

EQUITIES PERSPECTIVE

April 17, 2025

DJIA: 39,225

He said Xi said ... down by the school yard. It almost seems to have come to that, a spat more than policy making. The result is uncertainty has come to dominate, wreaking havoc on planning. We pity the poor fundamental analysts, though the technical analysis side is not without its trauma. Still, supply and demand are the market's drivers, and washed out is still washed out - and how the market seems. Historically, when stocks above the 200-day drop below 20% and the VIX spikes above 30, stocks are higher a year later virtually every time. Meanwhile, the recent low in stocks perhaps has bonds to thank, and the corresponding spike in something called the SKEW - said to measure the likelihood of a Black Swan event. Such was the extent of last week's worry. Panic of course begets selling and selling not buying makes lows. The positive for Wednesday's market was diminished selling, arguing for a "test" rather than a new leg down. Happy Easter, watch a movie - Netflix (NFLX - 972).

(Prices as of midday 4/17/25)

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