



**STRATOS**

Investments of OneSeven



**Stratos S&P 500**

**Market Analysis**

**Primary Target:  
7056**

**Intermediate Target:  
6813**

**Initial Support:  
6471**

**Intermediate  
Support:  
6327**

**Primary Support:  
6061**

**Base Camp:  
5823**

**Line in the Sand:  
5592**

November 21, 2025

# WEEKEND AT BERNARD'S



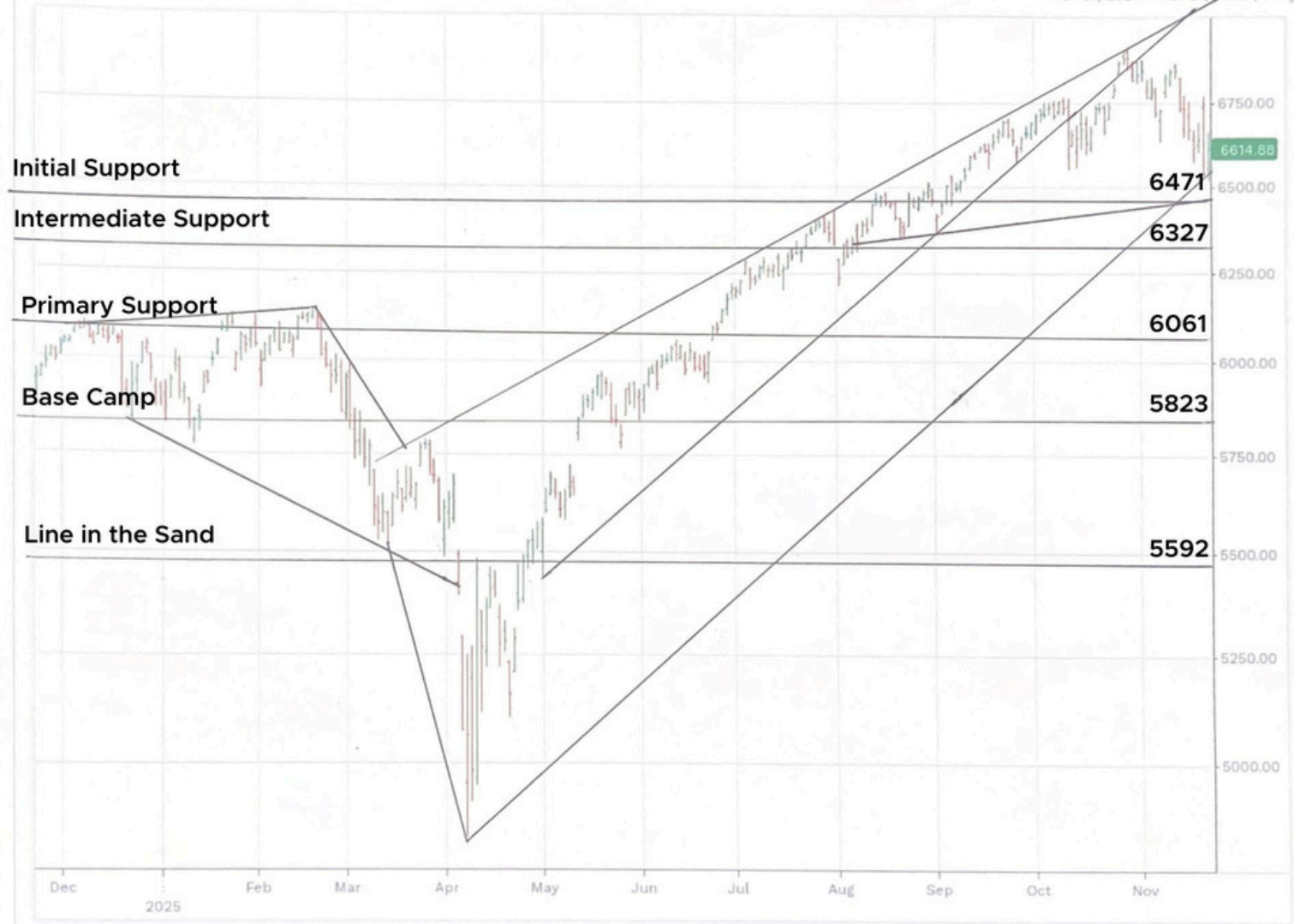
## Will U.S. Stock Markets Continue to Rise to New Highs?

U.S. stock markets made a slight correction during the month of November, but continue to show remarkable resilience. The S&P 500 (6625) traded as low as 6521, correcting about 5%. Stratos initial support of 6471 has not been tested yet and I believe this short-term correction is most likely over. I'm expecting a Santa Clause rally into the end of the year with stocks potentially testing my primary target 7056. The concerns I have continue to focus on the potential of a slowing economy and higher inflation. Tariffs are definitely a tax and employment data is indicating less jobs, which could be a result of immigration policy but this correction should be viewed as normal. Continuation of momentum that started in April may lift the S&P 500 to new highs.

Government spending and lower taxes from the recent legislation helps provide a base for U.S. stock markets. Current optimism points to high GDP and increased efficiency as a result of Artificial Intelligence. Employment layoffs are starting to mount, but mostly as a result of increased efficiency and not reflective of the overall strength of the economy. My concern is that many of these high-paying jobs will not return as AI makes individual companies more profitable by having less employees. I expect the market will make a normal 10-15% correction next year as concerns about higher unemployment and inflation could result in the American consumer spending less if the political uncertainty does not change. The overall economy continues to perform well, but the slowing in manufacturing and consumer confidence points to an eventual larger market correction.

I am raising my intermediate support to 6327 and my primary support to 6061. A pullback back to this level makes sense because this is the level the market broke out from. I am raising my Line in the Sand from 4972 at the beginning of this year, to 5592, which reflects the overall strength in U.S. stocks this year.

I continue to expect metal prices to move higher as central banks are accumulating gold and precious metals, regardless of price. Soft metals, like copper, continue to show strength and the likelihood of a strong global economy for 2026. Record agricultural crops have helped reduce food prices for the short-term but any other world conflicts will probably result in higher prices, especially in energy. Even though oil prices are still near their lows, energy stocks continue to show strength and are close to breakout levels. Any significant increases in energy prices should help continue the commodity boom that started this year. I remain very positive that high-paying energy dividend stocks are a hedge against the likelihood of a recession next year.



# Good Trading for the Long Term


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The U.S. dollar has stabilized but has not recovered much. I expect the Fed will continue to cut short-term interest rates over the next two quarters, which likely will have a negative effect on the dollar. Any significant weakness would result in higher-cost for American consumers and further inflation. If the Fed reduces interest rates too much in an attempt to keep unemployment low, the possibility of higher inflation is a major concern and could weigh down the market next year.

Most economic indicators are positive and suggest further strength in global equities. Lower than normal energy costs and higher productivity, as a result of AI, is starting to have a positive effect on S&P 500 companies profits. This trend appears to be just beginning, so it's difficult to see how disruptive, or profitable, new technology can be. Because of this uncertainty, I continue to expect higher volatility. Nevertheless, momentum continues to point higher and the recent weakness is most likely an opportunity. Historically, U.S. stock markets have performed well with low unemployment and stable interest rates, so until we see a real change in either one, it's reasonable to expect higher equity prices for the next few months. My testing of my primary target of 7056 may happen in the next quarter. **Good Trading for the Long Term.**

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