

Trendlines Beat Headlines

Trending Report

Data Ending: 2023.05.08

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Honor Roll 5-Time Honoree

We Hit the Debt Limit. What Happens Now?

By Jeanna Smialek and Ashley Wu May 8, 2023

Current Situation:

- US Debt Limit was hit in January 2023.
- “Extraordinary Measures” to avoid default.
- US new X-Date is June 1, according to Janet Yellen, Treasury Secretary.

Before X-Date:

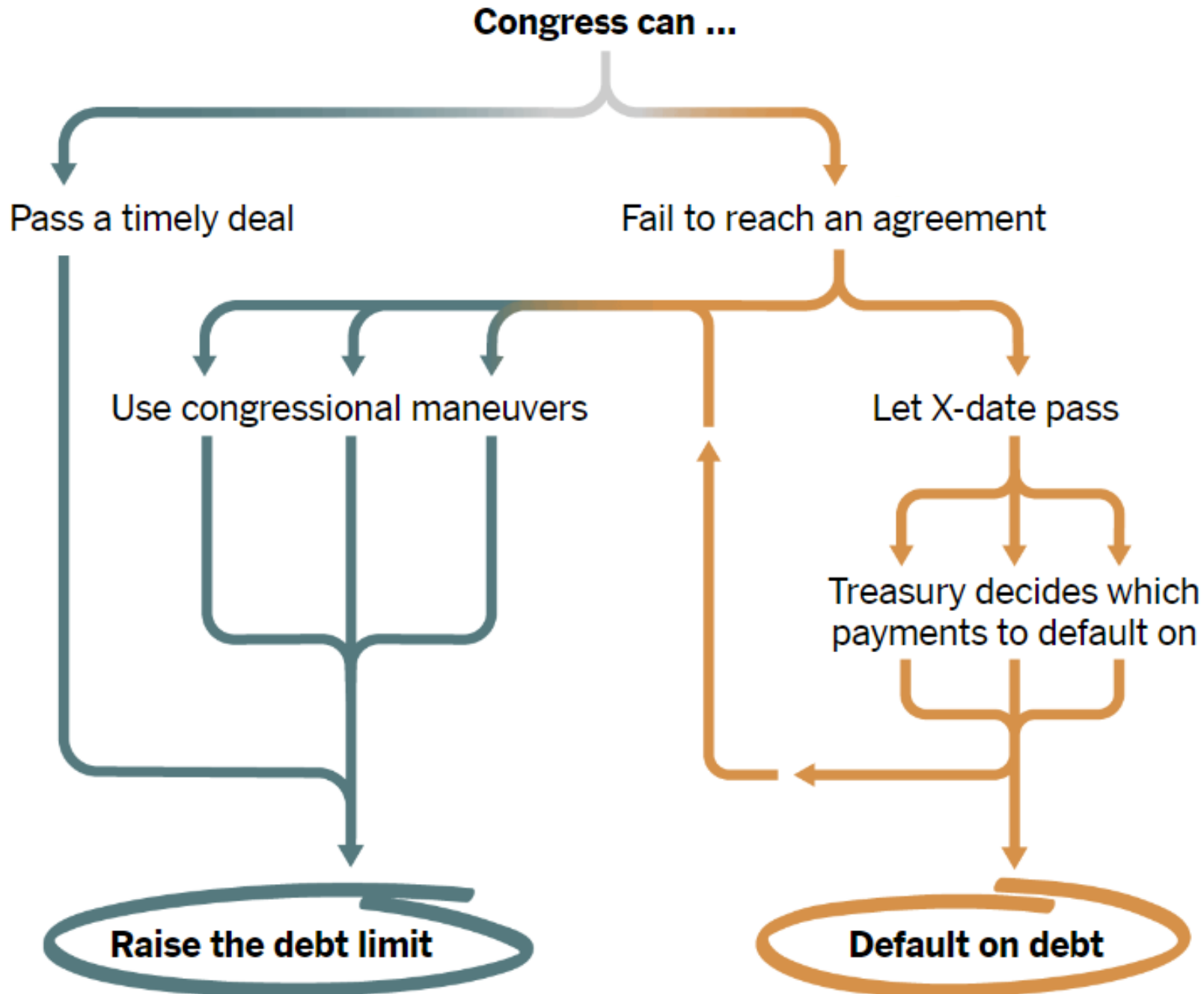
- 1) Resolution to Pass (cuts vs. no-strings).
- 2) Temporary Suspension (cloud 2024 election).
- 3) Discharge Position (House majority).

After X-Date:

- 4) Prioritize debt payments (Soc Sec, military).
- 5) Stop paying bills, except interest & principal.

Alternatives:

- 6) Mint \$1 trillion coin and deposit at Fed.
- 7) Ignore debt limit under 14th Amendment that US must honor its debts.

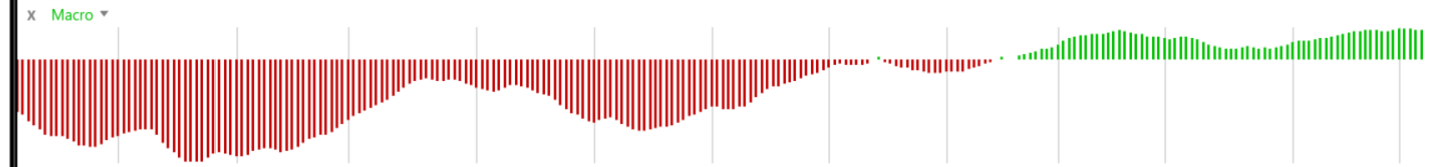
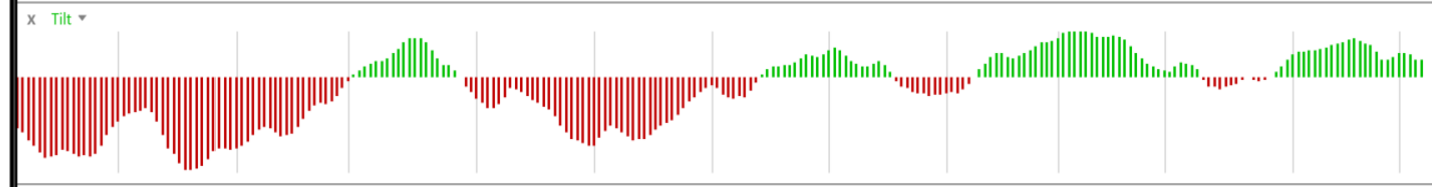
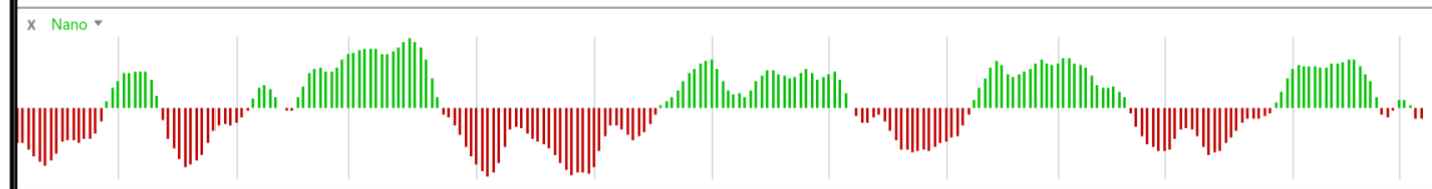
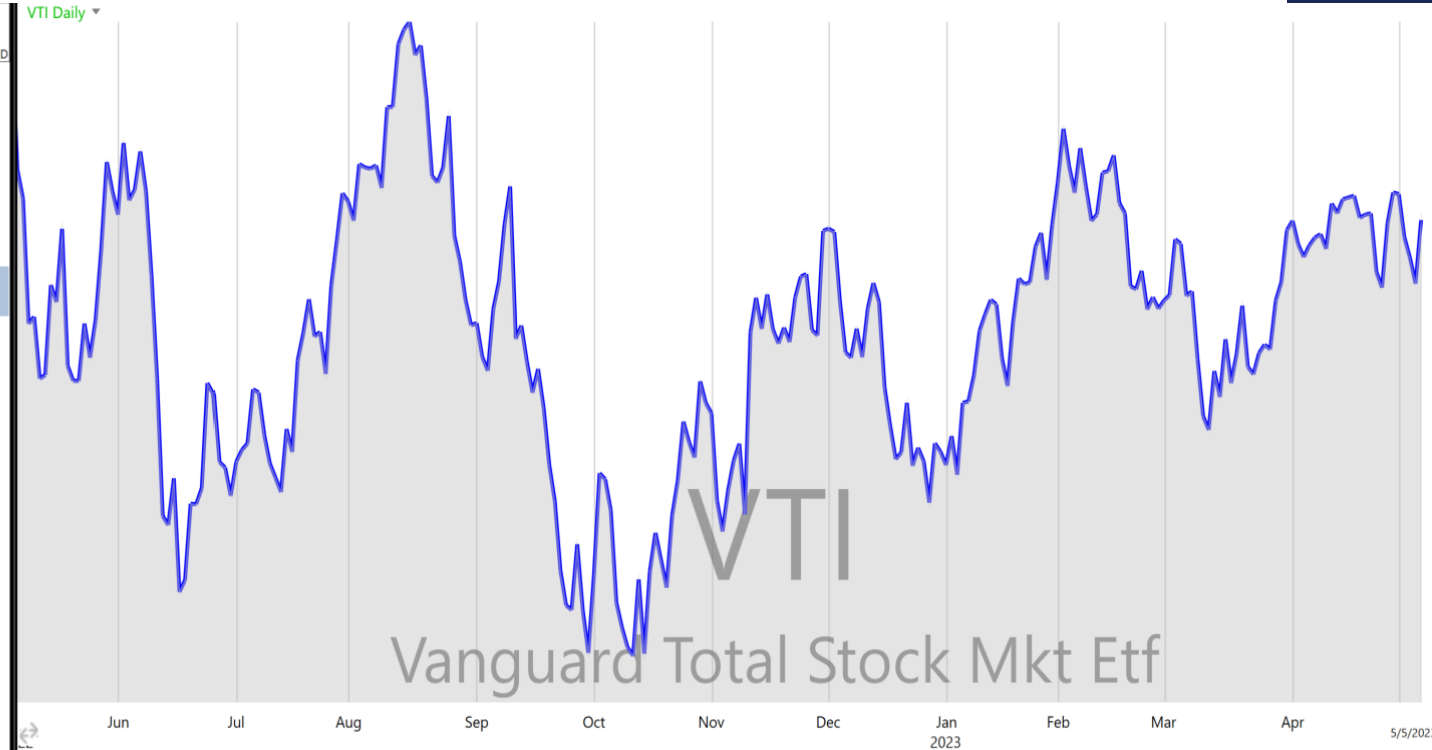


US Capitalization 1-Year Trend

Green = Tilting Bullish

Red = Tilting Bearish

Market Segments (represented by ETFs)	Macro	Mezzo	Tilt	Micro	Nano
Invesco QQQTrust Ser 1	●	●	7.0	●	●
iShares S&P 100 Index Fund ETF	●	●	5.1	●	●
iShares S&P 500 Growth ETF	●	●	4.5	●	●
iShares S&P 500 Index Fund ETF	●	●	3.2	●	●
Vanguard Total Stock Mkt Etf	●	●	2.1	●	●
iShares S&P 500/Barra Value Index Fund ETF	●	●	1.2	●	●
iShares S&P MidCap 400 Growth ETF	●	●	-0.8	●	●
iShares S&P MidCap 400 Index Fund ETF	●	●	-2.7	●	●
iShares S&P MidCap 400 Value ETF	●	●	-4.4	●	●
iShares S&P SmallCap 600 Growth ETF	●	●	-5.1	●	●
iShares S&P SmallCap 600 Index Fund ETF	●	●	-5.6	●	●
iShares S&P SmallCap 600 Value ETF	●	●	-6.1	●	●



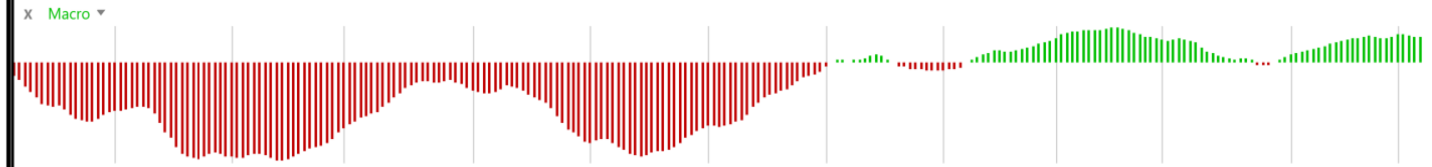
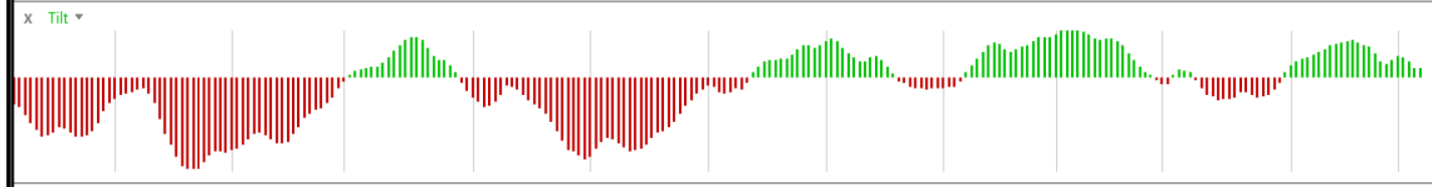
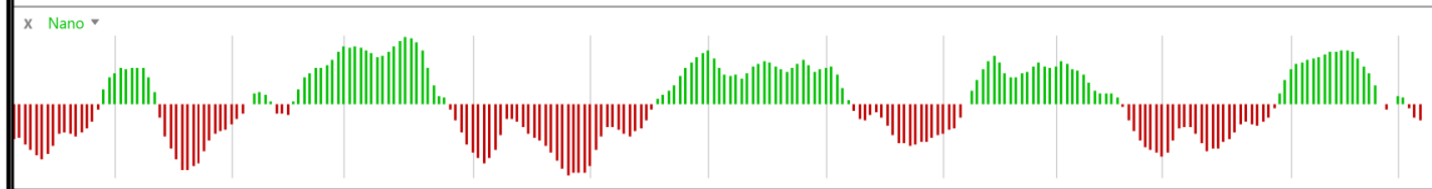
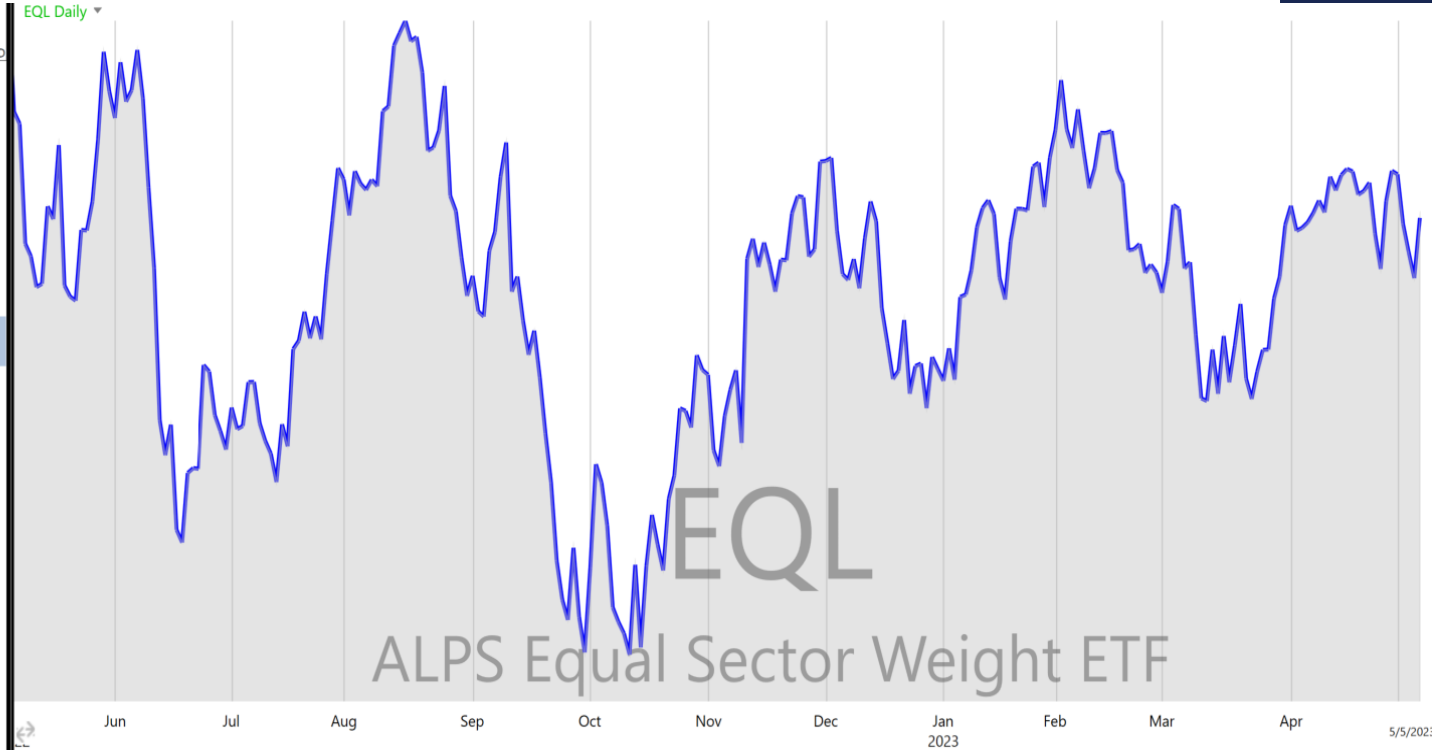
US Sector 1-Year Trend

Green = Tilting Bullish

Red = Tilting Bearish



Market Segments (represented by ETFs)	Macro	Mezzo	Tilt	Micro	Nano
Vanguard Information Tech Etf	●	●	6.5	●	●
Vanguard Consumer Staples Etf	●	●	6.2	●	●
Vanguard Telecomm Srvs Etf	●	●	5.2	●	●
Vanguard Consumer Disc Etf	●	●	2.0	●	●
Vanguard Health Care Etf	●	●	1.8	●	●
ALPS Equal Sector Weight ETF	●	●	0.9	●	●
Vanguard Industrials Etf	●	●	0.3	●	●
Vanguard Utilities Etf	●	●	-0.2	●	●
Vanguard Materials Etf	●	●	-1.6	●	●
Vanguard Reit Etf	●	●	-2.2	●	●
Vanguard Financials Etf	●	●	-6.5	●	●
Vanguard Energy Etf	●	●	-7.0	●	●



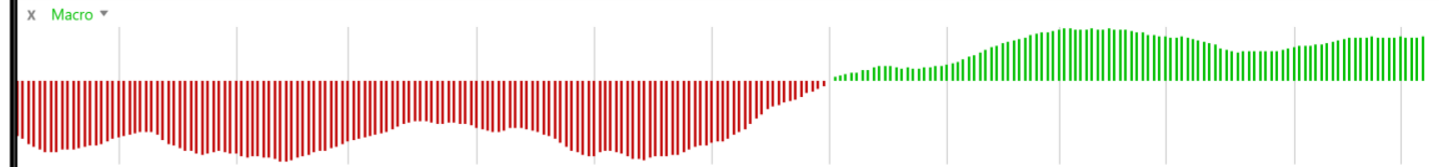
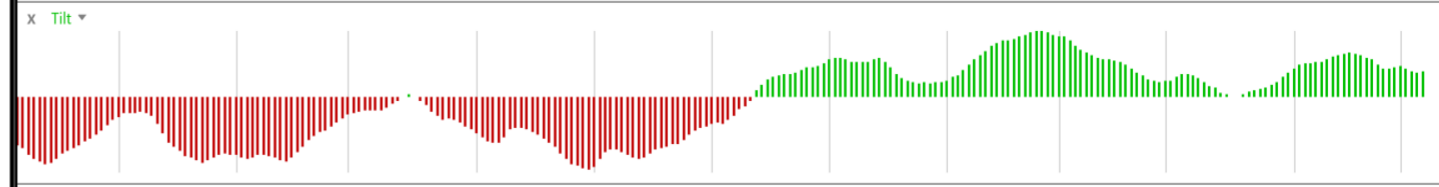
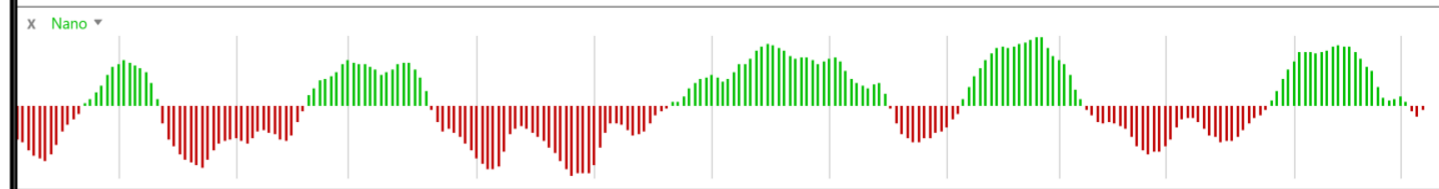
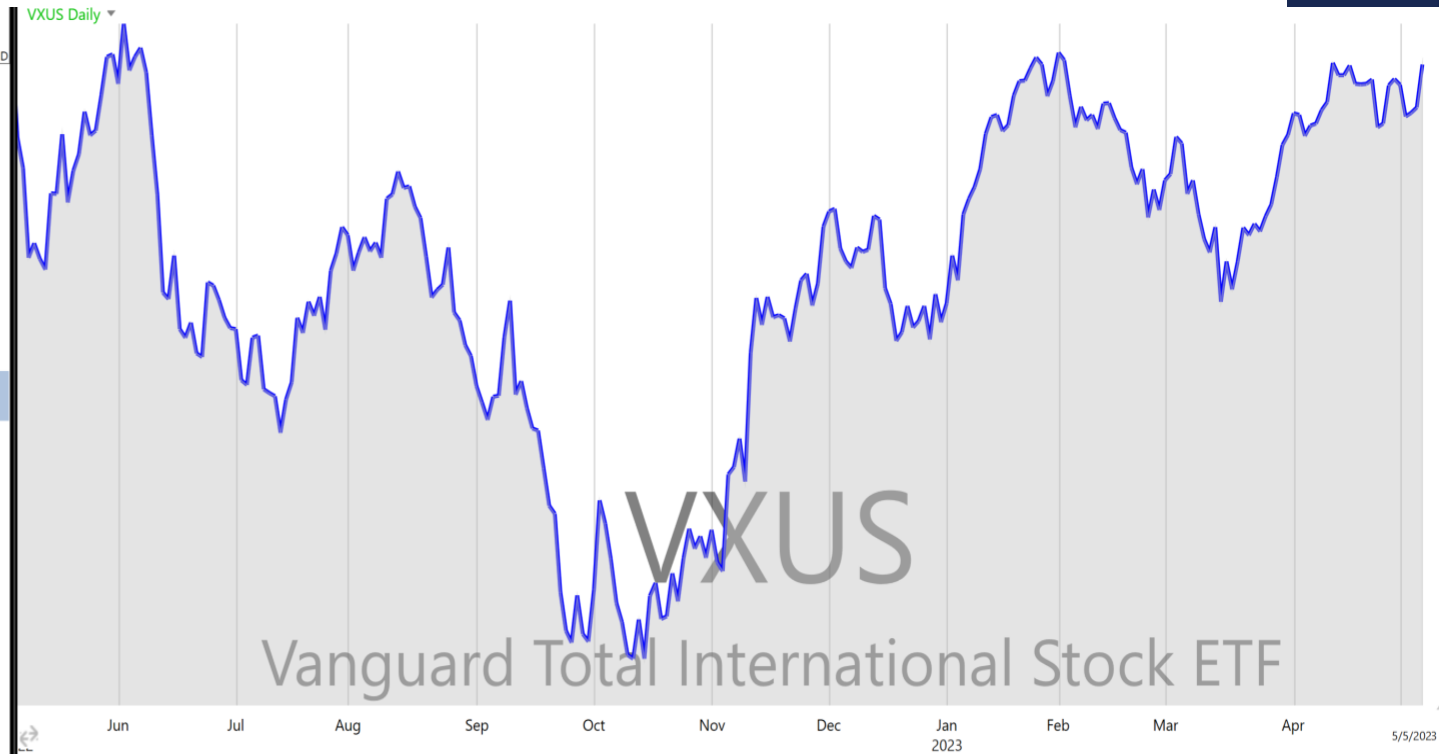
International Equity 1-Year Trend

Green = Tilting Bullish

Red = Tilting Bearish



Market Segments (represented by ETFs)	Macro	Mezzo	Tilt	Micro	Nano
iShares MSCI EAFE Growth Index Fund ETF	●	●	7.7	●	●
Vanguard International Dividend Appreciation ETF	●	●	7.1	●	●
Vanguard European Etf	●	●	7.0	●	●
iShares MSCI EMU Index Fund ETF	●	●	6.9	●	●
iShares MSCI EAFE Index Fund ETF	●	●	6.4	●	●
iShares MSCI EAFE Value Index Fund ETF	●	●	4.6	●	●
Vanguard Total International Stock ETF	●	●	4.4	●	●
Vanguard International High Dividend Yield ETF	●	●	3.8	●	●
Vanguard FTSE All-World ex-US Small-Cap ETF	●	●	3.5	●	●
Vanguard Pacific Etf	●	●	3.2	●	●
iShares S&P Latin America 40 Index Fund ETF	●	●	0.7	●	●
Vanguard Emerging Markets ETF	●	●	0.2	●	●

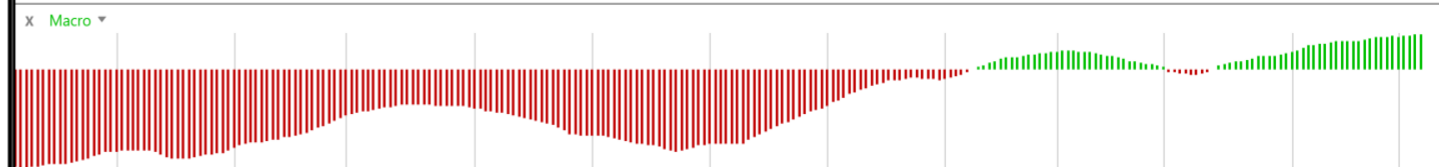
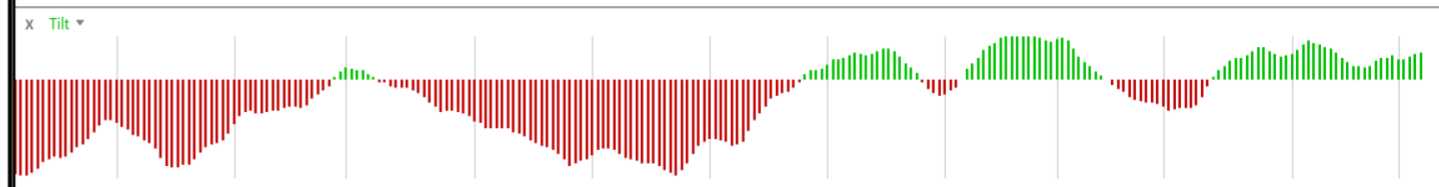
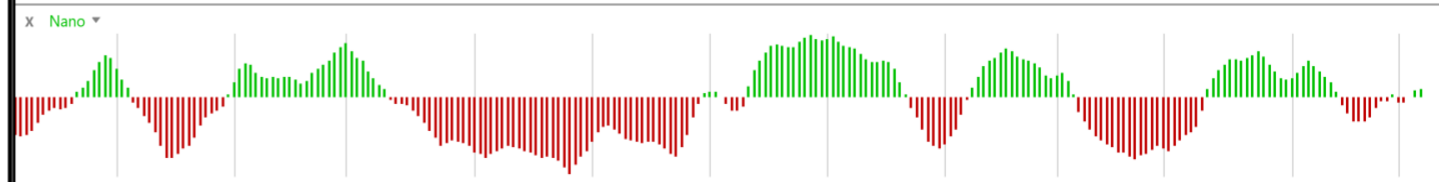
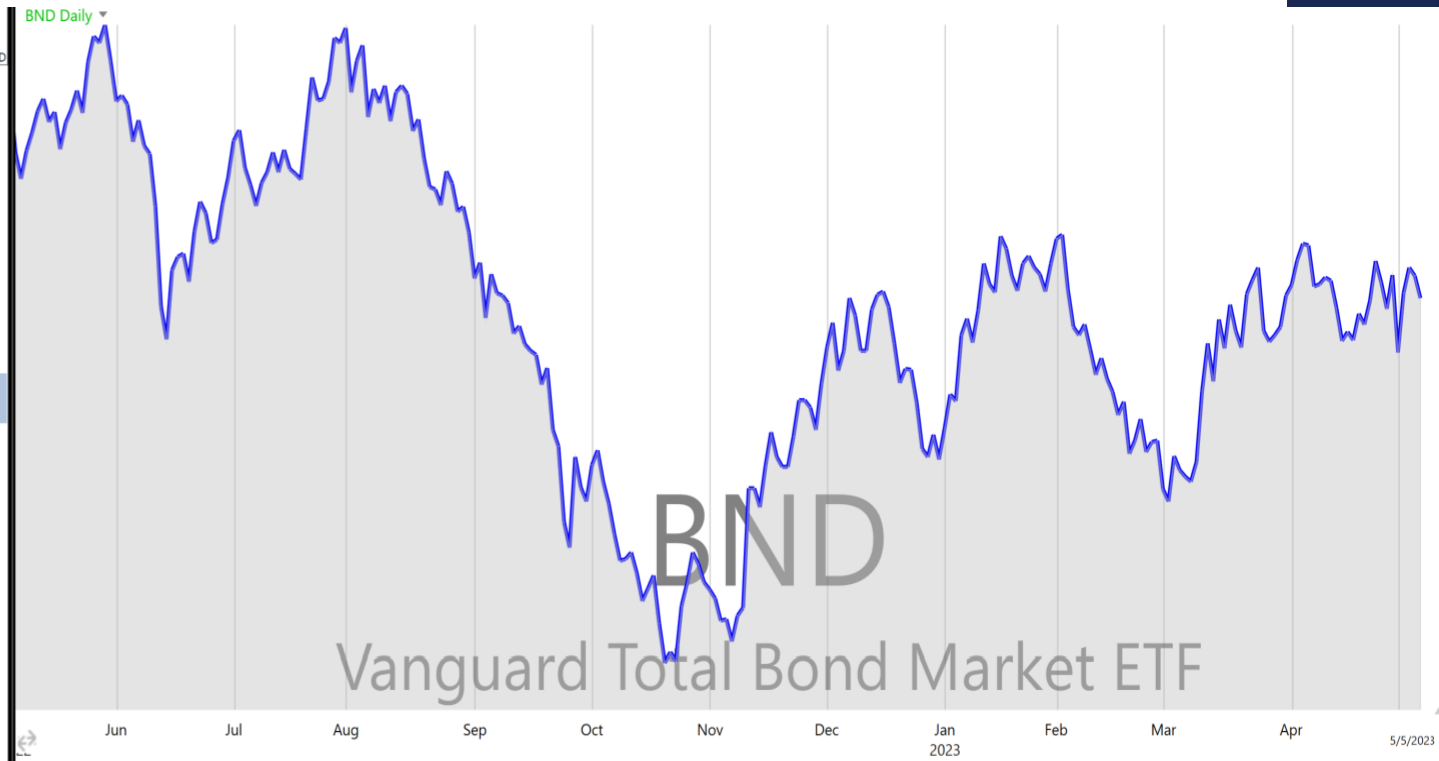


US Bond 1-Year Trend

Green = Tilting Bullish

Red = Tilting Bearish

Market Segments (represented by ETFs)	Macro	Mezzo	Tilt	Micro	Nano
iShares Barclays 3-7 Year Treasury Bond Fund	●	●	4.0	●	●
iShares Barclays 7-10 Year Treasury Bond Fund	●	●	3.8	●	●
iShares Barclays U.S. Treasury Bond Fund	●	●	3.3	●	●
Vanguard Short-Term Corporate Bond ETF	●	●	3.1	●	●
iShares Barclays 10-20 Year Treasury Bond Fund	●	●	3.0	●	●
Vanguard Intermediate-Term Corporate Bond ETF	●	●	2.8	●	●
Vanguard Total Bond Market ETF	●	●	2.8	●	●
iShares Barclays 1-3 Year Treasury Bond Fund	●	●	2.7	●	●
iShares Barclays 20+ Year Treasury Bond Fund	●	●	2.4	●	●
iShares Iboxx \$ Investop Corp Bd	●	●	2.0	●	●
Vanguard Long-Term Corporate Bond ETF	●	●	1.5	●	●
iShares IBoxx \$ High Yield Corporate Bond ETF	●	●	0.0	●	●





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