



## Market in a Minute

February 10, 2026

### Index Performance: As of February 6, 2026

| Index                                 | Price     | Last Week | YTD     |
|---------------------------------------|-----------|-----------|---------|
| S&P 500                               | 6,939.03  | 0.34%     | 1.37%   |
| Dow Jones                             | 48,892.47 | -0.42%    | 1.73%   |
| NASDAQ                                | 23,461.82 | -0.17%    | 0.95%   |
| Russell 2000                          | 14,332.61 | -2.07%    | 5.35%   |
| Russell 2000 Growth                   | 12,675.03 | -3.09%    | 3.48%   |
| Russell 2000 Value                    | 21,139.38 | -0.96%    | 5.78%   |
| Russell 1000 Growth Total Return      | 4,868.49  | -0.48%    | -2.18%  |
| SPDR Gold Shares                      | 445.6     | -2.71%    | 12.44%  |
| Powershares US \$ Index               | 26.85     | -0.22%    | -0.67%  |
| iShares EAFE Index                    | 100.72    | 0.75%     | 4.88%   |
| Barclays Aggregate Bond Index         | 99.8      | -0.31%    | -0.08%  |
| iShares Barclays 20+ Yr Treasury Bond | 86.8      | -1.29%    | -0.41%  |
| Utilities Select Sector ETF           | 43.26     | 1.64%     | 1.34%   |
| Vanguard REIT ETF                     | 90.8      | 0.29%     | 2.61%   |
| iShares Mortgage Real Estate          | 22.77     | -3.19%    | 2.66%   |
| Alerian MLP ETF                       | 50        | 1.52%     | 6.34%   |
| iShares Global Telecom                | 126.05    | 3.57%     | 3.98%   |
| ETFMG Alternative Harvest ETF         | 26.08     | -12.81%   | -12.45% |
| Grayscale Bitcoin Trust               | 65.38     | -6.36%    | -4.36%  |
| Shanghai SE Index                     | 4,117.95  | -0.44%    | 3.76%   |

### A Word on the Market

By: Patrick Adams, CFA



#### Market Update

- To reiterate and make sure everyone gets sick of hearing this, we believe the markets will have volatility somewhat similar to last year when the market did drop around -20% from high to low.
- There are **high expectations** of about 14% earnings growth for the S&P 500, with about 30% for the technology sector. **The concern we have is with these very high expectations that there is not much room for disappointing results.**
- The S&P 500 is up double digits **3 years in a row**, and it has been difficult to do it 4 years in a row.
- **We want to make the point that this year could be very rewarding if positioned in the right stocks.** We believe the rotation will continue into small cap, cyclical, value, biotech, growth cyclicals, which would include some technology stocks.
- The market needs rate cuts to fuel this rotation. **The Employment report comes out on Wednesday and will likely show weakness, if the market may start to discount a cut.**
- **In the short-term, our view of a cyclical rotation has worked well but we don't think it will be a straight line up.**
- **We bought AMZN (AMZU)** on this dip as we were anticipating with the market's negative view on these quarterly reports. AMZN \$200 billion in cap ex this year beats GOOG at \$180 billion. This spending is great for semiconductors and believe MRVL is underappreciated.

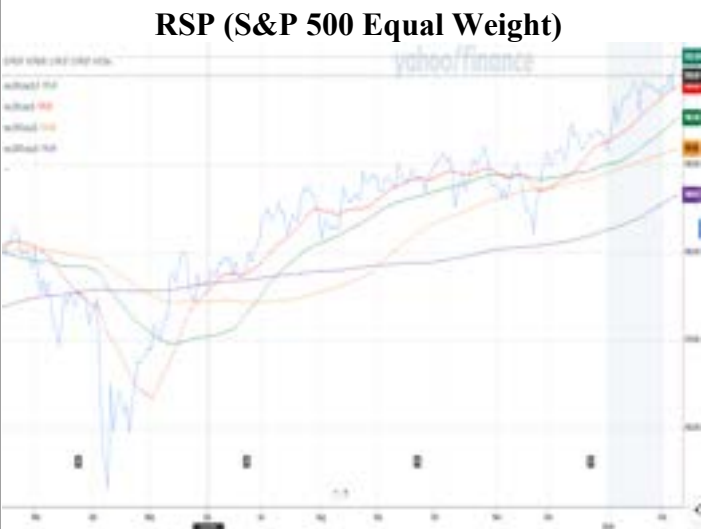
Source: Bloomberg & Yahoo.com, Returns are appreciation only.

| S&P Sector Performance: As of February 6, 2026 |          |           |        |
|--|----------|-----------|--------|
| Index  | Price    | Last Week | YTD    |
| Information Technology                         | 5,587.88 | -0.36%    | -1.69% |
| Consumer Disc.                                 | 1,961.14 | -1.42%    | 1.70%  |
| Consumer Staples                               | 929.89   | 0.81%     | 7.52%  |
| Health Care                                    | 1,802.62 | -1.73%    | -0.18% |
| Financials                                     | 887.83   | 0.69%     | -2.61% |
| Industrials                                    | 165.44   | 0.74%     | 6.65%  |
| Energy   | 786.14   | 3.88%     | 14.37% |
| Communications Services                        | 478.15   | 4.15%     | 5.69%  |
| Utilities                                      | 439.54   | 1.66%     | 1.32%  |
| Materials                                      | 624.06   | -1.21%    | 8.64%  |
| Real Estate                                    | 262.03   | 0.70%     | 2.74%  |

Source: Bloomberg website, Returns are appreciation only

| PVG Strategies            |        |        |                                      |
|---------------------------|--------|--------|--------------------------------------|
| Tactical Strategies       | QTD    | YTD    | Average Annual Return as of 12/31/25 |
| Tactical Total Return     | 0.68%  | 0.68%  | 9.27%                                |
| Dynamic Core              | 0.40%  | 0.40%  | 9.18%                                |
| Tactical Growth           | -3.17% | -3.17% | 23.96%                               |
| Loss Averse               |        |        |                                      |
| Loss Averse Equity Income | 3.63%  | 3.63%  | 4.24%                                |
| Specialty                 |        |        |                                      |
| Emerging Healthcare       | -7.32% | -7.32% | 78.79%                               |
| Focus                     |        |        |                                      |
| High Income Focus 10      | 3.30%  | 3.30%  | 7.44%                                |
| Growth Focus 10           | -2.34% | -2.34% | 14.74%                               |

- AI spending will add at least 1% to GDP growth in 2026.
- S&P 500 crazy move last week, from negative to positive.
- Software has likely hit a bottom, our favorite is NOW.
- The underlying market is doing very well, as you can see from the Equal Weight SPX, Energy, Materials, Industrials, Value, Small and Midcap and even Staples performing well. Clearly, rotation is happening and will likely continue but again it would be helpful with lower interest rates.

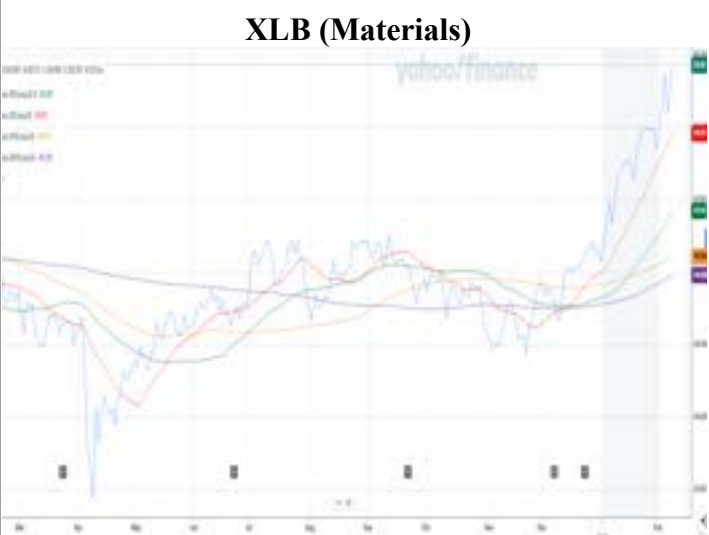
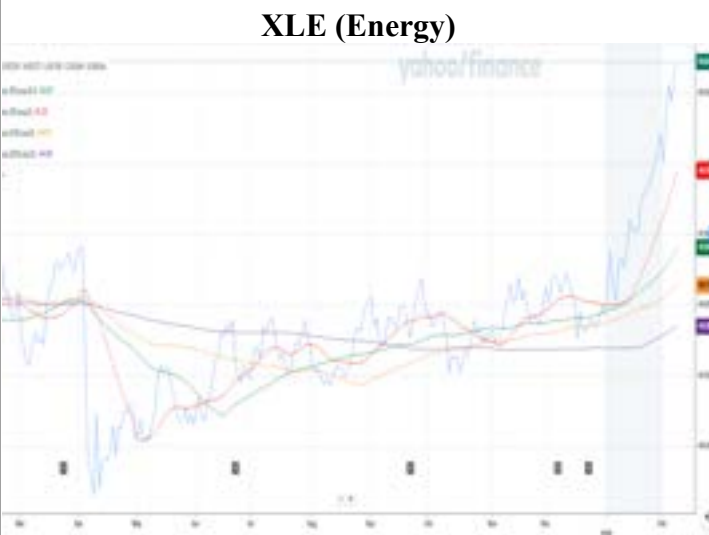
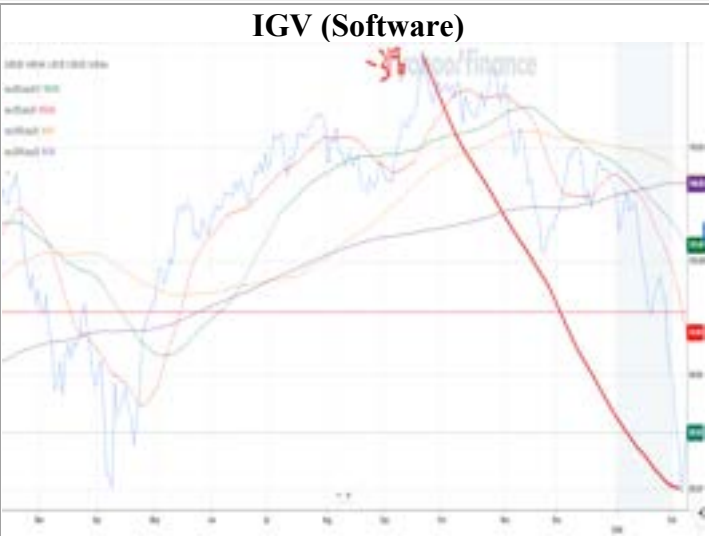


|                              |         |         |        |
|------------------------------|---------|---------|--------|
| Emerging Healthcare Focus 10 | -10.11% | -10.11% | 25.59% |
| Strategic                    |         |         |        |
| Tactical Aggressive          | 2.57%   | 2.57%   | 15.87% |
| Tactical Moderate            | 0.32%   | 0.32%   | 11.39% |
| Tactical Conservative        | 2.57%   | 2.57%   | 8.46%  |
| Tactical Income              | 3.54%   | 3.54%   | 7.50%  |

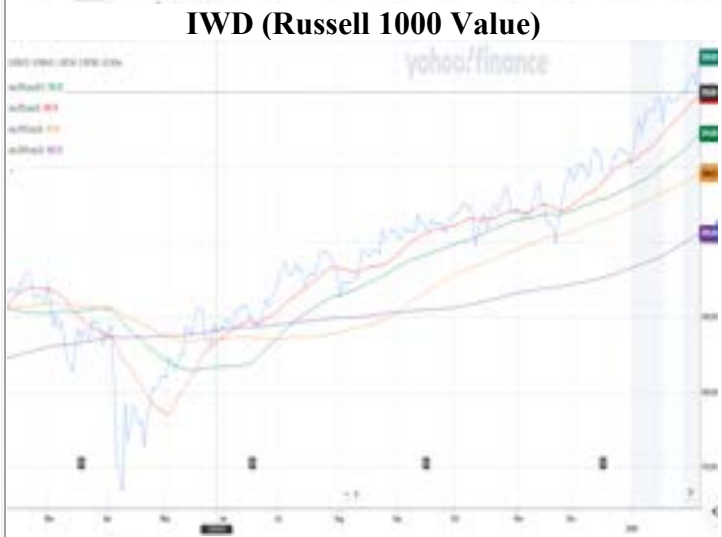
| Interest Rates |        |         |       |
|----------------|--------|---------|-------|
| Fed Fund       | 3.64 % | 5-Year  | 3.74% |
| 3-Month        | 3.67%  | 10-Year | 4.21% |
| 6-Month        | 3.58%  | 30-Year | 4.85% |
| 2-Year         | 3.47%  |         |       |

Source: Bloomberg.com

| Economic Events This Week |                         |          |          |
|---------------------------|-------------------------|----------|----------|
| Date                      | Report                  | Forecast | Previous |
| Feb 10                    | Retail Sales            | 0.4%     | 0.6%     |
| Feb 10                    | Retail Sales, Ex-auto   | 0.4%     | 0.5%     |
| Feb 10                    | Employment Cost Index   | 0.8%     | 0.8%     |
| Feb 11                    | Nonfarm Payrolls        | 68K      | 50K      |
| Feb 11                    | Unemployment Rate       | 4.4%     | 4.4%     |
| Feb 11                    | Average Hourly Earnings | 0.3%     | 0.3%     |
| Feb 11                    | Average Workweek        | 34.2     | 34.2     |
| Feb 12                    | Existing Home Sales     | 4.21M    | 4.35M    |
| Feb 13                    | CPI                     | 0.3%     | 0.3%     |
| Feb 13                    | Core CPI                | 0.3%     | 0.2%     |
|                           |                         |          |          |



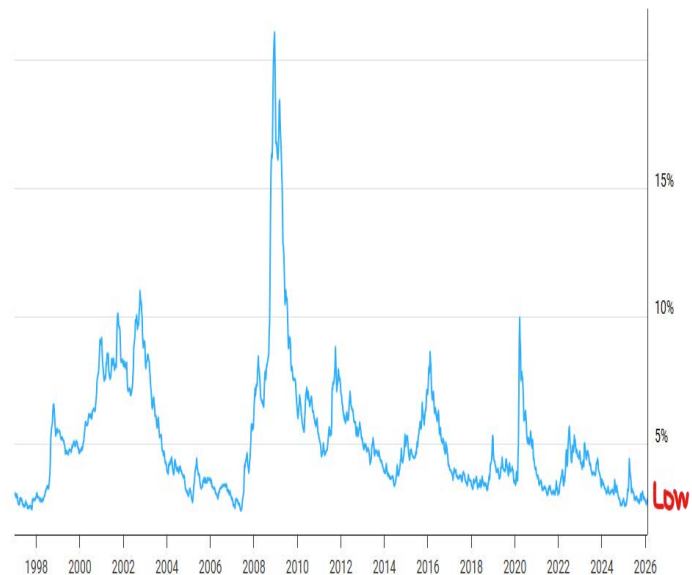
| Economic Events Last Week |  |
|---------------------------|--|
| Feb 2                     | U.S. manufacturers had a very good January – it's the rest of the year that's the problem. ISM hits 2 and a half year high |
| Feb 4                     | ADP shows 22,000 increase in private hiring, but labor market is not getting any better                                    |
| Feb 4                     | The economy got off to a decent year with the service side of the economy expanding for 19 <sup>th</sup> month in a row    |



## Stanley Druckenmiller: The 2026 Liquidity Trap is Here

- Druckenmiller is the G.O.A.T. producing 30% returns for 30 years, but he has been wrong a lot.
- He is positioned for a big bear market later this year.
- Summary of his view:
  - -30 to -50% losses this year.
  - The Fed is stuck, inflation remains high so they cannot cut rates.
  - Government debt is too high and investors will move away.
  - Watch, 10-Year going over 5%, Regional Banks with big loan losses, and Credit Spreads widening.
- We believe keeping the 10-Year below 5% is very important.
- We follow the credit spreads closely. There is no sign now of any worry about credit spreads of High Yield to Government.
- If new Fed Chairman bring down the balance sheet too fast, Stanley is likely going to be right.
- The risk to his outlook is he is wrong or early which he admits, we follow very similar indicators but use the technicals for our timing.

### Credit Spreads of High Yield minus Government Debt (27 Years)



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