



Weekly Macro Call

October 20, 2025

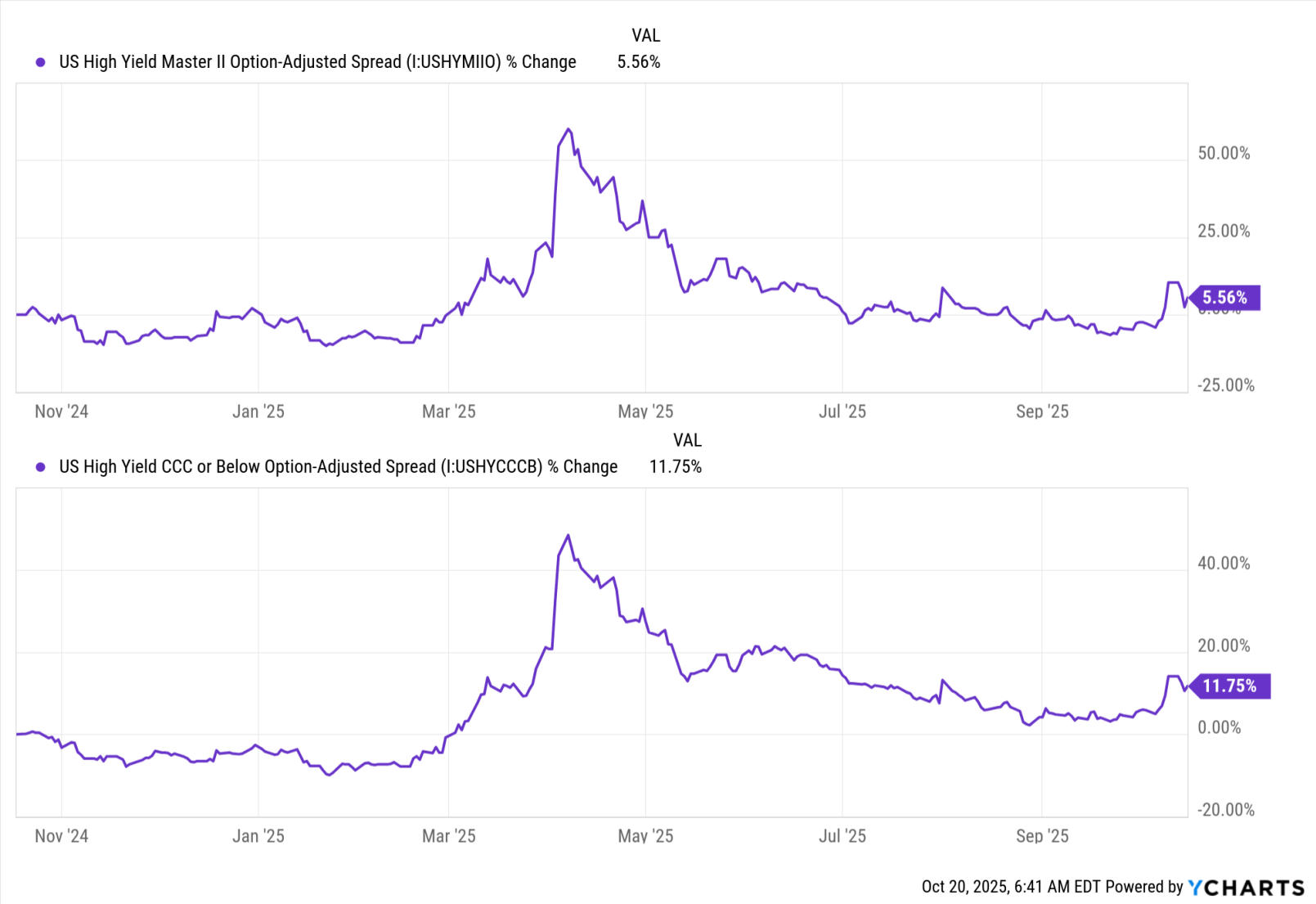
MARKET RECAP

Broad Equity Markets	Level	1 Week	QTD	YTD	3MO	6MO	1YR
S&P 500	6,664.01	1.71	-0.31	14.47	6.72	27.12	15.55
NASDAQ 100	24,817.95	2.46	0.58	18.79	8.52	36.41	23.92
Dow Jones Industrial	46,190.61	1.56	-0.40	10.03	4.82	17.45	9.07
Russell 2000	6,094.27	2.41	0.67	11.13	10.48	32.50	8.71
FTSE Developed International	2,495.67	0.74	0.49	27.49	7.69	20.67	20.76
FTSE Emerging International	2,039.37	-0.92	-0.13	22.31	8.26	25.79	17.15
Bloomberg US Aggregate Index		0.45	1.03	7.23	4.05	4.92	4.99
S&P GSCI		0.00	-1.92	4.06	0.32	5.90	7.37
Bitcoin	106,533.19	-8.70	-6.57	13.51	-10.67	26.61	56.86
Gold	4,224.75	6.30	10.44	61.92	27.11	27.14	57.92

Interest Rates		Last four weeks:				3 Months Ago	1 Year Ago
	Levels as of:	10/17/2025	10/10/2025	10/3/2025	9/26/2025	7/17/2025	10/17/2024
3 Month Treasury Yield		4.00	4.02	4.03	4.02	4.41	4.74
2 year Treasury Yield		3.46	3.52	3.58	3.63	3.91	3.96
10 Year Treasury Yield		4.02	4.05	4.13	4.20	4.47	4.09
30 Year Treasury Yield		4.60	4.63	4.71	4.77	5.01	4.39
CBOE VIX		16.6	15.3	15.5	14.8	16.4	19.6

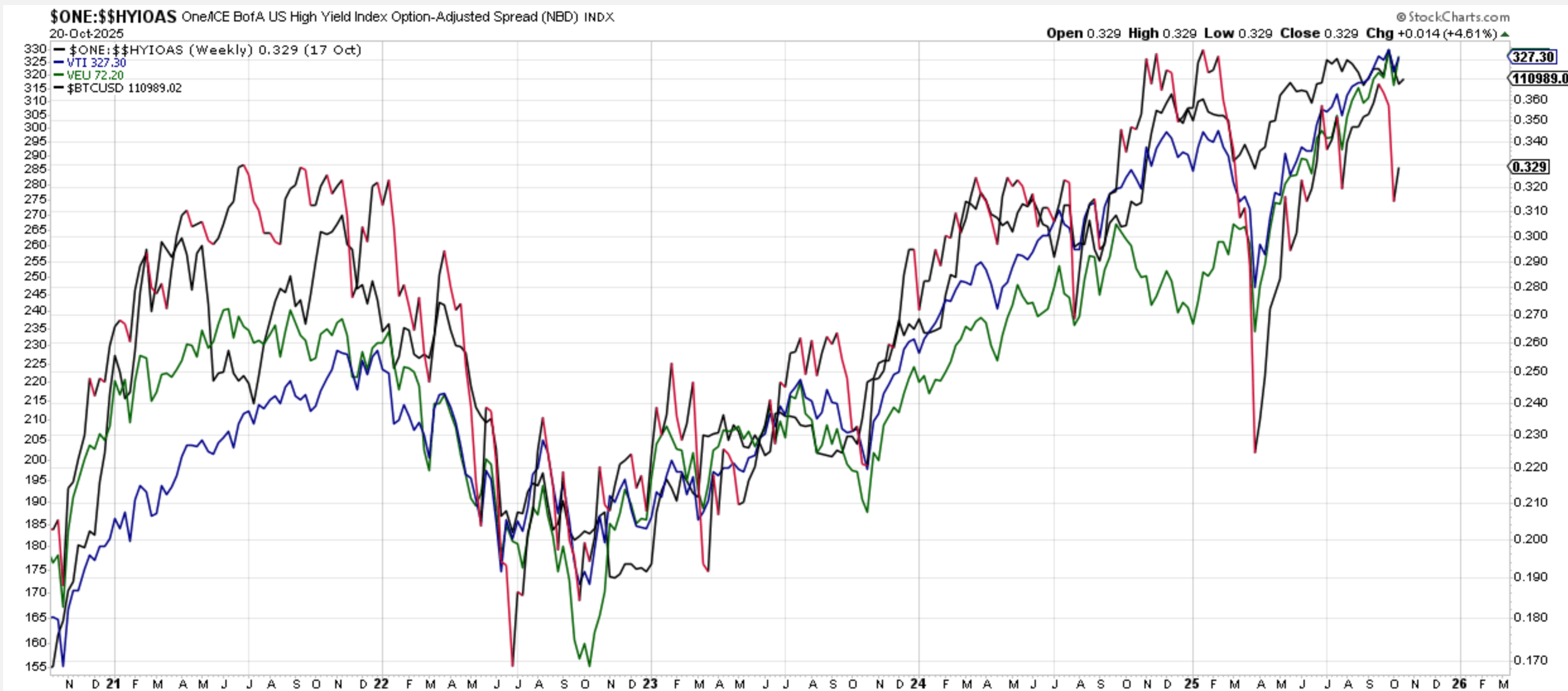
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CREDIT SPREADS MOVING HIGHER = RISK OFF



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BITCOIN IS ALSO FOLLOWING HIGH YIELD SPREADS LOWER



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THE PERCENTAGE OF STOCKS ON BUY SIGNALS ARE FALLING TOO

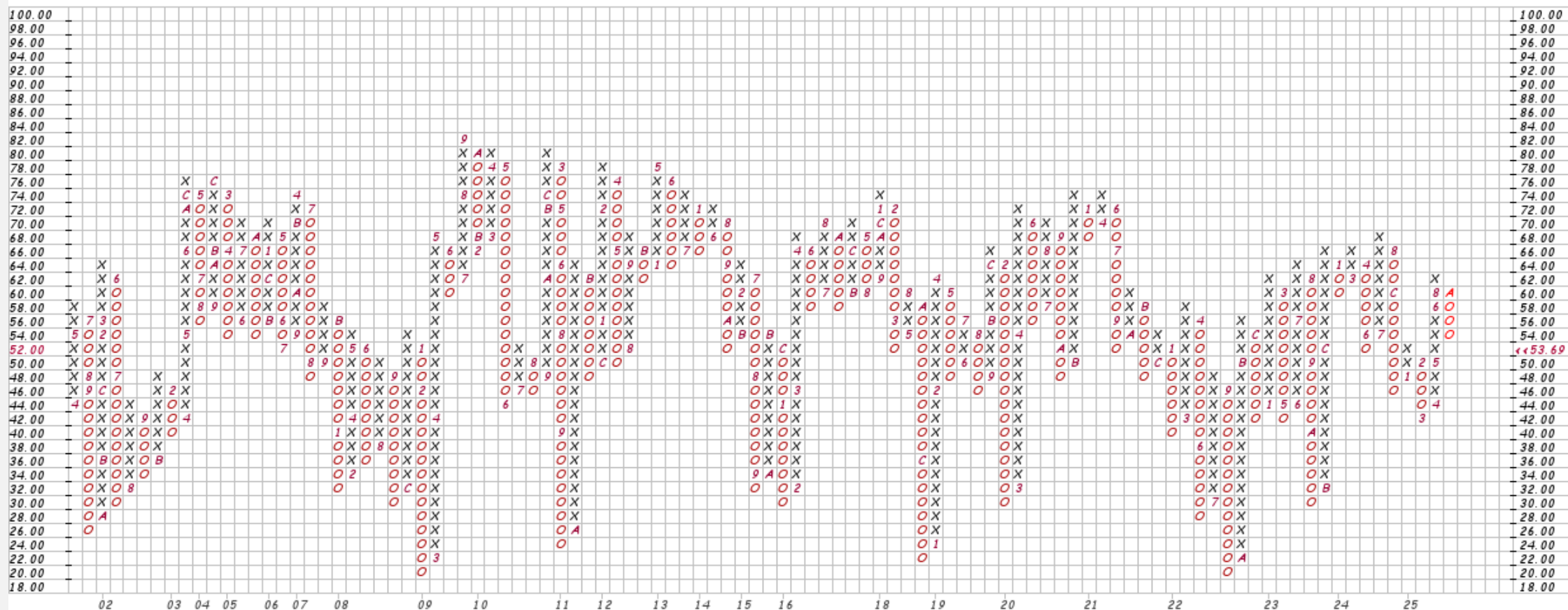
\$BPNYA NYSE Bullish Percent Index INDXX

17-Oct-2025, 16:00 ET, monthly, O: 58.186, H: 60.183, L: 53.569, C: 53.691, Chg: -4.505 (-7.74%)

Status Bull Correction on 01-Oct-2025

Scaling: User-Defined [Reversal: 3, Box Size:2.0]

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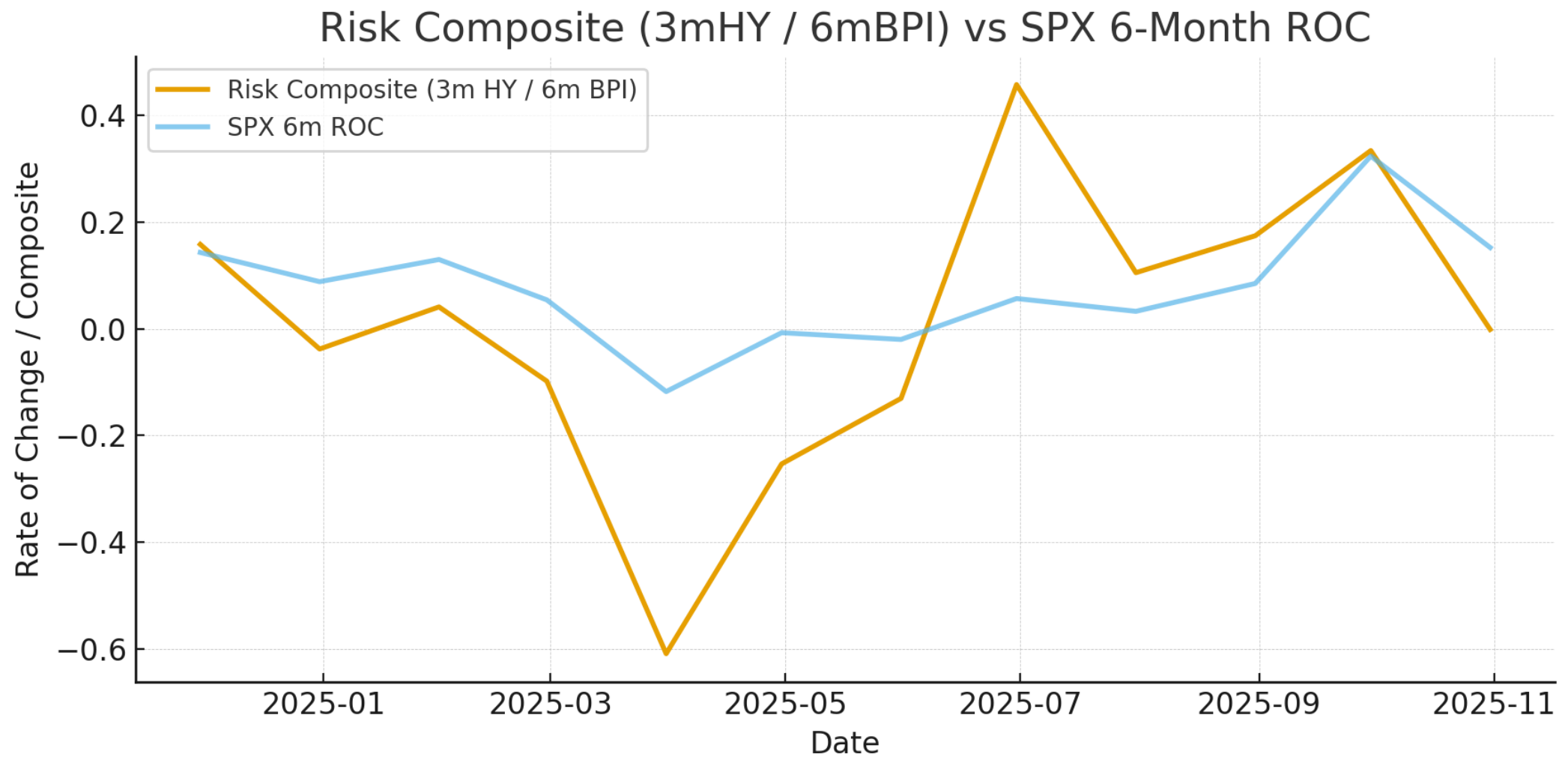
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RISK COMPOSITE MOVING NEGATIVE



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WILL STOCKS FOLLOW OUR RISK COMPOSITE LOWER?



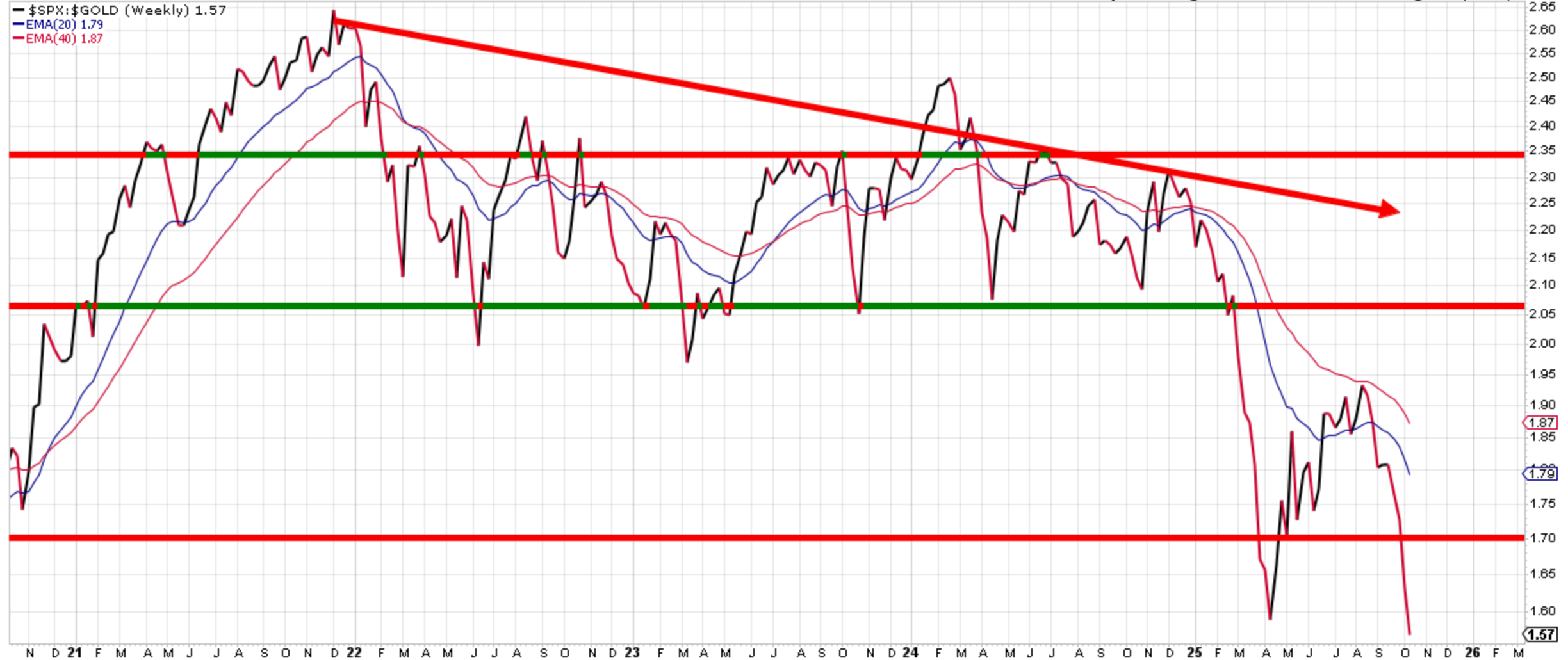
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STOCKS HAVE ALREADY BROKEN DOWN AGAINST GOLD

\$SPX:\$GOLD S&P 500 Large Cap Index/Gold - Spot (EOD) IND/CME

17-Oct-2025

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6000-6150 SEEMS A LIKELY PULLBACK TARGET SHOULD STOCKS STRUGGLE



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WATCH THE DOLLAR

\$USD US Dollar - Cash Settle FOREX

Open: **98.53** Ask: Mkt Cap: P/E:
High: **98.58** Bid: Fwd Dividend: **N/A** EPS:
Low: **98.39** Last: Fwd Yield: **N/A** Last Earnings:
Prev Close: **98.54** Optionable: **no** SCTR: Next Earnings:

© StockCharts.com
Monday 20-Oct-2025 11:29 am
▲ **+0.03%**
Chg: **+0.03**
Last: **98.56**
Volume: **0**



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Equity Insights

Kim Abmeyer, CFA, CFP[®], EA



Q3 2025 EARNINGS SEASON TO DATE

- The percentage of S&P 500 companies reporting positive earnings per share (EPS) surprises is above the 5- and 10-year averages.
- The size of these earnings surprises is below the 5- and 10-year averages.
- Overall, the S&P 500 is reporting higher earnings for the third quarter compared to the end of last week and the end of the quarter.
- The index is on track for its ninth consecutive quarter of year-over-year earnings growth.
- So far, 12% of S&P 500 companies have reported Q3 2025 results, with 86% of them beating EPS estimates.
- Companies are reporting earnings that are, in aggregate, 5.9% above estimates.
- The blended earnings growth rate for Q3 is currently 8.5%, up from 7.7% last week.
- Positive EPS surprises from the Financials sector have been the primary driver of the increase in the overall earnings growth rate.
- Seven of the eleven sectors are projected to report year-over-year growth, led by Information Technology, Financials, Utilities, and Materials.
- Four sectors, led by Energy and Consumer Staples, are reporting a year-over-year decline in earnings.



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MARKET STUFF

- The market has seen a break in the "fever" for speculative assets like metals, quantum stocks, and cryptocurrencies.
- A primary focus for the week ahead is whether the financial sector, particularly regional banks, can sustain Friday's rebound after a significant drop.
- Will money rotate from speculative names into large-cap stocks, using Meta (META) as an example?
- Meta is holding support at the **\$700** level, but a failure to push past the **\$725-\$730** resistance area could lead to a breakdown on the next downturn.
- There are a few short-term bullish indicators, including a slightly oversold market, a VIX reversal, and the highest equity put/call ratio since late August.
- However, many indicators remain poor, such as mediocre market breadth and negative net volume on the Nasdaq, even as the index itself was green.
- The Nasdaq McClellan Summation Index is heading down, which highlights underlying weakness.
- The **\$240** level on the iShares Russell 2000 ETF (IWM) is a critical support level to watch, as a break below it could challenge the perception of a recent market breakout.



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SOLD MODEL HOLDING VZ, BOUGHT BULLPEN IDEA – UTG

10/16: Sold Verizon, VZ, which went ex-dividend on 10/10, and swapped into UTG, which went ex-dividend on 10/17. We like to call this a 5 for 4, meaning in roughly a year's time, you end up getting paid five dividend payments since you were on the books for the sold security and immediately went on record for the upcoming dividend of the new security. In this case, it equates to a ~7.4% dividend all taxed at a tax-efficient rate of either LT capital gains or qualified.



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Portfolio Company Earnings the Week of 10/13 – JPM

10/14:

JP Morgan Chase & Co., JPM, \$297.50, Div. Yield 2.01%, Ex. Dividend Date 10/6/2025:

EPS Estimate: \$4.87

EPS Actual: \$5.07, 4.01% surprise

Price targets are \$235-\$370, targets raised to ~\$360

Banks are putting in a rock-solid set of earnings!

JPM obliterates expectations, for example:

Revenue: \$47.12 billion vs. \$45.4 billion expected, up 9% YoY

EPS: \$5.07 vs. \$4.84 expected, up 16% YoY

Net interest income: \$24.1 billion, up 2% YoY

Net income: \$14.39 billion, up 12% YoY

JPMorgan says credit performance remains 'in-line' with expectations:

Says investment banking pipeline "remains robust." Says seeing "very healthy" deal flow. Says trends in wholesale loan growth "solid." Says consumer resilient, spending is strong. Says, "we don't like buying back stock at current levels." Says consumer delinquencies "trending below expectations." Says "pretty easy" to imagine labor market deterioration. Sees "additional risk" in non-bank financial firms. Say regarding Tricolor, can't assume there is a systemic problem in private credit.



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Portfolio Company Earnings the Week of 10/20- EQT, IBM, TSLA, URI, HON

10/21:

EQT, Inc., EQT, \$54.06, Div. Yield 1.18%, Ex. Dividend Date 8/6/2025:

EPS Estimate: \$0.40

Price targets are \$46-80

10/22:

International Business Machines, IBM, \$281.64 , Div. Yield 2.44%, Ex. Dividend Date 8/8/2025:

EPS Estimate: \$2.45

Price targets are \$198-\$350

Tesla, TSLA, \$439.07:

EPS Estimate: \$0.55

Price targets are \$120-\$600

United Rentals, Inc., URI, \$980.30, Div. Yield 0.71%, Ex. Dividend Date 8/13/2025:

EPS Estimate: \$12.32

Price targets are \$620-\$1,400

10/23:

Honeywell, HON, \$202.94, Yield 2.34%, Ex. Dividend Date 11/14/2025:

EPS Estimate: \$2.57

Price Targets are \$210-\$290



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