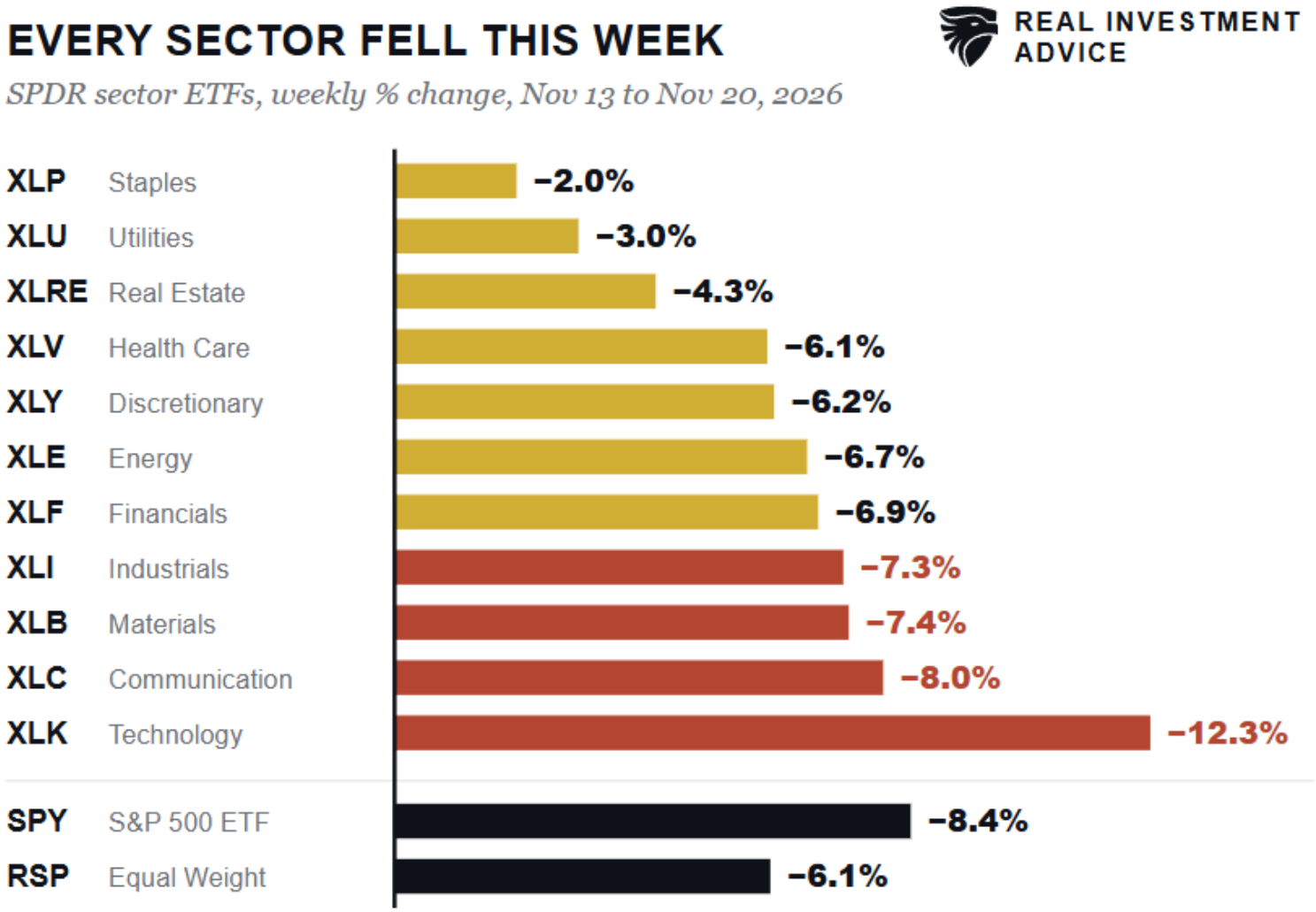


Key Insights

1. ***The break below the 200-day average is no longer marginal.*** *The S&P 500 closed at 6,910 on November 20, 6.0% under the average at 7,349, after seven straight losing sessions.*
2. ***Most first breaks still heal within a month.*** *Since 1950, 18 of the 34 first closes below the 200-day average after a 150-day run above it were back above the line four weeks later.*
3. ***The deep ones didn't.*** *All 8 breaks that ran 2.9% or more below the average within their first four sessions were still below it at week four. This one reached 6.0% in four*

🏛️ Market Brief – Liquidation, Not A Crash

Last week, in ***VIX Spike: Complacency's Bill Coming Due***, we warned that low volatility eventually begets high volatility. That bill came due early. The S&P 500 fell 8.6% to 6,910, its seventh straight losing session and the longest losing streak since February 2020. The Nasdaq-100 dropped 10.4%, the Dow lost 8.0%, and the Russell 2000 slid 7.5%. At 11.6% below its October 6 record, the index is in "correction" territory, and the VIX nearly doubled to 37.



So was this a liquidation of leveraged positions due to margin calls? Partly, but not the way the headlines suggest. FINRA's latest data put margin debt at $1.45 trillion in October, down 2.1% from September and 3.6% below June's record. Margin borrowing was already easing before the week began.

What we saw instead was mechanical deleveraging. On Thursday, just 38 S&P 500 stocks rose while 464 fell, and all 11 sectors finished lower, even staples. Goldman's Rich Privorotsky called it ***"a pretty violent liquidation"*** in a note covered by ZeroHedge.

Dealers were heavily short gamma into Friday's monthly options expiration, which fed the afternoon selling. Desk chatter also had investors selling gold, copper, crypto and Nvidia to fund allocations in ***Anthropic's IPO***, which priced at $83 on Wednesday. Gold fell 9.5%, copper 10.2% and Bitcoin broke below $60,000.

Macro supplied the trigger. Fed Governor Christopher Waller called for a 50-basis-point hike at the December 8-9 meeting after a third straight 0.3% monthly gain in core CPI. The Commerce Department's rule restricting remote access to advanced AI chips by Chinese firms took effect on Thursday, landing on the AI supply chain the same day. Meanwhile, the 10-year Treasury yield fell to 4.91% from 5.15%. **The bond market is starting to price a growth problem, while the Fed is still fighting an inflation problem.**

Here is the real question that needs an answer. ***"Have the fundamentals changed?"*** Not yet. Through FactSet's November 13 update, analysts had raised fourth-quarter EPS estimates 1.1% since September 30, something that rarely happens mid-quarter, and third-quarter earnings grew 31.9%.

The Atlanta Fed's GDPNow still tracks fourth-quarter growth at 3.4%, and initial jobless claims of 203,000 remain near historic lows. Cracks are showing only at the edges. The Philadelphia Fed index collapsed to 6.3 against expectations of 20, the Conference Board's leading index fell 0.3%, and existing home sales hit their slowest pace since 2010. **So far, this is a valuation and liquidity event, not an earnings recession.** At 6,910, the S&P 500 trades near 16.6 times FactSet's November 5 forward earnings estimate of $415.82, down from 17.7 times on that date.

This suggests that the liquidation of positions is likely *"overdone."* **Since 1950, the S&P 500 has suffered 17 separate episodes in which it fell 8% or more over five sessions. It was higher three months later in 15 of them, with a median gain of 8.1%**. The catch is that the median further drawdown along the way was 4.5%, so the bottom rarely arrives on schedule.

WHAT HAPPENED AFTER AN 8% FIVE-DAY DROP, 1950 TO 2025

REAL INVESTMENT ADVICE

EPISODE ENDED	5-DAY DROP	3 MONTHS LATER	12 MONTHS LATER
MAY 28, 1962	−12.7%	+7.3%	+26.1%
MAY 25, 1970	−8.7%	+12.8%	+43.8%
SEP 13, 1974	−8.7%	+3.5%	+27.8%
OCT 16, 1987	−9.1%	−10.9%	−2.5%
OCT 27, 1997	−8.2%	+11.5%	+21.5%
AUG 31, 1998	−12.0%	+21.6%	+37.9%
APR 14, 2000	−10.5%	+11.3%	−12.1%
SEP 17, 2001	−8.3%	+8.1%	−15.9%
JUL 22, 2002	−10.7%	+7.9%	+20.5%
SEP 29, 2008	−8.3%	−21.4%	−4.1%
FEB 17, 2009	−9.3%	+15.3%	+39.3%
AUG 8, 2011	−13.0%	+11.9%	+25.2%
AUG 24, 2015	−10.0%	+10.4%	+15.5%
FEB 8, 2018	−8.5%	+5.5%	+5.0%
FEB 27, 2020	−11.7%	+1.7%	+27.9%
MAY 11, 2022	−8.5%	+6.9%	+4.8%
APR 4, 2025	−9.1%	+22.7%	+33.7%
MEDIAN	**−9.1%**	**+8.1%**	**+21.5%**
SHARE HIGHER	**-**	**88% (15 of 17)**	**76% (13 of 17)**
NOV 20, 2026	−8.6%	-	-

First 8% five-session drop in 40+ sessions. Price returns from the episode's last close.
Source: Yahoo Finance daily closes, Jan 1950 to Nov 20, 2026. Calculations: RIA Advisors.

REALINVESTMENTADVICE.COM

Editor's Note:

I drew in the Secular Bull & Bear markets on the chart above, for reference.

Next week, the main focus will be on the Federal Reserve. If Wednesday's PCE data cools and Fed speakers soften, the setup for a reflexive rally is in place. **If not, Privorotsky's 2018 comparison, when the Fed kept hiking and *stocks didn't bottom until Christmas Eve*, becomes the playbook**.

💰 The 200-Day Average Broke. The Next 4 Weeks Are Critical

Here is a headline that caught my eye on Thursday: ***"Joachim Klement sold every stock he owned this week."*** What is most interesting about that is that the Panmure Liberum strategist has kept his own retirement portfolio fully invested in equities for years. **Earlier this week, however, he told clients that the index's break below its 200-day average was his trigger**, and Brett Arends reported on that for MarketWatch.

"The S&P 500 has now broken below its 200-day moving average, and hence, at the end of European trading, I will sell my personal holdings in stocks and move into long-term government bonds."

Don't mistake Klement for a perma-bear chasing headlines. He isn't. Rather, Klement is widely respected and broadly cautious, and notably he conceded that the signal *"is not foolproof."*

"While this indicator is not foolproof, market dynamics have turned decisively bearish, in our view. We have consistently warned of an AI bubble since May and have become more bearish since September."

While the market rallied back above the 200-day average on Thursday, I thought the headline was worth walking through the importance of the 200-day average, as it will happen again, just as it did this past March. That break has been forgotten by the market, but when the Iran crisis erupted, the index broke below the 200-day average for the first time since May 2025. That was when I wrote ***The 200-DMA Just Broke: What Every Investor Should Know.*** That analysis found that 4 weeks was critical to deciding what to do next. Fortunately, that break in March only lasted 13 sessions. Six months later, the S&P 500 was 15.8% higher.
The point worth reviewing isn't whether the 200-day average broke. It's whether it stays broken.

The Break Started Small. It Didn't Stay That Way

So, what happened this week that made Klement take action? On November 17, the S&P 500 closed at 7,340.53, four points under its 200-day average at 7,344.53. That ended a run of 155 straight closes above the average that began on April 8. The next

session it closed at 7,323.63, just 0.31% below an average that is still rising. By Friday, November 20, it had closed at 6,910.39, 6.0% under the average at 7,348.58. Notice in the chart below that the average climbed all year, including 0.79% over the 20 sessions through November 20.

Such is the problem with treating a single close as a verdict. Everything else deteriorated quickly. The S&P 500 sits 11.6% below its October 6 record of 7,818.93, and the 50-day average is now more than 700 points higher at 7,625.25. **The 200-day average tells you the long-term trend is being tested. It doesn't tell you how the test ends.**

One important note as we update the March analysis. Every one of the 34 first breaks since 1950 happened while the long-term average was rising, so its slope describes the setup rather than sorting the *"whipsaws"* from the real thing. That job falls to time.

Half Of 200-Day Average Breaks Don't Last Four Weeks

Carson Investment Research circulated a table this week of every first close below the 200-day average after a run of 150 or more days above it. I rebuilt that analysis using Yahoo Finance daily closes, and the figures tie out row for row. *(My series starts in January 1950, so the July 1950 signal falls inside the 200-day warmup, leaving 34 completed cases.)* However, if we go one step further, we can split them by the question that actually matters.

Was the S&P 500 back above its 200-day average 20 trading sessions later?

Eighteen of the 34 were.

WHAT HAPPENED AFTER THE FIRST 200-DAY AVERAGE BREAK, 1950 TO 2025

REAL INVESTMENT ADVICE

BREAK TYPE (CASES)	1 MONTH	6 MONTHS	12 MONTHS
BACK ABOVE BY WEEK FOUR (18)	+4.4% *100% up*	+10.1% *78% up*	+14.7% *88% up*
STILL BELOW AT WEEK FOUR (16)	−3.5% *31% up*	+2.7% *56% up*	+4.6% *50% up*
ALL 34 FIRST BREAKS	+0.6% *68% up*	+6.6% *68% up*	+9.8% *70% up*
ALL DAYS SINCE 1950	**+0.7%** *62% up*	**+4.6%** *70% up*	**+9.3%** *74% up*

Signal: first S&P 500 close below the 200-day average after 150+ closes above it. Price returns.
Source: Yahoo Finance daily closes, Jan 1950 to Nov 18, 2026. Calculations: RIA Advisors.
REALINVESTMENTADVICE.COM

Those 18 *"failed"* breaks turned *"sell everything fear"* into buying opportunities. The index averaged 4.4% over the following month and was higher in all 18 cases. Twelve months out, the average gain was 14.7% with 88% of cases positive. That's well ahead of the 9.3% average for any day since 1950.

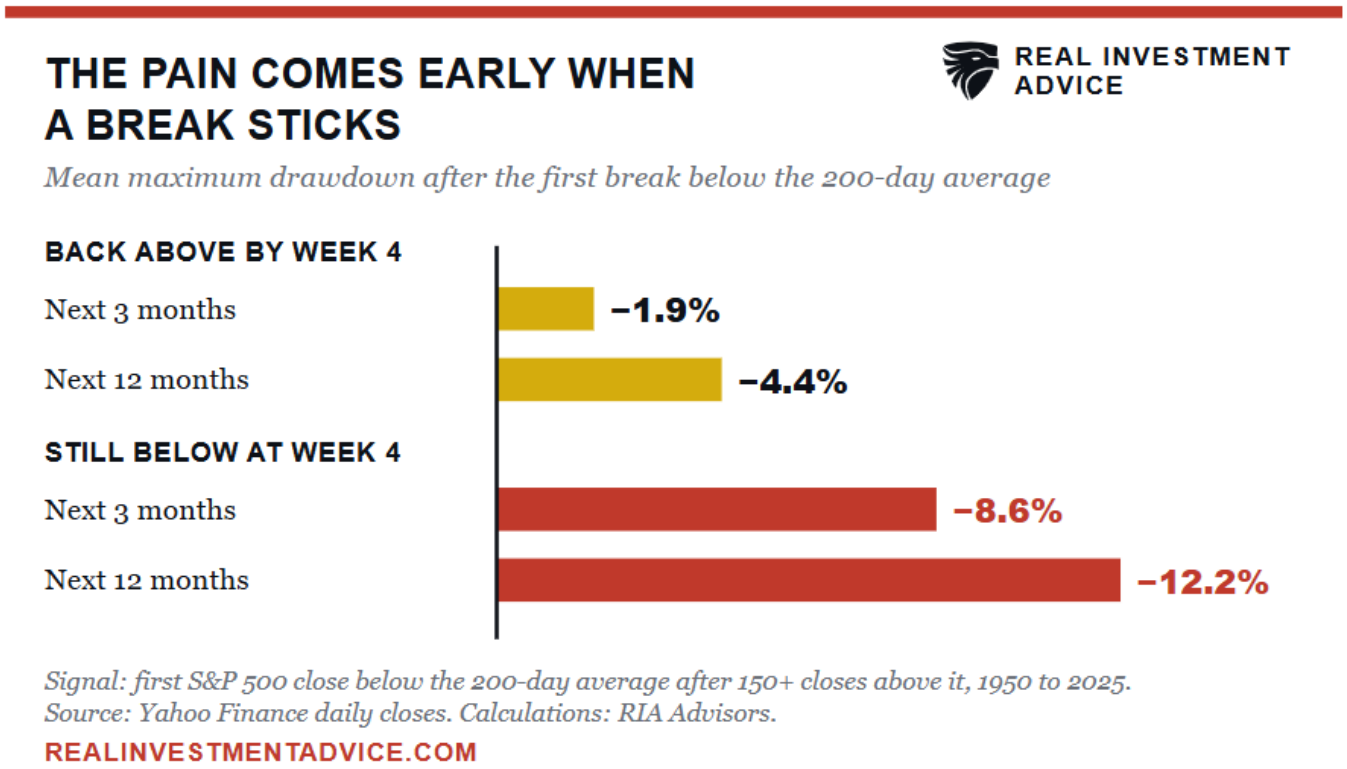
However, and very importantly, the other 16 tell a different story. **When the S&P 500 was still below the 200-day average four weeks later, the average one-month return was −3.5% and the 12-month return was a coin flip.** Half were positive. The median was 0.0%.

Here is the problem. **When you lump all 34 historical events together, the returns look almost exactly like a random day in the market, which is the whole point.** The first close mixes two very different outcomes into one average. The next four weeks tell you which one you're in.

Depth in the first few sessions has been the tell. All 8 first breaks that ran 2.9% or more below the 200-day average within four sessions were still below it at week four: 1969, 1987, 1990, 1994, 1998, 2011, 2020 and 2025. This break reached 6.0% below the average by its fourth session, on November 20. **Every break that went this deep this fast was still below the line a month later.**

The Pain Comes Early, And So Does The Whipsaw

Notably, this is where Klement's rule earns its keep. When the market breaks the 200-day average, and it sticks, the damage comes quickly. **Over the next three months, the average maximum drawdown was −8.6%, against −1.9% for breaks that reversed**. The worst cases came in 1962, October 1987, and February 2020. Each fell roughly 24% to 25% from the signal close within a year.



So, this is where someone will tell you that's exactly why you sell on the first close below the 200-day average, and there is merit to that point. Meb Faber's ***research on trend-following rules*** showed a moving-average discipline kept investors out of the worst of the dot-com bust and the financial crisis. However, and this is very critical, Faber's model only checks the 10-month average once a month. Once a month equals 4 weeks, which filters out breaks below the 200-day average that didn't stick.

I like Meb's rule because a daily trigger pays a different toll. In the 18 breaks that reversed, the index closed back above the line within about five sessions. On average, that was 1.6% above where a seller got out. A strict crossover rule then fired another 1.4 sell signals, on average, over the next three months.

As Klement noted, he expects that churn, and that certainly goes to his credit. ***Bob Farrell's Rule #8*** explains why even real breaks chop: ***bear markets have three stages, a sharp decline, a reflexive rebound, and a drawn-out fundamental downtrend.*** In February 2020, the index regained the line two sessions after the break, then fell more than 25% from that rebound within three weeks.

One very important point is that a quick recovery isn't an *"all clear"* either. In August 2007, the index was back above the line within a month, topped in October, and was 12.8% lower a year later.

However, here is the one detail that matters most. Measured from the four-week mark, the breaks that stuck still averaged a 9.0% gain over the next year. The breaks that reversed averaged 9.6%. **Most of the asymmetry is decided in the first month, which is why the next four weeks matter more than the first close.**

"Selling everything on the first close below the 200-day average isn't risk management. It's a coin flip with transaction costs."

What Should Investors Do Now

As we noted last week in ***VIX Spike: Complacency's Bill Coming Due***, low volatility eventually begets high volatility, and this break fits the pattern. We're not ignoring the signal, and we're not liquidating portfolios on the basis of one week of forced selling either. We nibbled on NVDA and PANW as they declined this week. Next week, we will trim value positions to raise cash and reduce market exposure.

WHAT INVESTORS SHOULD DO AFTER THE 200-DAY AVERAGE BREAK

REAL INVESTMENT ADVICE

ACTION	WHERE	WHY
DON'T SELL IT ALL YET	Four closes, 6% under a rising 200-day average	18 of 34 first breaks were back above a month later
MARK THE CALENDAR	December 16 close, 20 sessions in	Still below then, the odds turn against you
RAISE CASH FROM VALUE	Trimming value positions next week	Funds dip buys without adding net equity risk
RESPECT THE RISK LINE	Closed below 7,000 on Nov 20, at 6,910	Our trigger to reduce equity exposure

Levels in S&P 500 index points as of the November 20, 2026 close. Not personalized advice.
REALINVESTMENTADVICE.COM

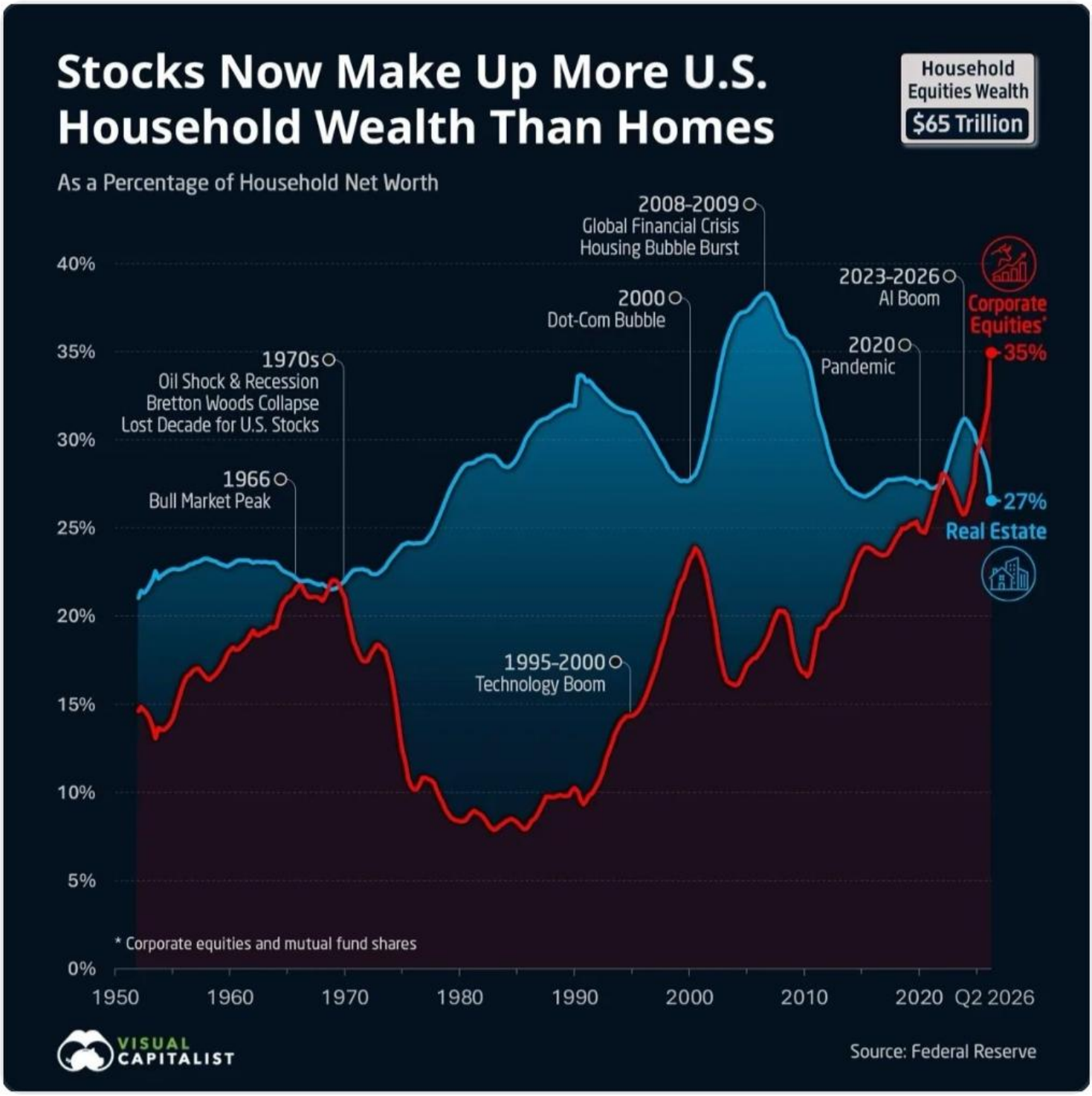
Good Luck Trading…

www.breakpointtrading.net

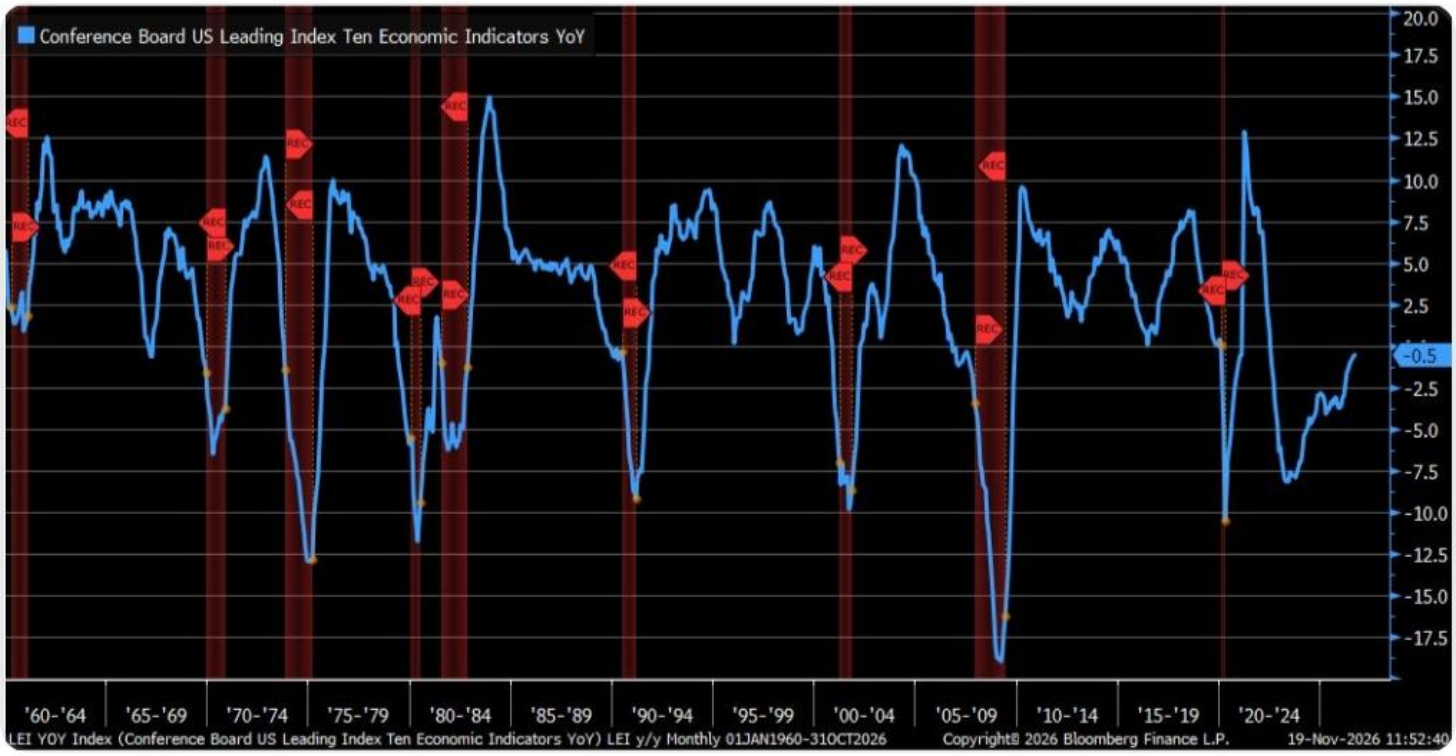
This may be one of the reasons Bitcoin is selling off so hard:



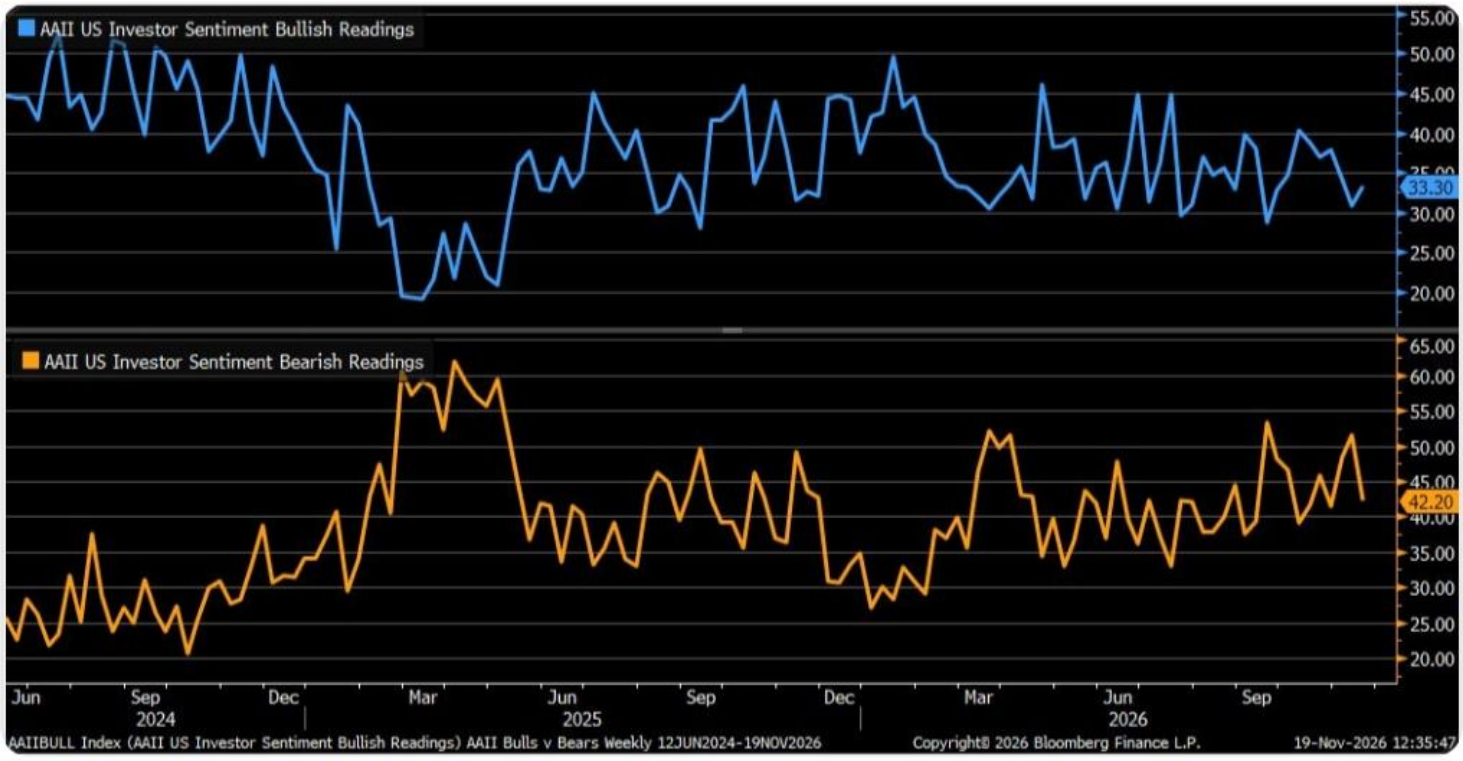



Stocks Now Make Up More U.S. Household Wealth Than Homes
Household Equities Wealth
$65 Trillion
As a Percentage of Household Net Worth
2008-2009
Global Financial Crisis
Housing Bubble Burst
2000
Dot-Com Bubble
2023-2026
AI Boom
2020
Pandemic
1970s
Oil Shock & Recession
Bretton Woods Collapse
Lost Decade for U.S. Stocks
1966
Bull Market Peak
1995-2000
Technology Boom
Corporate Equities*
35%
27%
Real Estate
40%
35%
30%
25%
20%
15%
10%
5%
0%
1950
1960
1970
1980
1990
2000
2010
2020
Q2 2026
* Corporate equities and mutual fund shares
VISUAL CAPITALIST
Source: Federal Reserve

The Conference Board's Leading Economic Index continued its upward y/y trend, improving to -0.5% in November



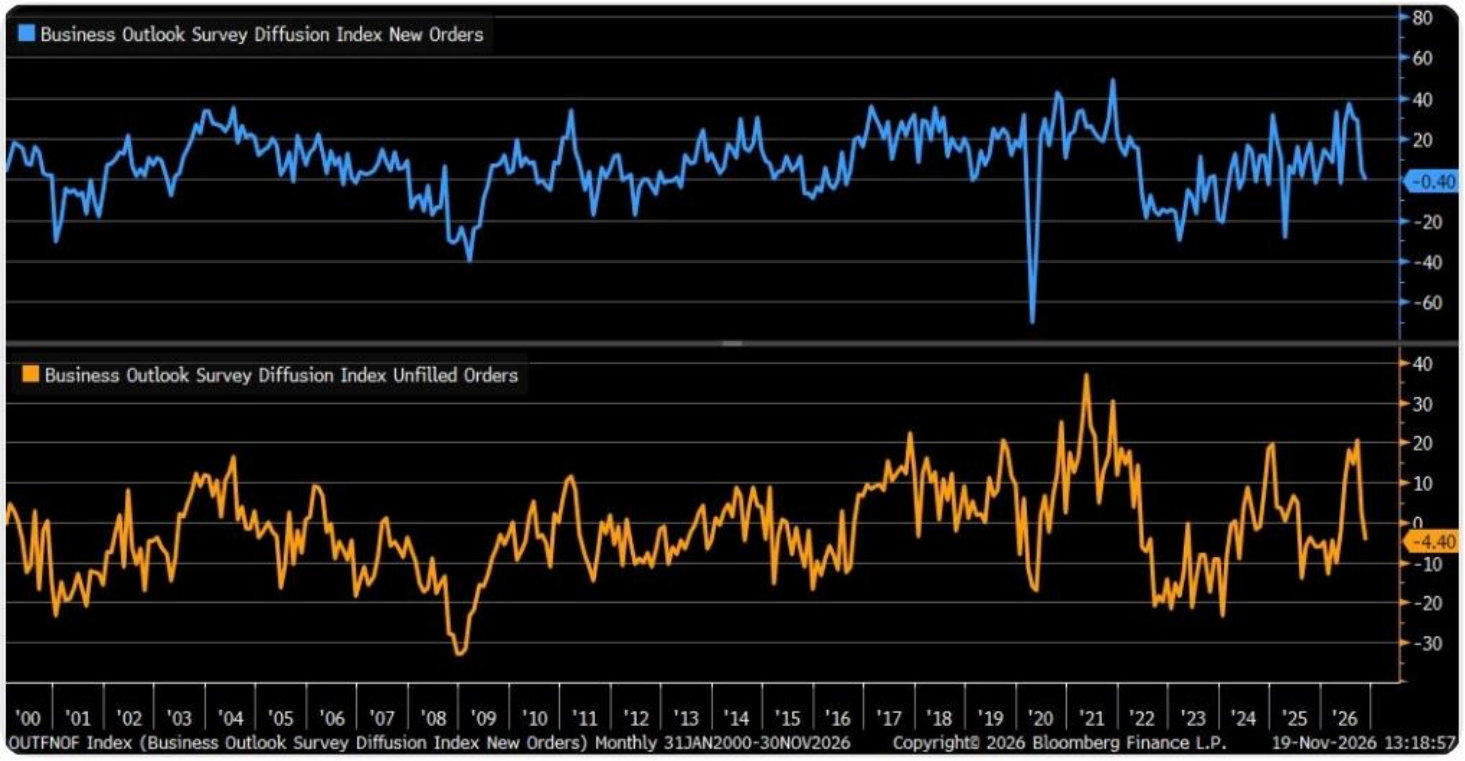
Latest American Association of Individual Investors (AAII) Sentiment survey (for the week ended 11/18/26) showed a slight uptick in bullish sentiment alongside a sharp pullback in pessimism



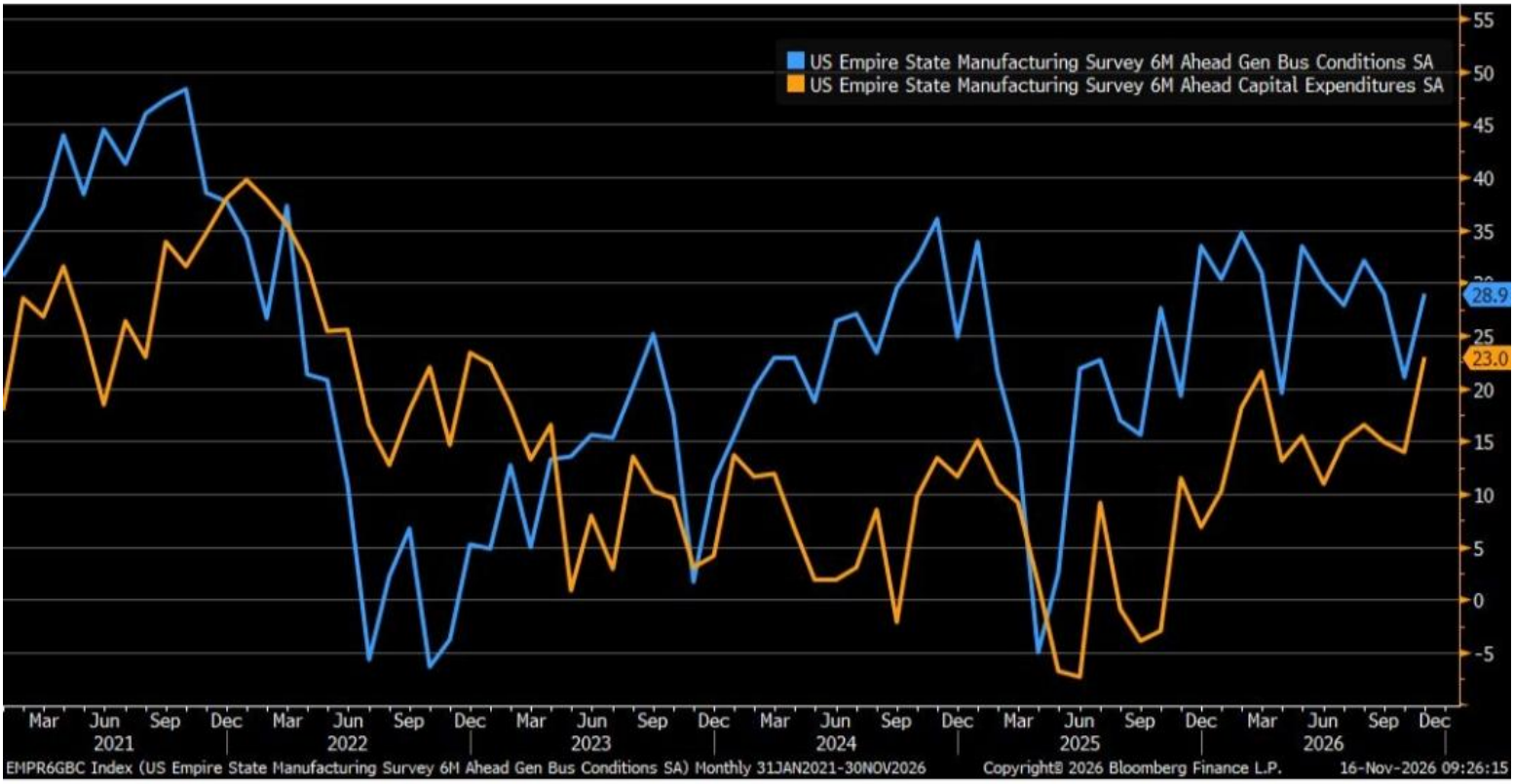
Location, location, location...prices paid jumped in November for Philly manufacturers while Kansas City firms saw a drop of 17 points



Demand weakened in November, with both the new and unfilled orders components of the Federal Reserve Bank of Philadelphia Manufacturing Index posting their first negative readings since May



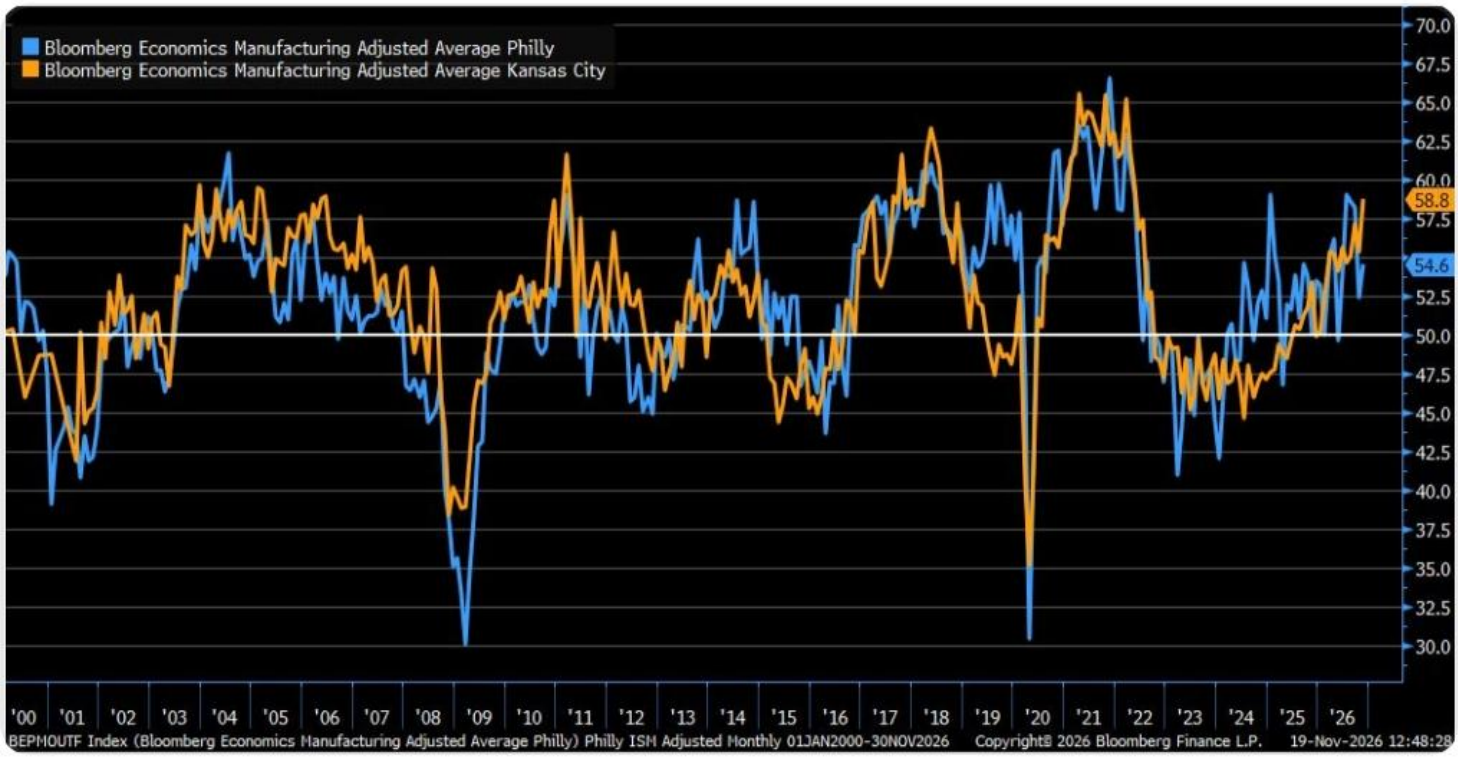
Empire State manufacturers were optimistic in the latest Federal Reserve Bank of New York survey...outlooks for future business conditions and capital expenditures climbed eight and nine points, respectively



October's unexpected decline of 0.4% m/m in total industrial production was driven by drops in utilities and mining outputs



Adjusted for ISM methodology, manufacturing indexes for both Federal Reserve Bank of Philadelphia and Federal Reserve Bank of Kansas City rose in November, remaining firmly in expansion territory



Stark divergence in Federal Reserve Bank of New York prices paid data: manufacturing (blue) fell sharply in November, while services (orange) continued to increase



Future sales and prospective buyer traffic components of National Association of Home Builders sentiment continued to deteriorate in November



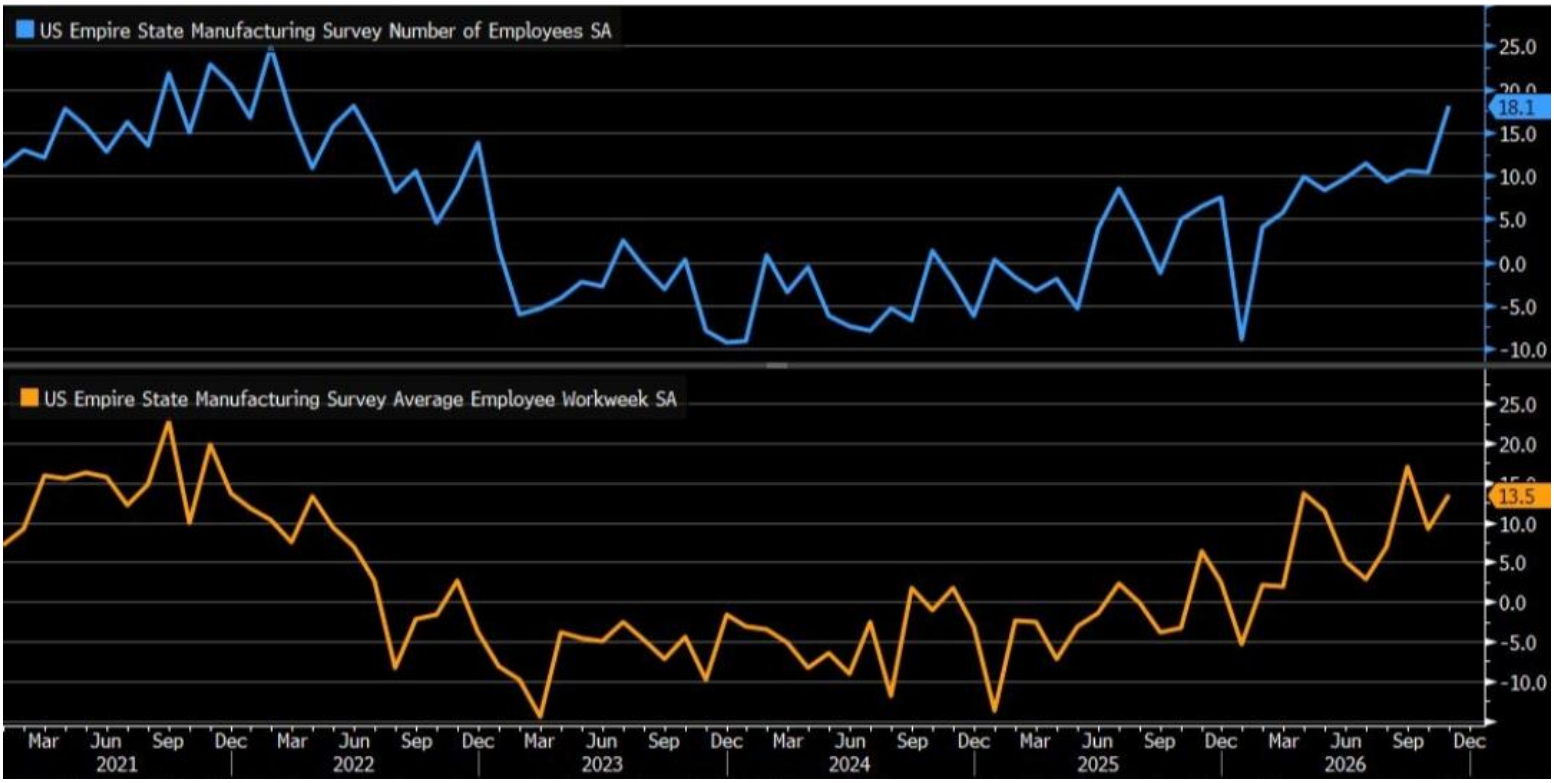


Liz Ann Sonders • Following

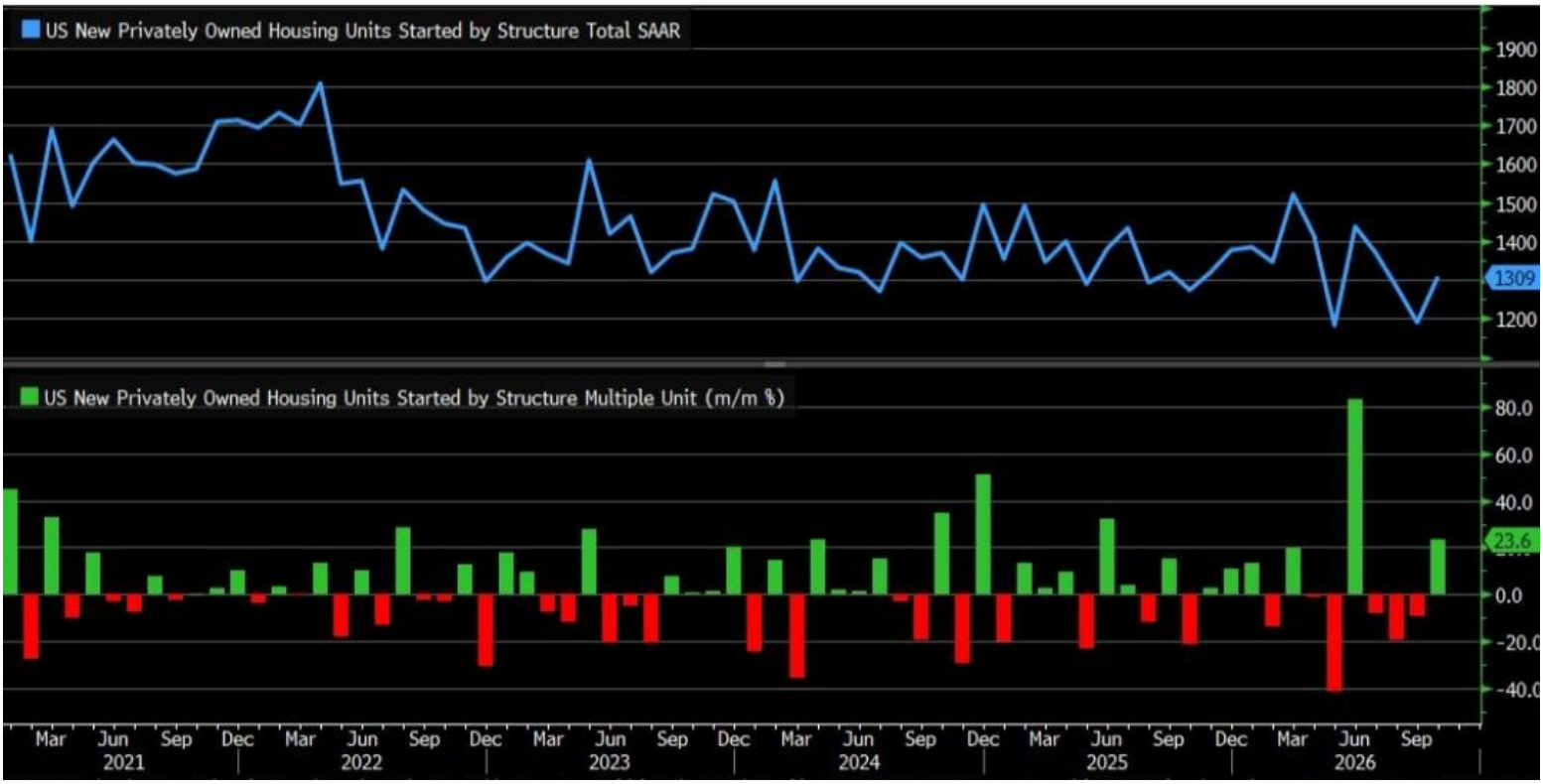
Chief Investment Strategist, Schwa...

4h

Labor market components in Federal Reserve Bank of New York Manufacturing Index strengthened in November...number of employees rose to its highest level since June 2022, while the average workweek increased by 4 points



October's sharp rebound in housing starts was primarily driven by a 24% m/m increase in multifamily unit construction, though it's important to note the volatility of its monthly swings

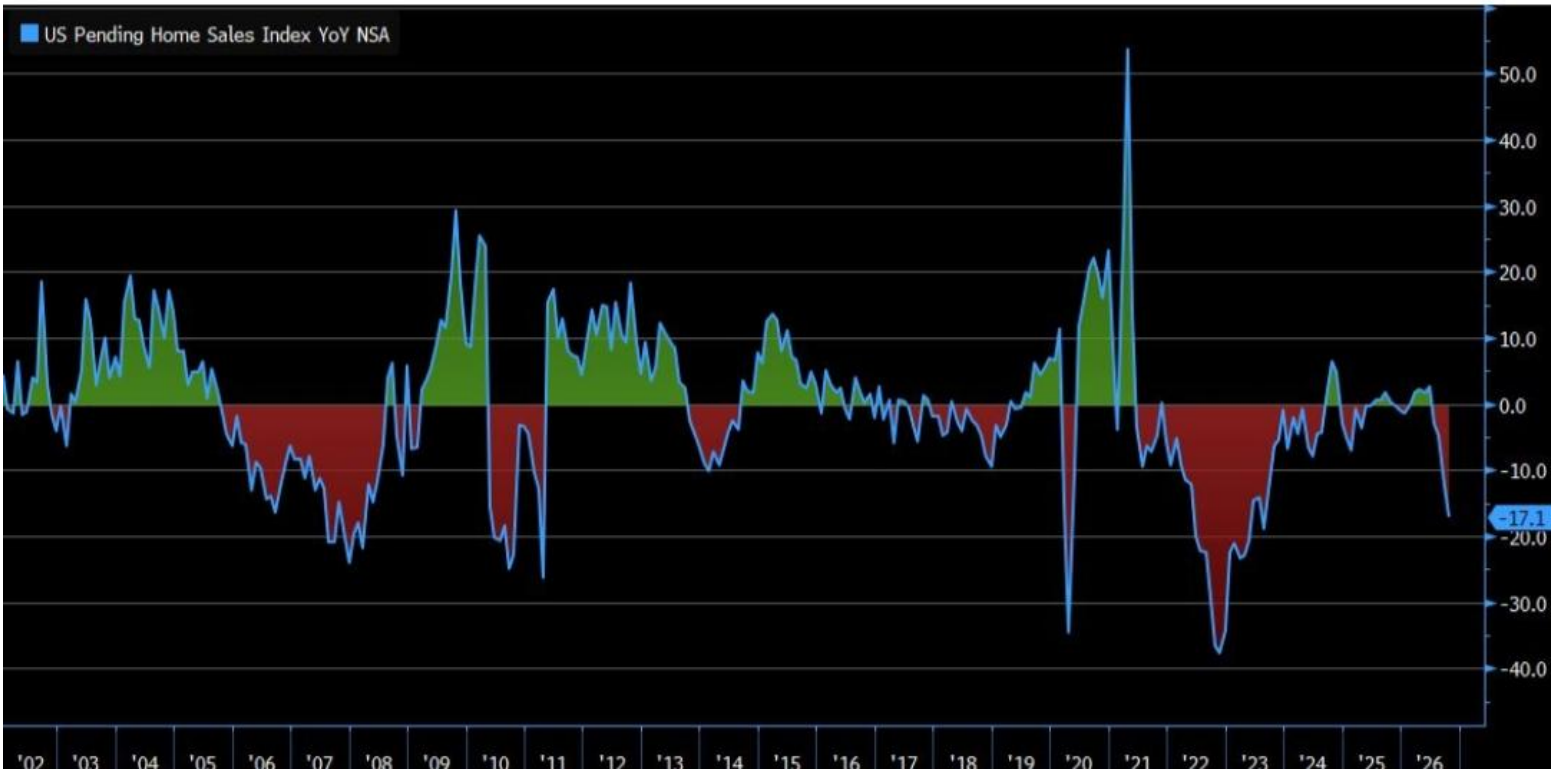


Mortgage demand fell 2.3% for week ended Nov. 13, reversing last week's 6.2% gain… 30-year fixed mortgage jumped 14 points to 7.35%, marking its first increase in five weeks

Mortgage Bankers Association



October pending home sales fell 17.1% from a year earlier, the slowest pace since May 2023, compared with a 12.5% decline last month



November employment surged in the Federal Reserve Bank of Kansas City Manufacturing Index, reaching its highest level since June 2022



October building permits dropped to their weakest level since the pandemic



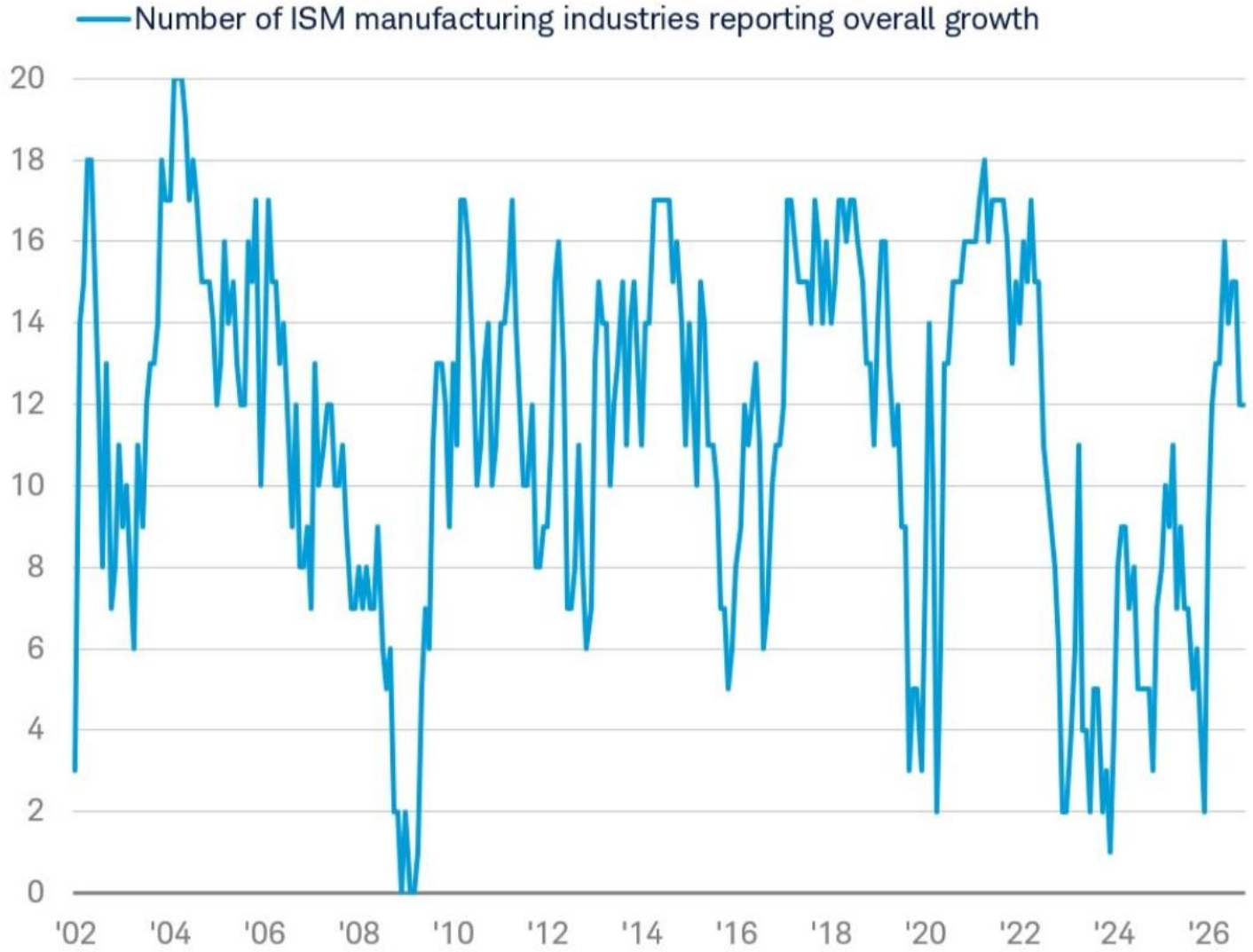
Adjusted for ISM methodology, Empire Manufacturing Index slipped to 55 in November but remained in expansion territory



Prices paid tumbled nearly 15 points in November Empire Manufacturing Survey but still remain elevated

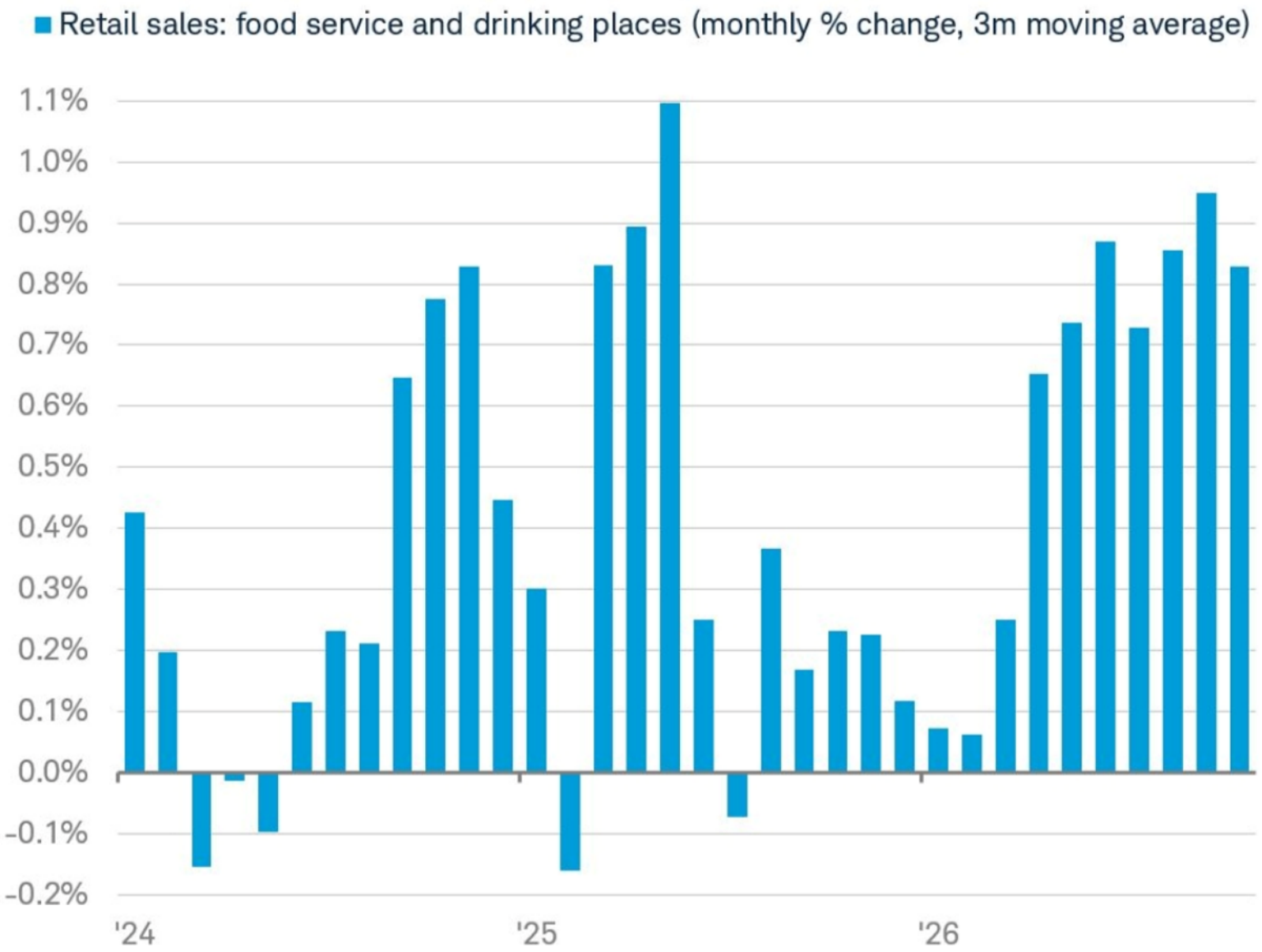


Number of ISM manufacturing industries reporting growth in October unchanged at 12, led by plastics & rubber products, electrical equipment, appliances & components…three industries—printing, paper products and nonmetallic mineral products—reported contraction



Source: Charles Schwab, Bloomberg, Institute for Supply Management (ISM), as of 10/31/2026.

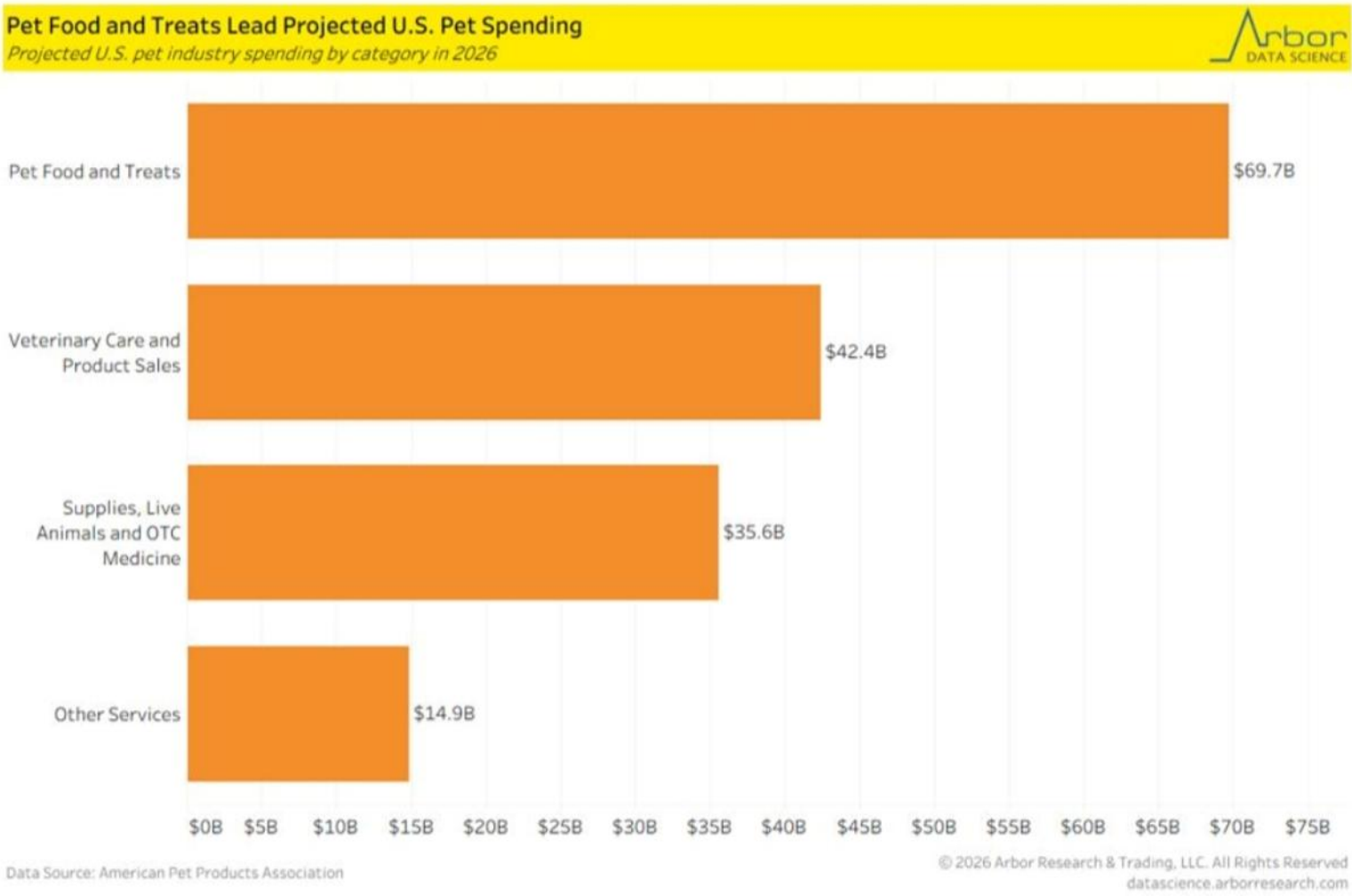
On a three-month moving average basis, spending at restaurants and bars remained relatively strong in October despite softening to +0.83%, down from +0.95% prior

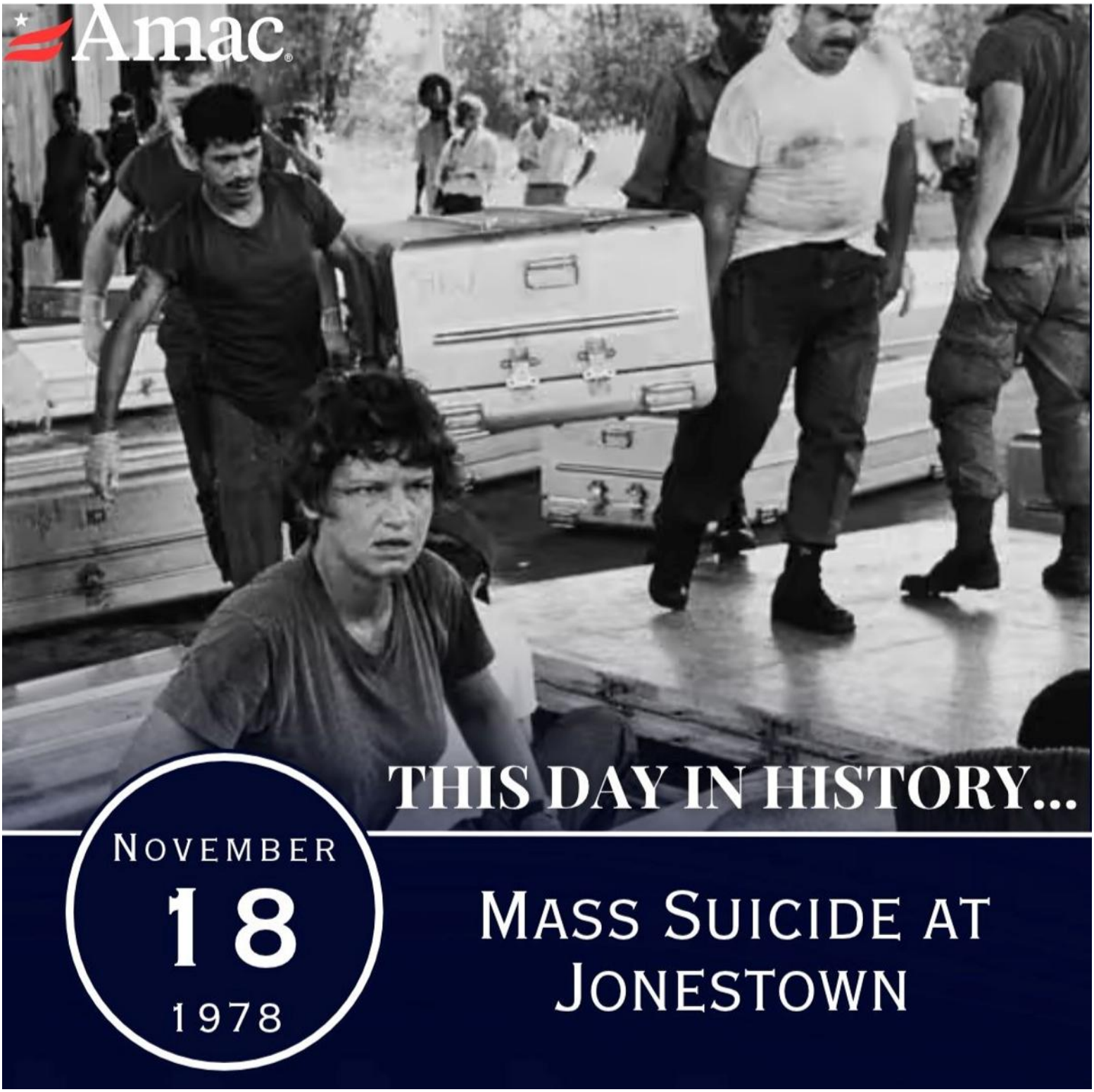


Source: Charles Schwab, Bloomberg, as of 10/31/2026.

According to the American Pet Products Association (APPA), total pet spending is expected to reach $165B in 2026, up 4.4% from a year ago and equal to ~0.5% of nominal GDP, with food and treats representing the largest spending category

Arbor Data Science



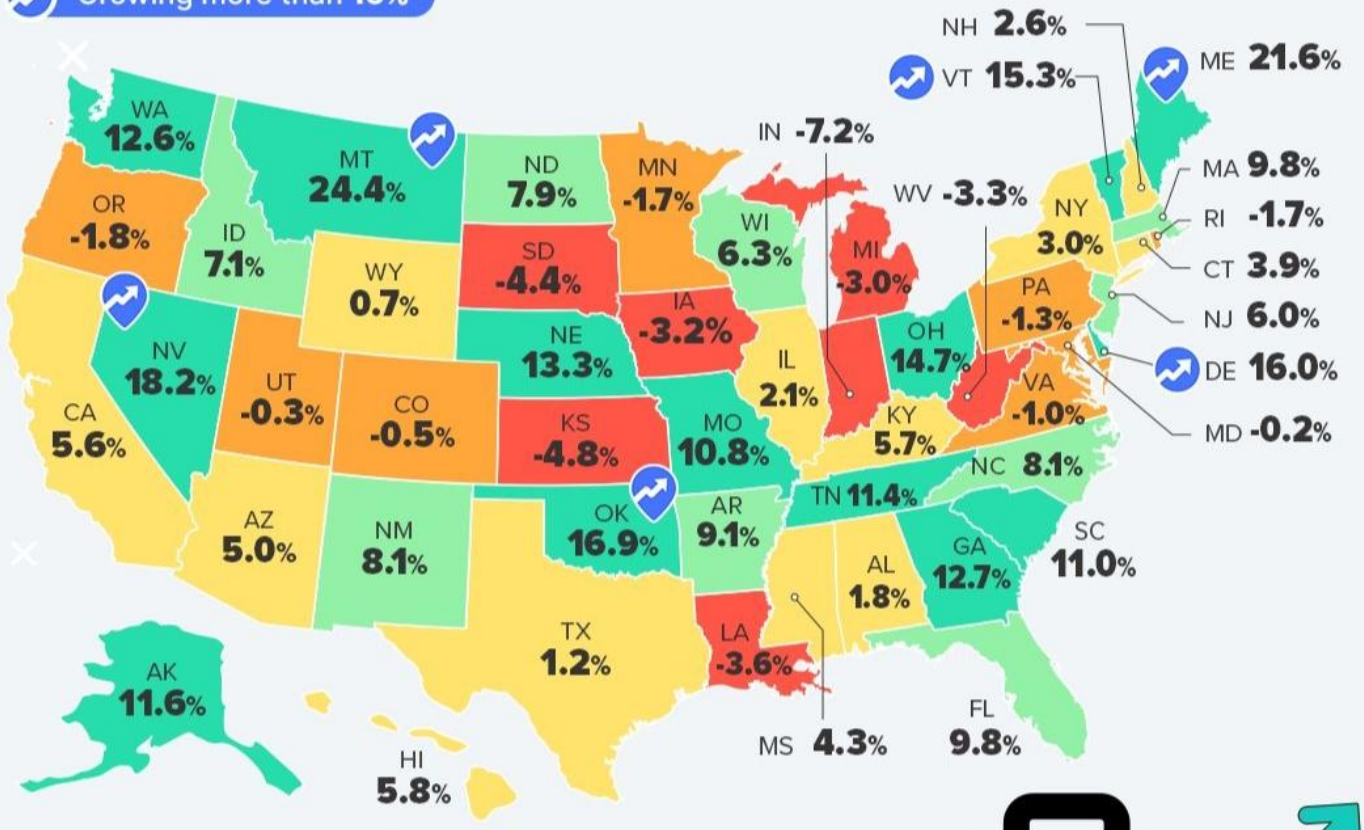

Amac
THIS DAY IN HISTORY...
NOVEMBER
18
1978
MASS SUICIDE AT
JONESTOWN

Where Paychecks Are Growing the Most

Largest Decrease | -7.2% | 4.6% U.S. Average | 24.4% | Largest Increase

Change in Income (2020-2025)

Growing more than 15%



Montana – Largest Increase

Indiana – Largest Decrease



Source: U.S. Census Bureau

Note: Data reflects the percentage change in median household income from 2020 to 2025.

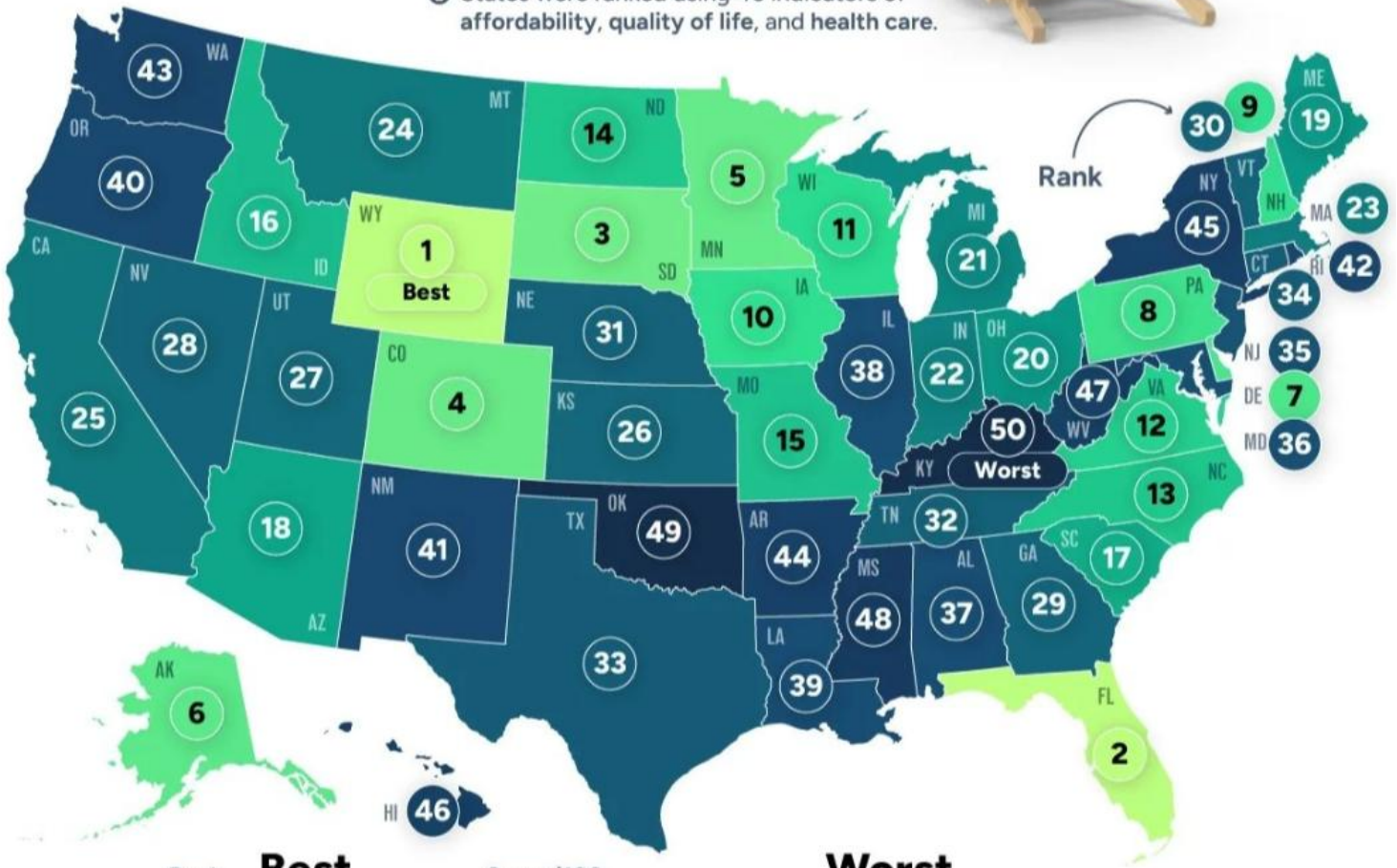
WalletHub

Best & Worst States to Retire in 2026



Worst — Best

States were ranked using 46 indicators of **affordability**, **quality of life**, and **health care**.

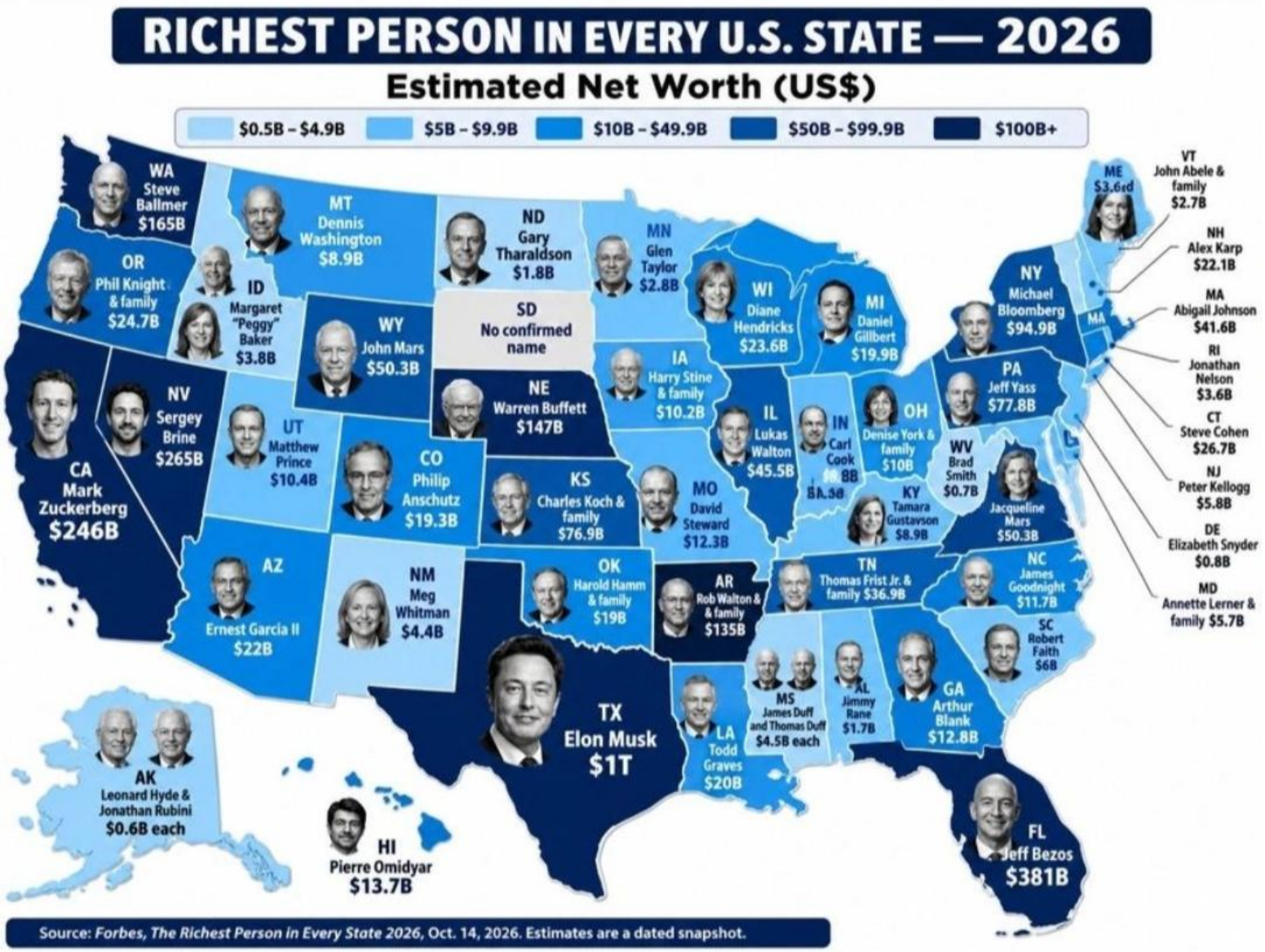


Rank	Best	Score/100
1	Wyoming	61.56
2	Florida	61.55
3	South Dakota	58.69
4	Colorado	58.37
5	Minnesota	58.29
6	Alaska	57.90
7	Delaware	57.35
8	Pennsylvania	56.85
9	New Hampshire	56.40
10	Iowa	56.26

	Worst	
50	Kentucky	41.83
49	Oklahoma	42.59
48	Mississippi	44.60
47	West Virginia	45.24
46	Hawaii	45.27
45	New York	45.34
44	Arkansas	45.34
43	Washington	45.63
42	Rhode Island	45.98
41	New Mexico	46.18

VISUAL CAPITALIST

Source: WalletHub


RICHEST PERSON IN EVERY U.S. STATE — 2026
Estimated Net Worth (US$)
$0.5B – $4.9B
$5B – $9.9B
$10B – $49.9B
$50B – $99.9B
$100B+
WA Steve Ballmer $165B
OR Phil Knight & family $24.7B
CA Mark Zuckerberg $246B
NV Sergey Brine $265B
ID Margaret "Peggy" Baker $3.8B
MT Dennis Washington $8.9B
WY John Mars $50.3B
UT Matthew Prince $10.4B
CO Philip Anschutz $19.3B
AZ Ernest Garcia II $22B
NM Meg Whitman $4.4B
ND Gary Tharaldson $1.8B
SD No confirmed name
NE Warren Buffett $147B
KS Charles Koch & family $76.9B
OK Harold Hamm & family $19B
TX Elon Musk $1T
MN Glen Taylor $2.8B
IA Harry Stine & family $10.2B
MO David Steward $12.3B
AR Rob Walton & & family $135B
LA Todd Graves $20B
WI Diane Hendricks $23.6B
IL Lukas Walton $45.5B
MI Daniel Gilbert $19.9B
IN Carl Cook $8.8B
OH Denise York & family $10B
KY Tamara Gustavson $8.9B
TN Thomas Frist Jr. & family $36.9B
MS James Duff and Thomas Duff $4.5B each
AL Jimmy Rane $1.7B
GA Arthur Blank $12.8B
FL Jeff Bezos $381B
SC Robert Faith $6B
NC James Goodnight $11.7B
WV Brad Smith $0.7B
PA Jeff Yass $77.8B
NY Michael Bloomberg $94.9B
MD Annette Lerner & family $5.7B
DE Elizabeth Snyder $0.8B
NJ Peter Kellogg $5.8B
CT Steve Cohen $26.7B
RI Jonathan Nelson $3.6B
MA Abigail Johnson $41.6B
NH Alex Karp $22.1B
VT John Abele & family $2.7B
ME $3.6B
Jacqueline Mars $50.3B
AK Leonard Hyde & Jonathan Rubini $0.6B each
HI Pierre Omidyar $13.7B
Source: Forbes, The Richest Person in Every State 2026, Oct. 14, 2026. Estimates are a dated snapshot.


30 MOST EXPENSIVE ZIP CODES IN AMERICA
RANKED BY MEDIAN HOME SALE PRICE
ZIP CODE CITY / AREA MEDIAN PRICE
1 94027 Atherton, CA $10,725,000
2 11962 Sagaponack, NY $7,350,000
3 33109 Miami Beach, FL $7,217,000
4 11932 Bridgehampton, NY $6,150,000
5 92657 Newport Beach, CA $6,100,000
6 92661 Newport Beach, CA $5,770,000
7 11976 Water Mill, NY $5,750,000
8 90210 Beverly Hills, CA $5,390,000
9 93108 Santa Barbara, CA $5,295,000
10 94022 Los Altos, CA $4,875,000
11 98039 Medina, WA $4,765,000
12 94024 Los Altos, CA $4,713,000
13 89402 Crystal Bay, NV $4,698,000
14 92067 Rancho Santa Fe, CA $4,438,000
15 07620 Alpine, NJ $4,375,000
ZIP CODE CITY / AREA MEDIAN PRICE
16 90402 Santa Monica, CA $4,350,000
17 31561 Sea Island, GA $4,300,000
18 94301 Palo Alto, CA $4,290,000
19 92625 Newport Beach, CA $4,255,000
20 94028 Portola Valley, CA $4,250,000
21 94957 Ross, CA $4,200,000
22 92662 Newport Beach, CA $4,040,000
23 94970 Stinson Beach, CA $4,025,000
24 94528 Diablo, CA $4,015,000
25 94010 Hillsborough, CA $4,000,000
26 10013 New York City, NY $3,850,000
27 95030 Los Gatos, CA $3,800,000
27 95070 Saratoga, CA $3,800,000
28 89413 Glenbrook, NV $3,688,000
29 11930 Amagansett, NY $3,655,000
30 02554 Nantucket, MA $3,600,000
30 85253 Paradise Valley, AZ $3,600,000
30 29482 Sullivan's Island, SC $3,600,000
Source: PropertyShark – 2026 Most Expensive ZIP Codes

40% OF EARTH'S LAND IS IN JUST 6 COUNTRIES



RUSSIA	CANADA	CHINA	UNITED STATES	BRAZIL	AUSTRALIA
16.38 million km² (land area)	**8.79** million km² (land area)	**9.39** million km² (land area)	**9.15** million km² (land area)	**8.36** million km² (land area)	**7.69** million km² (land area)
146 million people	**41** million people	**1,426** million people	**340** million people	**216** million people	**27** million people

Combined land area **59.75** million km²

40.1% of Earth's land area

Total land area on Earth **148.94** million km²

Source: World Bank (2024, land area, excluding inland water); CIA World Factbook (2024, total land area); UN (2024, population).

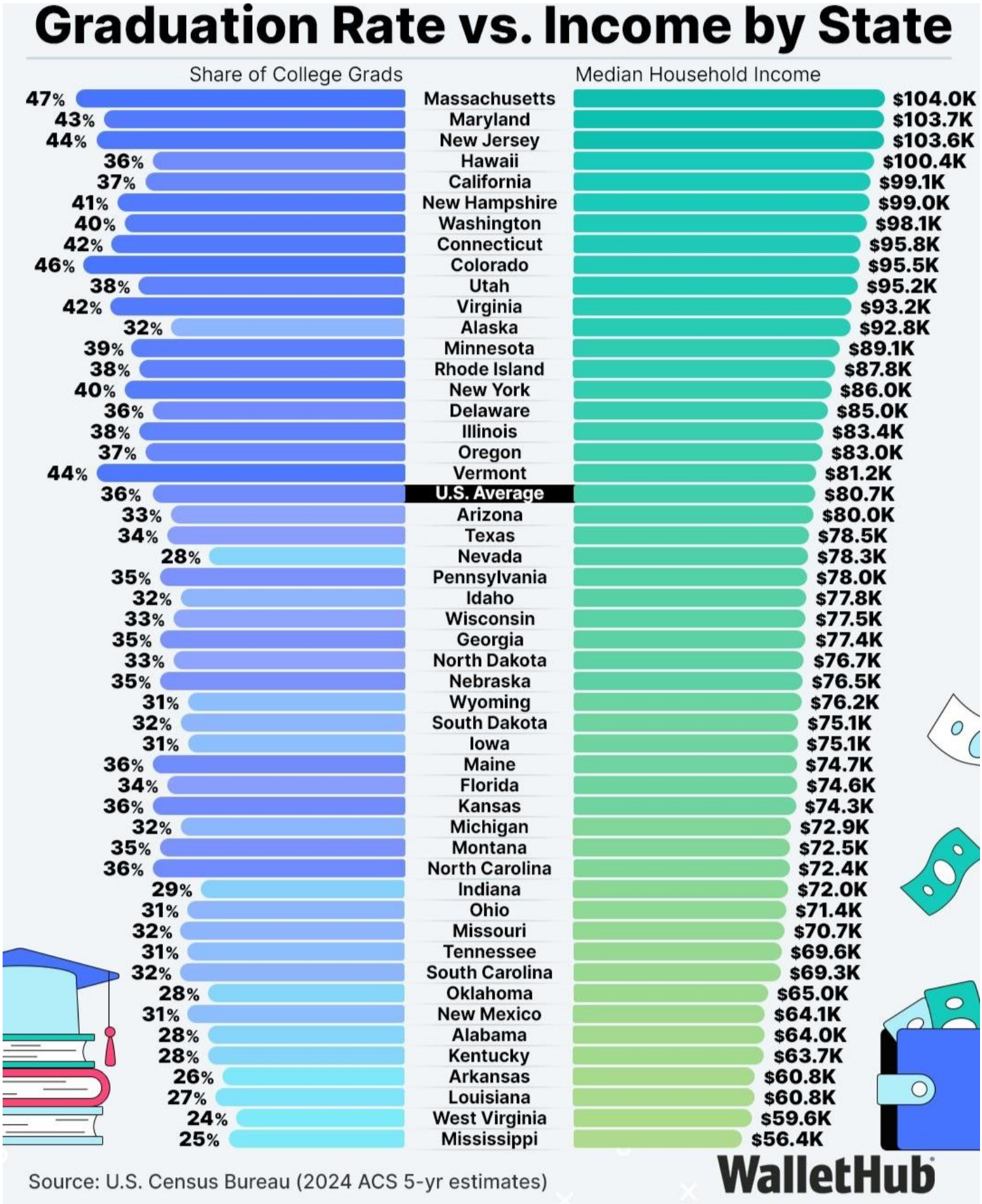
How the World Views China vs America

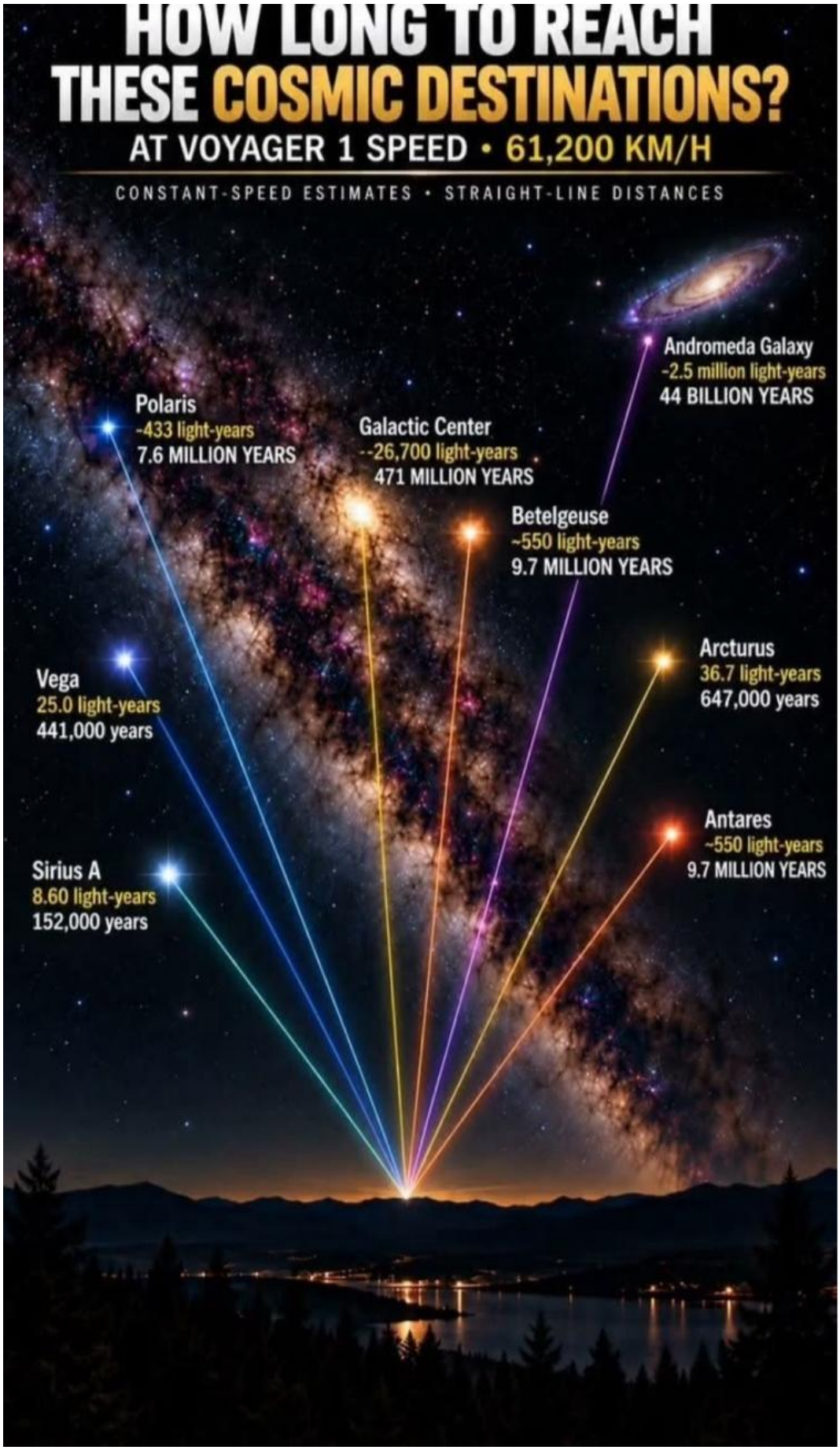
This comparison shows favorability toward China and the United States across 36 countries in 2026, highlighting where public opinion favors Beijing, Washington, or neither.

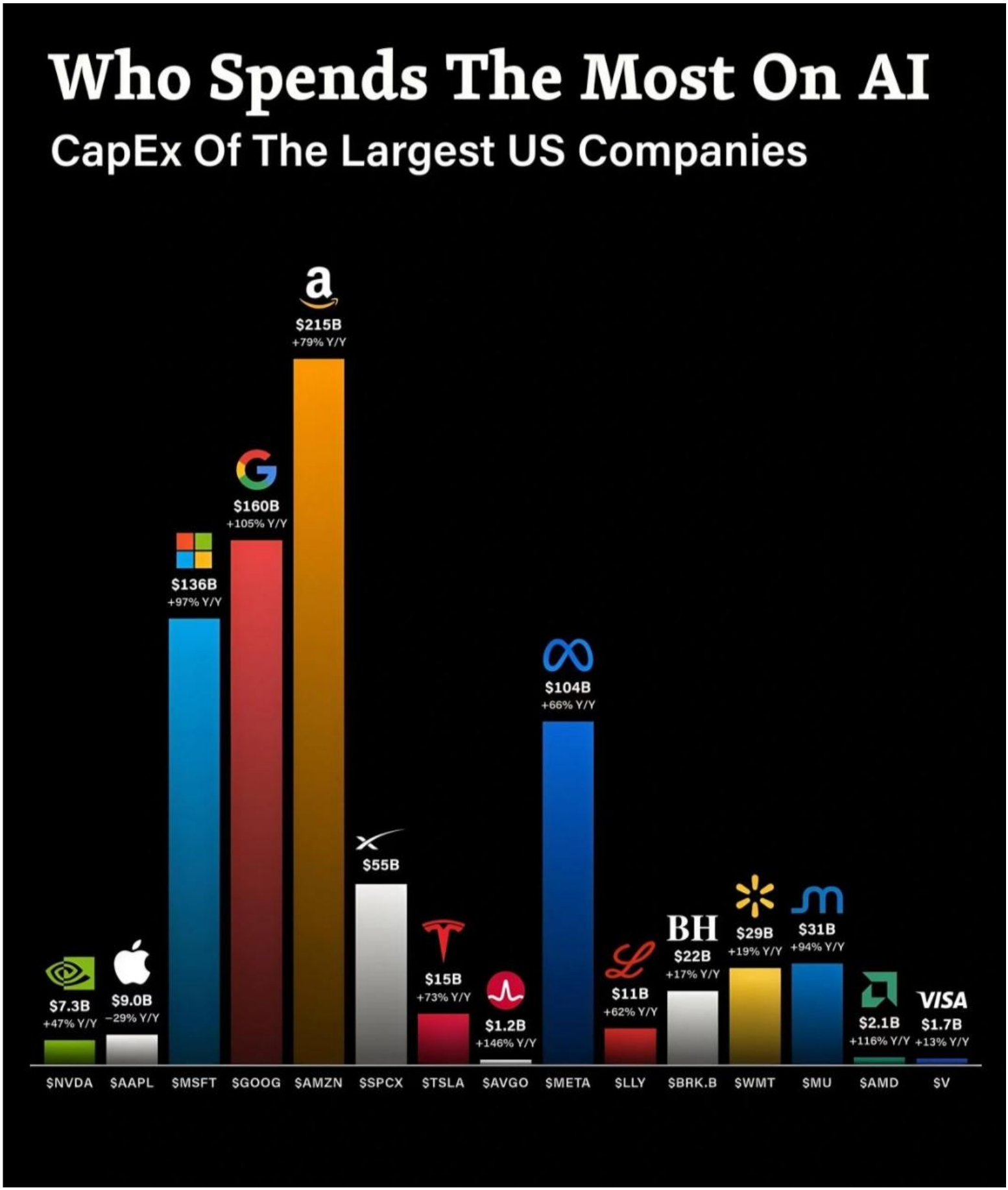
	Country	Approval of 🇺🇸	Approval of 🇨🇳	China-US Gap
01	Pakistan	15%	90%	75%
02	Malaysia	19%	75%	56%
03	Palestine	9%	57%	48%
04	Indonesia	29%	72%	43%
05	Singapore	34%	73%	39%
06	Thailand	36%	69%	33%
07	Sri Lanka	42%	72%	30%
08	Bangladesh	26%	56%	30%
09	Turkey	13%	43%	30%
10	Spain	30%	54%	24%
11	Italy	31%	51%	20%
12	Mexico	40%	59%	19%
13	Greece	37%	55%	18%
14	South Africa	35%	52%	17%
15	Nigeria	63%	78%	15%
16	Kenya	63%	76%	13%
17	Chile	37%	49%	12%
18	Canada	33%	44%	11%
19	Peru	51%	61%	10%
20	France	27%	36%	9%
21	Netherlands	25%	34%	9%
22	Sweden	19%	27%	8%
23	Australia	24%	31%	7%
24	Argentina	44%	50%	6%
25	Germany	27%	33%	6%
26	UK	41%	46%	5%
27	Colombia	60%	63%	3%
28	Brazil	47%	46%	-1%
29	Ghana	68%	64%	-4%
30	Hungary	58%	53%	-5%
31	Poland	49%	39%	-10%
32	Philippines	56%	40%	-16%
33	South Korea	45%	28%	-17%
34	India	45%	23%	-22%
35	Japan	50%	11%	-39%
36	Israel	81%	19%	-62%



Source: Pew Research Center, 2026


Graduation Rate vs. Income by State
Share of College Grads
Median Household Income
47% Massachusetts $104.0K
43% Maryland $103.7K
44% New Jersey $103.6K
36% Hawaii $100.4K
37% California $99.1K
41% New Hampshire $99.0K
40% Washington $98.1K
42% Connecticut $95.8K
46% Colorado $95.5K
38% Utah $95.2K
42% Virginia $93.2K
32% Alaska $92.8K
39% Minnesota $89.1K
38% Rhode Island $87.8K
40% New York $86.0K
36% Delaware $85.0K
38% Illinois $83.4K
37% Oregon $83.0K
44% Vermont $81.2K
36% U.S. Average $80.7K
33% Arizona $80.0K
34% Texas $78.5K
28% Nevada $78.3K
35% Pennsylvania $78.0K
32% Idaho $77.8K
33% Wisconsin $77.5K
35% Georgia $77.4K
33% North Dakota $76.7K
35% Nebraska $76.5K
31% Wyoming $76.2K
32% South Dakota $75.1K
31% Iowa $75.1K
36% Maine $74.7K
34% Florida $74.6K
36% Kansas $74.3K
32% Michigan $72.9K
35% Montana $72.5K
36% North Carolina $72.4K
29% Indiana $72.0K
31% Ohio $71.4K
32% Missouri $70.7K
31% Tennessee $69.6K
32% South Carolina $69.3K
28% Oklahoma $65.0K
31% New Mexico $64.1K
28% Alabama $64.0K
28% Kentucky $63.7K
26% Arkansas $60.8K
27% Louisiana $60.8K
24% West Virginia $59.6K
25% Mississippi $56.4K
Source: U.S. Census Bureau (2024 ACS 5-yr estimates)
WalletHub


HOW LONG TO REACH
THESE COSMIC DESTINATIONS?
AT VOYAGER 1 SPEED • 61,200 KM/H
CONSTANT-SPEED ESTIMATES • STRAIGHT-LINE DISTANCES
Andromeda Galaxy
~2.5 million light-years
44 BILLION YEARS
Polaris
~433 light-years
7.6 MILLION YEARS
Galactic Center
~26,700 light-years
471 MILLION YEARS
Betelgeuse
~550 light-years
9.7 MILLION YEARS
Arcturus
36.7 light-years
647,000 years
Vega
25.0 light-years
441,000 years
Antares
~550 light-years
9.7 MILLION YEARS
Sirius A
8.60 light-years
152,000 years


Who Spends The Most On AI
CapEx Of The Largest US Companies
$7.3B
+47% Y/Y
$9.0B
−29% Y/Y
$136B
+97% Y/Y
$160B
+105% Y/Y
$215B
+79% Y/Y
$55B
$15B
+73% Y/Y
$1.2B
+146% Y/Y
$104B
+66% Y/Y
$11B
+62% Y/Y
BH
$22B
+17% Y/Y
$29B
+19% Y/Y
$31B
+94% Y/Y
$2.1B
+116% Y/Y
VISA
$1.7B
+13% Y/Y
$NVDA
$AAPL
$MSFT
$GOOG
$AMZN
$SPCX
$TSLA
$AVGO
$META
$LLY
$BRK.B
$WMT
$MU
$AMD
$V


I bet he's thinking about other women.
If a fish would smoke cigarettes, would he smoke them like this?
Or like this?
Xavier Memes