

Youtube Channel 





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!

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)

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Economic Calendar for Last Week:

Time	Cur.	Event	Imp.	Actual	Forecast	Previous
Monday, April 13, 2026						
10:00	US	Existing Home Sales (Mar)	★★★	3.98M	4.07M	4.13M
Tuesday, April 14, 2026						
08:30	US	PPI (MoM) (Mar)	★★★	0.5%	1.1%	0.5%
Wednesday, April 15, 2026						
06:00	US	U.S. President Trump Speaks	★★★			
06:00	US	U.S. President Trump Speaks	★★★			
10:30	US	Crude Oil Inventories	★★★	-0.913M	2.100M	3.081M
Thursday, April 16, 2026						
08:30	US	Philadelphia Fed Manufacturing Index (Apr)	★★★	26.7	10.3	18.1
08:30	US	Initial Jobless Claims	★★★	207K	213K	218K
19:00	US	U.S. President Trump Speaks	★★★			
Friday, April 17, 2026						
14:00	US	U.S. President Trump Speaks	★★★			

Economic Calendar for Next Week:

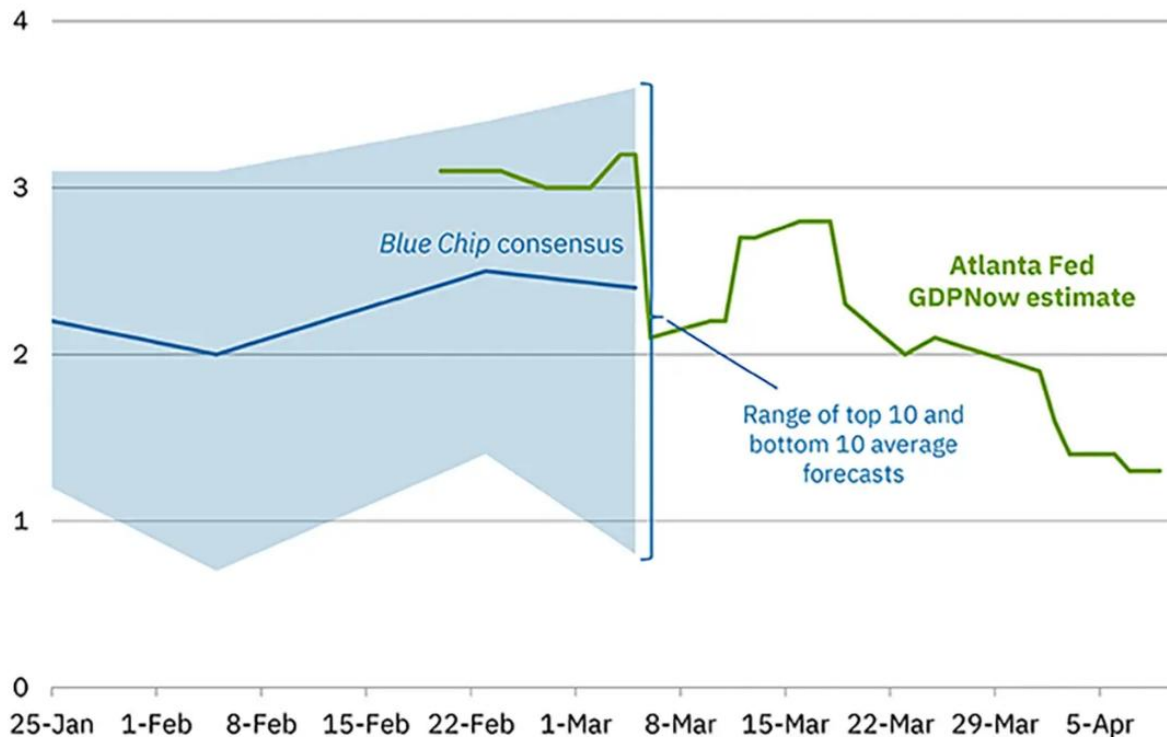
Time	Cur.	Event	Imp.	Actual	Forecast	Previous
Tuesday, April 21, 2026						
08:30	US	Retail Sales (MoM) (Mar)	★★★			0.6%
08:30	US	Core Retail Sales (MoM) (Mar)	★★★			0.5%
Wednesday, April 22, 2026						
10:30	US	Crude Oil Inventories	★★★			-0.913M
Thursday, April 23, 2026						
08:30	US	Initial Jobless Claims	★★★			207K
09:45	US	S&P Global Services PMI (Apr) P	★★★			49.8
09:45	US	S&P Global Manufacturing PMI (Apr) P	★★★			52.3

The chance of a rate HIKE has all but disappeared. But the best chance of a CUT in a year and a half! While GDP forecasts continue to decline.

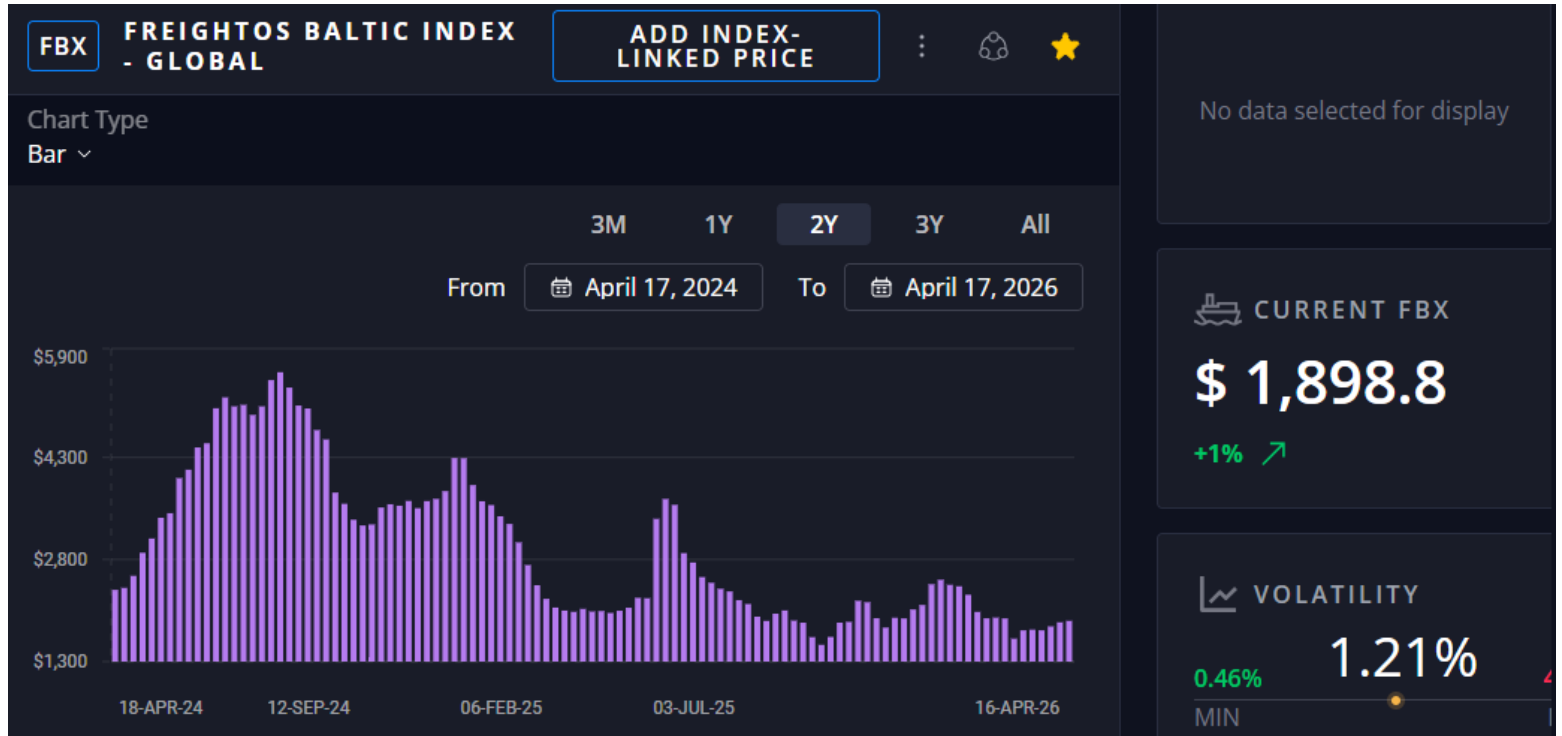
CME FEDWATCH TOOL - AGGREGATED MEETING PROBABILITIES				
MEETING DATE	300-325	325-350	350-375	375-400
4/29/2026	0.00 %	0.00 %	97.93 %	2.07 %
6/17/2026	0.00 %	1.52 %	98.48 %	0.00 %
7/29/2026	0.00 %	7.93 %	92.07 %	0.00 %
9/16/2026	0.00 %	15.50 %	84.50 %	0.00 %
10/28/2026	0.00 %	19.93 %	80.07 %	0.00 %
12/9/2026	0.00 %	33.34 %	66.66 %	0.00 %
1/27/2027	0.00 %	37.93 %	62.07 %	0.00 %
3/17/2027	0.00 %	41.79 %	58.21 %	0.00 %
4/28/2027	0.00 %	43.93 %	56.07 %	0.00 %
6/9/2027	0.00 %	56.86 %	43.14 %	0.00 %
7/28/2027	0.00 %	67.93 %	32.07 %	0.00 %
9/15/2027	0.00 %	89.26 %	10.74 %	0.00 %
10/27/2027	9.93 %	90.07 %	0.00 %	0.00 %
12/8/2027	98.89 %	1.11 %	0.00 %	0.00 %

Evolution of Atlanta Fed GDPNow real GDP estimate for 2026:Q1

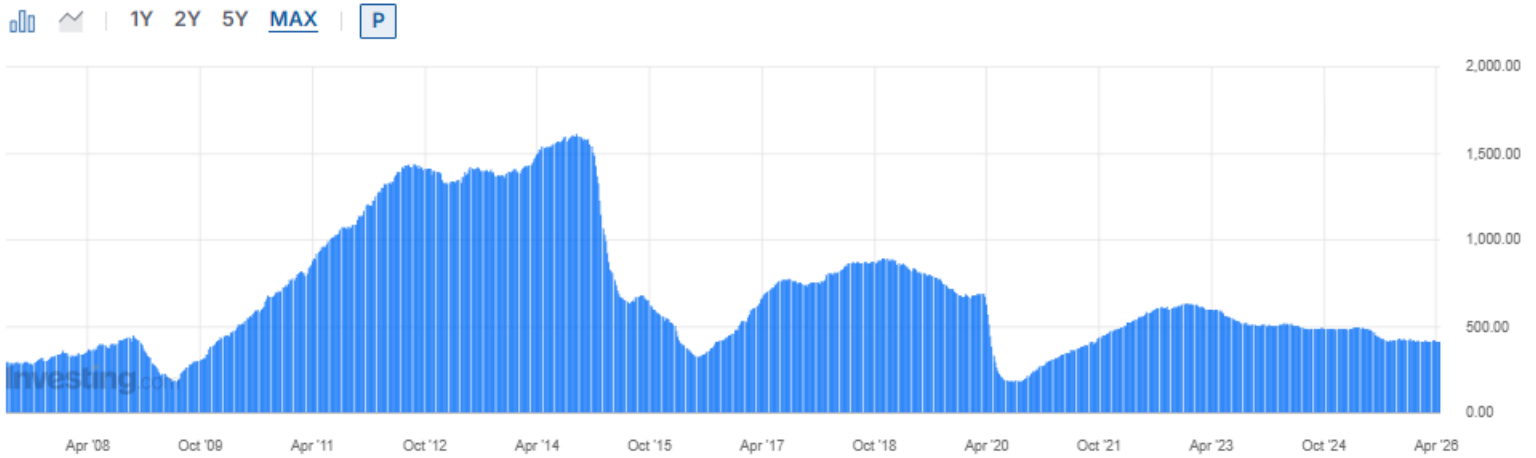
Quarterly percent change (SAAR)



Both the Baltic Freight Index and the Baker Hughes Oil Rig Count are staying steady.



Baker Hughes Rig Count



Here is the S&P showing the previous All-Time High (higher horizontal line) and All-Time Closing High (lower horizontal line). We are now in new territory with no upside resistance in sight.

\$SPX S&P 500 Large Cap Index: INDX

Open: 7074.55	Ask:	Mkt Cap:	P/E:	Friday 17-Apr-2026
High: 7147.52	Bid:	Fwd Dividend: N/A	EPS:	▲ Chg: +1.20%
Low: 7074.55	Last:	Fwd Yield: N/A	Last Earnings:	▲ Last: +84.78
Prev Close: 7041.28	Optionable: yes	SCTR:	Next Earnings:	▲ Last: 7126.06



Same for the NDX:

\$NDX Nasdaq 100 Index: INDX

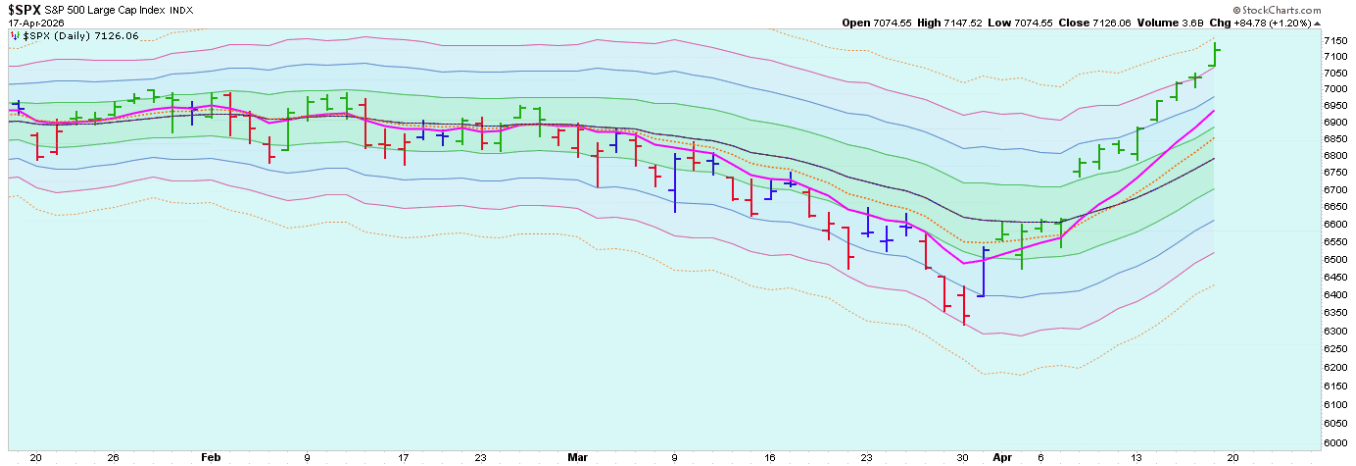
Open: 26551.16	Ask:	Mkt Cap:	P/E:	Friday 17-Apr-2026
High: 26719.56	Bid:	Fwd Dividend: N/A	EPS:	▲ Chg: +1.29%
Low: 26481.24	Last:	Fwd Yield: N/A	Last Earnings:	▲ Last: +339.43
Prev Close: 26333.00	Optionable: yes	SCTR:	Next Earnings:	▲ Last: 26672.43



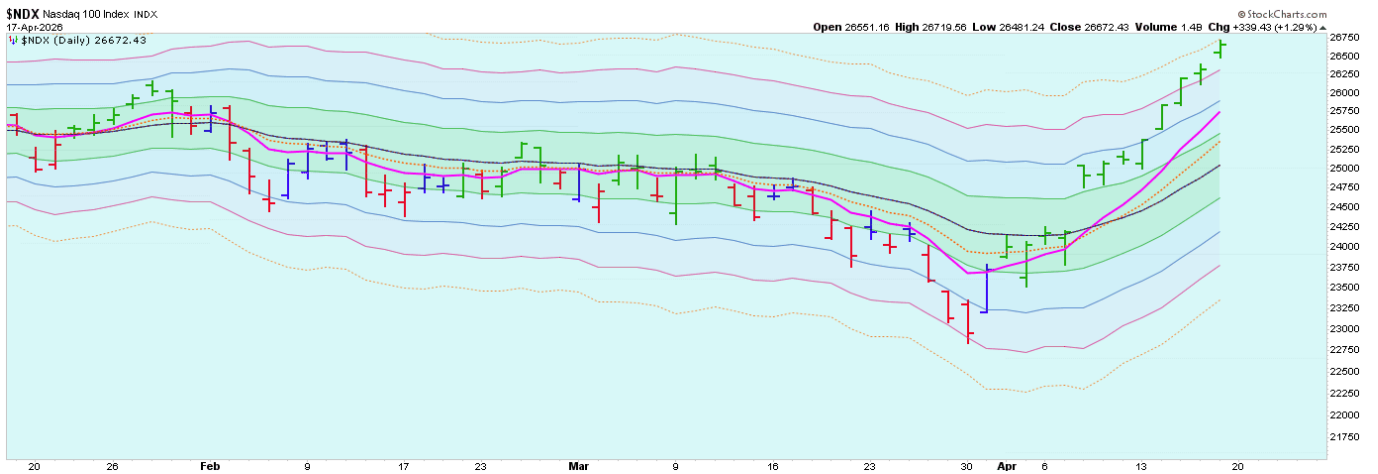
Of course, now things are extremely over-bought. A pullback or consolidation would be normal at these levels, but this has been anything but normal.

Here are the Keltner Channels. The Green is the "normal" one day Average True Range, the Blue is 2X the normal ATR and the Red is the 3X ATR. I added the 4X level for comparison.

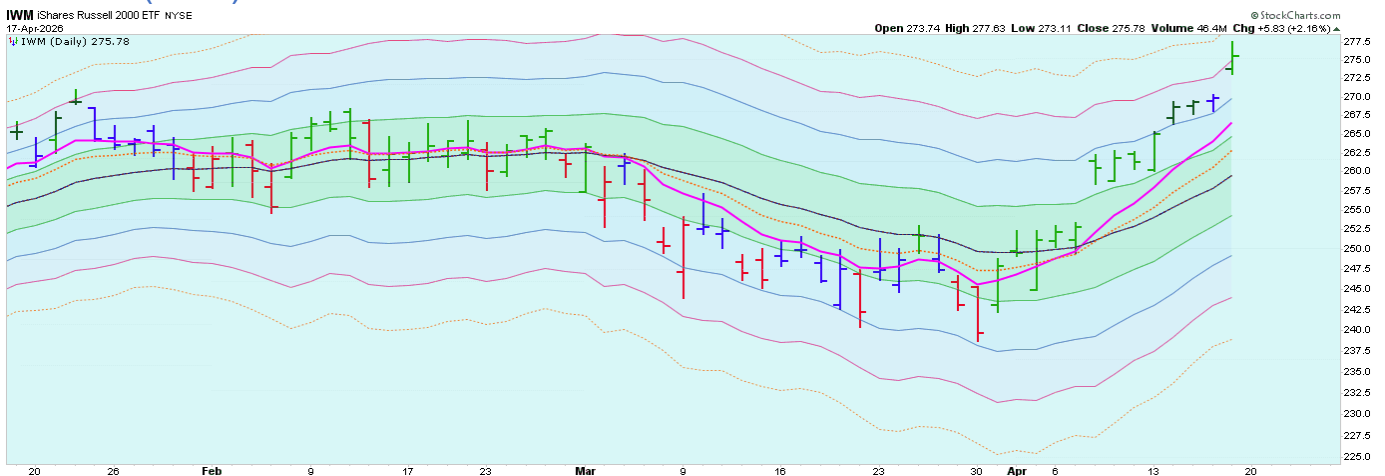
SPX



NDX



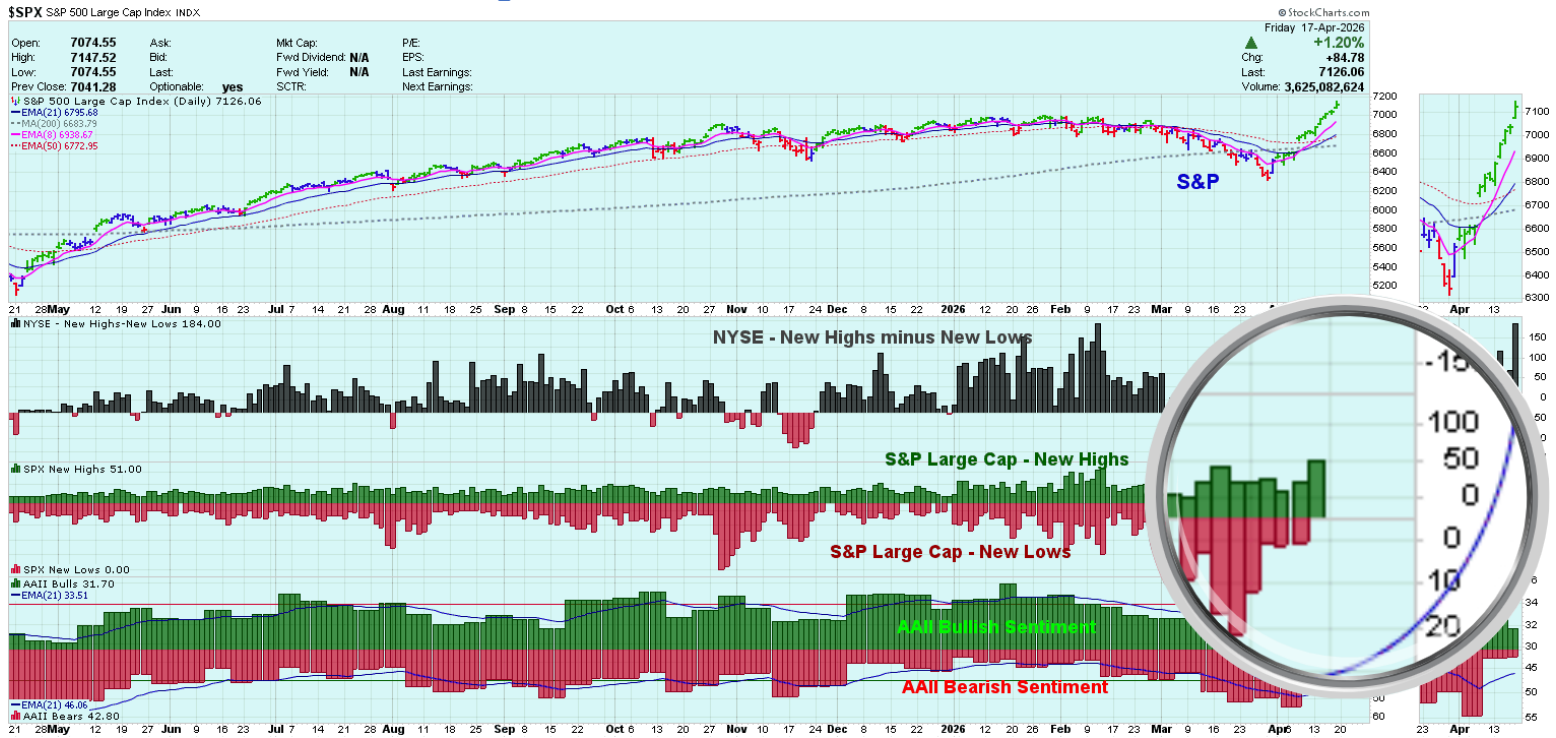
Russell 2000 (IWM)



The Put/Call Ratio has dropped significantly, which is not surprising in this kind of strong rally. However, it is now in area where tops “could” form. Be aware.



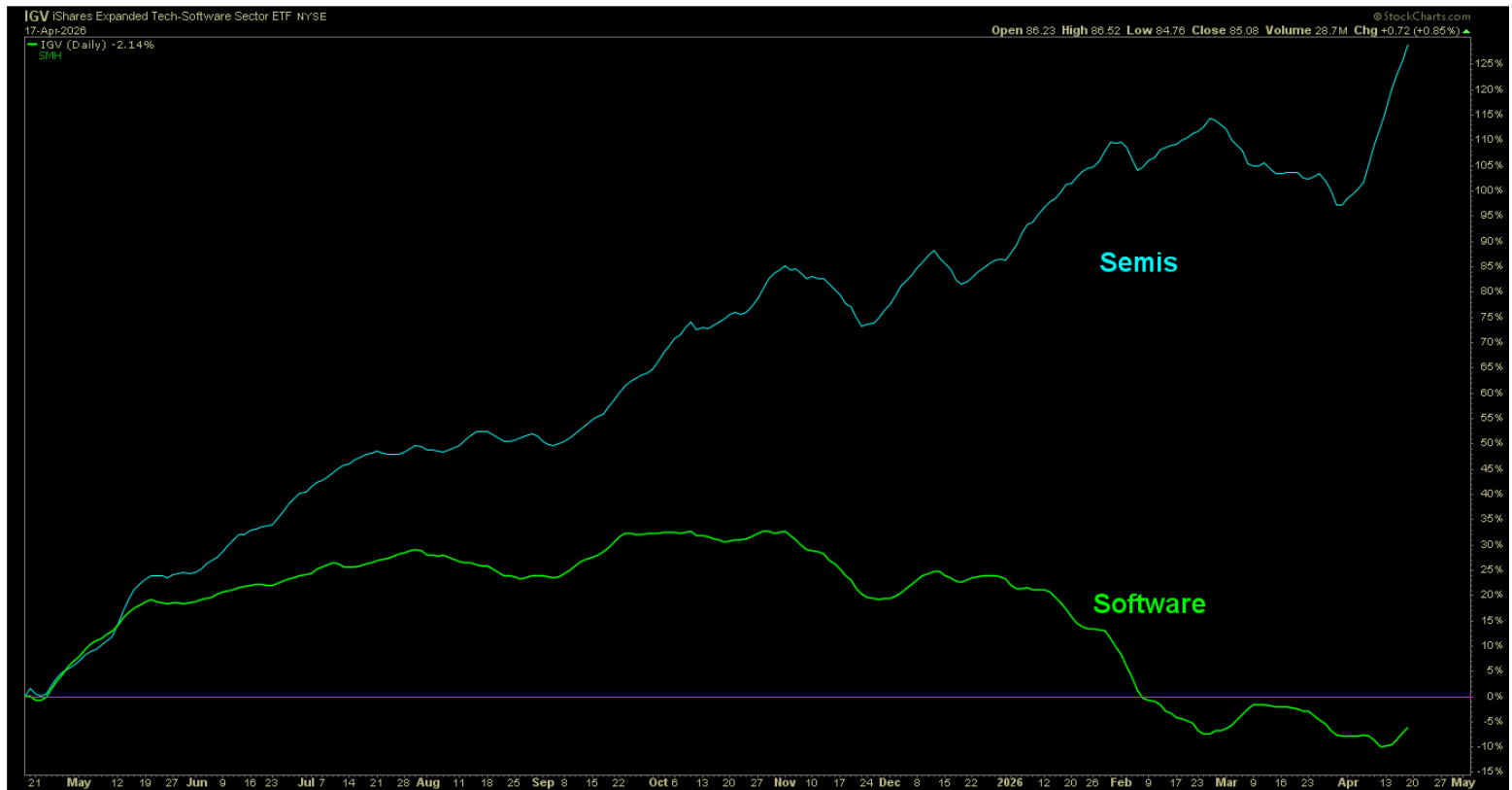
You can see here that new Highs are at 51%, but new Lows are non-existent at 0%:



The "Leaders" are looking much better, and immensely better than 2 weeks ago:

As of 4/17/26							As of 4/10/26						
Following the Leaders							Following the Leaders						
For this column only	Jesse Livermore Criteria		Overall % Bullish				For this column only	Jesse Livermore Criteria		Overall % Bullish			
	For these 2 columns, Green < 60% Bearish, Red > 60% Bearish		For ALL columns, Green > 60% Bullish, Red < 60% Bullish					For these 2 columns, Green < 60% Bearish, Red > 60% Bearish		For ALL columns, Green > 60% Bullish, Red < 60% Bullish			
41%	59%		57%				59%	71%		40%			
Symbol	New Highs?	New Lows?	Beating Peers?	Mvg Avg 21 > 50?	Positive Momentum?	Positive Acc/Dis?	Symbol	New Highs?	New Lows?	Beating Peers?	Mvg Avg 21 > 50?	Positive Momentum?	Positive Acc/Dis?
NVDA	N	N	N	Y	Y	Y	NVDA	N	Y	N	N	Y	N
AAPL	N	N	N	N	Y	Y	AAPL	N	Y	N	N	Y	N
MSFT	N	Y	Y	N	Y	N	MSFT	N	Y	Y	N	N	N
AVGO	N	N	N	Y	Y	Y	AVGO	N	N	N	Y	Y	N
AMZN	N	N	N	Y	Y	Y	AMZN	N	N	N	Y	Y	Y
GOOGL	Y	N	Y	Y	Y	Y	GOOGL	N	N	Y	N	Y	Y
TSLA	N	Y	N	N	N	N	TSLA	N	Y	N	N	N	N
META	N	Y	N	N	Y	Y	META	N	Y	N	N	N	N
NFLX	N	N	N	Y	Y	Y	NFLX	N	N	N	Y	Y	Y
PLTR	N	Y	Y	Y	N	Y	PLTR	N	Y	N	N	N	Y
COST	N	N	Y	Y	Y	Y	COST	N	N	Y	Y	Y	N
AMD	Y	N	N	Y	Y	Y	AMD	N	N	N	Y	Y	Y
ANET	N	N	N	Y	Y	Y	ANET	N	N	N	N	Y	Y
ORCL	N	Y	N	Y	Y	N	ORCL	N	Y	N	N	N	N
LLY	N	Y	N	N	N	N	LLY	N	Y	N	N	N	N
MU	N	N	Y	Y	Y	Y	MU	N	N	Y	N	Y	Y
GEV	Y	N	Y	Y	Y	N	GEV	Y	N	Y	Y	Y	Y

While Software has been showing signs of recovery, it is still clearly outpaced by Semis:



Weekly Performance:



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

TIMEFRAME

One Week Columns Send Daily Report Send Weekly Report

Search Table

NAME	LAST	CHG	% CHG	+/-	DATE
XLK - Technology Select Sector SPDR Fund	154.35	+11.73	+8.22%		04-17, 16:00
XLY - Consumer Discretionary Select Sector SPDR Fund	120.41	+7.52	+6.66%		04-17, 16:00
\$NDX - Nasdaq 100 Index	26,672.43	+1,556.10	+6.20%		04-17, 16:00
IWM - iShares Russell 2000 ETF	275.78	+14.48	+5.54%		04-17, 16:00
\$SPX - S&P 500 Large Cap Index	7,126.06	+309.17	+4.54%		04-17, 16:00
XLC - Communication Services Select Sector SPDR Fund	119.10	+5.15	+4.52%		04-17, 16:00
\$BTCUSD - Bitcoin to US Dollar	76,269.87	+3,192.21	+4.37%		04-18, 10:35
XLRE - Real Estate Select Sector SPDR Fund	44.48	+1.66	+3.88%		04-17, 16:00
XLF - Financial Select Sector SPDR Fund	52.43	+1.66	+3.27%		04-17, 16:00
\$GOLD - Gold - Continuous Contract (EOD)	4,833.56	+81.88	+1.72%		04-17, 14:30
XLI - Industrial Select Sector SPDR Fund	173.51	+1.99	+1.16%		04-17, 16:00
XLV - Health Care Select Sector SPDR Fund	148.80	+1.49	+1.01%		04-17, 16:00
XLP - Consumer Staples Select Sector SPDR Fund	82.46	+0.09	+0.11%		04-17, 16:00
XLB - Materials Select Sector SPDR Fund	51.88	-0.08	-0.15%		04-17, 16:00
XLU - Utilities Select Sector SPDR Fund	46.16	-0.80	-1.70%		04-17, 16:00
XLE - Energy Select Sector SPDR Fund	55.02	-1.92	-3.37%		04-17, 16:00

Rotation back to Growth is underway:

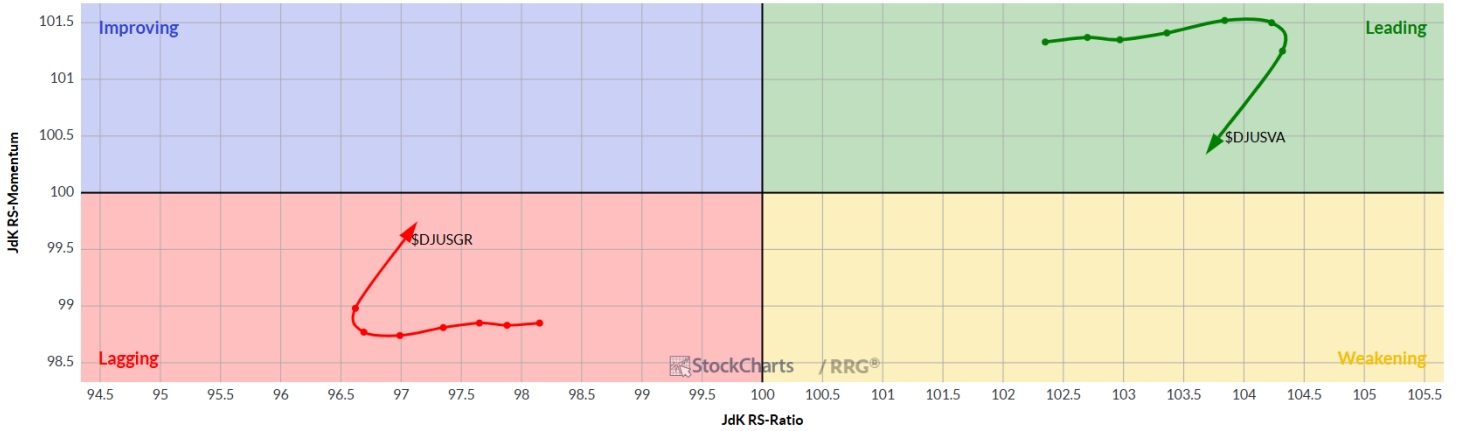


CHART	VISIBLE	TAIL	SYMBOL	NAME	SECTOR	INDUSTRY	PRICE	% CHG
#1	<input checked="" type="checkbox"/>	█	SDJUSVA	Dow Jones US Value Index			\$5698.60	-0.19%
#2	<input checked="" type="checkbox"/>	█	SDJUSGR	Dow Jones US Growth Index			\$10431.55	+6.97%
#3	<input type="checkbox"/>		SDJUS	Dow Jones US Index			\$1731.97	+3.60%

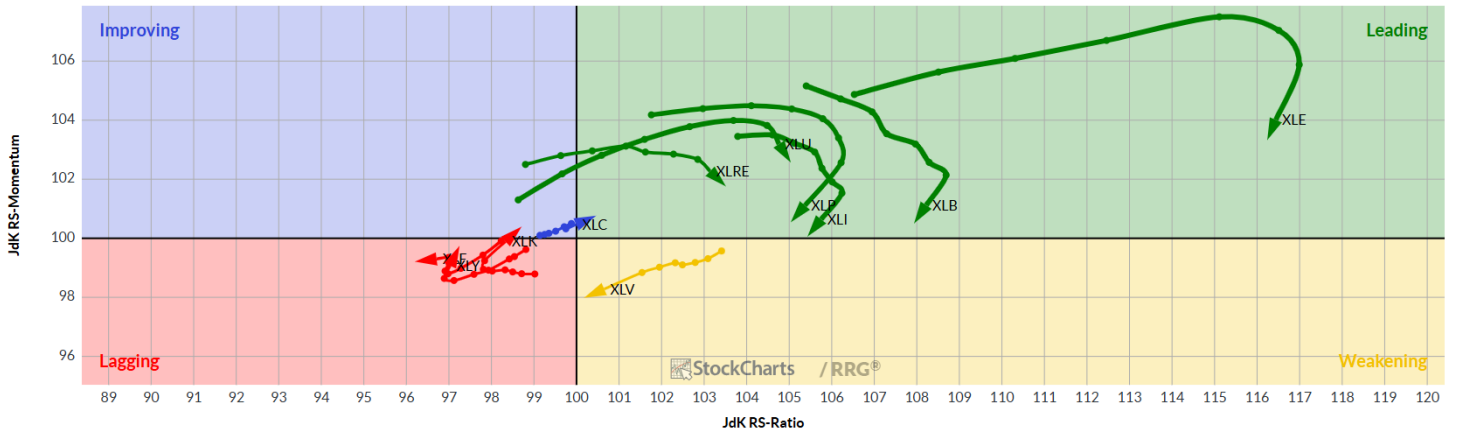


CHART	VISIBLE	TAIL	SYMBOL	NAME	SECTOR	INDUSTRY	PRICE	% CHG
#1	<input checked="" type="checkbox"/>	█	XLE	Energy Select Sector SPDR Fund			\$55.02	-0.97%
#2	<input checked="" type="checkbox"/>	█	XLB	Materials Select Sector SPDR Fund			\$51.88	-2.43%
#3	<input checked="" type="checkbox"/>	█	XLI	Industrial Select Sector SPDR Fund			\$173.51	-1.77%
#4	<input checked="" type="checkbox"/>	█	XLU	Utilities Select Sector SPDR Fund			\$46.16	-2.61%
#5	<input checked="" type="checkbox"/>	█	XLP	Consumer Staples Select Sector SPDR Fund			\$82.46	-7.87%
#6	<input checked="" type="checkbox"/>	█	XLRE	Real Estate Select Sector SPDR Fund			\$44.48	+2.14%
#7	<input checked="" type="checkbox"/>	█	XLV	Health Care Select Sector SPDR Fund			\$148.80	-6.73%
#8	<input checked="" type="checkbox"/>	█	XLF	Financial Select Sector SPDR Fund			\$52.43	+2.47%
#9	<input checked="" type="checkbox"/>	█	XLY	Consumer Discretionary Select Sector SPDR Fund			\$120.41	+3.24%
#10	<input checked="" type="checkbox"/>	█	XLK	Technology Select Sector SPDR Fund			\$154.35	+11.37%
#11	<input checked="" type="checkbox"/>	█	XLC	Communication Services Select Sector SPDR Fund			\$119.10	+1.21%
#12	<input type="checkbox"/>		SPY	SPDR S&P 500 ETF			\$710.14	+3.80%

Top Outperforming Industry Groups for the Week:

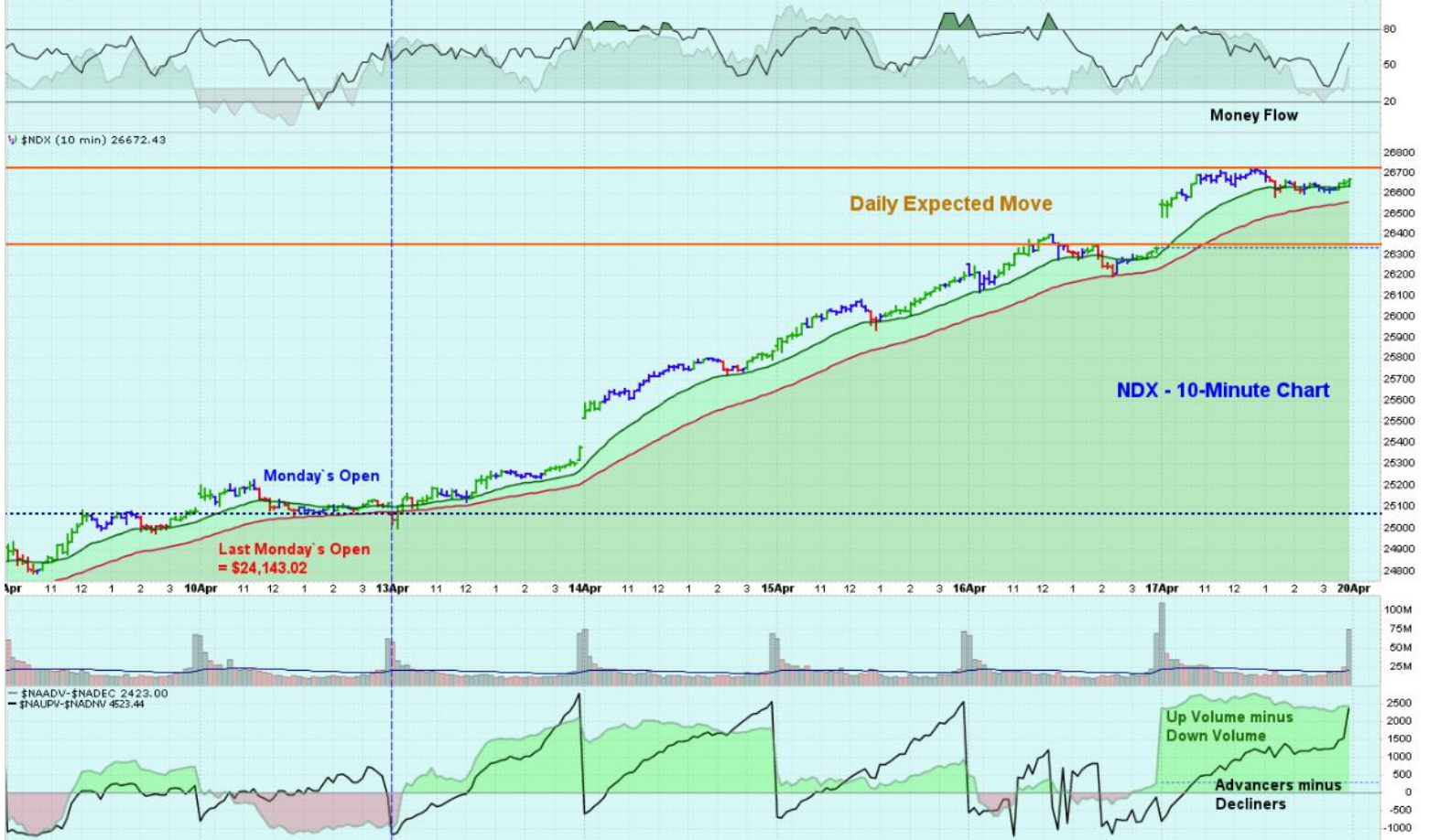
NAME	% CHG	+/-
01 - XLK - \$DJUSSW:\$SPX - Software	+9.45%	█
02 - XLY - \$DJUSAU:\$SPX - Automobiles	+8.86%	█
02 - XLY - \$DJUSTT:\$SPX - Travel & Tourism	+6.32%	█
06 - XLF - \$DJUSFA:\$SPX - Financial Administration	+6.02%	█
\$SPX - S&P 500 Large Cap Index	+4.54%	█

10-Minute Charts for the Week:



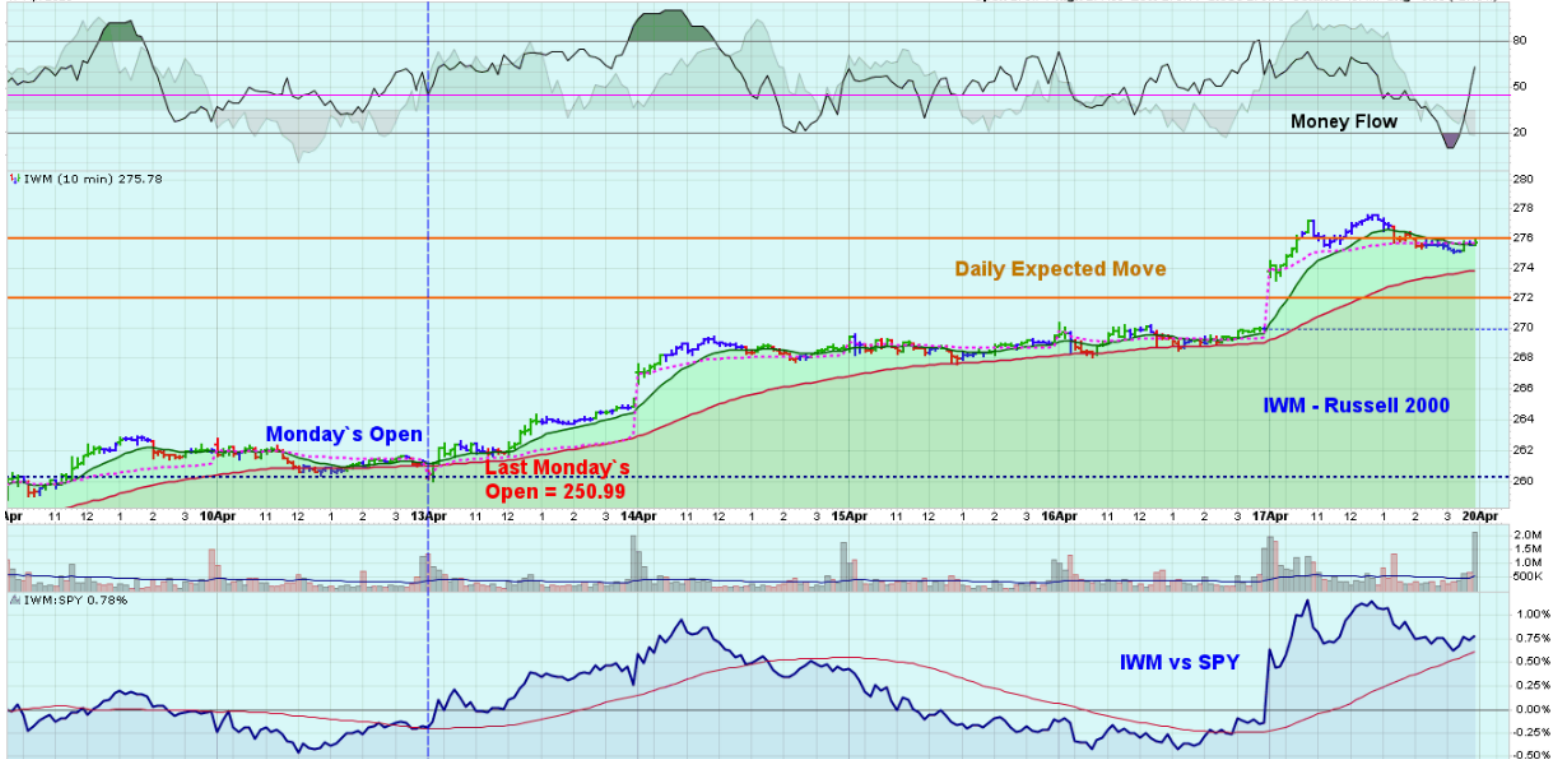
\$NDX Nasdaq 100 Index INDXX
17-Apr-2026

Open 26551.16 High 26719.56 Low 26481.24 Close 26672.43 Volume 1.4B Chg +339.43 (+1.29%)



IWM iShares Russell 2000 ETF NYSE
17-Apr-2026

Open 273.74 High 277.63 Low 273.11 Close 275.78 Volume 46.4M Chg +5.83 (+2.16%)



Top 10 Best & Worst Large Caps for the Week:

NAME	SECTOR	INDUSTRY	LAST	CHG	% CHG	+/-	U
MSTR - Strategy Inc	Technology	Software	166.52	+37.88	+29.45%	█	lrg
ORCL - Oracle Corp.	Technology	Software	175.06	+36.97	+26.77%	█	lrg
APP - Applovin Corp.	Technology	Software	477.20	+85.82	+21.93%	█	lrg
ON - ON Semiconductor Corp.	Technology	Semiconductors	83.01	+14.36	+20.92%	█	lrg
DASH - DoorDash Inc.	Discretionary	Special Consumer Services	183.89	+31.31	+20.52%	█	lrg
DDOG - Datadog Inc.	Technology	Software	126.61	+21.24	+20.16%	█	lrg
SHOP - Shopify, Inc.	Technology	Software	131.15	+20.36	+18.38%	█	lrg
TEAM - Atlassian Corp.	Technology	Software	66.94	+9.79	+17.13%	█	lrg
CDNS - Cadence Design Systems, Inc.	Technology	Software	311.03	+45.37	+17.08%	█	lrg
NOW - ServiceNow, Inc.	Technology	Software	96.66	+13.66	+16.46%	█	lrg

NAME	SECTOR	INDUSTRY	LAST	CHG	% CHG	+/-	U
FAST - Fastenal Co.	Industrial	Industrial Suppliers	45.78	-3.39	-6.89%	█	lrg
NFLX - Netflix, Inc.	Comm. Services	Internet	97.31	-5.70	-5.53%	█	lrg
COP - ConocoPhillips	Energy	Integrated Oil & Gas	116.04	-6.51	-5.31%	█	lrg
BKR - Baker Hughes Company	Energy	Oil Equipment & Services	59.78	-3.05	-4.85%	█	lrg
MO - Altria Group Inc.	Staples	Tobacco	64.17	-3.21	-4.76%	█	lrg
WFC - Wells Fargo & Co.	Financial	Banks	81.41	-3.99	-4.67%	█	lrg
FANG - Diamondback Energy, Inc.	Energy	Exploration & Production	180.27	-7.93	-4.22%	█	lrg
XOM - Exxon Mobil Corp.	Energy	Integrated Oil & Gas	146.44	-6.07	-3.98%	█	lrg
LMT - Lockheed Martin Corp.	Industrial	Defense	592.19	-21.53	-3.51%	█	lrg
EXC - Exelon Corp.	Utilities	Conventional Electricity	47.02	-1.55	-3.19%	█	lrg

WEEKLY VIEW



WEEKLY VIEW



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

NAME	SECTOR	INDUSTRY	LAST	CHG	% CHG	+/-	U
AVNS - Avanos Medical, Inc.	Health Care	Medical Supplies	24.62	+10.44	+73.62%	▲	sml
CAR - Avis Budget Group, Inc.	Discretionary	Travel & Tourism	493.86	+193.92	+64.65%	▲	mid
HIMS - Hims & Hers Health, Inc.	Health Care	Health Care Providers	28.82	+9.39	+48.33%	▲	mid
SEZL - Sezzle Inc.	Financial	Financial Administration	80.71	+21.00	+35.18%	▲	mid
AOSL - Alpha and Omega Semiconductor Ltd.	Technology	Semiconductors	33.88	+7.90	+30.41%	▲	sml
MXL - MaxLinear Inc.	Technology	Semiconductors	26.27	+5.58	+26.97%	▲	sml
SMTC - Semtech Corp.	Technology	Semiconductors	107.71	+22.49	+26.39%	▲	mid
SABR - Sabre Corp.	Discretionary	Travel & Tourism	1.89	+0.37	+24.34%	▲	sml
JBLU - JetBlue Airways Corp.	Industrial	Airlines	5.87	+1.13	+23.84%	▲	mid
NABL - N-able Inc.	Technology	Software	5.20	+0.99	+23.52%	▲	sml
NAME	SECTOR	INDUSTRY	LAST	CHG	% CHG	+/-	U
IIIN - Insteel Industries, Inc.	Industrial	Building Materials	26.22	-10.21	-28.03%	▼	sml
BMI - Badger Meter, Inc.	Technology	Electronic Equipment	115.54	-39.69	-25.57%	▼	mid
KMX - Carmax Inc.	Discretionary	Specialty Retailers	40.88	-5.84	-12.50%	▼	mid
WINA - Winmark Corp.	Discretionary	Specialty Retailers	389.45	-54.65	-12.31%	▼	sml
AA - Alcoa Corp.	Materials	Aluminum	65.62	-7.41	-10.15%	▼	lrg
OLN - Olin Corp.	Materials	Commodity Chemicals	26.09	-2.86	-9.88%	▼	mid
BTU - Peabody Energy Corp.	Energy	Coal	25.65	-2.64	-9.33%	▼	mid
VAL - Valaris Ltd.	Energy	Oil Equipment & Services	88.56	-9.03	-9.25%	▼	mid
PATK - Patrick Industries, Inc.	Industrial	Building Materials	106.93	-10.67	-9.07%	▼	mid
NOG - Northern Oil and Gas, Inc.	Energy	Exploration & Production	24.55	-2.39	-8.87%	▼	mid

WEEKLY VIEW



WEEKLY VIEW



From Real Investment Advice:

[Short Covering Rally Or Is The Bull Market Back? - RIA](#)

Excerpt: (Too much good stuff in this one to put in an Excerpt... recommend reading is all)

💰 Short Covering Rally?

► **WEEK CLOSE: S&P 500 7,126.06 (+1.2%) | Nasdaq 13-Day Win Streak (longest since 1992) | Russell 2000 New ATH | Brent Crude -9.1% | VIX 17.42**

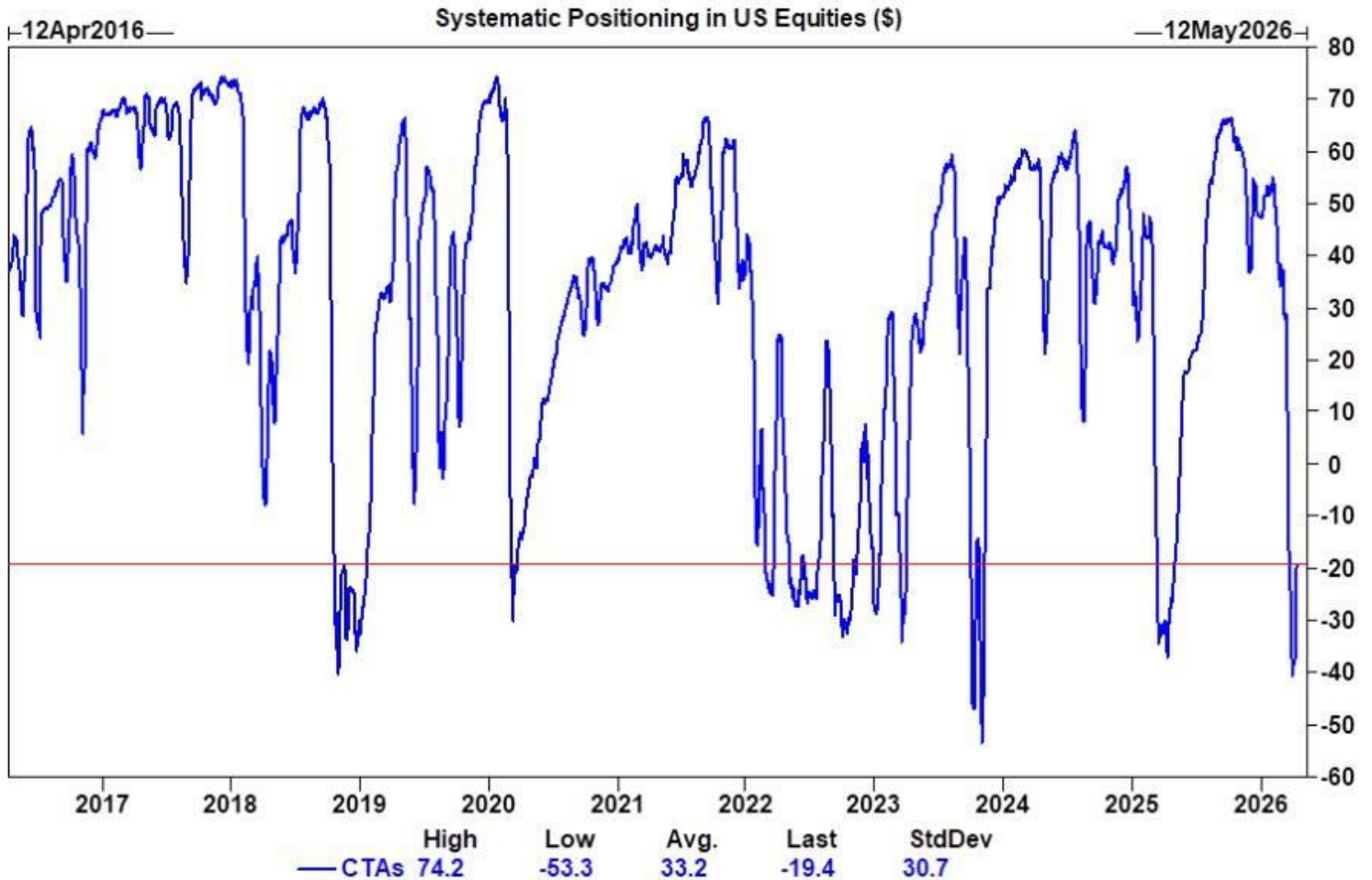
What began as a short-covering rally on April 7th has spent the last two weeks proving the bears wrong. Friday's close at 7,126, the first finish above 7,100 in the index's history, up 13.1% from the March lows, arrived alongside one of the most consequential single-session catalysts of the year. Iran declared the Strait of Hormuz "*completely open*." Brent crude collapsed 9.1%. The Russell 2000 logged a new all-time high. The short-covering rally that skeptics said would exhaust itself in days has now run for three weeks and taken every major index to record territory.

The question every investor is asking right now isn't whether to believe in the rally. The price action is undeniable, but the question is what kind of rally this actually is, and what investors who missed the initial short-covering rally should do about it.

The answer, as of Friday's close, has shifted meaningfully. This no longer looks like a purely mechanical short-covering rally. The data is starting to point to something more durable. Here's why that distinction matters, and what it means for your portfolio.

As we discussed in the #DailyMarketCommentary this past week, the recent price action felt like a release valve being pulled. Goldman's prime brokerage flows guru, Lee Coppersmith, described a clear pivot toward risk-on, noting that sentiment has shifted toward FOMO among investors who dumped positions amid peak AI disruption fears and rising Middle East tensions.

That pivot makes sense from a mechanics standpoint. Short exposure across U.S. macro products, index futures, and ETFs had climbed to the 93rd percentile over the past five years, with hedge fund gross exposure near an all-time high of 307%. When the Iran ceasefire headlines crossed, that positioning became a coiled spring. Shorts covered, hedges unwound, and global equities were net bought for the first time in eight weeks, with Goldman's Equity Fundamental Long/Short Performance Estimate rising 4.01%, the best weekly reading since February 2021.



The initial move off the lows was textbook, short-covering rally mechanics. Short interest at multi-year highs, extreme bearish sentiment, and oversold technicals created the conditions. All that was needed was a catalyst, and Trump's April 13th comment that Iran wants to "work a deal" provided exactly that. Now, we have all three pillars in place to determine, potentially, what happens next.

- **Pillar One: The short-covering rally ignites.** According to AlInvest analysis, total S&P 500 component short interest was at elevated levels as the index traded near its lows, creating a concentrated pool of traders who must eventually buy back shares. When the ceasefire news broke on April 7th, the buying cascade began. What followed was a short-covering rally that sent the Nasdaq to its best multi-session run on record. The velocity was characteristic of forced covering rather than fresh conviction buying, which is precisely why the bears initially dismissed it.
- **Pillar Two: Geopolitical de-escalation extends the move.** A pure short-covering rally typically exhausts itself within a few sessions once the most exposed shorts are covered. What extended this one was sustained improvement in the Iran narrative. Ships began clearing the Strait of Hormuz blockade. The Islamabad negotiations shifted tone from bellicose to cautiously optimistic. Vice President Vance noted the

“diplomatic off-ramp is wider than it was a month ago.” That war premium embedded in equity valuations began to dissolve, giving the short-covering rally a fundamental tailwind

-
- **Pillar Three: Earnings season anchors the move.** Goldman Sachs posted EPS of \$17.55 against expectations of \$16.47. Morgan Stanley beat with \$3.43 versus a forecast of \$3.02. JPMorgan cleared the bar on nearly every metric. The financials sector handed the market a fundamental anchor at exactly the moment it needed one. As *TheStreet* contributor James ‘Rev Shark’ DePorre observed: “Investors are betting on the long-term strength of the U.S. economy, with AI as the primary driver. The Iran situation is being treated as a temporary distraction.”
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So, who is likely right: the bulls or the bears?

Short-Covering Rally or Something More?

Every investor right now is trying to answer that question.

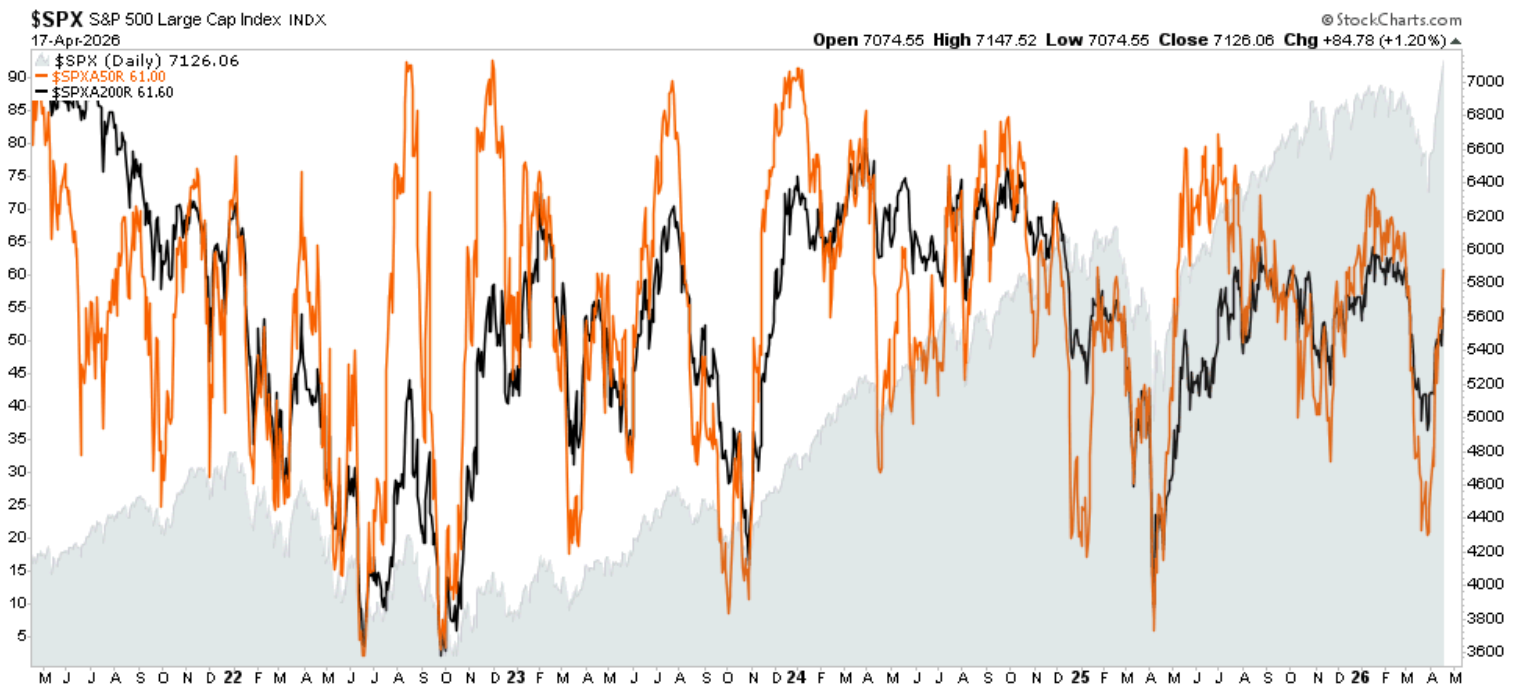
If there is a single dataset that most clearly distinguishes a short-covering rally from a genuine bull-market resumption, it’s sector rotation. Short-covering rallies tend to be narrow; they lift the most-shortened names while leaving cyclical and economically sensitive sectors behind. Genuine recoveries broaden. The sector data from the wartime selloff (*February 27 to March 30*) compared to the recovery (*April 7 to April 17*) tells a very clear story.

Sector Rotation — War Phase vs. Recovery Phase

Sector	Feb 27–Mar 30 (War Phase)	Apr 7–17 (Recovery)	Key Driver	Signal
Energy (XLE)	+11%	-8%	Oil collapse from \$120 → \$90	War premium removed
Technology (XLK)	-8%	+13%	AI earnings + rate relief	Bull resumption signal ✓
Consumer Discretionary	-6%	+9%	Oil -9% on Fri; cruise +9%	Cyclical confidence ✓
Financials (XLF)	-3%	+8%	Earnings beats: GS, MS, JPM	Fundamental support ✓
Industrials	-5%	+7%	Supply chain normalization	Broadening confirmed ✓
Healthcare	-2%	+3%	Defensive rotation unwinding	Risk-on environment ✓
Small Caps (Russell 2000)	-9%	+14%	Russell 2000 new all-time high	Broadest bull signal ✓

Sources: Yahoo Finance sector ETF data; *TheStreet*; *Sherwood News* | War phase: Feb 27–Mar 30 | Recovery: Apr 7–Apr 17, 2026

Breadth has also improved sharply, but there is certainly more room to broaden.



However, that rotation is exactly what you want to see following a geopolitical shock. Energy, the wartime beneficiary, has given back its gains. Technology has led the recovery. Consumer discretionary has followed, with Friday's cruise sector surge (*Royal Caribbean, Norwegian, Carnival all up 9%+*) signaling consumers are betting on normalcy. Industrials and financials have contributed. And the Russell 2000 has outperformed the S&P 500 by a margin that argues for something well beyond a short-covering rally. That's five of eleven sectors posting meaningful gains with genuine fundamental drivers behind each.

Another important factor right now is earnings. As we noted earlier this week, Goldman Sachs is maintaining its year-end S&P 500 target of 7,600. That target is premised on \$309 per share in 2026 earnings and 12% growth, which they describe as "a *fundamental floor*." In their view, this is more supportive of a bull market.

"The bull market is maturing, not ending. With 12% earnings growth acting as a safety net, the transition offers a more sustainable path."

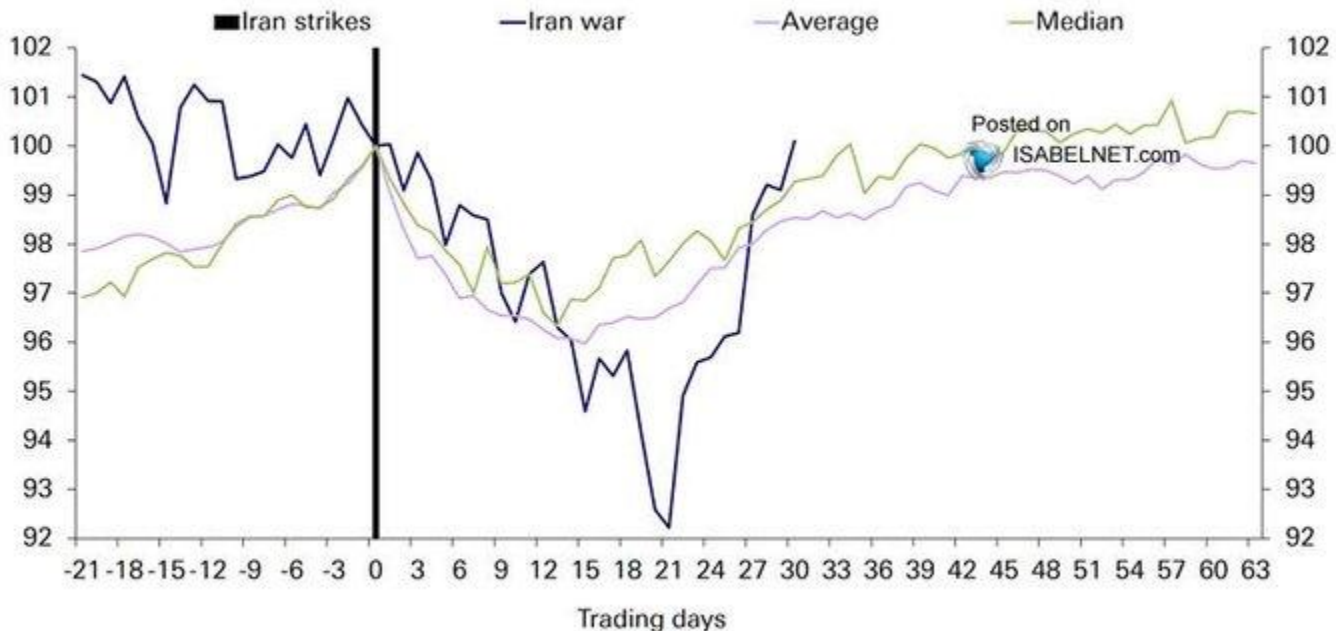
S&P 500 Returns Following Major Geopolitical Events

Geopolitical Event	Shock Drawdown	Recovery Time	6M Return	12M Return
9/11 Attacks (2001)	-11.6%	31 days	+5.0%	+12.1%
Iraq War Invasion (2003)	-3.7%	14 days	+14.6%	+33.7%
Saudi Aramco Strike (2019)	-4.9%	41 days	+8.1%	+18.2%
COVID Shock (2020)	-33.9%	148 days	+22.3%	+43.6%
Iran War — 2026 (current)	-7.5%	21 days*	TBD	TBD
Avg — All Geopolitical Events	-5.0%	<60 days	+6.0%	+8.4%

Sources: LPL Research, S&P Dow Jones Indices, BRIM Investment Management | *2026 recovery time measured from Mar 28 low to Apr 17 ATH

The current episode has already outpaced the average recovery time of under 60 days, completing its round-trip to new highs in just 21 days. The speed is notable, comparable to the post-Iraq War recovery of 2003, which went on to produce a 33.7% 12-month return. The COVID comparison (148 days to recover, then +43.6% over six months) is also instructive. What initially looked like a mechanical short-covering rally in April 2020 turned out to be the opening act of one of the most powerful bull markets of the modern era. The key distinction in all these cases is what's happening beneath the surface, and in 2026, that's increasingly constructive.

Figure 1: S&P 500 around Geopolitical events since 1939



Source : Bloomberg Finance LP, Deutsche Bank Asset Allocation, Note: Median and Average calculated for events since 1939.

The weight of evidence has shifted. At the start of this week, our scorecard was roughly balanced — three confirmed bull signals against three legitimate bear concerns. As of Friday's close, the bull case has added three material confirmations: Russell 2000 at a new ATH (breadth), oil's single-session collapse (geopolitical resolution), and sector rotation into cyclicals (genuine buying, not short-covering alone). The bear case retains one critical point: RSI at 72.3 argues for near-term patience on new entries, not a reversal of the trend.

Bull vs. Bear Scorecard — Updated for Friday, April 17 Close

	BULL CASE — CONFIRMED	BEAR CASE — REMAINING RISKS
Trend	50 & 200-day MAs both rising; index 6.7% above 200-day	Straight-line rally without a pullback raises reversion risk
Breadth	Russell 2000 new ATH — broad market participating, not just tech	Mid/small-cap ATH often precedes near-term consolidation
Momentum	Nasdaq 13-day win streak — longest since 1992; RSI strengthening	RSI at 72.3 — entering overbought territory; pullback likely
Volatility	VIX at 17.42, well below fear threshold of 20; trending lower	VIX compression can reverse quickly on bad headlines
Geopolitical	Strait of Hormuz declared "completely open"; oil -9.1% on Fri.	Ceasefire still unverified — talks ongoing in Islamabad
Earnings	Financials beat broadly; Goldman, MS, JPMorgan all cleared bar	Tech guidance mixed; Netflix -10%; ASML strong but isolated
Macro	Oil below \$90/bbl removes stagflation trigger; yields down 6.5bps	Inflation still 3%+; Fed no cuts imminent; CAPE near 39–40x
Positioning	Short-covering rally mechanics now largely exhausted	Without shorts to cover, next move requires fresh buying conviction

Sources: RIA Advisors analysis, Investing.com technical data, Goldman Sachs Equity Strategy, CNBC, Yahoo Finance, LPL Research

The verdict: This is no longer a short-covering rally. It was one when it started. It isn't one anymore. The transition from a mechanical short-covering rally to a fundamental bull market resumption typically happens when:

- *The shorts have been largely covered,*
- *Breadth expands,*
- *Sector rotation confirms the recovery is economic rather than positioning-driven, and*
- *A fundamental catalyst removes the original trigger for the selloff.*

As of Friday, all four conditions have been met.

What To Do If You Missed The Rally

This is the most emotionally loaded question in the room. If you have been listening to the **“Perpetual Purveyors Of Doom,”** you watched a short-covering rally turn into an 11% surge and a new all-time high, and now you’re wondering whether to chase it. The instinct is understandable. The discipline required to resist the *“negative commentary”* is what separates good investors from the rest.

Here’s what history consistently shows: most breakouts that begin as a short-covering rally, and then sustain above key moving averages, offer a secondary entry point within 4 to 6 weeks of the initial move. Markets rarely transition from correction lows to sustained new highs in a straight line. The more common path involves:

- *An initial surge (the short-covering rally phase),*
- *A consolidation or shallow retest of former resistance, and*
- *Then a continuation move. That retest is your entry.*

Therefore, as shown below, depending on how you are currently invested, you can take actions to navigate whatever comes next.

Action Framework by Investor Position

Investor Type	Recommended Action	Key Risk to Monitor
Fully Invested	Maintain positions; tighten stops to recent support (~6,750); trim into further strength above 7,100	Earnings misses or renewed Iran escalation
Underweighted	Add exposure incrementally on any 2–3% pullbacks; avoid chasing a short-covering rally on momentum alone	Buying into a failed breakout if geopolitics deteriorate
Missed the Rally	Wait for the retest; most breakouts from a short-covering rally offer a second entry within 4–6 weeks	Missing a sustained move if no pullback materializes
Overweighted Cash	Deploy in tranches — one-third now, one-third on a pullback, one-third after earnings clarity emerges	Staying sidelined through a continued melt-up

Source: RIA Advisors — based on historical S&P 500 breakout patterns and current market structure

The macro backdrop hasn’t been cleared of all risk, as oil remains above \$90 per barrel, inflation is sticky, and the Fed has no near-term rate cuts in the pipeline. The ceasefire is fragile, and the Islamabad negotiations haven’t yet produced a signature. Any deterioration on those fronts is a reason to reduce exposure, not add to it.

What we are watching most closely over the next two to three weeks isn’t the price level, it’s the breadth confirmation. We want to see the percentage of S&P 500 stocks above their 200-day moving average cross back above 60%, then 70%. We want to see volume improve on up-days and dry up on pullbacks. And we want to see earnings

season deliver results that justify the multiple, not just the sentiment reset that a short-covering rally provides.

BOTTOM LINE: The S&P 500's return to all-time highs is technically significant, but significance and sustainability are not the same thing. Yes, a short-covering rally lit the fuse, but the sustained move above the 200-day moving average, the improving VIX, and the early earnings beats suggest something more durable may be taking shape. History is clear that markets recover from geopolitical shocks faster than almost anyone expects. The investors who come out ahead aren't the ones who chase; they're the ones who use pullbacks to build positions in quality names, maintain discipline on stops, and resist the urge to mistake speed for safety. The next two to three weeks of earnings will tell us whether this is a new leg higher or the best exit ramp before a retest.

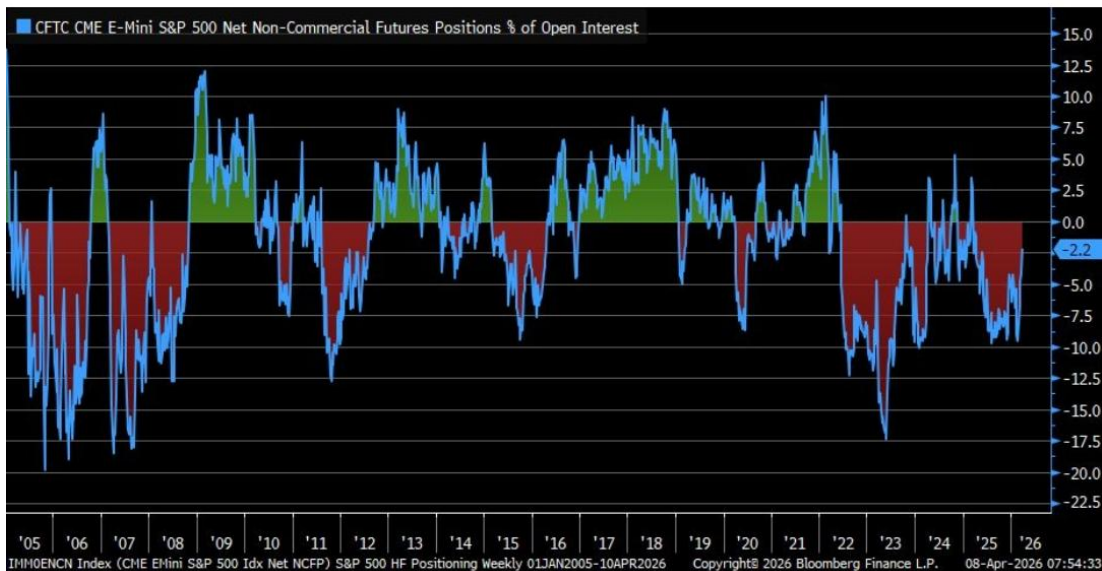
Trade accordingly.

Good luck trading...

Prices paid component of April Empire Manufacturing Index soared to 51.0 vs. 36.6, reversing March's sharp decline



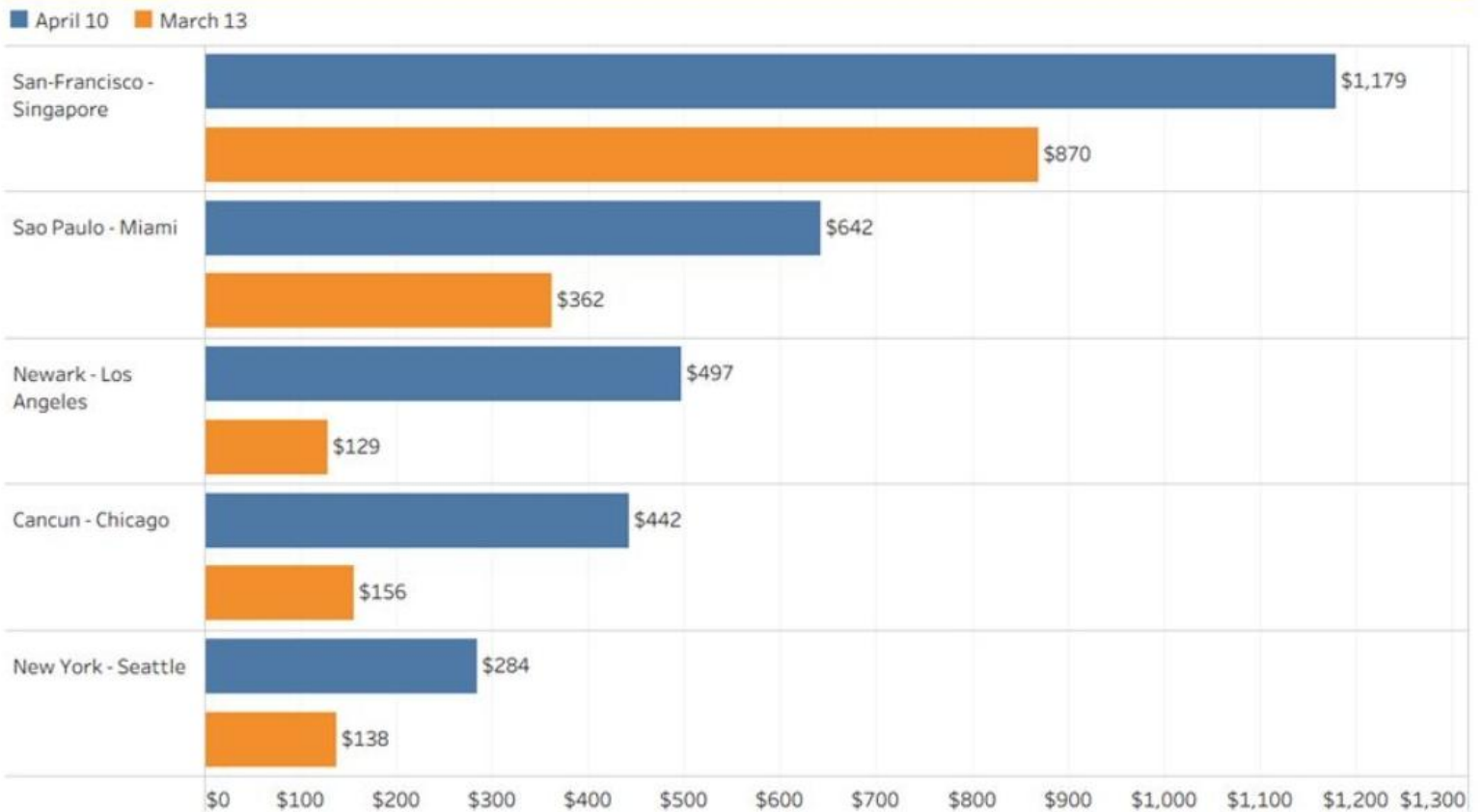
Large speculators' net short positioning in S&P 500 futures remains in negative territory but has steadily eased as of late



Airfares for both domestic and international routes have soared since the Iran war...a Newark to LA flight jumped to \$497 for an April 10 departure, an increase of 285% from a March 13 departure

Airfares Surged After The Conflict In The Middle East Begun

Airfare prices are for one-way fares bought 21 days in advance



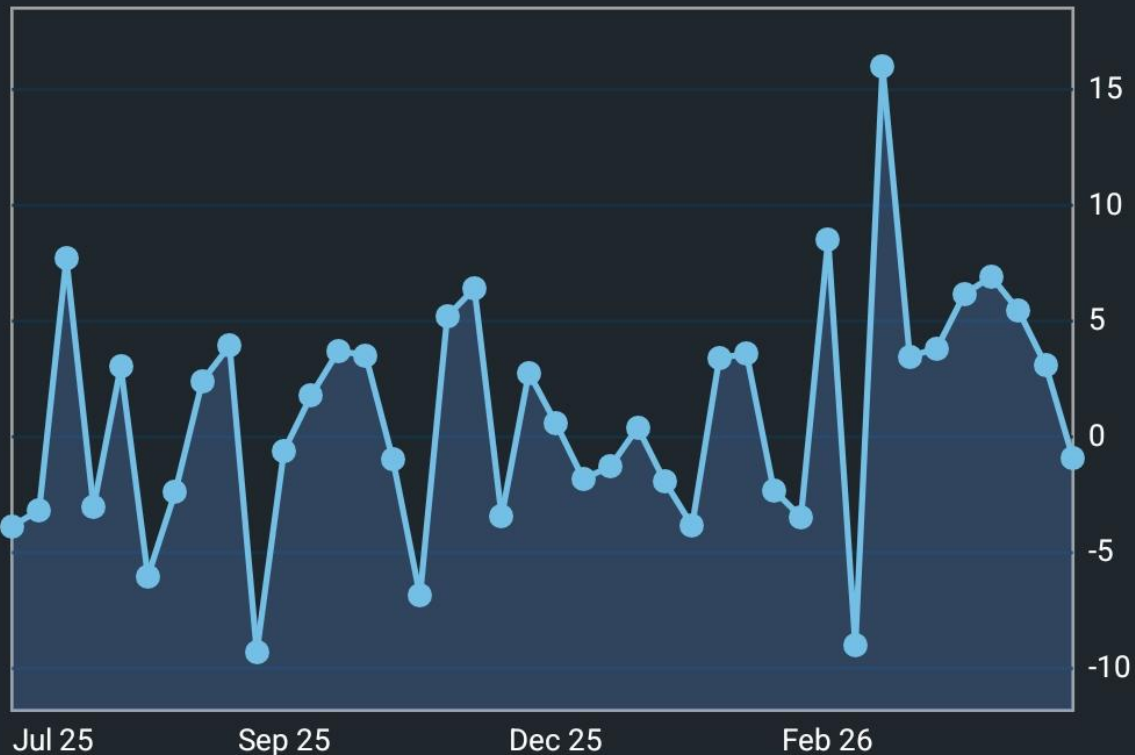
Data Source: Bloomberg

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datascience.arborresearch.com

If the increase in crude inventories is more than expected, it implies weaker demand and is bearish for crude prices. The same can be said if a decline in inventories is less than expected.

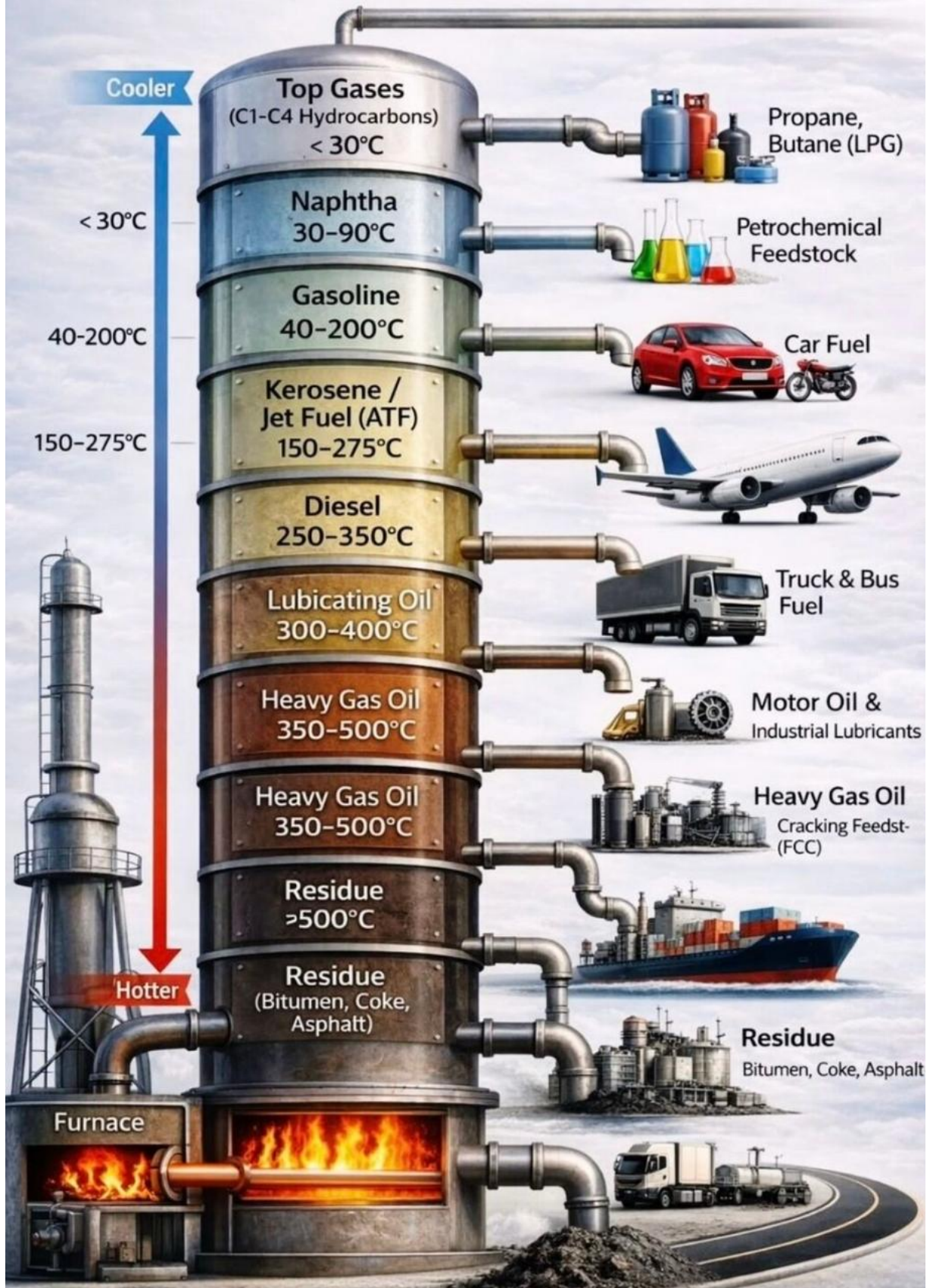
If the increase in crude is less than expected, it implies greater demand and is bullish for crude prices. The same can be said if a decline in inventories is more than expected.

History

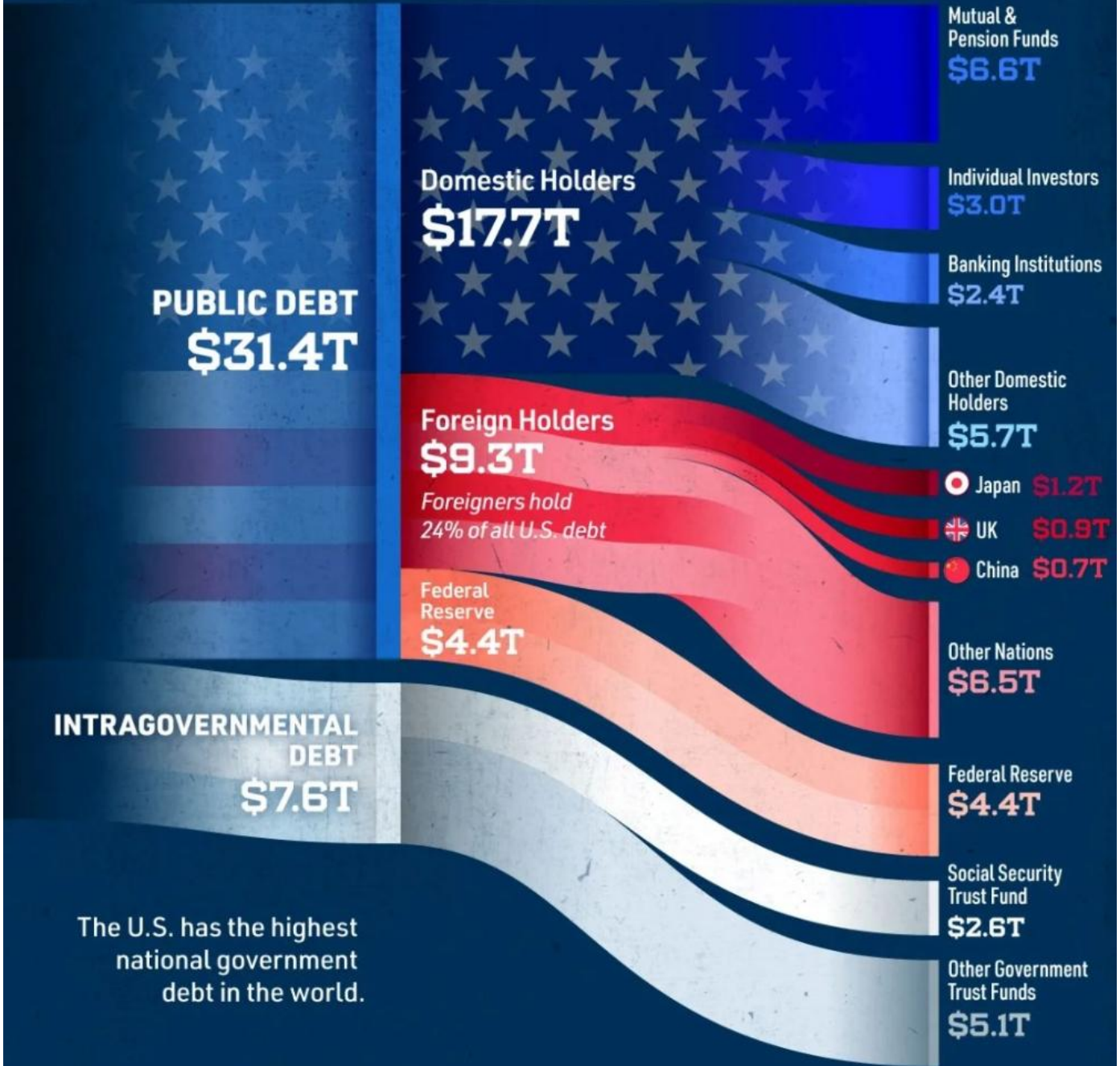


Release Date	Actual	Forecast	Previous
Apr 15, 2026	-0.913M	2.100M	3.081M

Crude Oil Fractional Distillation



\$39 Trillion OF U.S. DEBT



The U.S. has the highest national government debt in the world.

Data as of Mar. 19, 2026

Sources: U.S. Treasury Fiscal Data, Joint Economic Committee, U.S. Treasury TIC, SSA Trustees, Federal Reserve

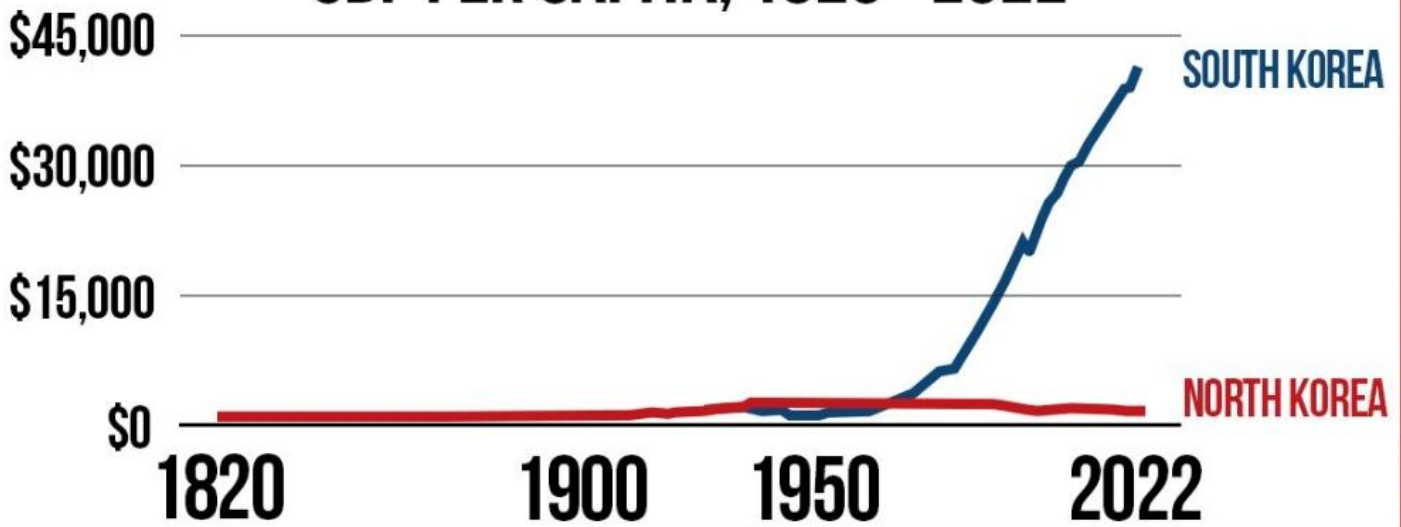


Where Data Tells the Story



THE DIVISION OF KOREA IS THE PERFECT MODERN EXAMPLE

GDP PER CAPITA, 1820 - 2022



THE ATLAS SOCIETY

THAT CAPITALISM WORKS AND COLLECTIVISM KILLS

Top 14 Economies (2025) – GDP vs National Debt

Estimated values for 2025. Source: IMF, Trading Economics

Drinzio

	United States	GDP → \$30.51 T	National Debt → \$38.1 T
	China	GDP → \$19.23 T	National Debt → \$16.98 T
	Germany	→ \$4.74 T	→ \$2.96 T
	India	→ \$4.19 T	→ \$3.41 T
	Japan	→ \$4.19 T	→ \$9.93 T
	United Kingdom	→ \$3.84 T	→ \$3.68 T
	France	→ \$3.21 T	→ \$3.63 T
	Italy	→ \$2.42 T	→ \$3.27 T
	Canada	→ \$2.23 T	→ \$2.48 T
	Brazil	→ \$2.13 T	→ \$1.63 T
	Russia	→ \$2.08 T	→ \$0.34 T
	Spain	→ \$1.80 T	→ \$1.84 T
	South Korea	→ \$1.79 T	→ \$0.84 T
	Australia	→ \$1.77 T	→ \$0.78 T

Note: All GDP and national debt values are estimated figures for 2025, based on the latest available data.

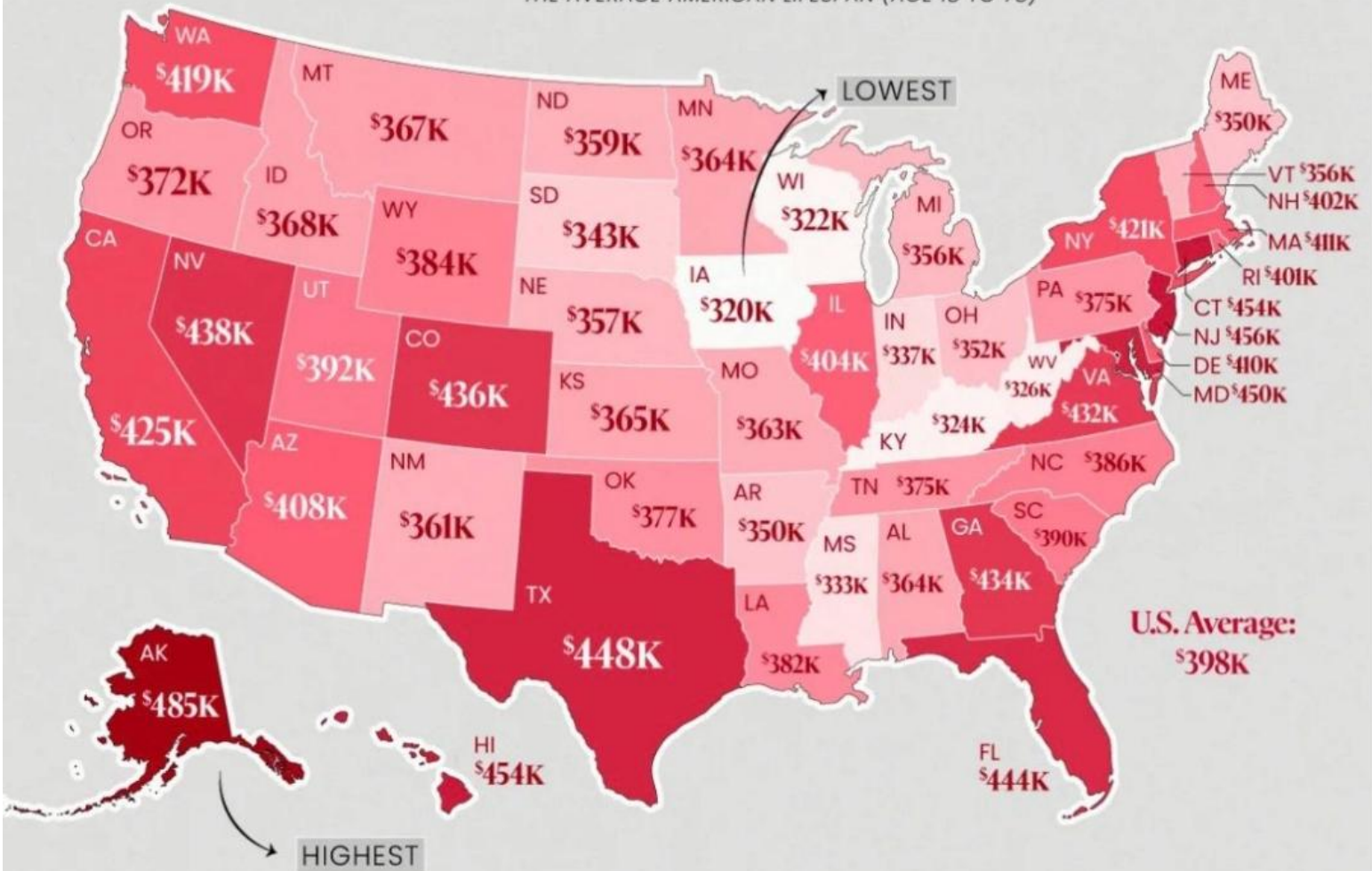


Lifetime Credit Card Debt BY STATE

\$320K

\$485K

AVERAGE CREDIT CARD DEBT ACCUMULATED OVER THE AVERAGE AMERICAN LIFESPAN (AGE 18 TO 78)



Alaska has a high credit card utilization rate at 34%, driven by the high cost of everyday goods.



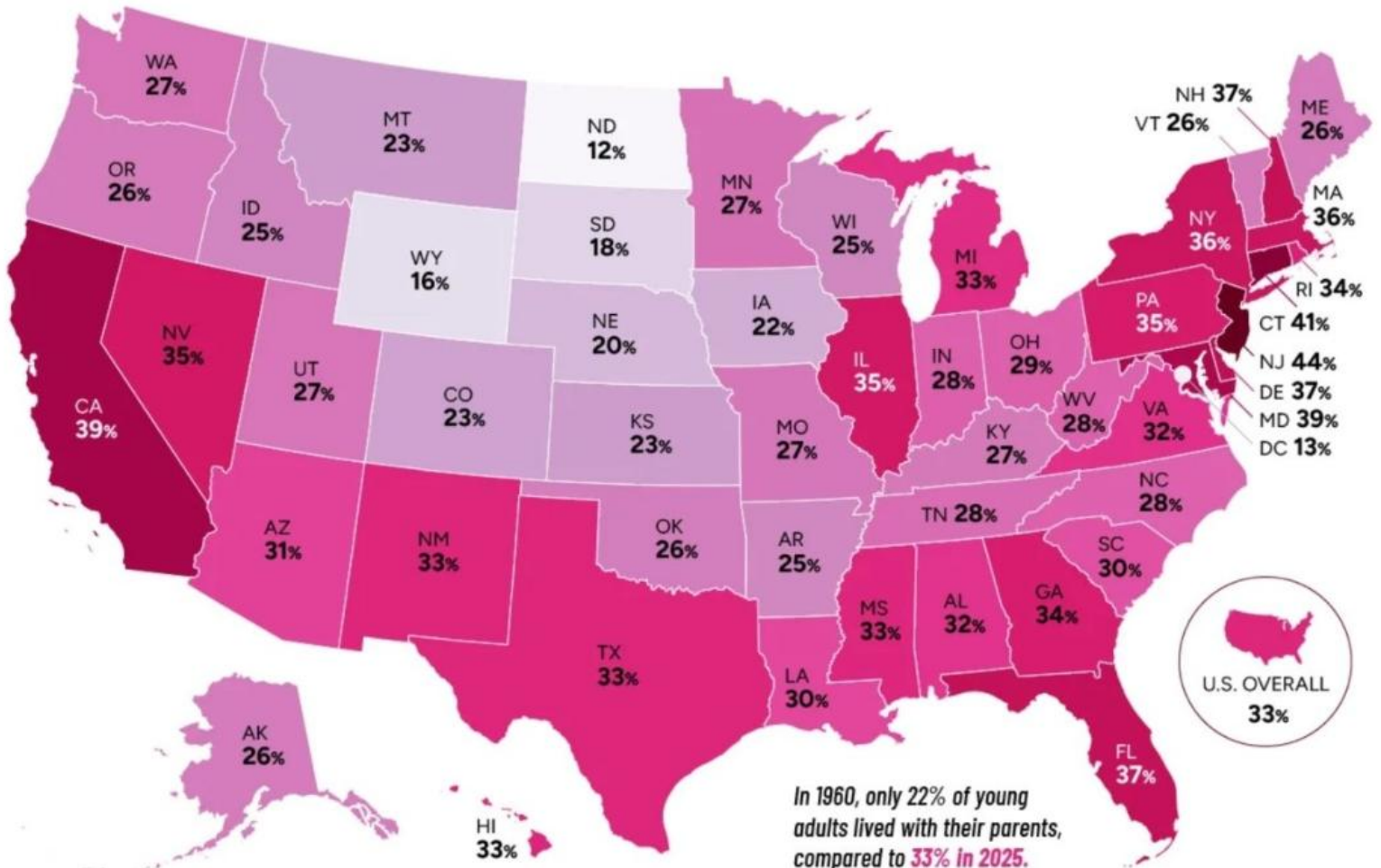
Over half (56%) of all credit card users have some kind of revolving credit card debt.

YOUNG ADULTS

Living with their Parents



One in three young adults in America live with their parents.



In 1960, only 22% of young adults lived with their parents, compared to 33% in 2025.

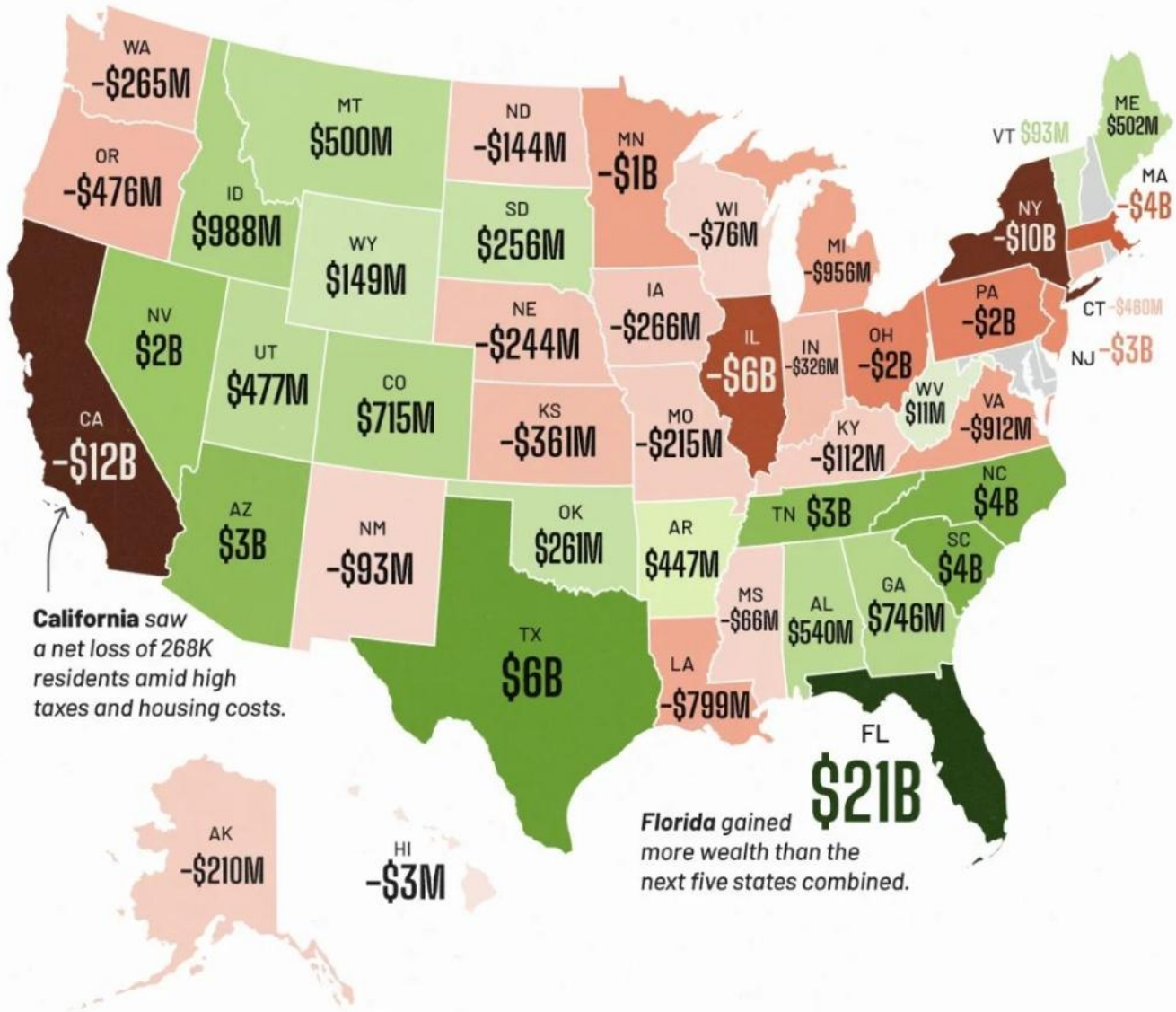
Source: Finance Buzz, U.S. Census Bureau. Data from 2025

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



Where Data Tells the Story

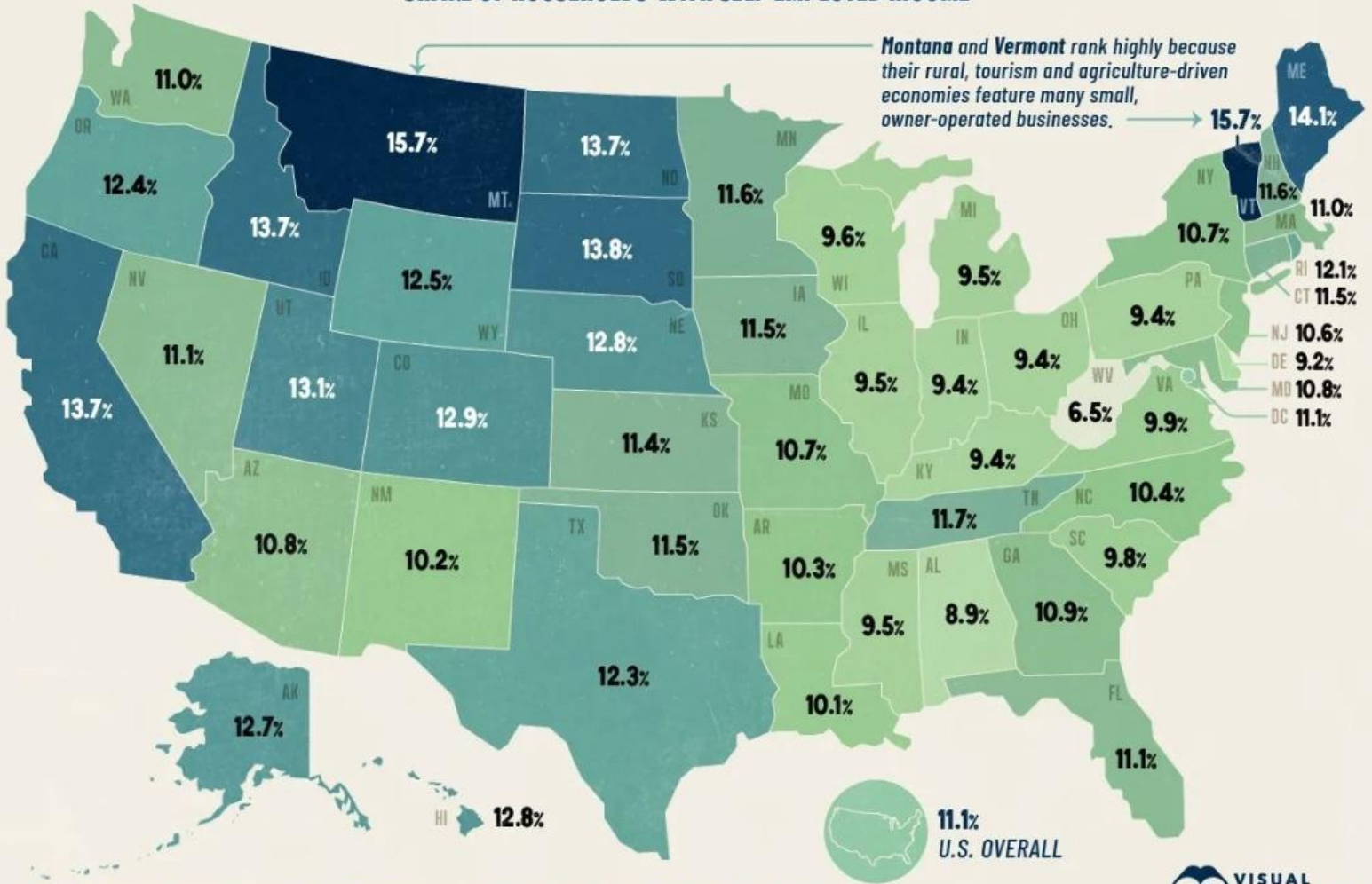


AMERICA'S SELF-EMPLOYED

6.5%
LOW

15.7%
HIGH

SHARE OF HOUSEHOLDS WITH SELF-EMPLOYED INCOME



Source: Census Bureau, American Community Survey 2024 1-Year Estimates. Data as of 2024



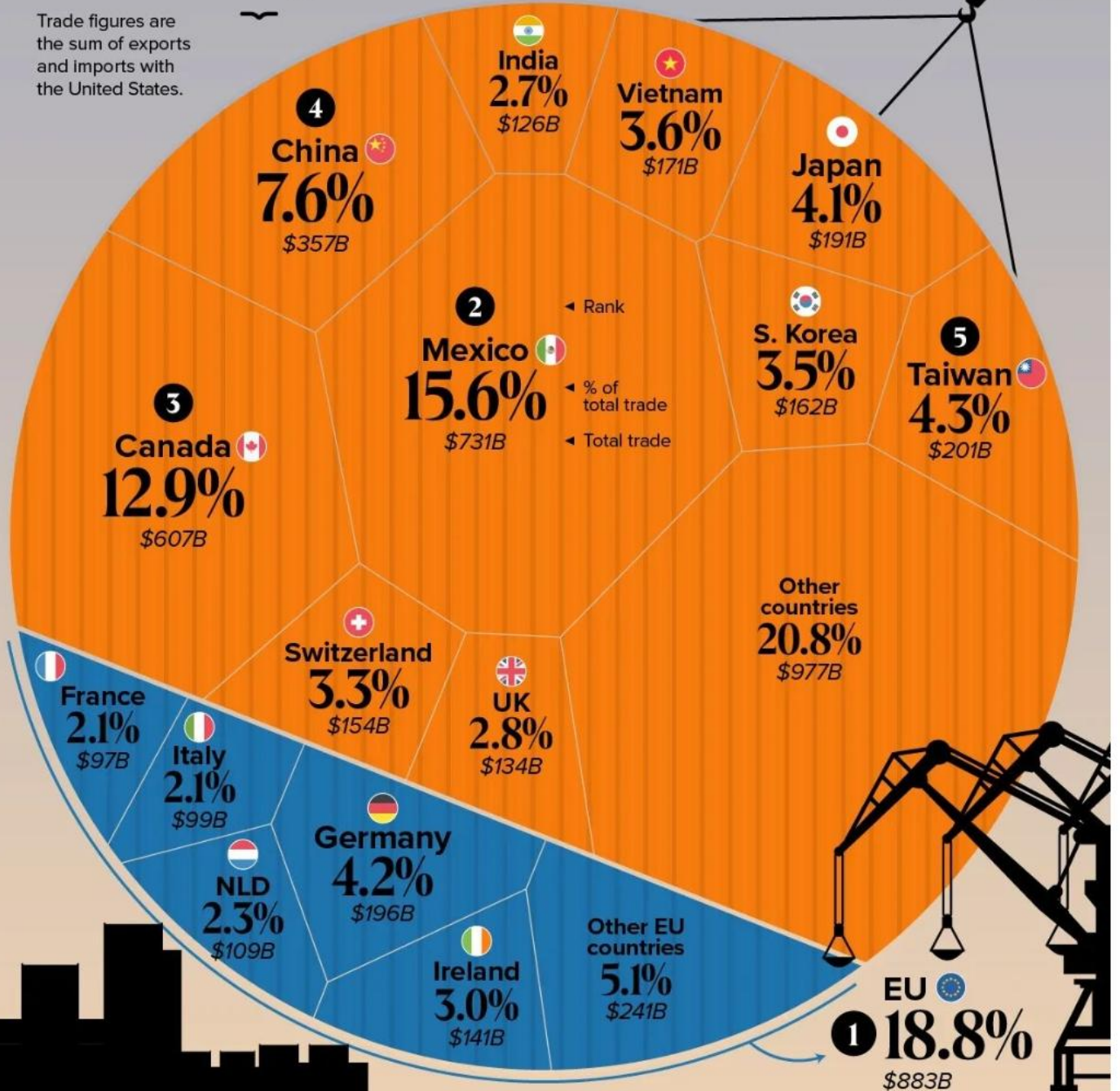
Where Data Tells the Story



AMERICA'S TOP TRADING PARTNERS

JANUARY 2025 – OCTOBER 2025

Trade figures are the sum of exports and imports with the United States.

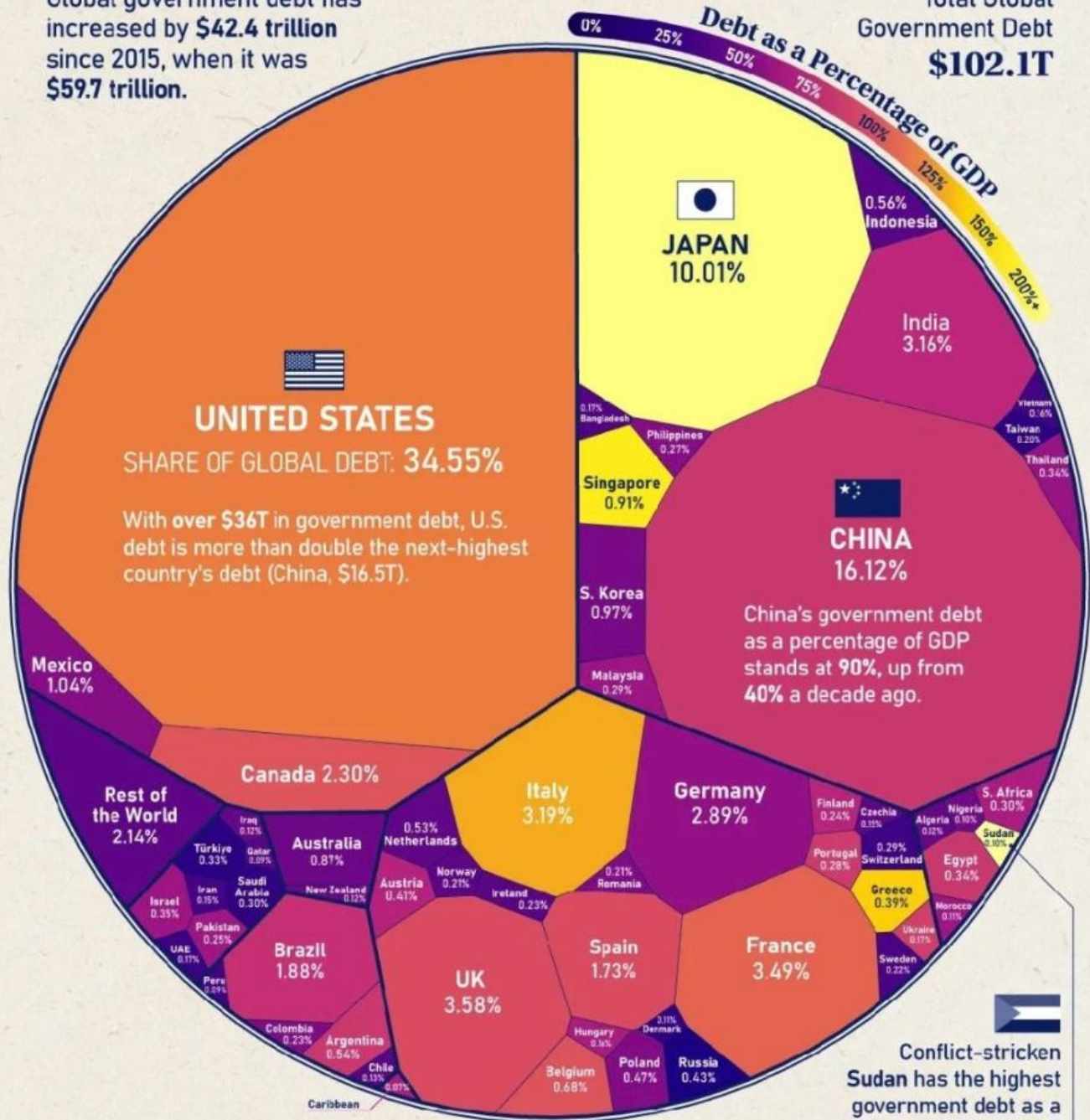


A WORLD OF DEBT

Share of Global Debt by Country

Global government debt has increased by **\$42.4 trillion** since 2015, when it was **\$59.7 trillion**.

Total Global Government Debt **\$102.1T**



UNITED STATES
SHARE OF GLOBAL DEBT: 34.55%

With over **\$36T** in government debt, U.S. debt is more than double the next-highest country's debt (China, \$16.5T).

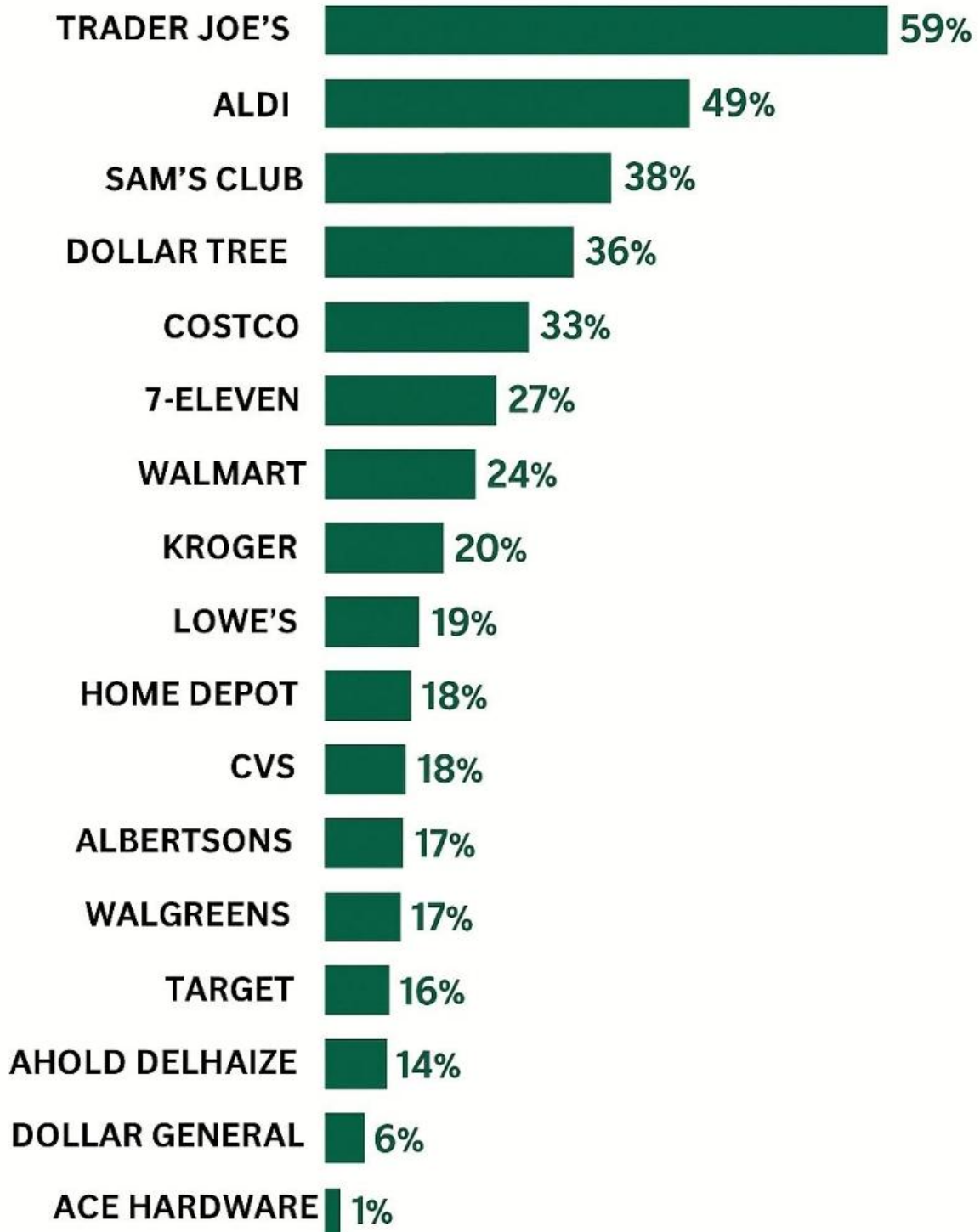
China's government debt as a percentage of GDP stands at **90%**, up from **40%** a decade ago.

Conflict-stricken **Sudan** has the highest government debt as a percentage of GDP, at **344%**.



Source: IMF World Economic Outlook October 2024

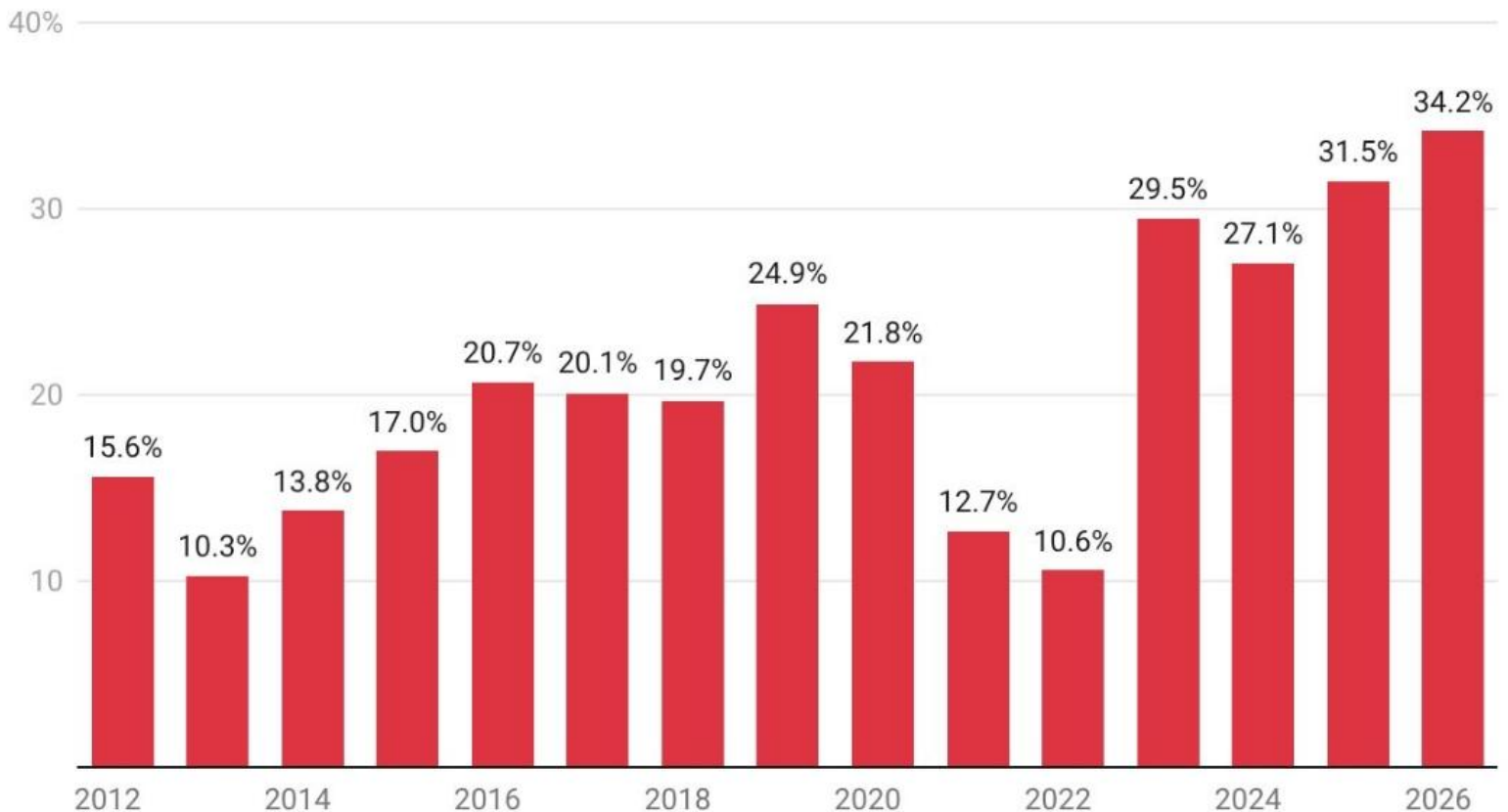
PRIVATE LABEL SHARE AT MAJOR RETAILERS



According to **Redfin**, more than one-third of February home sellers cut their list prices vs. 31.5% a year ago, and highest February share since 2012...sellers in Texas (San Antonio, Austin, Dallas) and Florida (Tampa, Fort Lauderdale) were most likely to lower prices while San Fran sellers in the Bay Area were least likely to cut

February Home Sellers Cut Prices at Record Rate


Share of February home sellers with final list price below original list price

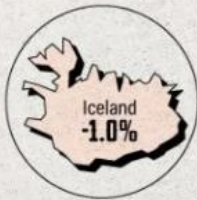


Government Deficits IN EUROPE

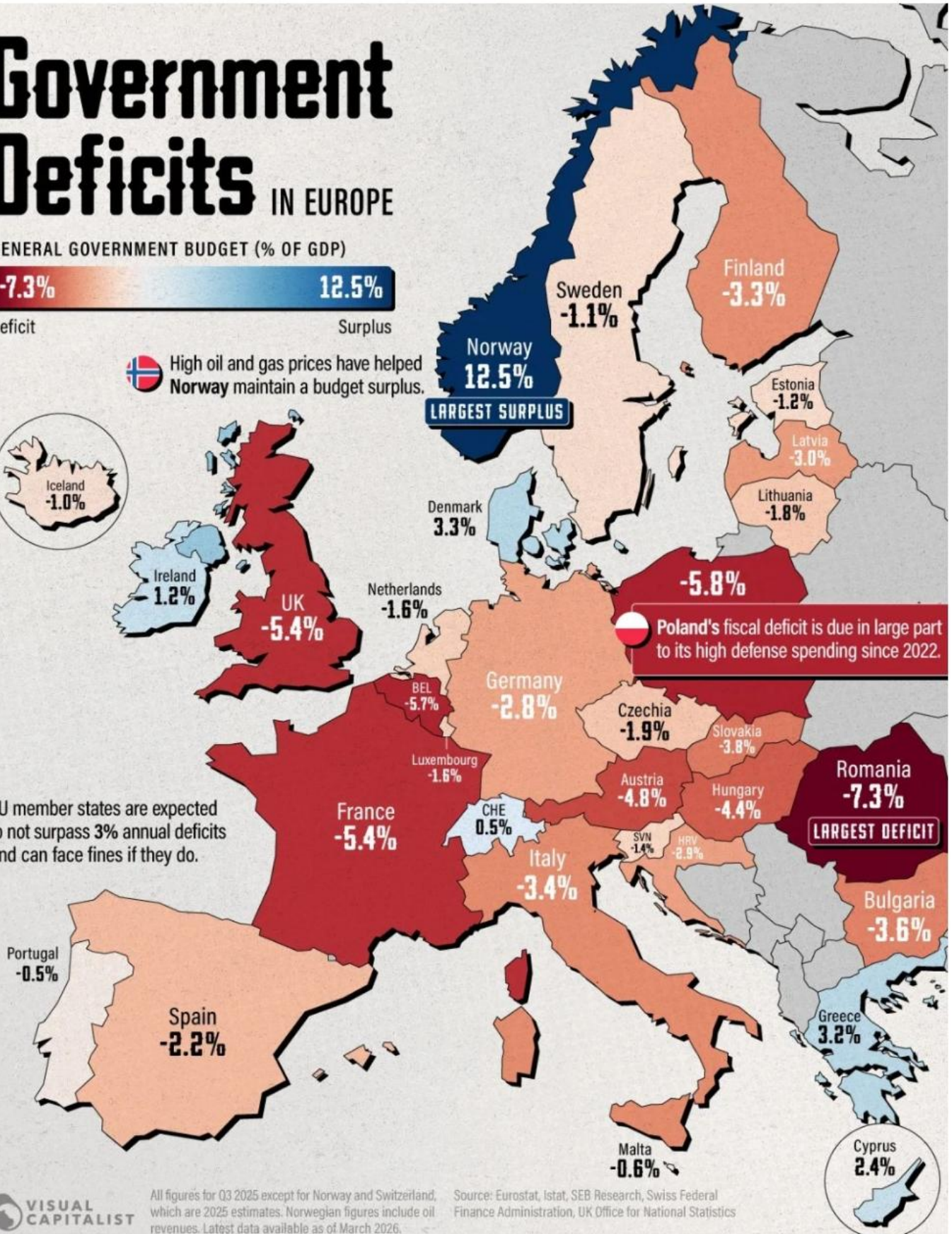
GENERAL GOVERNMENT BUDGET (% OF GDP)




 High oil and gas prices have helped Norway maintain a budget surplus.



EU member states are expected to not surpass 3% annual deficits and can face fines if they do.



 Poland's fiscal deficit is due in large part to its high defense spending since 2022.



All figures for Q3 2025 except for Norway and Switzerland, which are 2025 estimates. Norwegian figures include oil revenues. Latest data available as of March 2026.

Source: Eurostat, Istat, SEB Research, Swiss Federal Finance Administration, UK Office for National Statistics

COLLABORATORS RESEARCH + WRITING Gabriel Cohen, Niccolò Conte | ART DIRECTION + DESIGN Sabrina Lam



Where Data Tells the Story

