



Market in a Minute

September 16, 2025

Index Performance: As of September 12, 2025

Index	Price	Last Week	YTD
S&P 500	6,584.29	1.59%	11.95%
Dow Jones	45,834.22	0.95%	7.73%
NASDAQ	22,141.10	2.03%	14.66%
Russell 2000	13,084.83	0.27%	8.50%
Russell 2000 Growth	11,764.77	0.76%	9.07%
Russell 2000 Value	18,954.89	-0.24%	7.88%
Russell 1000 Growth Total Return	4,796.04	2.48%	15.03%
SPDR Gold Shares	335.42	1.32%	38.53%
Powershares US \$ Index	27.39	-0.04%	-6.90%
iShares EAFE Index	92.99	1.31%	22.99%
Barclays Aggregate Bond Index	100.54	0.44%	3.76%
iShares Barclays 20+ Yr Treasury Bond	89.95	1.57%	3.00%
Utilities Select Sector ETF	85.5	2.43%	12.96%
Vanguard REIT ETF	92.81	0.37%	4.19%
iShares Mortgage Real Estate	23.15	-1.82%	8.43%
Alerian MLP ETF	47.76	0.00%	-0.83%
iShares Global Telecom	124.36	1.59%	28.64%
ETFMG Alternative Harvest ETF	31.04	-6.59%	15.48%
Grayscale Bitcoin Trust	91.75	4.67%	23.95%
Shanghai SE Index	3,870.60	1.52%	15.48%

A Word on the Market

By: Patrick Adams, CFA



Federal Reserve Meeting:

- The Fed will cut by .25% on Wednesday to bring down the high-end of the Federal Funds rate to 4.25%. There is an outside chance of a .50% cut.
- We are expecting some Fed Governors might vote for .50%
- We believe the market is expecting 3 cuts by year-end.
- Additionally, the Dot Plots will be refreshed and expect to see the Federal Funds rate down to 3.25% by year-end 2026.
- We believe the market wants a total of 1.25% in cuts.
- We would like to see the Quantitative Tightening to stop for the mortgage market to allow the housing market to function.
- Powell delivered what the market wanted in his speech at Jackson Hole. The market wants to see visibility of 3 cuts by year-end or some form of significant loosening.
- The 2-Year Treasury started the year at 4.25% and is now at 3.5%. There is a high degree of correlation between the 2-Year and the Federal Funds rate which implies the market is saying the Federal Funds rate should be 3.5%.

Source: Bloomberg & Yahoo.com, Returns are appreciation only.

S&P Sector Performance: As of September 12, 2025

Index	Price	Last Week	YTD
Information Technology	5,406.67	3.09%	17.29%
Consumer Disc.	1,914.00	1.29%	4.52%
Consumer Staples	888.9	-0.15%	4.13%
Health Care	1,606.00	0.15%	0.08%
Financials	892.69	1.32%	10.97%
Industrials	151.58	0.43%	15.04%
Energy	672.4	1.53%	2.68%
Communications Services	424.25	0.83%	24.17%
Utilities	431.78	2.38%	12.17%
Materials	582.12	0.02%	9.88%
Real Estate	265.11	0.32%	3.59%

Source: Bloomberg website, Returns are appreciation only

PVG Strategies			
Tactical Strategies	QTD	YTD	Average Annual Return as of 6/30/25
Tactical Total Return	2.54%	4.11%	8.11%
Dynamic Core	4.04%	5.32%	8.48%
Tactical Growth	0.17%	0.84%	18.50%
Loss Averse			
Loss Averse Equity Income	2.80%	4.12%	3.66%
Specialty			
Emerging Healthcare	-4.64%	6.62%	68.64%
Focus			
High Income Focus 10	3.01%	8.17%	6.80%
Growth Focus 10	-1.64%	7.61%	11.66%



Market Outlook:

- We think the market desperately needs a significant cut in rates to support the valuation. The next 12 months P/E multiple for the S&P 500 is 23.2, which is an earnings yield of 4.3%, slightly lower than the Federal Funds rate, this is way too tight on rates or valuations need to come down for the market.
- There are significant signs of speculation in the market, ORCL and Ethereum are the latest tulips.
- The market keeps plotting along. It is interesting that ORCL jumped as much as 42% on their quarterly earnings report from a very large order from OpenAI where ORCL will provide the infrastructure starting in 2027 for \$300 billion in services. We find this stock movement as bizarre as there are so many ifs and buts around the ability of OpenAI to pull the funds together.
- Have you seen the craziness now in Ethereum? “Wall Street” is funding companies to buy Ethereum and these little shell companies are flying and Ethereum is flying, creating a speculative bubble.

Emerging Healthcare Focus 10	8.92%	12.24%	11.29%
Strategic			
Tactical Aggressive	-1.20%	5.01%	15.66%
Tactical Moderate	2.87%	2.76%	10.45%
Tactical Conservative	3.10%	5.23%	7.56%
Tactical Income	3.07%	8.13%	7.21%

Interest Rates			
Fed Fund	4.33 %	5-Year	3.59%
3-Month	4.08%	10-Year	4.01%
6-Month	3.82%	30-Year	4.65%
2-Year	3.52%		

Source: Bloomberg.com

Economic Events This Week			
Date	Report	Forecast	Previous
Sept 15	Retail Sales	0.3%	0.3%
Sept 15	Retail Sales ex-auto	0.3%	0.3%
Sept 16	Capacity Utilization	77.4%	77.5%
Sept 17	Business Inventories	0.2%	0.0%
Sept 17	Housing Starts	1375K	1428K
Sept 17	Building Permits	1370K	1362K
Sept 18	Initial Claims	245K	263K
Sept 18	Philadelphia Fed Index	3.0	-0.3
Sept 18	Leading Indicators	-0.1%	-0.1%

Economic Events Last Week			
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Technicals

- There is a very large diversion between momentum stocks and everything else, which usually comes toward the end of a market move.
- The MSCI USA Momentum ETF is up about 23% YTD, the S&P 500 about 12% and the Equal Weight S&P 500 just 7.6%.
- As the Fed cuts rates the market should broaden.
- There are clearly some elements of a bubble in the market, but not the broad market. The market needs to rotate out of speculative stocks into more economically sensitive stocks, but the Fed needs to cooperate.
- The S&P 500 is less than 1% from the top of the channel of a very steep upward slope.

Sept 11

CPI reports shows accelerated inflation in August, but not enough to stop a rate cut

Sept 11

First-time unemployment claims surge to highest level since 2021

Sept 12

Consumer sentiment hits four-month low in September as lower and middle-income Americans worry about jobs

Momentum vs SPX and RSP



S&P 500 Index

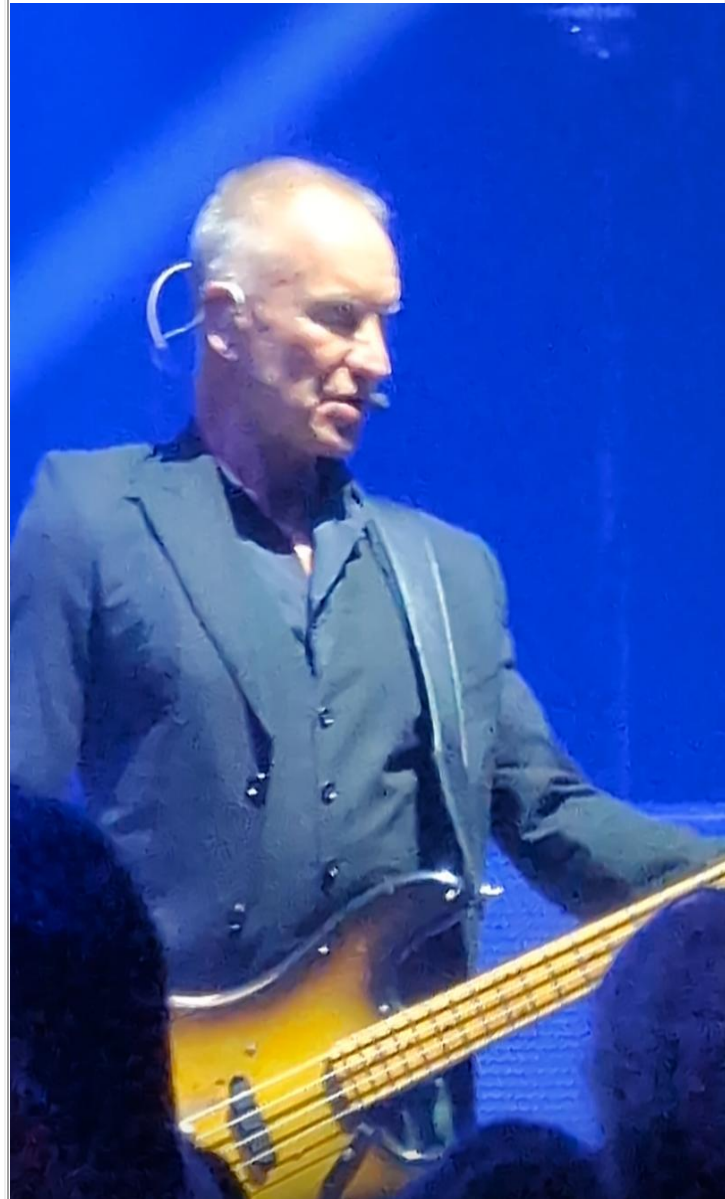


Healthcare Conference in New York and BDCs on Site Meetings:

- We attended the Wainwright Healthcare Conference and met with about 40 companies.
- AVXL- sounds like they are about half done with the requests for information from the EMA for approval of their Alzheimer's drug. We sense that an FDA filing is not far behind.
- Vivek Ramaswamy started a fund to acquire small biotech companies that trade below cash to fund the purchase of crypto currency. Really, I am not kidding!
- AVDL thinks they have a strong case against JAZZ to win a lawsuit for as much as \$1 billion. The case will start in November, and the proceeds will be paid to shareholders.
- MDWD- we have been following this stock for years and think it is now timely. They are finally bringing on more capacity to 4x their revenues

and are up for a large contract from the U.S. Department of War.

- Gene editing is making a comeback...CRSP and BEAM...look at the charts.
- CAPR is very interesting, we think it gets approved. PUDFA date in November.
- Lastly, the Business Development Companies (BDCs) all have the same problem, declining interest rates will cause their dividends to be cut. As an example, if the yield on their portfolio is currently 10.4% and drops to 9.4% the dividend gets cut. Best way to play the group is their bonds. FSK has a big yield with a .70 quarterly dividend. We think it is going to .50.
- Sting was the entertainment at the conference...I am a big fan! He had some good stories.



Charlie Kirk:

- **What a tragic shame and the jubilation of some is utterly despicable!**
- **We are guessing more will come from this to contain the spread of hate and violence.**
- **We think there is some practical investment theme to come out of this. Just be aware there is a major shift around the world to nationalism from globalism.**
- **The MAGA brand and movement brought out 3 million in London.**
- **Reshoring is one of our major themes...small caps will play well over the years.**
- **AEO was a brilliant ad campaign to upset the far left and get support of the mainstream.**
- **Rest in Peace!**

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