

# MARKET NOTE . . .

TACO... or Proper Burger? It seems we're in it to win it, and not just say we did. Of course, it would be hard to say we won when some little piece of water remains out of control. Then, too, you never know. Meanwhile, markets are no longer bending, they are showing real deterioration in terms of A/Ds and expanding new lows. We are not sure that a washout with its 90% down-days is in the offing. There are all those oil stocks and all those Utilities still acting well, and a number of Staples still hold together. The latter, however, have turned down together with a few of the sacred like Micron (MU - 444). As for Micron, it's never good to see good news ignored - it's the market that makes the news. On the positive side, getting around to everything is part of making a tradable low. A spike in the VIX (24), seeing a drop in stocks above the 50- and 200-day averages to 20-30% would also be a positive.

We are not brave enough to be negative on Nvidia (NVDA - 179), and besides that we're not negative on Nvidia. Like Micron however, it did a good job of ignoring the good news of "Nvidia day". As we like to point out, stocks are not their companies. Nvidia is a great company, who is left buy the stock? Meanwhile, Oil stocks have shown you what under-owned and under-loved stocks can do.

Micron always holds a place in our heart for a lesson learned. Quite some time ago, back when we actually knew what we were doing, we decided to short the stock around \$90. As much as the toppy chart, we had figured out the shortage in DRAMs was more about the resulting double and triple ordering. We lost a little money a few times in that trade and decided to stop sticking needles in our eyes. We did, however, go back when the stock was around 30, selling at about four times earnings and growing at 30% in their latest quarter. We recall covering the stock in the mid-teens. The lesson learned - it's easier to follow trends than to pick tops.

Frank D. Gretz

**PHILIPPS 66 (PSX - 178)**



**KODIAK GAS SERVICES (KGS - 57)**



**STATE ST UTILITES SECTOR ETF (XLU - 47)**



**DELL TECHNOLOGY (DELL - 157)**



**3001133 2330251113**