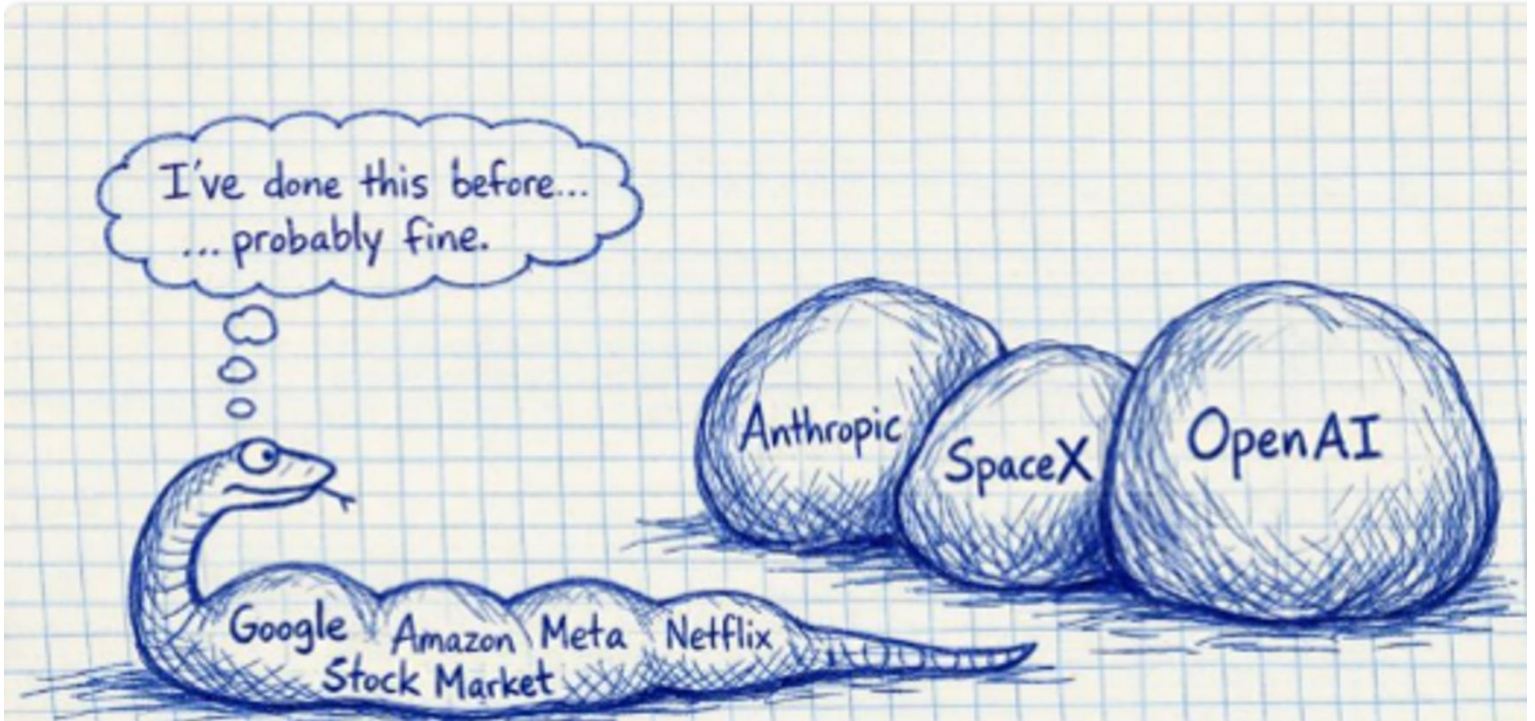
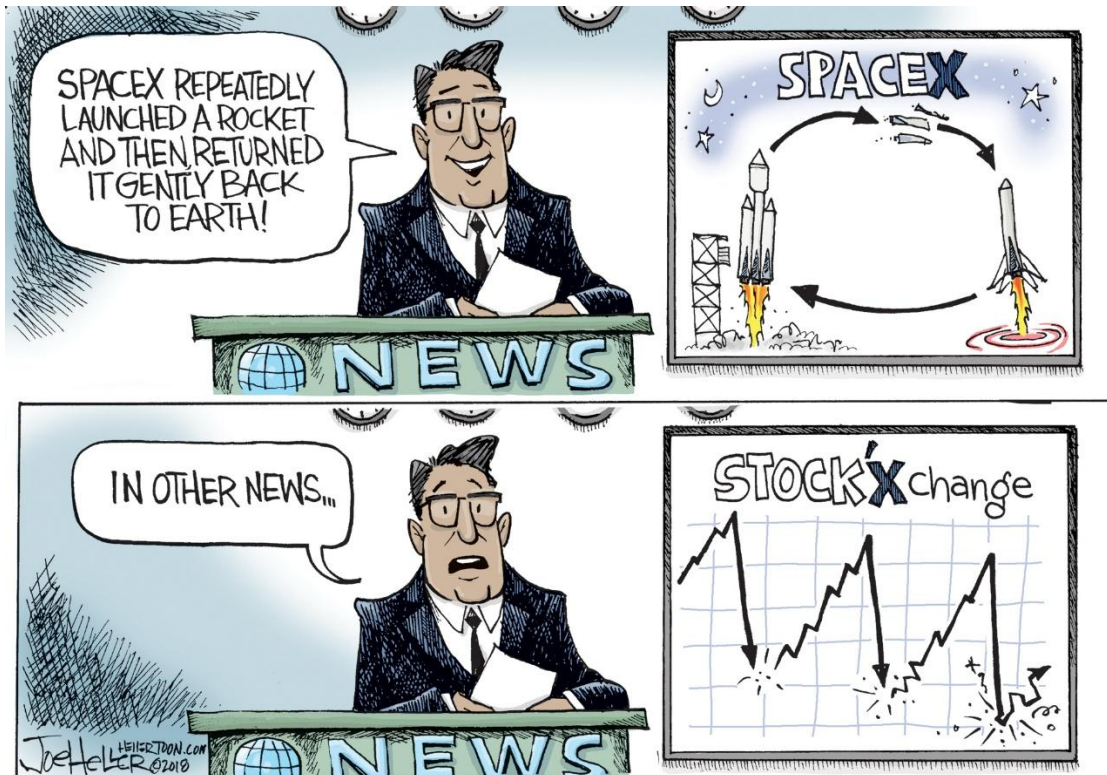


Youtube Channel 





AS THE FIRST IMAGE OF THE 16 PSYCHE ASTEROID REPORTEDLY CONTAINING UNTOLD AMOUNTS OF PRECIOUS METAL IS DOWNLOADED TO NASA'S MISSION CONTROL ROOM...



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)

[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 %
6/5/2026	69%	62%	68%	78%
6/4/2026	72%	62%	74%	78%
6/3/2026	72%	62%	76%	78%
6/2/2026	72%	62%	78%	78%
6/1/2026	73%	64%	79%	78%
5/29/2026	74%	67%	79%	78%
5/28/2026	76%	72%	79%	78%
5/27/2026	76%	73%	79%	78%
5/26/2026	76%	69%	82%	78%
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%
5/8/2026	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	76%	76%	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	78%	85%	65%	75%
4/16/2026	70%	82%	51%	76%
4/15/2026	67%	78%	47%	76%
4/14/2026	66%	82%	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%	28%	78%
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	52%	37%	38%	78%
3/16/2026	49%	35%	34%	78%
3/13/2026	52%	35%	38%	78%
3/12/2026	53%	37%	43%	78%
3/11/2026	55%	42%	47%	77%
3/10/2026	55%	42%	47%	77%
3/9/2026	54%	37%	48%	77%

Current Reading **42 - Fear**
 Previous Reading **55 - Greed**



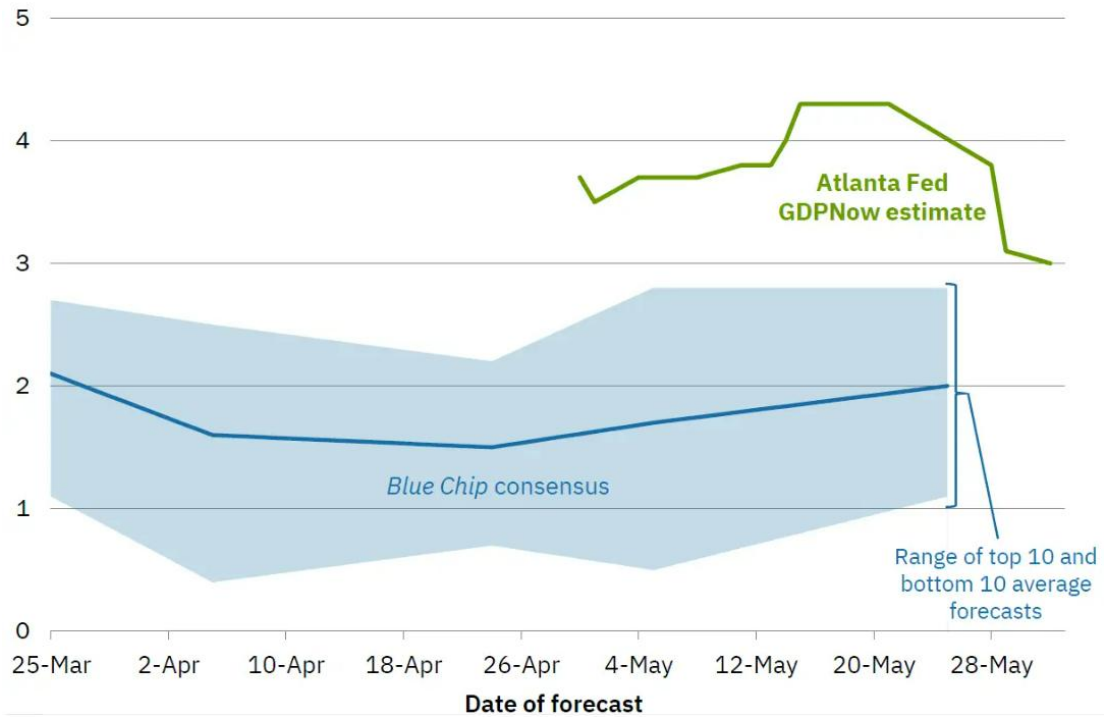
Economic Calendar for Last Week:

Time	Cur.	Event	Imp.	Actual	Forecast	Previous
Monday, June 1, 2026						
09:45	US	S&P Global Manufacturing PMI (May)	★★★	55.1	55.3	54.5
10:00	US	ISM Manufacturing PMI (May)	★★★	54.0	53.3	52.7
10:00	US	ISM Manufacturing Prices (May)	★★★	82.1	85.3	84.6
Tuesday, June 2, 2026						
10:00	US	JOLTS Job Openings (Apr)	★★★	7.618M	6.860M	6.887M
Wednesday, June 3, 2026						
08:15	US	ADP Nonfarm Employment Change (May)	★★★	122K	118K	105K
09:45	US	S&P Global Services PMI (May)	★★★	50.7	50.9	50.9
10:00	US	ISM Non-Manufacturing Prices (May)	★★★	71.3	72.3	70.7
10:00	US	ISM Non-Manufacturing PMI (May)	★★★	54.5	53.7	53.6
10:30	US	Crude Oil Inventories	★★★	-7.974M	-2.900M	-3.327M
Thursday, June 4, 2026						
08:30	US	Initial Jobless Claims	★★★	225K	214K	212K
15:00	US	U.S. President Trump Speaks 	★★★			
Friday, June 5, 2026						
08:30	US	Average Hourly Earnings (MoM) (May)	★★★	0.3%	0.3%	0.2%
08:30	US	Nonfarm Payrolls (May)	★★★	172K	85K	179K
08:30	US	Unemployment Rate (May)	★★★	4.3%	4.3%	4.3%

Economic Calendar for Next Week:

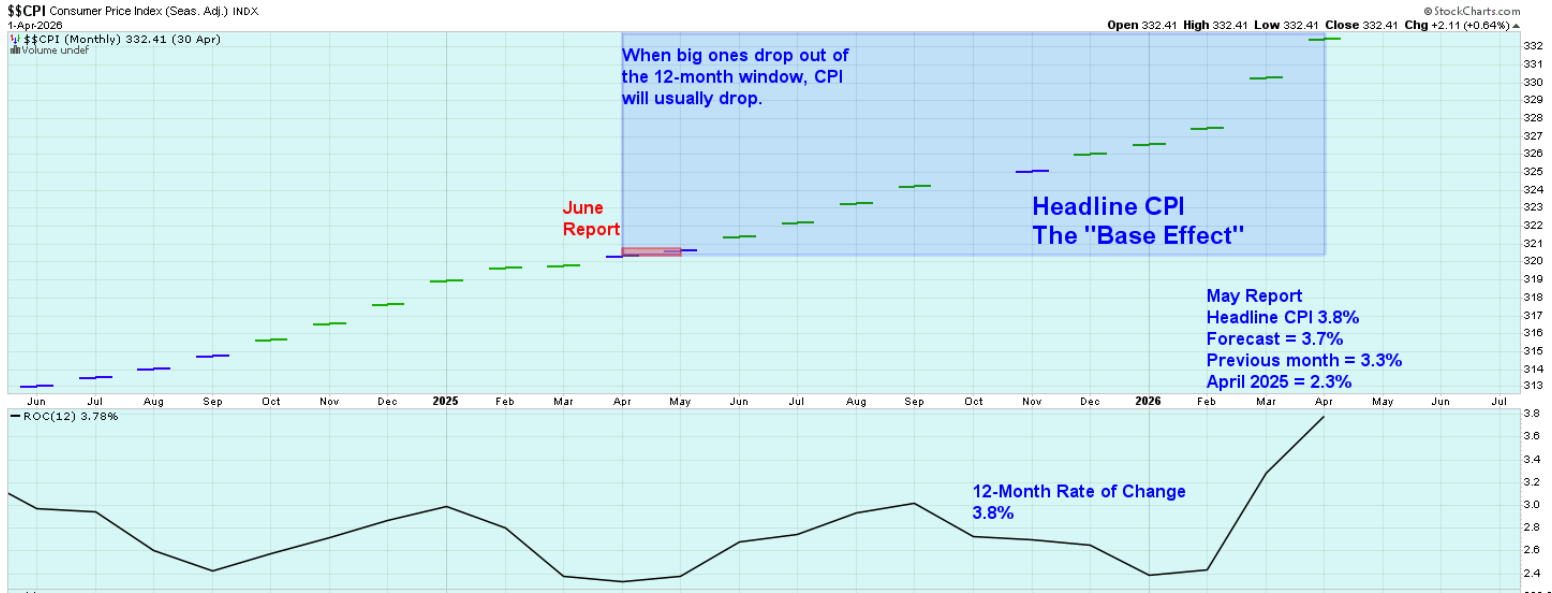
Time	Cur.	Event	Imp.	Actual	Forecast	Previous
Tuesday, June 9, 2026						
10:00	US	Existing Home Sales (May)	★★★		4.08M	4.02M
Wednesday, June 10, 2026						
08:30	US	CPI (MoM) (May)	★★★		0.3%	0.6%
08:30	US	Core CPI (MoM) (May)	★★★		0.5%	0.4%
08:30	US	CPI (YoY) (May)	★★★		4.2%	3.8%
10:30	US	Crude Oil Inventories	★★★			-7.974M
13:00	US	10-Year Note Auction	★★★			4.468%
Thursday, June 11, 2026						
08:30	US	PPI (MoM) (May)	★★★		0.7%	1.4%
08:30	US	Initial Jobless Claims	★★★		225K	225K

Evolution of Atlanta Fed GDPNow real GDP estimate for 2026:Q2
Quarterly percent change (SAAR)

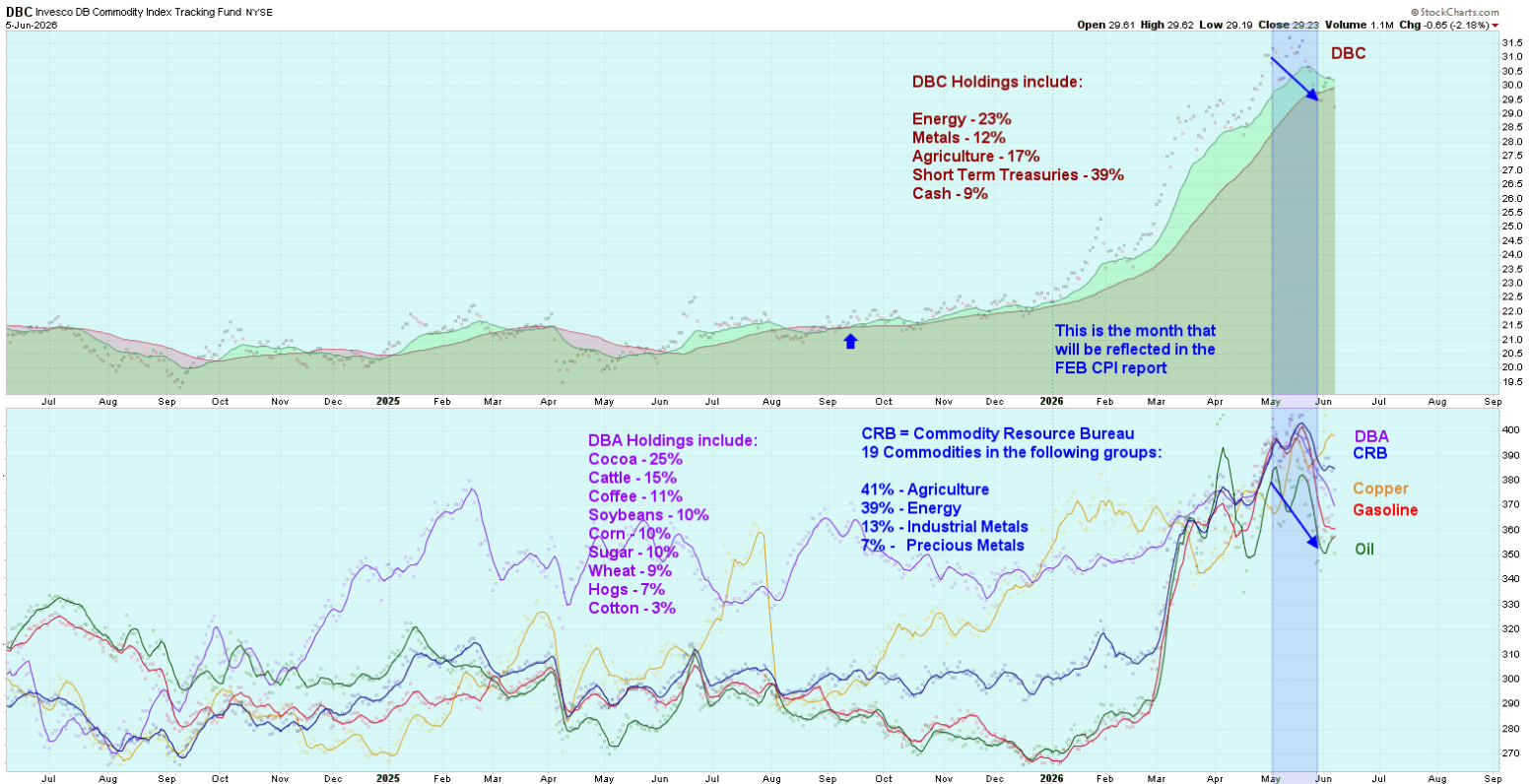


CPI (Inflation) is forecast to come in at 4.2% next Wednesday, which would be a very high reading. The only positive is that it “could” come in slightly lower.

Here is the “Base Effect” for CPI next week. When a small one drops off, CPI goes higher.

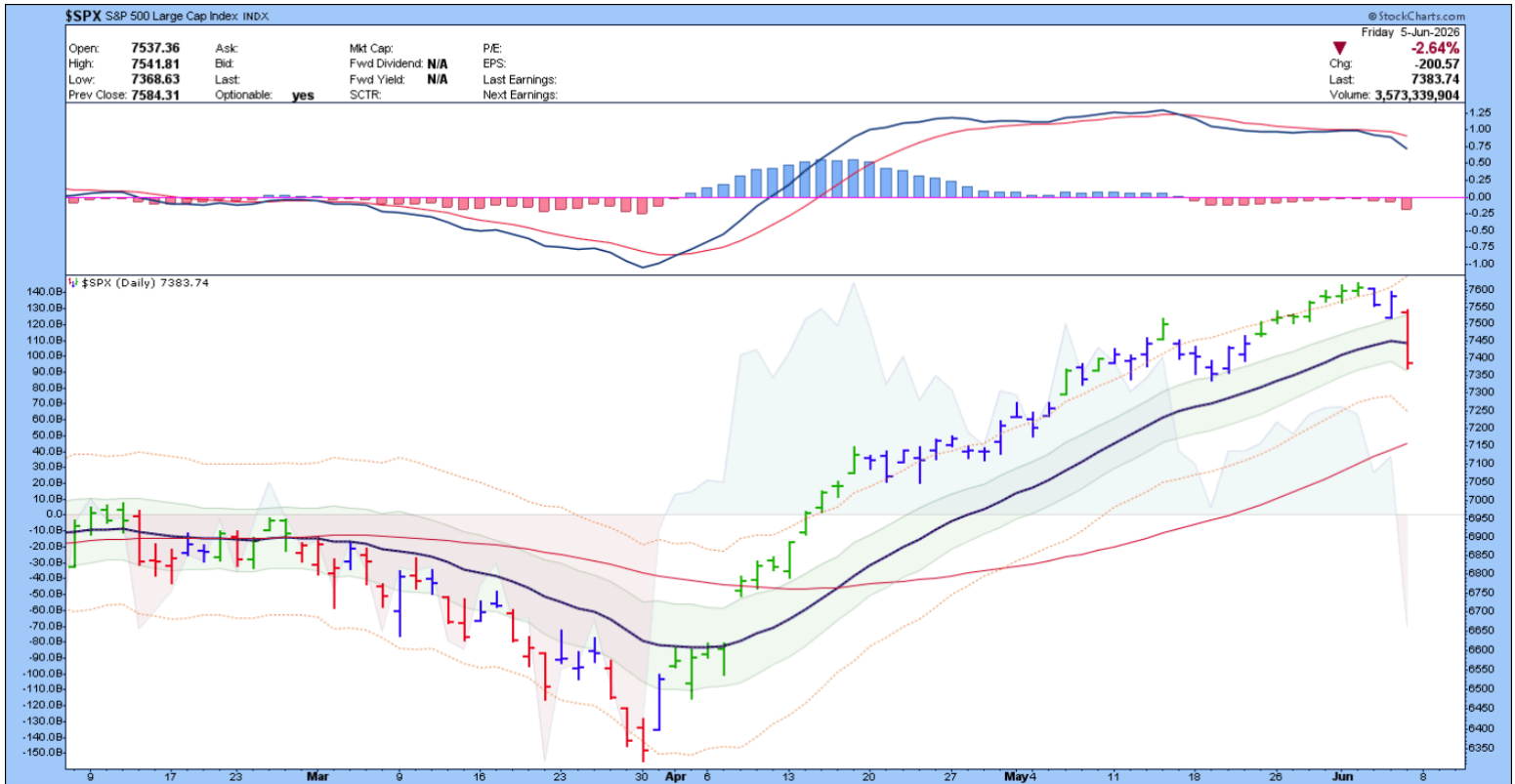


Although commodities, especially Oil & Gas, declined a bit last month.



Friday saw a big selloff that might be the start of the “Summer Swoon”. June is the 2nd weakest month of the year (September is the weakest). Looks like it is starting off just as expected.

Target could be the 50-Day SMA at ~7,200.



Bitcoin looked even worse, closing below the 200 WEEK MA at about \$60,000.



However, if you look at the Bitcoin 4-Year Cycle, it looks like it is due to bottom in October this year:



All of this ahead of next week's SPCX IPO on June 12th. It will be interesting to see how long it takes to price. I expect it won't have an opening price until well into the afternoon, on a Friday, giving investors the weekend to digest the results.

Here are the unprecedented rule changes just for this IPO.

I did a video on this last week, which can be found here: [SPCX IPO changes](#)

Three Rule Changes That Matter

Index providers rewrote eligibility rules — clearing the path for SPCX's immediate inclusion across all major benchmarks

- 1**
NASDAQ-100 · QQQ
15-Day Fast Entry
Effective May 1, 2026
 - Eligibility after just **15 trading days** for top-40 companies by market cap — SPCX qualifies immediately
 - Float requirement eliminated** — no minimum free-float threshold for fast-track candidates
 - Low-float stocks receive up to **3x weighting multiplier** — SPCX's 4.3% float is treated as **12.9%** effective weight
- 2**
S&P 500 · SPY
6-Month Seasoning Waiver
Proposed Waiver Rule
 - Waiver applies to **mega-cap IPOs** ranked \geq 100th largest in the S&P Total Market Index at time of listing
 - Bypasses the prior requirement of **12 months** of public trading history and 4 consecutive quarters of GAAP profit
 - Earliest SPCX inclusion window: **Q4 2026 – Q1 2027** — the largest single wave of forced passive buying
- 3**
RUSSELL 1000 · IWM
September Reconstitution
Sept / Dec 2026
 - SPCX's \$1.75T+ valuation places it firmly in the **Russell 1000** — the large-cap tier — not Russell 2000
 - Inclusion expected at the **September or December 2026** annual reconstitution — a rules-based, automatic add
 - Adds a **third distinct wave** of passive demand — IWM and Russell-tracking funds must buy SPCX at reconstitution price

Who Gets Sold to Buy SPCX

Every passive fund tracking **SPY, QQQ, or IWM** must proportionally reduce *every* existing holding to make room. **The largest positions face the largest trims.**

- Apple** (AAPL) **LARGEST TRIM**
Largest S&P 500 constituent by weight — highest absolute dollar trim of any single name
- Nvidia** (NVDA) **~6-7% QQQ**
AI darling and top QQQ holding — faces significant weight reduction as SPCX enters at ~12.9% effective weight
- MSFT**
2nd largest S&P 500 constituent — proportional sell pressure across every fund tracking the index
- GOOGL**
Top-5 holding across both QQQ and SPY — dual-index exposure means selling pressure from multiple fund families simultaneously
- META**
Major AI spender, top-10 holding in most indexes — AI infrastructure capex makes it a prime benchmark rival to SPCX
- Tesla** (TSLA) **HIGH VOLATILITY**
Already volatile; additional index-forced mechanical selling on rebalance day amplifies existing price instability

⚠ Selling is not discretionary — it is mechanical and price-insensitive on rebalance day.



Hedgeye 
@Hedgeye

Rule changes for the SpaceX **\$SPCX** IPO:

Index providers **waived the profitability requirement and cut the seasoning window from 90 days to 5.**

This forces over \$30 trillion in passive 401k and retirement money to buy SpaceX at IPO valuations.

Bloomberg Intelligence estimates S&P 500 funds must absorb 19% of SpaceX's float within 6 months.

Russell 1000 and Nasdaq 100 funds will absorb 24%.

The rules built to protect passive investors:

1. S&P 500 has required 12 months of trading and 4 quarters of GAAP profitability since 2002. **Both waived.**
2. Nasdaq cut its inclusion window from **90 trading days to 15.**
3. FTSE Russell **cut its to 5.**

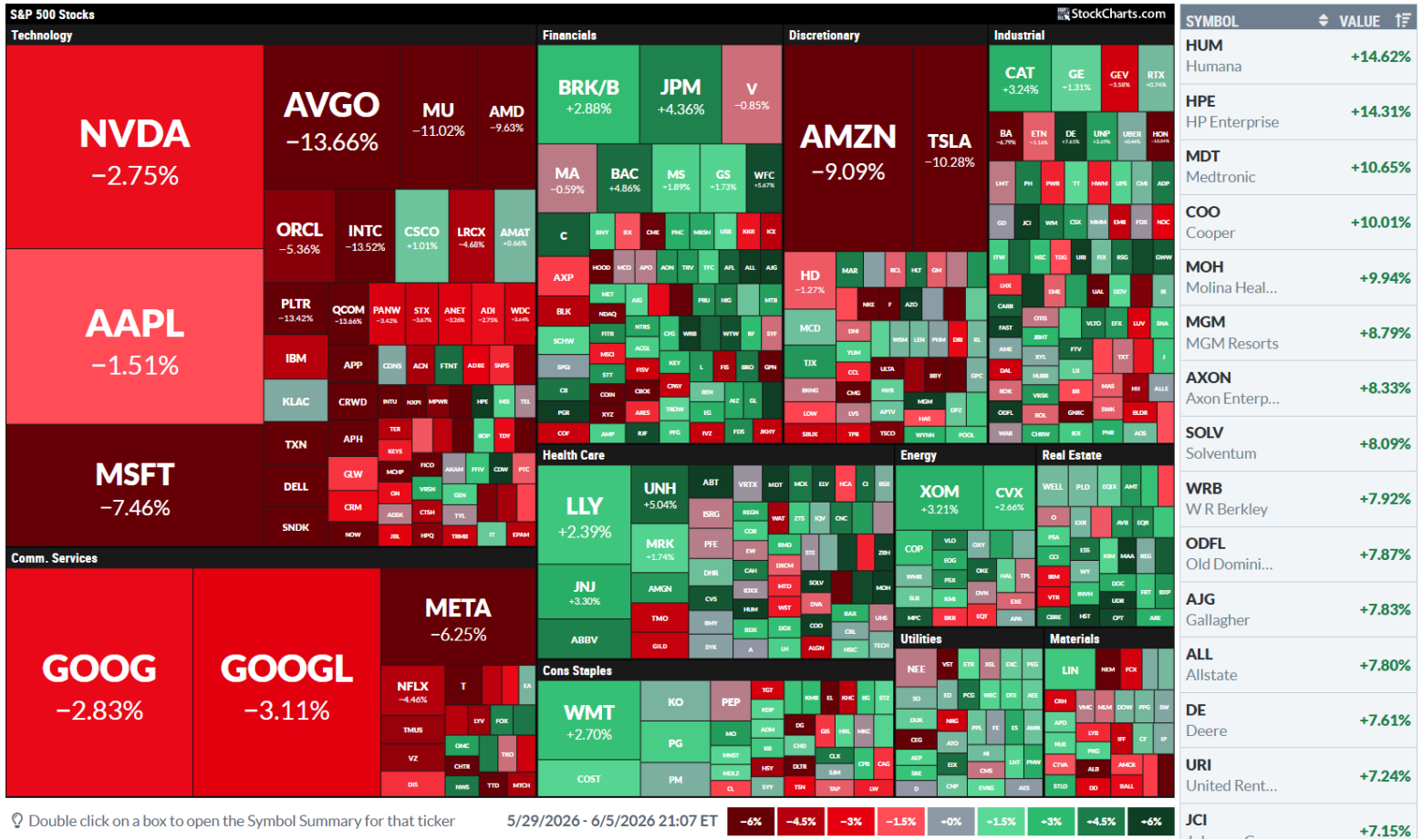
All three benchmarks are now structured to buy SpaceX at IPO pricing.



SPACEX

 **Nasdaq**

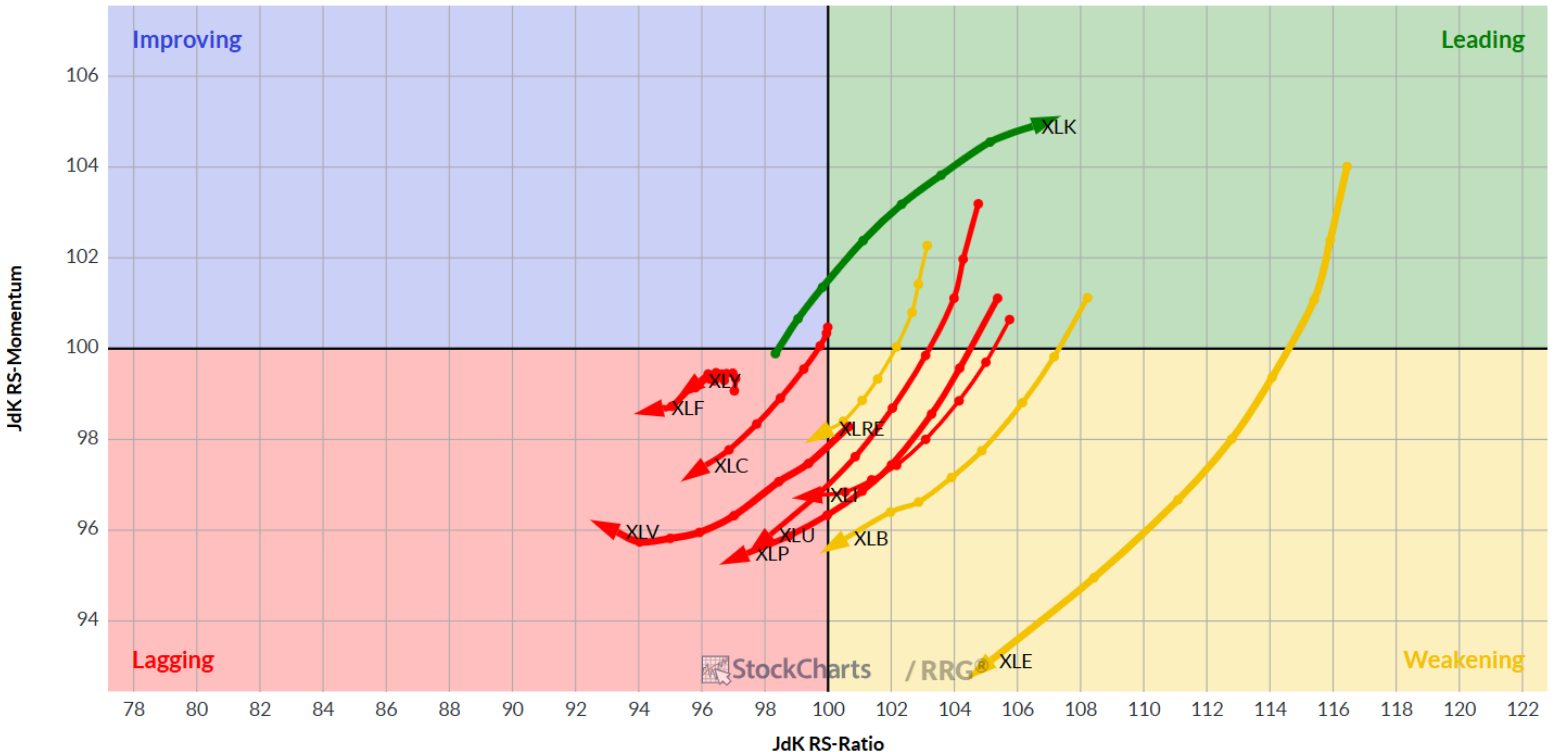
Weekly Performance: The 3 Aggressive Sectors look the worst (XLK, XLY, XLC)



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

5/29/2026 - 6/5/2026 21:07 ET

-6% -4.5% -3% -1.5% +0% -1.5% -3% -4.5% -6%



TIMEFRAME

One Week

Columns

Send Daily Report

Send Weekly Report

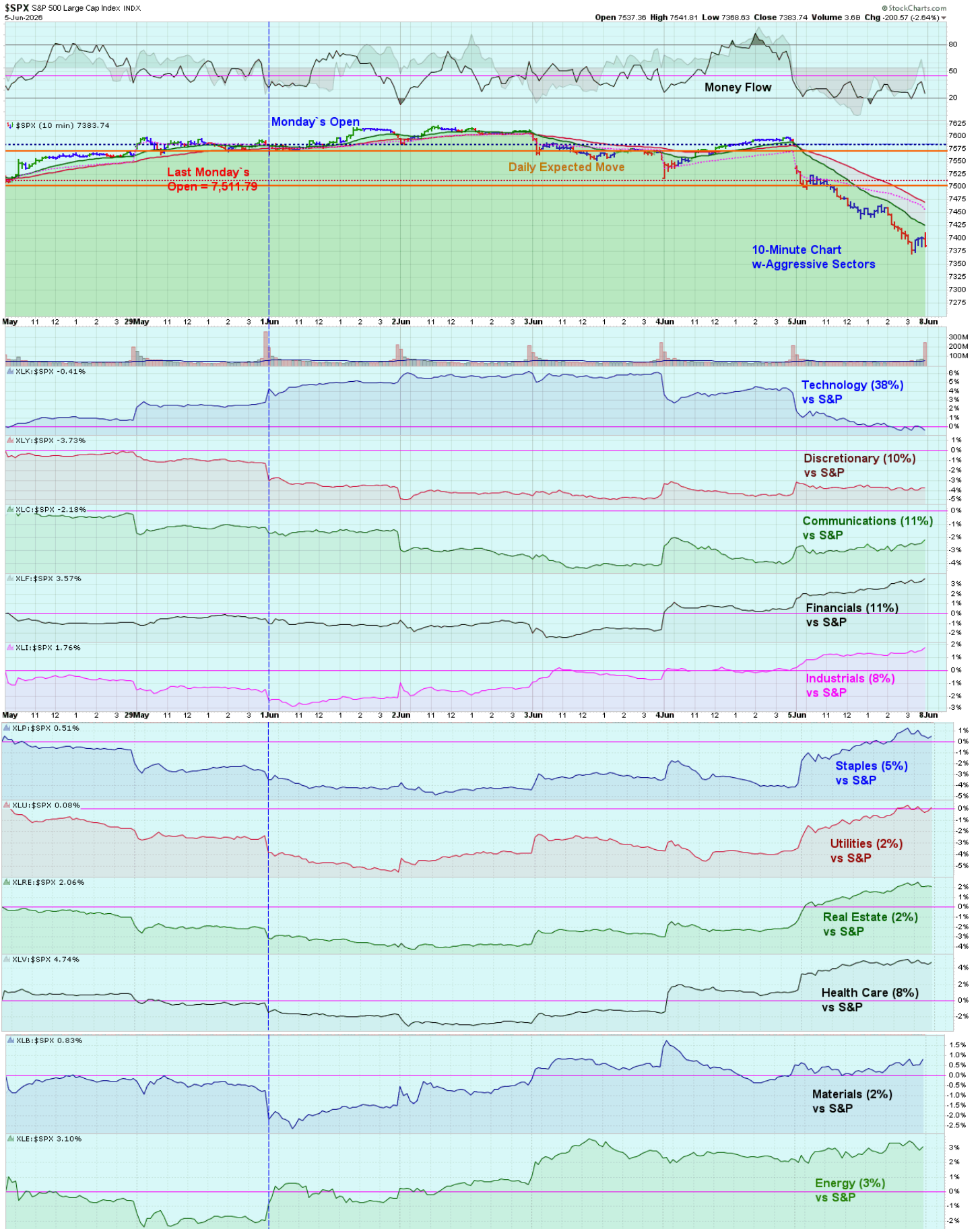
Search Table

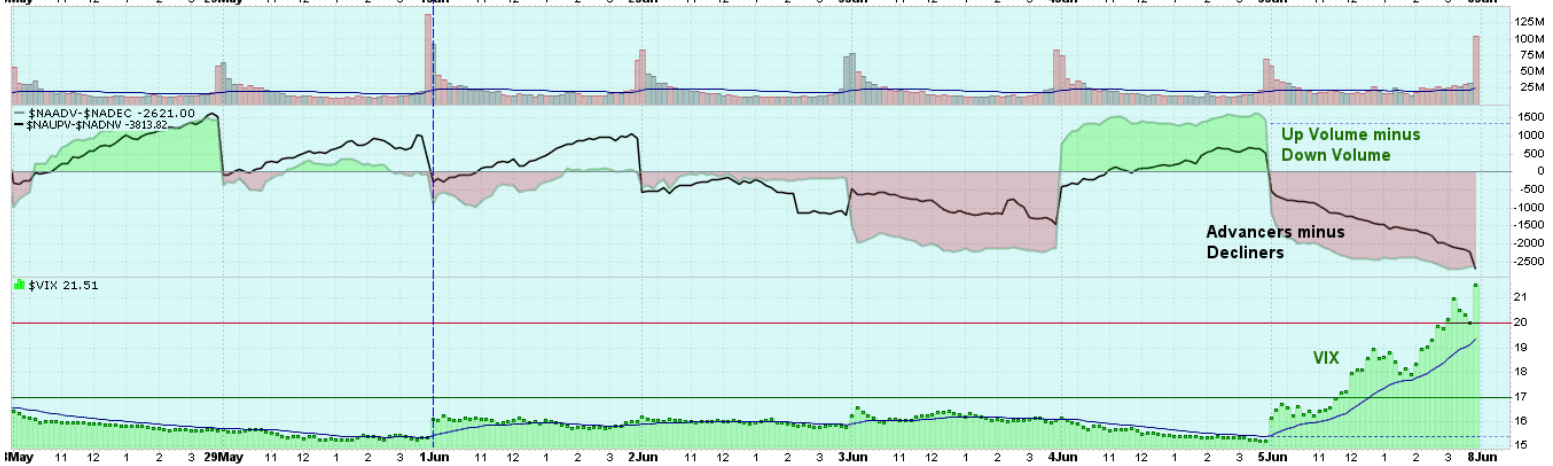
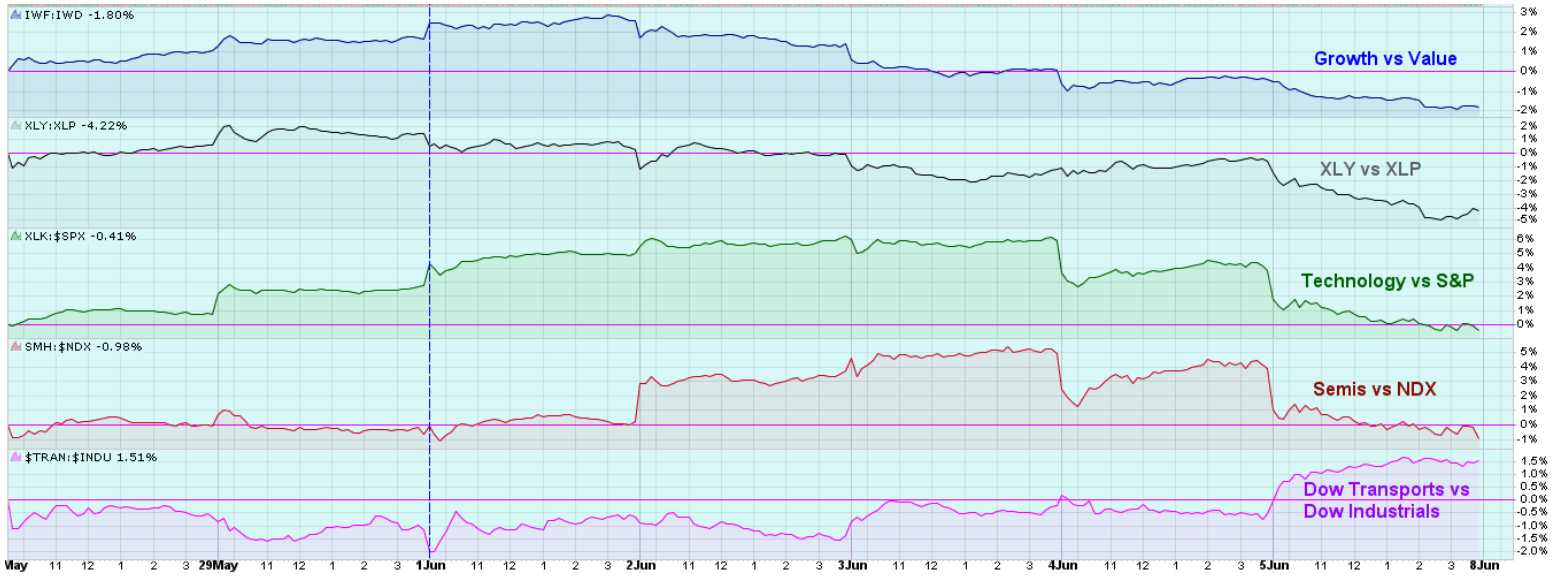
🔗	NAME	LAST	% CHG	+/-	DATE
☰	XLE - Energy Select Sector SPDR Fund	57.67	+2.45%	■	06-05, 16:00
☰	XLV - Health Care Select Sector SPDR Fund	153.01	+2.37%	■	06-05, 16:00
☰	XLRE - Real Estate Select Sector SPDR Fund	44.70	+1.61%	■	06-05, 16:00
☰	XLF - Financial Select Sector SPDR Fund	52.30	+1.40%	■	06-05, 16:00
☰	XLP - Consumer Staples Select Sector SPDR Fund	83.44	+0.64%	■	06-05, 16:00
☰	XLI - Industrial Select Sector SPDR Fund	174.18	+0.61%	■	06-05, 16:00
☰	XLU - Utilities Select Sector SPDR Fund	44.35	-0.16%	■	06-05, 16:00
☰	XLB - Materials Select Sector SPDR Fund	50.63	-1.02%	■	06-05, 16:00
☰	\$SPX - S&P 500 Large Cap Index	7,383.74	-2.59%	■	06-05, 16:00
☰	IWM - iShares Russell 2000 ETF	281.65	-3.02%	■	06-05, 16:00
☰	XLC - Communication Services Select Sector SPDR Fund	111.67	-3.47%	■	06-05, 16:00
☰	\$NDX - Nasdaq 100 Index	28,957.60	-4.53%	■	06-05, 16:00
☰	XLY - Consumer Discretionary Select Sector SPDR Fund	114.86	-4.97%	■	06-05, 16:00
☰	GLD - SPDR Gold Shares	396.24	-5.01%	■	06-05, 16:00
☰	XLK - Technology Select Sector SPDR Fund	180.30	-5.61%	■	06-05, 16:00
☰	\$BTCUSD - Bitcoin to US Dollar	61,460.47	-16.25%	■	06-05, 22:03

The VIX, after being nearly 15 on Thursday, is now in Bear territory:



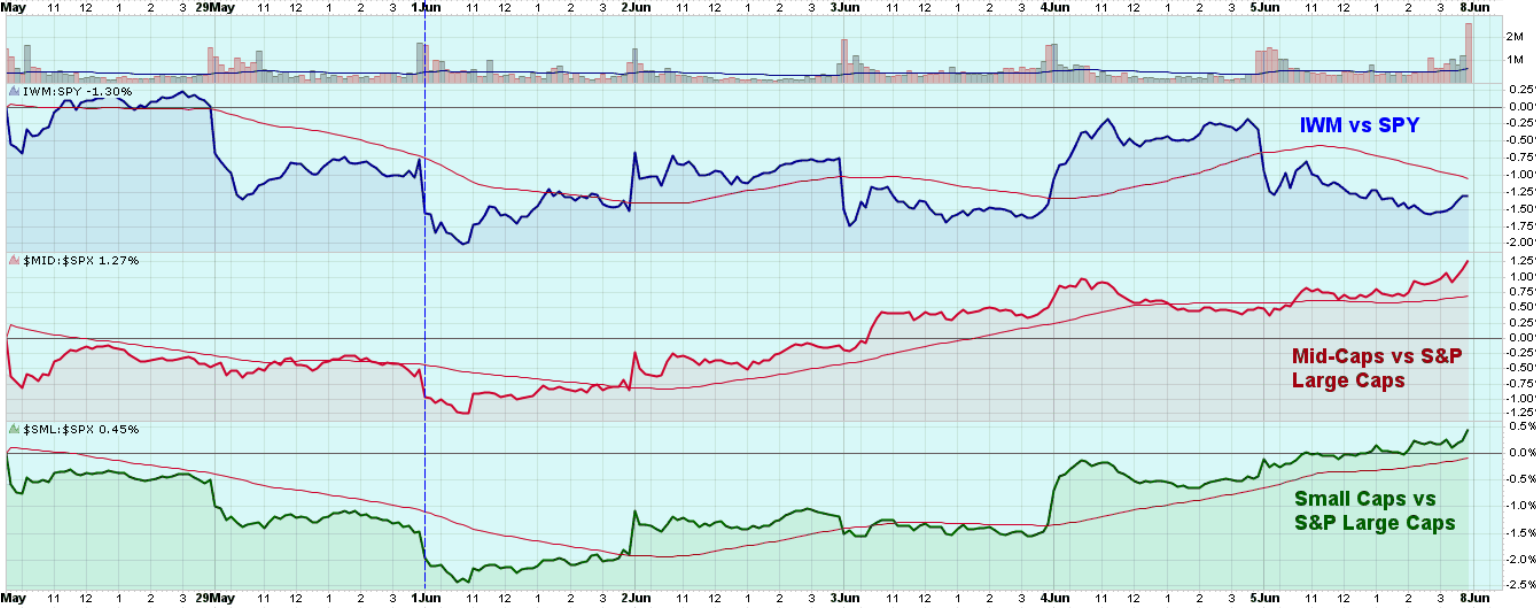
10-Minute Charts:





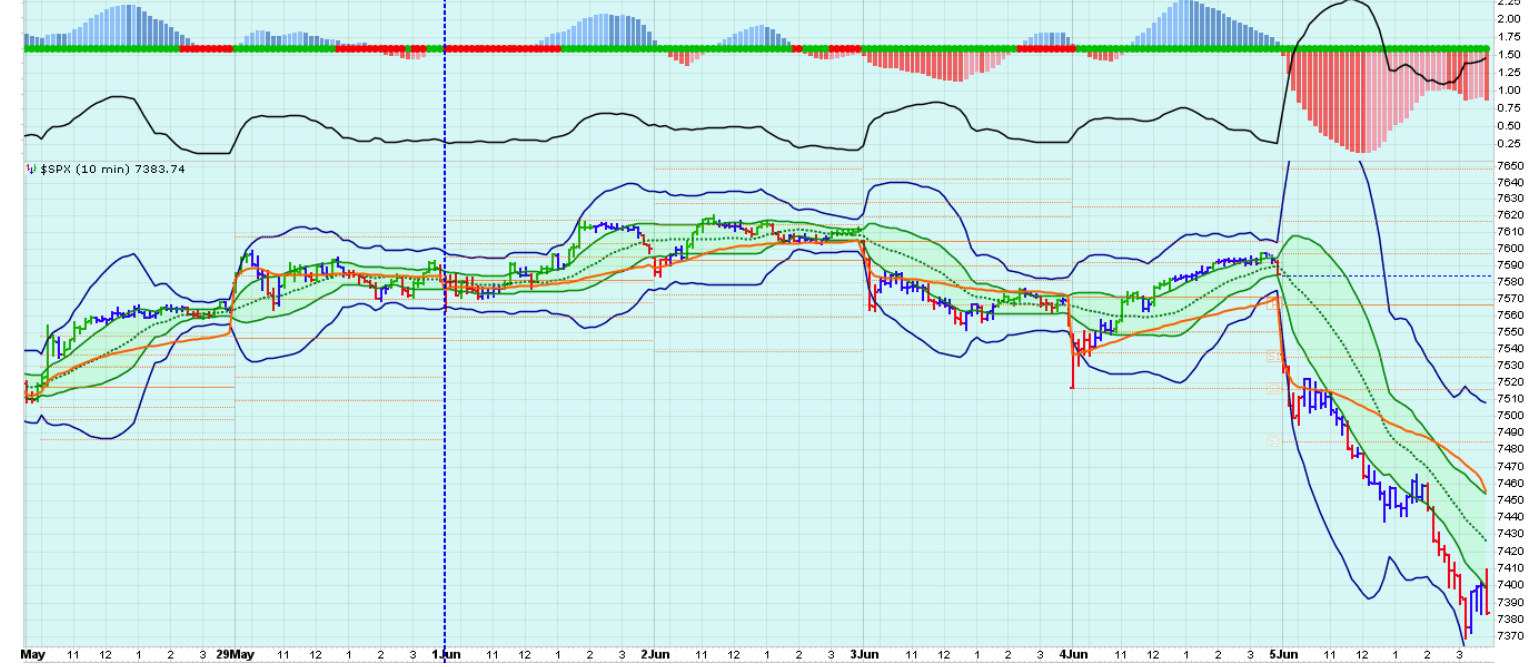
IWM iShares Russell 2000 ETF NYSE
5-Jun-2026

Open 289.10 High 289.39 Low 280.15 Close 281.65 Volume 35.7M Chg -10.36 (-3.55%)



\$SPX S&P 500 Large Cap Index INDX
5-Jun-2026

Open 7537.36 High 7541.81 Low 7368.63 Close 7383.74 Volume 3.6B Chg -200.57 (-2.64%)



Top 10 Best & Worst Large Caps for the Week:

NAME	SECTOR	INDUSTRY	LAST	CHG	% CHG	+/-
MRVL - Marvell Technology Inc	Technology	Semiconductors	263.47	+58.47	+28.52%	█
MDT - Medtronic, Inc.	Health Care	Medical Equipment	81.67	+7.86	+10.65%	█
AXON - Axon Enterprise, Inc.	Industrial	Defense	486.12	+37.40	+8.33%	█
ODFL - Old Dominion Freight Line, Inc.	Industrial	Trucking	242.57	+17.70	+7.87%	█
DE - Deere & Co.	Industrial	Commercial Vehicles	583.44	+41.26	+7.61%	█
ABT - Abbott Laboratories	Health Care	Pharmaceuticals	91.07	+5.47	+6.39%	█
CDW - CDW Corp.	Technology	Computer Services	133.04	+7.59	+6.05%	█
FAST - Fastenal Co.	Industrial	Industrial Suppliers	46.79	+2.59	+5.86%	█
PCAR - PACCAR, Inc.	Industrial	Commercial Vehicles	116.68	+6.31	+5.72%	█
WFC - Wells Fargo & Co.	Financial	Banks	81.94	+4.40	+5.67%	█

NAME	SECTOR	INDUSTRY	LAST	CHG	% CHG	+/-
MSTR - Strategy Inc	Technology	Software	120.44	-38.65	-24.29%	█
QCOM - QUALCOMM Inc.	Technology	Semiconductors	215.94	-34.16	-13.66%	█
AVGO - Broadcom Inc.	Technology	Semiconductors	385.73	-61.04	-13.66%	█
INTC - Intel Corp.	Technology	Semiconductors	99.17	-15.51	-13.52%	█
PLTR - Palantir Technologies, Inc.	Technology	Software	135.53	-21.01	-13.42%	█
LULU - Lululemon Athletica Inc.	Discretionary	Clothing & Accessories	114.23	-16.95	-12.92%	█
CEG - Constellation Energy Corp.	Utilities	Conventional Electricity	254.83	-32.92	-11.44%	█
MU - Micron Technology, Inc.	Technology	Semiconductors	864.01	-106.99	-11.02%	█
INTU - Intuit, Inc.	Technology	Software	296.76	-34.77	-10.49%	█
TSLA - Tesla Inc.	Discretionary	Automobiles	391.00	-44.79	-10.28%	█

WEEKLY VIEW

WEEKLY VIEW



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

NAME	SECTOR	INDUSTRY	LAST	CHG	% CHG	+/-
NVRI - Enviri Corporation	Industrial	Diversified Industrials	19.30	+16.47	+581.98%	█
VSCO - Victoria's Secret & Co.	Discretionary	Apparel Retailers	74.60	+19.60	+35.64%	
AMWD - American Woodmark Corp.	Industrial	Building Materials	48.09	+9.66	+25.14%	
TMHC - Taylor Morrison Home Corp.	Discretionary	Home Construction	71.53	+13.03	+22.27%	
GKOS - Glaukos Corp.	Health Care	Medical Equipment	125.00	+21.65	+20.95%	
TWLO - Twilio Inc.	Technology	Software	225.99	+35.35	+18.54%	
PK - Park Hotels & Resorts Inc.	Real Estate	Hotel & Lodging REITs	14.05	+1.92	+15.83%	
MYGN - Myriad Genetics, Inc.	Health Care	Biotechnology	4.57	+0.60	+15.11%	
ARCB - ArcBest Corp.	Industrial	Trucking	155.09	+18.40	+13.46%	
EPC - Edgewell Personal Care Co.	Staples	Personal Products	19.87	+2.35	+13.41%	

NAME	SECTOR	INDUSTRY	LAST	CHG	% CHG	+/-
CRSR - Corsair Gaming Inc.	Technology	Computer Hardware	9.01	-3.13	-25.78%	
RUN - Sunrun Inc.	Technology	Renewable Energy Equipment	13.36	-3.37	-20.13%	
PI - Impinj, Inc.	Technology	Telecom Equipment	120.93	-30.07	-19.91%	
VICR - Vicor Corp.	Technology	Electrical Components	271.04	-63.80	-19.05%	
LUMN - Lumen Technologies Inc	Comm. Services	Fixed Telecommunications	8.91	-2.08	-18.93%	
SHAK - Shake Shack Inc.	Discretionary	Restaurants & Bars	52.34	-11.97	-18.61%	
ENPH - Enphase Energy Inc.	Technology	Renewable Energy Equipment	56.07	-12.29	-17.98%	
SEDG - SolarEdge Technologies, Inc.	Technology	Renewable Energy Equipment	63.17	-13.18	-17.26%	
NX - Quanex Corp.	Industrial	Building Materials	15.42	-3.19	-17.14%	
GOGO - GOGO Inc.	Technology	Telecom Equipment	3.79	-0.78	-17.07%	

WEEKLY VIEW



WEEKLY VIEW



From Real Investment Advice:

[Two-Month Market Rally: What Comes Next? - RIA](#)

Excerpt:

💰 **Two-Month Market Rally Has Everyone Nervous**

Over this past week, everyone wanted the answer to the same question. Is this rally about to break? As we discussed last week, Broadcom (AVGO) held the semiconductor hostage to its earnings. Its revenue miss may have sparked the correction we discussed, **but we will need to see follow-through next week**. For now, however, the S&P 500 had an amazing run of roughly 16% over April and May, and a record close of 7,599.96 on June 1. That run certainly has the bears pointing at the sheer speed of the move as proof that a reversal is coming. I understand the worry and have cautioned about the same over the last few weeks. This two-month market rally was fast and genuinely rare, but what is important now is what happens next.

Therefore, the question we will explore is why this two-month market rally looks so unusual.

Deutsche Bank's Henry Allen put a number on the unease. A two-month market rally of 16% in the S&P 500 has occurred only 4 times since World War II. Three of them came straight off a recession low: April and May of 2020, after Covid, March and April of 2009, after the financial crisis, and January and February of 1975, after the first oil shock. Each was a coiled spring releasing.

THE ONLY FIVE TWO-MONTH RALLIES THIS FAST SINCE WWII

Four of five launched off a deep low. Only 1987 did not.



Source: RIA Advisors. Episode framing per Deutsche Bank (Henry Allen). Historical market record. Two-month gain measured April–May 2026.

The fourth case is the one that keeps people up at night, the January and February of 1987, a few months before the Black Monday crash that October, when the index fell more than 20% in a single session. That's the only non-recession example on the list.

So the bear case writes itself. The one-time stocks ran this fast without a recession to bounce off of, and a historic crash followed within the year.

However, hold on for a second. While that story is clean and, albeit, frightening, it's also incomplete.

The Analog Nobody Wants Is the Wrong Analog

Here's the problem with that argument. Look at what actually preceded each rally, not just whether the word "recession" technically applies. The 2020, 2009, and 1975 surges all launched off deep, washed-out lows. Prices had already collapsed. The fast rally that followed was the recovery, the snap back from oversold panic toward something closer to fair value.

WHAT CAME BEFORE EACH SURGE, AND WHAT CAME AFTER

EPISODE	THE SETUP BEFORE THE SURGE	WHAT HAPPENED NEXT
Jan–Feb 1975	Deep bear-market low after the first oil shock	Recovery held, the bull market resumed
Jan–Feb 1987	An uncorrected melt-up, roughly 40% with no pullback underneath	Black Monday that October, down 20% in a single day
Mar–Apr 2009	Generational low after the financial crisis	Start of a multi-year bull market
Apr–May 2020	Covid crash low, down about 34% in five weeks	V-shaped recovery back to new highs
Apr–May 2026	A 10% correction into the late-March low of 6,343.73	In progress. Overbought, but the uptrend is intact

Source: RIA Advisors. Setup and outcome per the historical market record. Current-year levels as of the June 1, 2026 close. 1987 melt-up and Covid-decline figures are widely documented historical references.

1987 was different in kind, not degree. Stocks had melted up roughly 40% into that August peak with no correction underneath them, valuations stretched and sentiment euphoric, so the speed of that advance was never a recovery from anything but the final vertical blow-off of a market that had simply refused to pause. That is why it broke. There was no real decline beforehand to justify the snapback.

So the right question isn't whether a recession came first. The question is whether a real *decline* came first. On that test, 2026 looks nothing like 1987.

This two-month market rally launched off a genuine washout. The index fell about 10% into its late-March low of 6,343.73, and that drop came on the heels of the roughly 20% drawdown that bottomed back in April 2025. We didn't melt up into this advance. We climbed out of a hole. That places the current move in the company of 2020 and 2009, not 1987. And the upside tail cuts the same way. Carson Investment Research found that when there was a two-month market rally that gained more than 20% since 1950, it

went on to rise an average of 16% over the next six months and 31% over the next year.

Corrections Are Routine. The Big Ones Are Spaced Out.

Yes, a two-month market rally surely raises concerns. However, step back, and the fear starts to look misplaced. **Since 1945, the S&P 500 has experienced 33 corrections of 10% or more on a closing basis**, the most recent being this year's slide from the January 27 peak of 6,980.75 to the late-March low. That's the headline number worth sitting with. Thirty-three. A 10% drop is not some rare event you brace for once a decade. It's the toll the market charges for the gains it hands out the rest of the time, and on average, those declines have run about 14% from peak to trough before the next leg up begins.

As we noted earlier this week in the *Daily Market Commentary*:

“Let’s start with what this two-month market rally actually is. The market ALREADY took its medicine this year. It fell roughly 10% to the early April low, and what we’ve seen since is a recovery, not an unanchored melt-up. That’s the pattern after most corrections. Since the end of World War II, the S&P 500 has booked 33 declines of 10% to 20% on a closing basis. The table tracks each one from the day the decline began, how long it took to bottom, and then the prize for sitting tight: the rally from that low to the next market peak, and how long that climb lasted.”

The typical correction cuts about 14% over roughly four months, and the rally off the low has historically run a median 34% over about 10 months before the next peak. This year’s advance is 19.8% in about two months. Fast, yes; however, by this table’s standard, it is still on the young side. As Bob Farrell’s Rule #4 reminds us, exponential moves usually run further than anyone expects before they roll over.

-13.9%
Average correction depth,
peak to trough

~4 mo
Average time to reach the
low

+34%
Median rally from the low
to the next peak

~10 mo
Median length of that
rally

S&P 500 CORRECTIONS (10–20%) AND THE SUBSEQUENT ADVANCE — 1945 TO PRESENT

DECLINE BEGAN	DEPTH (PEAK→TROUGH)	MONTHS TO TROUGH	RALLY: TROUGH TO NEXT PEAK	MONTHS TO NEXT PEAK	NEXT PEAK
Feb 5, 1946	-10.1%	0.7	+14.5%	3	May 29, 1946
Feb 11, 1947	-14.7%	3.2	+17.1%	2	Jul 24, 1947
Jul 24, 1947	-14.1%	6.7	+23.3%	4	Jun 15, 1948
Jun 12, 1950	-14.0%	1.1	+59.8%	30	Jan 5, 1953
Jan 5, 1953	-14.8%	8.3	+100.9%	24	Sep 23, 1955
Sep 23, 1955	-10.6%	0.6	+21.9%	10	Aug 2, 1956
Aug 2, 1956	-14.8%	6.4	+15.9%	5	Jul 15, 1957
Aug 3, 1959	-13.6%	13.9	+35.5%	15	Jan 3, 1962
Aug 22, 1962	-10.5%	2.0	+75.8%	40	Feb 9, 1966
Sep 25, 1967	-10.1%	5.3	+23.5%	9	Nov 29, 1968
Apr 28, 1971	-13.9%	6.9	+33.4%	14	Jan 11, 1973
Nov 7, 1974	-13.6%	1.0	+47.1%	7	Jul 15, 1975
Jul 15, 1975	-14.1%	2.1	+31.4%	12	Sep 21, 1976
Sep 21, 1976	-19.4%	17.4	+23.1%	6	Sep 12, 1978
Sep 12, 1978	-13.6%	2.1	+20.3%	11	Oct 5, 1979
Oct 5, 1979	-10.2%	1.1	+18.6%	3	Feb 13, 1980
Feb 13, 1980	-17.1%	1.4	+43.1%	8	Nov 28, 1980
Oct 10, 1983	-14.4%	9.5	+127.8%	37	Aug 25, 1987
Jan 2, 1990	-10.2%	0.9	+14.2%	5	Jul 16, 1990
Jul 16, 1990	-19.9%	2.9	+232.7%	84	Oct 7, 1997
Oct 7, 1997	-10.8%	0.7	+35.3%	9	Jul 17, 1998
Jul 17, 1998	-19.3%	1.5	+48.2%	10	Jul 16, 1999
Jul 16, 1999	-12.1%	3.0	+22.5%	5	Mar 24, 2000
Nov 27, 2002	-14.7%	3.4	+95.5%	55	Oct 9, 2007
Apr 23, 2010	-16.0%	2.3	+33.3%	10	Apr 29, 2011
Apr 29, 2011	-19.4%	5.2	+93.8%	44	May 21, 2015
May 21, 2015	-12.4%	3.2	+13.0%	2	Nov 3, 2015
Nov 3, 2015	-13.3%	3.3	+57.1%	23	Jan 26, 2018
Jan 26, 2018	-10.2%	0.4	+13.6%	7	Sep 20, 2018
Sep 20, 2018	-19.8%	3.1	+44.0%	14	Feb 19, 2020
Jul 31, 2023	-10.3%	2.9	+49.2%	16	Feb 19, 2025
Feb 19, 2025	-18.9%	1.6	+40.1%	10	Jan 27, 2026
Jan 27, 2026	-9.1%	2.0	+19.8% so far	2 ongoing	now (record)
AVERAGE	-13.9%	3.8	+47.7%	16.7	MEDIAN: +34% / 10 MO

Peak and trough closing levels, 1946–Feb 2016: Yardeni Research, "S&P 500 Corrections & Bear Markets" (Standard & Poor's / Haver Analytics). 2018–2026 declines compiled from public daily index records (Jan 26, 2018 peak 2,872.87; Feb 19, 2025 peak 6,144.15 to Apr 8, 2025 low 4,982.77; Jan 27, 2026 peak 6,980.75 to the late-March 2026 low near 6,343.73). "Months to trough," "rally to next peak," and "months to next peak" computed by RIA Advisors; the next peak is the high that preceded the next 10%+ decline. Bear markets (declines of 20% or more) are excluded from the rows but serve as the next-peak reference where one immediately followed a correction. All figures close-basis; some episodes (1990, 2018, 2025) reached or neared -20% intraday. The 2026 rally is still in progress, measured to the June 1, 2026 record close of 7,599.96 (S&P 500 modestly lower intraday June 2, market open). Sources: Yardeni Research; FRED; CNBC. As of June 2, 2026.

What matters more for today is the spacing. The deep declines, those that approach or breach 20%, tend to arrive years rather than months apart. We just cleared one in 2025 with the roughly 20% drawdown that bottomed that April, and it was the real washout of this cycle. The modest 10% dip this March was the routine variety stacked on top of it. Two genuinely deep corrections inside the span of a single year would break the historical pattern badly, **and after a stretch like the one we've just been through, the base rate strongly favors the shallow kind next.** That's exactly what the moving averages are now setting up.

How Big a Pullback Would Actually Be Normal

None of that means that the two-month market rally can't pause. Technically, it was overdue, and with RSI north of 73, the tape was stretched. So the correction that started Friday was not unexpected. With the market this far above its moving averages, a mean reversion was all but inevitable. As such, we need to pay attention to the moving averages, which are the guides to eventual corrections.

At the recent highs of ~7,600, the S&P sat about 7.7% above its 50-day average near 7,058 and about 11% above its 200-day average near 6,831. Those gaps are the whole story. A garden-variety pullback to the 50-day is a roughly 7% decline. A deeper flush all the way to the 200-day is about 10%, and even that holds above the March low, leaving the larger uptrend fully intact. On Friday, the market cleanly took out its first support at the 20-day moving average. That break, if not recovered by early next week, leaves the 50-day moving average as the next logical support level.

HOW FAR A NORMAL PULLBACK WOULD CARRY

Distance from the June 1 record close to each support line.

S&P 500, JUNE 1 RECORD CLOSE	7,599.96
20-DAY AVG \approx 7,470*	-1.7%
50-DAY AVG = 7,058 <i>Textbook pullback. Where trend-followers add.</i>	-7.1%
200-DAY AVG = 6,831 <i>Deeper flush. Still inside the uptrend.</i>	-10.1%
LATE-MARCH LOW = 6,343.73	-16.5%

Source: RIA Advisors. S&P 500 at 7,599.96 (June 1, 2026 close). 50- and 200-day averages as of May 29 close (S&P Dow Jones Indices via FRED, StreetStats). *20-day is an estimate from the recent daily path.

That maps cleanly onto the historical norm. The market corrects by 5% to 10% in almost every calendar year. Since we already booked the double-digit drop in March, the odds are against a second deep correction. Of course, nothing is ever absolute. I made that same point about what's actually driving this rally two weeks ago. That was when the base case was a pullback toward the 20-day, not a breakdown. Back-to-back deep declines are the exception, not the rule.

MicroStrategy  **Strategy.com**



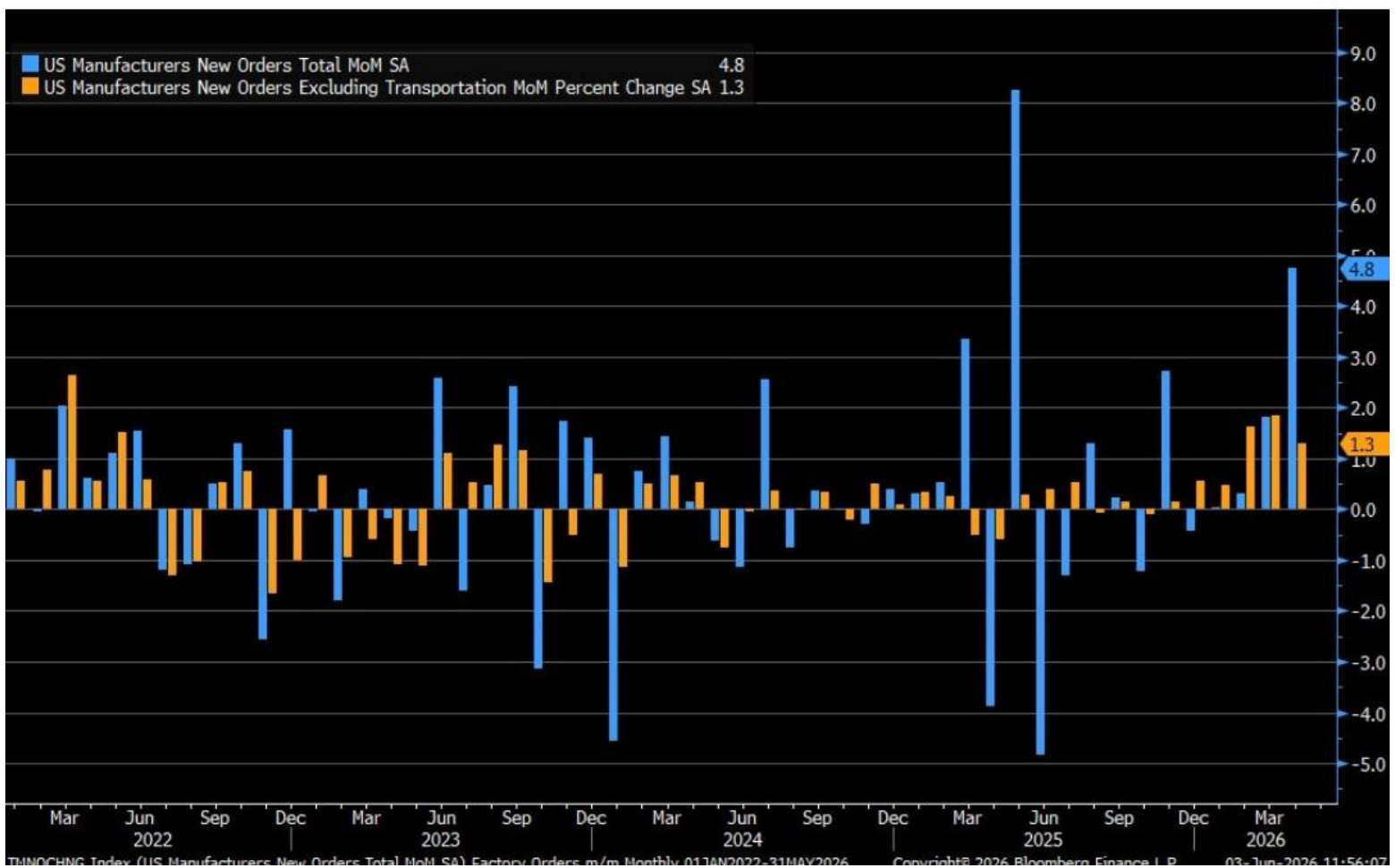
KEY FACTS:

MICROSTRATEGY HITS RECORD \$10.8B BITCOIN LOSS

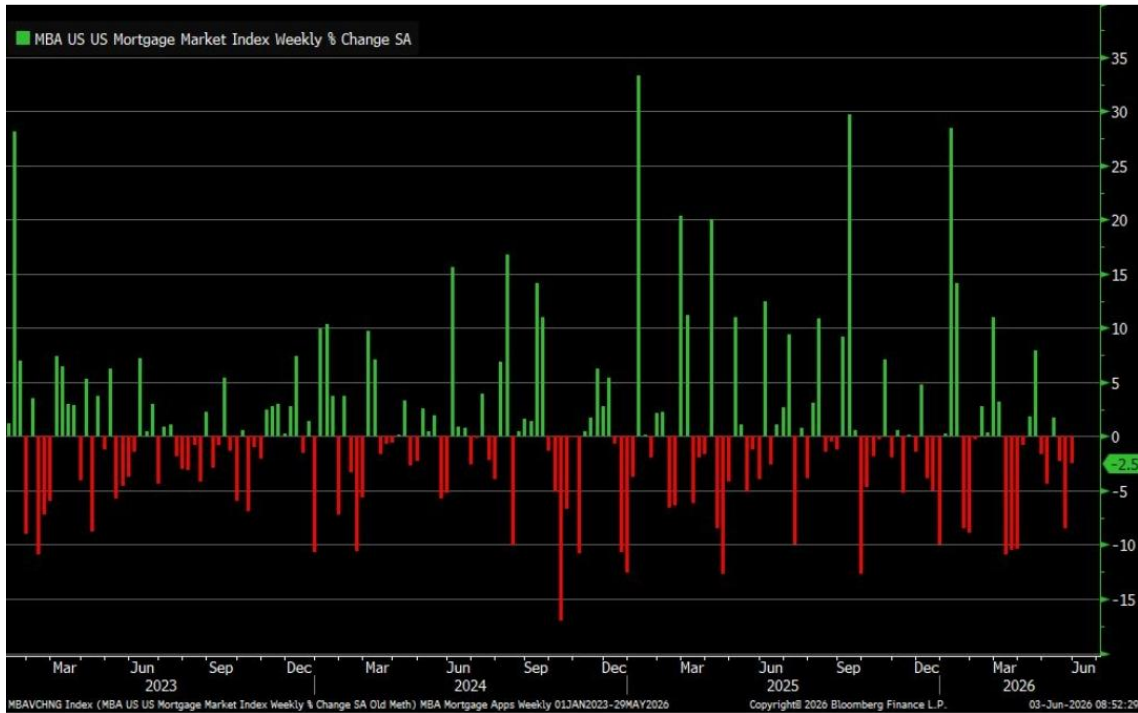
- Biggest unrealized loss in history:
-\$10.8 billion
- Down -17% on BTC after 6 years of buying
- S&P 500 up +116% in same period
- MSTR stock down -77% from all-time high
- Recently sold 32 BTC at \$77k

Bitcoin Treasury Strategy Under Pressure

April factory orders soared +4.8% m/m vs. +1.8% prior (rev. up from +1.5%)...largest gain since May 2025 and driven by transportation equipment orders which jumped 22% m/m... orders ex-transportation were also strong +1.3% vs. +1.8% prior



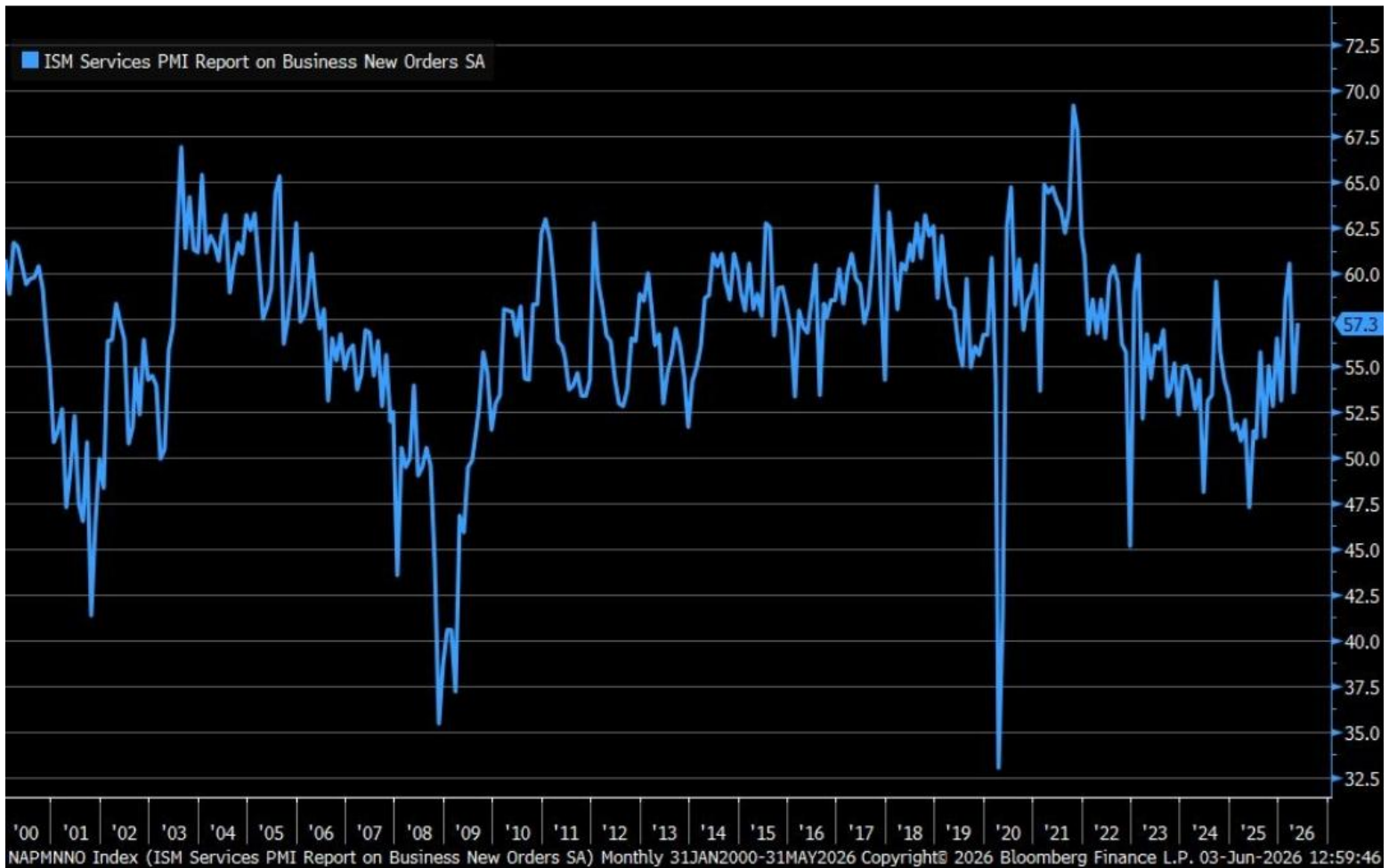
Mortgage Bankers Association mortgage applications for week ended May 29 fell -2.5% vs. -8.5% prior...30-year mortgage decreased to 6.57% vs. 6.65% prior



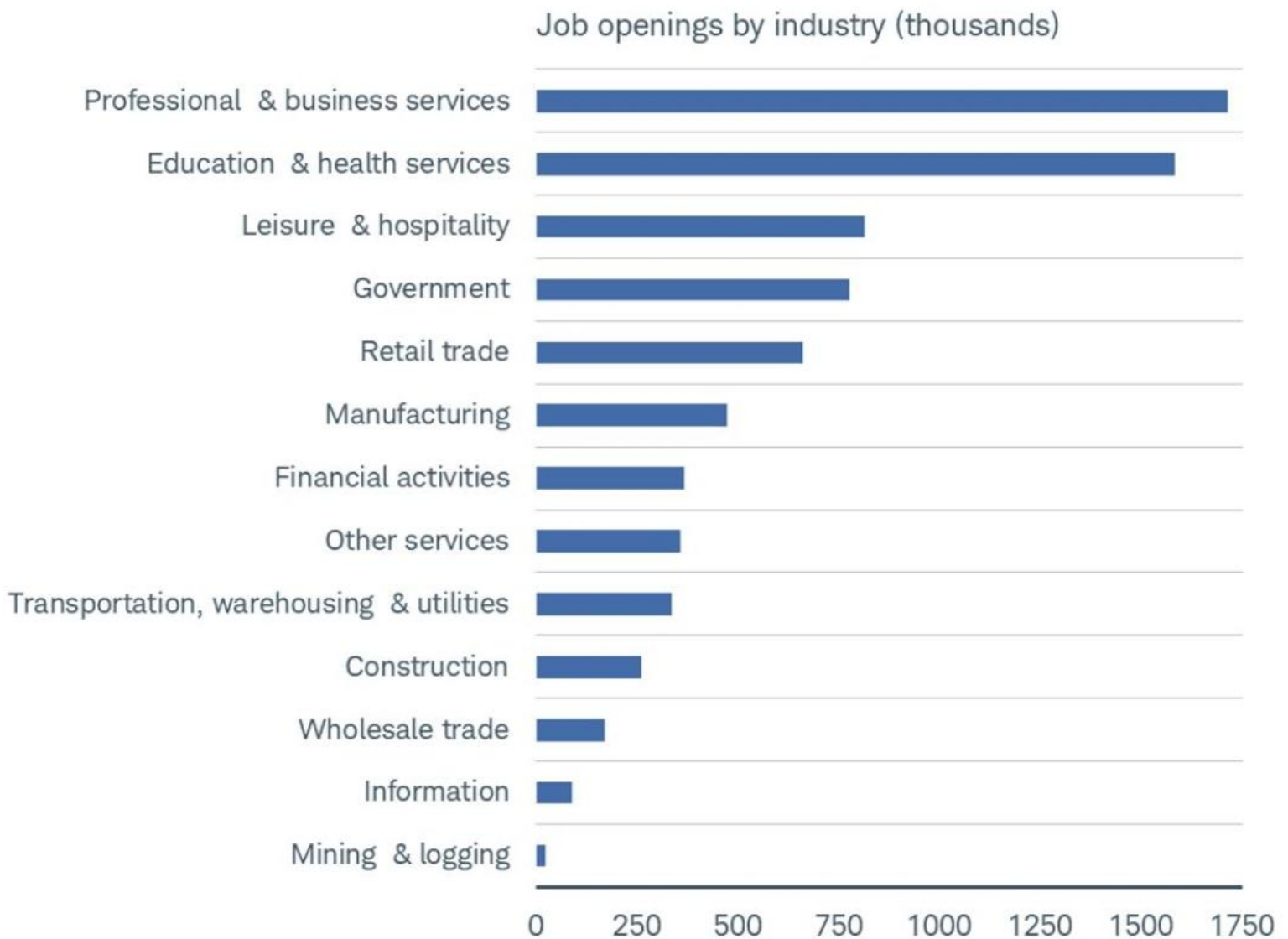
Number of job openings per unemployed worker ticked up to 1.03 in April...last time there was more than one job available per job seeker was back in June 2025



New orders component of May ISM Services PMI surged to 57.3 vs. 53.5 prior and climbed notable higher than its 12m average reading of 54.7































Job openings jumped in April and were driven mostly by an increase in vacancies in the professional and business services industry, which surged to a three-year high



Source: Charles Schwab, Bureau of Labor Statistics, as of 4/30/2026.

2025 vs 2026

The Modern Professional's AI Stack

CATEGORY	2025	2026
SEARCH	 Google	 Gemini
RESEARCH	 Google	 Perplexity
SPREADSHEETS	 Excel	 Claude in Excel
FINANCIAL AGENTS	 n8n	 Claude Cowork
BROWSER	 Chrome	 Perplexity Comet
DATA ANALYSIS	 Python / R Scripts	 Claude Code
WRITING	 ChatGPT	 Claude
ACADEMIC RESEARCH	 Google Scholar	 Consensus
MARKET RESEARCH	 Investing.com	 Fiscal.ai
INFOGRAPHICS	 Canva	 Gemini
PRESENTATIONS	 PowerPoint	 Gamma
FINANCIAL CHARTS	 Bloomberg	 Perplexity Finance
DOCUMENT REVIEW	 Adobe Acrobat	 NotebookLM
EMAIL	 Gmail	 Google Workspace



Still on the 2025 stack? Your peers already *moved on*.

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[Subscribe my free newsletter](#)

CHINA VS WORLD MANUFACTURING OUTPUT

CHINA

@Unboxfactory

\$5.65 TRILLION



(TOP GLOBAL
MANUFACTURER)



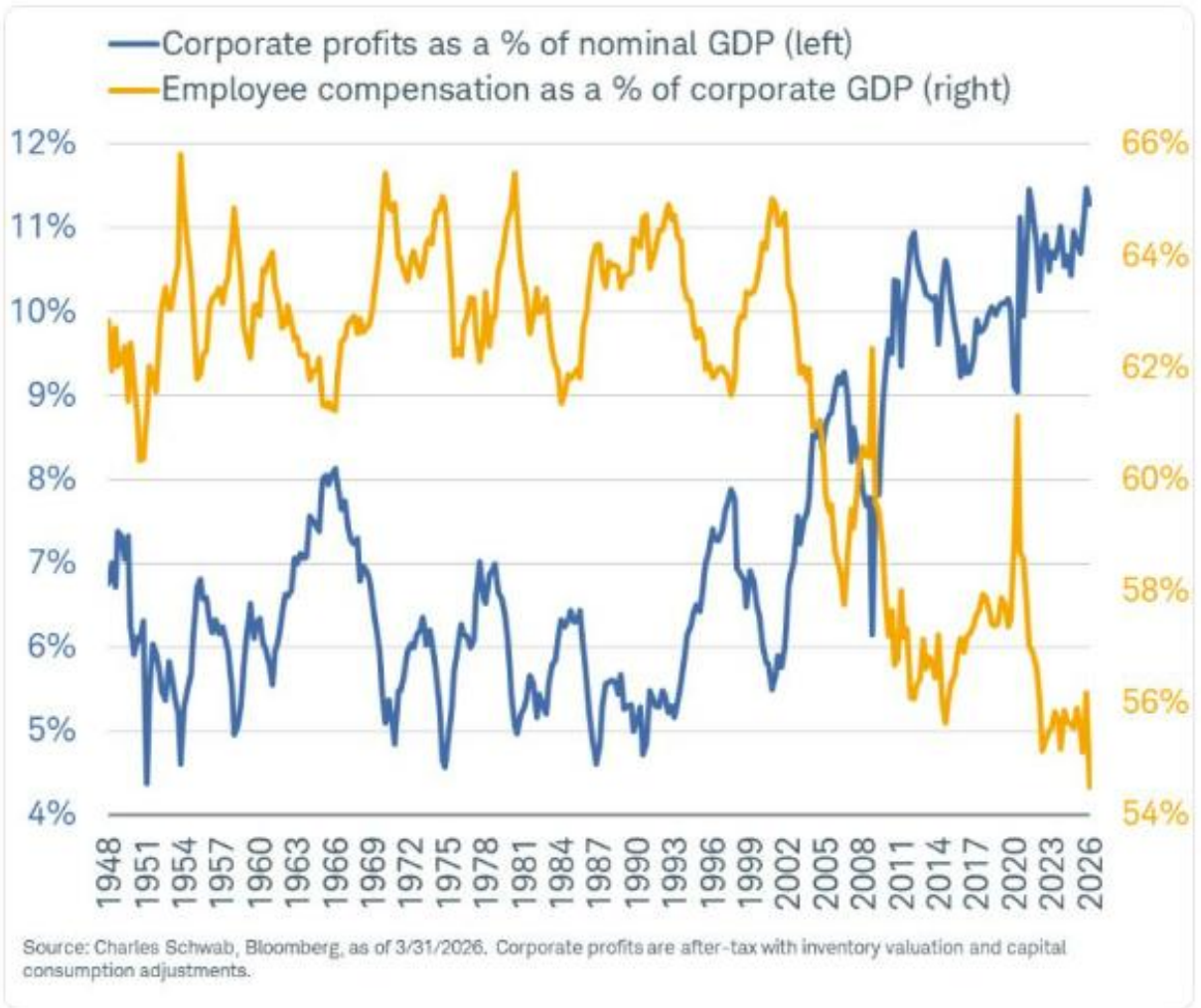
UNITED STATES
\$2.3 TRILLION

JAPAN
\$1.0 TRILLION

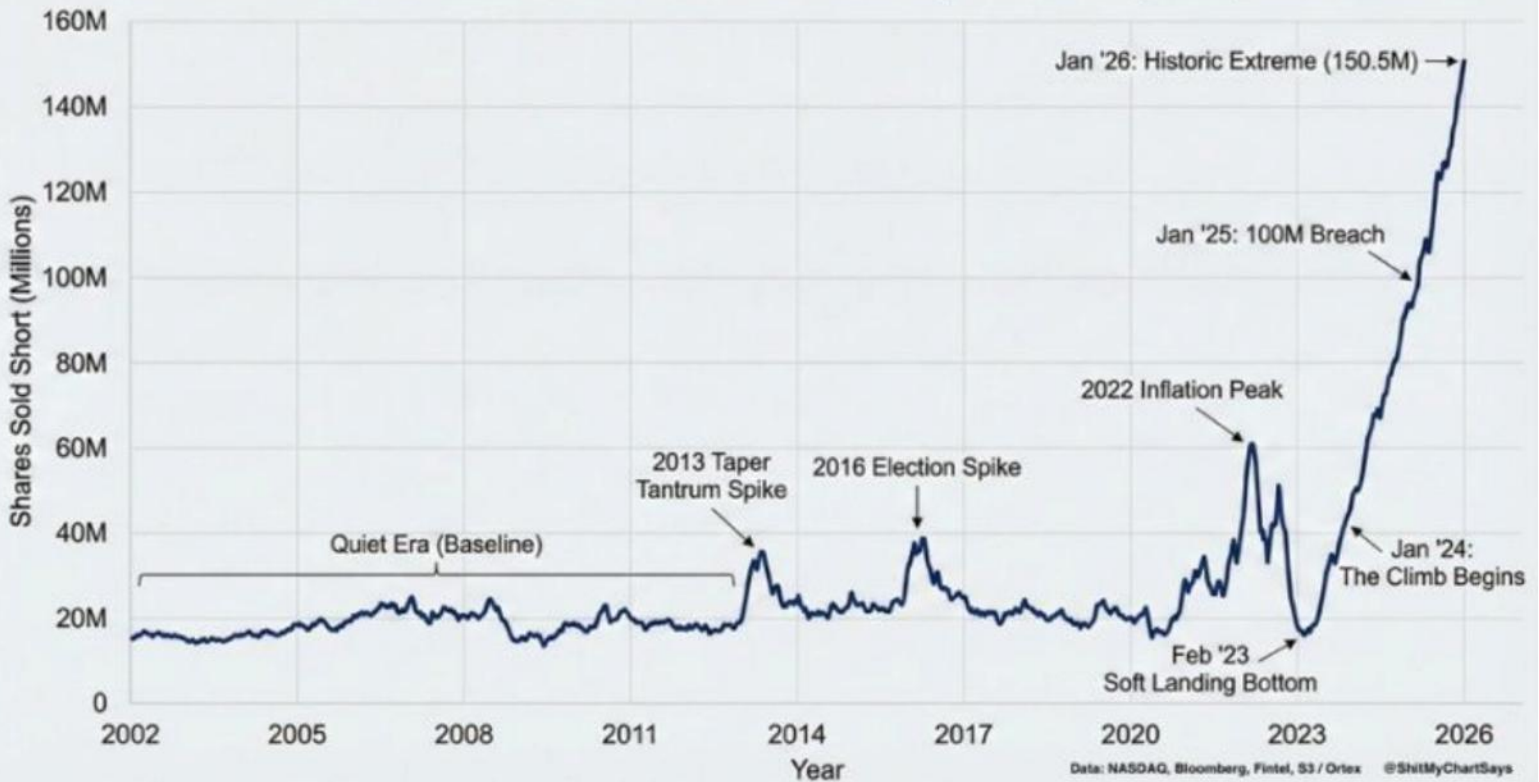
GERMANY
\$0.8 TRILLION

INDIA

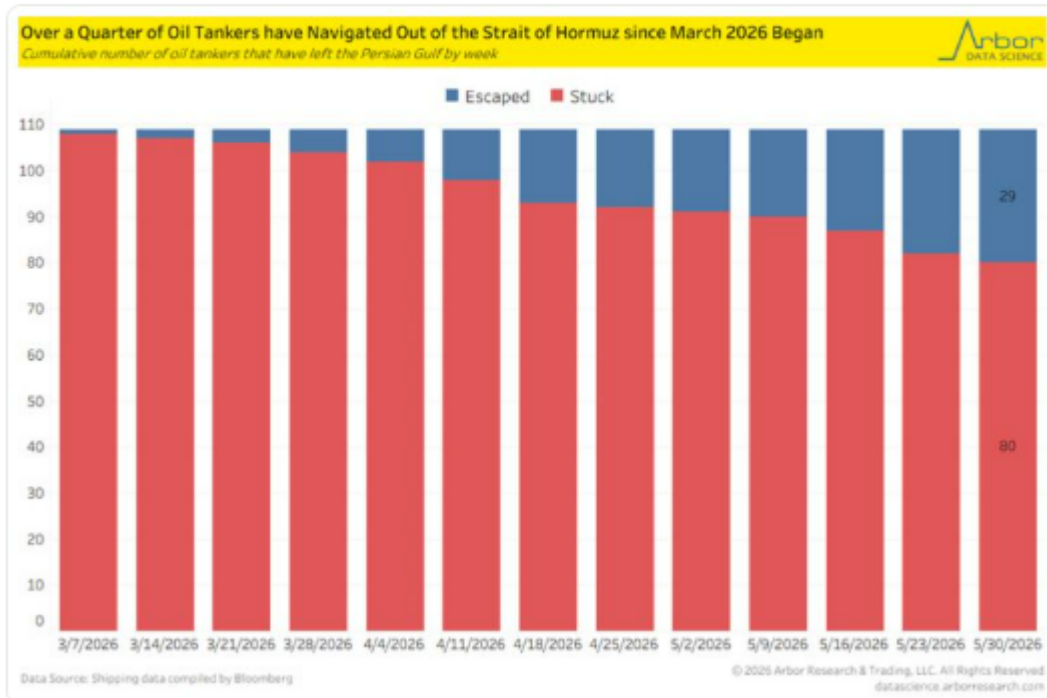
\$0.5 TRILLION



Historical Short Interest of iShares 20+ Year Treasury Bond ETF (\$TLT): 2002 – 2026



Since the start of the Iran war, just 29 oil tankers have successfully navigated (escaped) out of the Strait of Hormuz while 80 still remained trapped in the Persian Gulf



THE GREEKS APPLIED TO COMMODITIES

And why they don't all matter equally.



In commodity options, some Greeks drive P&L. Knowing which is which is half the job.



THE 5 GREEKS	HOW IT SHOWS UP ON A REAL COMMODITY DESK	SENSITIVITY (ILLUSTRATIVE)	IMPORTANCE IN COMMODITY
1 DELTA Sensitivity to futures price. 	<ul style="list-style-type: none"> In commodities, the option is on a futures contract, not spot. For physical hedgers, delta must be translated into physical equivalence and account for basis risk. Delta is essential, but not the whole story. 	DELTA (Call) 	<p>Obvious and essential. Manage basis risk alongside delta.</p>
2 GAMMA Sensitivity of delta to price. 	<ul style="list-style-type: none"> Crucial in commodity markets due to non-linear moves. High gamma = delta changes fast. Large moves make delta rebalancing expensive (buy high, sell low). Short gamma suffers most in sharp swings. 	GAMMA 	<p>Very high. Dominates in volatile markets. Drives hedging cost.</p>
3 THETA Time decay of extrinsic value. 	<ul style="list-style-type: none"> All options lose value over time, all else equal. Accelerates as expiry approaches, especially ATM. Hurts long options. Benefits short options. In high implied vol environments, the cost is meaningful. 	THETA (Long Option) 	<p>Important. A real cost (or benefit) that accelerates near expiry.</p>
4 VEGA Sensitivity to implied volatility. 	<ul style="list-style-type: none"> Implied vol is the variable that moves the most. Major driver of P&L in many positions. Short vega loses when vol spikes. Long vega wins. 	VEGA (Long Option) 	<p>The most important Greek in practice. Drives a large part of explained P&L.</p>
5 RHO Sensitivity to interest rates. 	<ul style="list-style-type: none"> Relevant mostly for very long-dated options. In typical hedge tenors up to 12-24 months, rho is generally small. Monitored, but rarely decision-driving. Becomes more relevant in very long-dated programs. 	RHO (Long Call) 	<p>Low importance in most cases. Usually at the bottom of the priority list.</p>

RELATIVE IMPORTANCE IN COMMODITIES



In commodities, the Greeks don't carry equal weight. Vega and gamma dominate. Theta matters. Delta is obvious. Rho barely shows up. A desk that treats all Greeks equally is wasting time on what doesn't move P&L and ignoring what does.



World's Largest Reserves

Global distribution of crucial resources and commodities



Electricity Price Growth

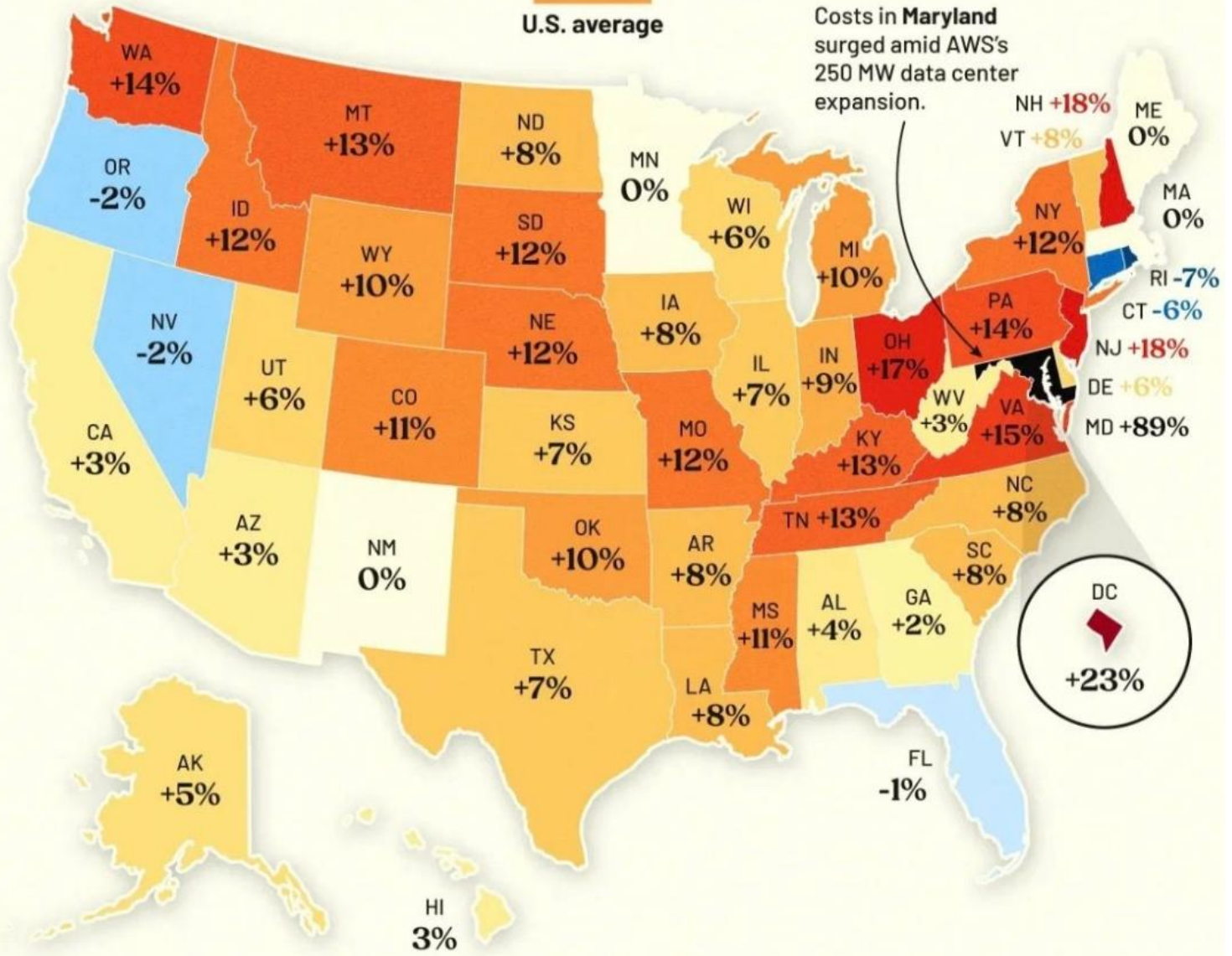


Annual change in residential prices (March 2026)



U.S. average

Costs in Maryland surged amid AWS's 250 MW data center expansion.

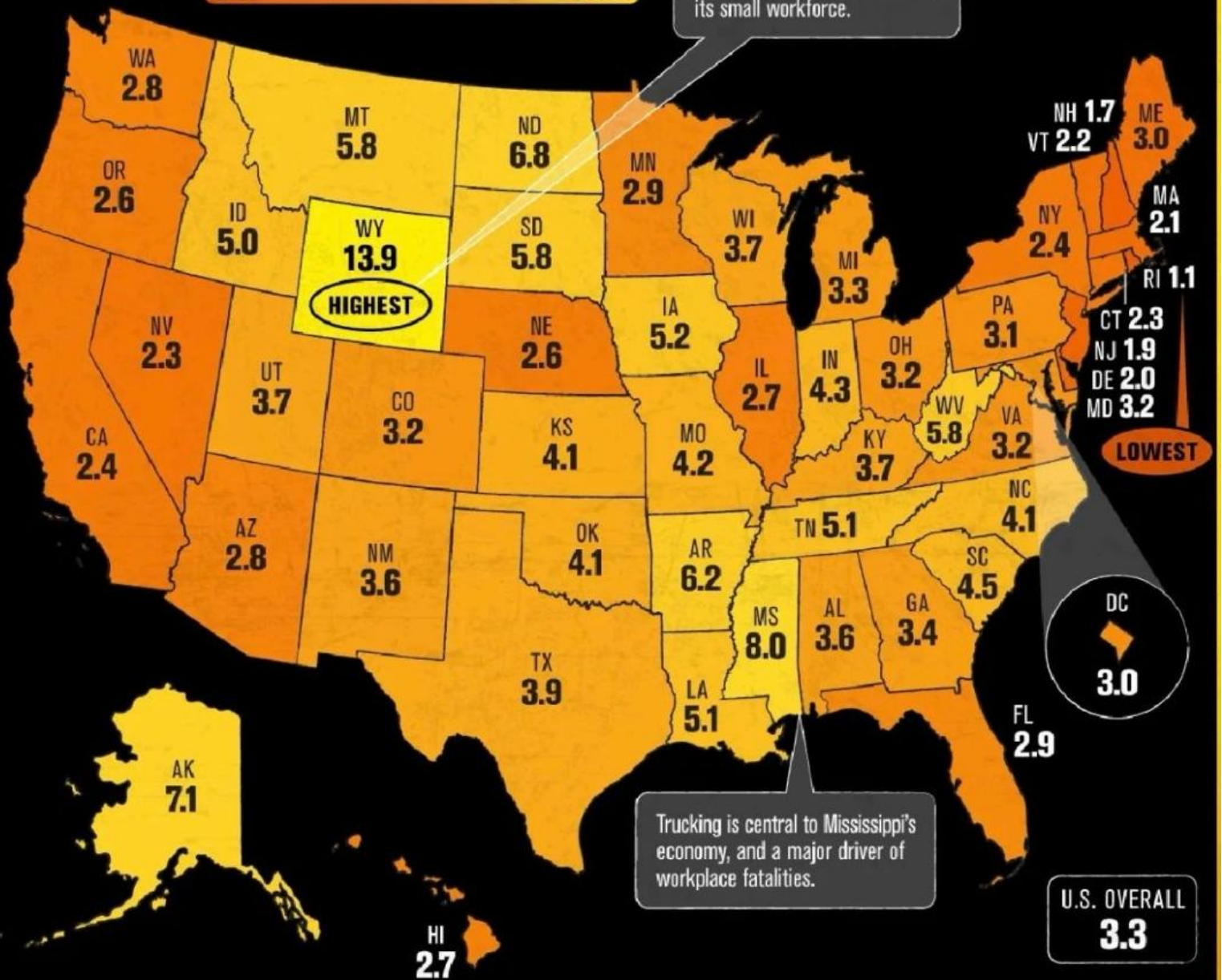


WORKPLACE FATALITY RATE BY STATE

FATAL INJURY RATE 2024
PER 100K FULL-TIME EQUIVALENT EMPLOYEES

1.1 13.9

Wyoming's fatality rate reflects high-risk industries dominating its small workforce.



U.S. OVERALL
3.3