

MARKET NOTE . . .

The market is like the Mets... you gotta believe. And they do! The first hint that peace is at hand, and they're up and running. Up openings haven't proven fruitful up until now, but Tuesday got a second wind when "notes" were exchanged. Hey, that seems worth 1000 Dow points. What these rallies do is abort any real washout. The VIX hasn't really spiked, stocks above their 200-day are at a modest oversold level of just 40%. Then, too, not every decline ends in a washout. And, more subjectively, at lows they get around to everything, so to speak, and that was the look Monday. GE Vernova (GEV - 895) was the best chart around three days ago, and then dropped 100 points. A friend used to quip he was a good trader, all he needed was a bull market. Until Wednesday we had all become really bad traders, but good short sellers.

Most stocks lifted Tuesday and Wednesday, keeping the advance-decline numbers healthy. Gold stocks were strong for a change, and that could well continue. A few weeks ago GDX (96), the Gold Miners ETF, saw only 10% of its components down 20% from their highs. Last week all were 20% below their highs. If that sounds washed out, it is. Meanwhile, the Russell 2000 had a rapid 10% pullback from a three-year high. According to Sentimentrader.com this specific pattern has led to poor performance over the next 2 to 3 months. It seems, too, that more than 30% of the Russell holds revolving debt, and \$360 billion of that expires this year. It's likely much of that was around zero percent, hard to come by these days.

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GE VERNOVA (GEV - 895)



VAN ECK GOLD ETF (GDX - 96)



XPO INC. (XPO - 198)



ROSS STORES (ROST - 220)



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