



STRATOS

Investments of OneSeven



Stratos S&P 500

Market Analysis

Primary Target:
7348

Intermediate Target:
7056

Today's S&P Level:
6977

Initial Support:
6701

Intermediate
Support:
6421

Primary Support:
6142

Base Camp:
5892

Line in the Sand:
5671

January 15th, 2026

WEEKEND AT BERNARD'S



Thank the Fed as U.S. Stocks Continue Higher

The U.S. stock market is now poised to test Stratos Intermediate Target in the S&P 500 (6926) of 7056. As I predicted in last month's blog, I expected a Christmas rally in the S&P 500, which is illustrated in the chart on the next page. I anticipate the trend of least resistance is up and therefore a testing of Stratos Primary Target of 7358 during the first two quarters possible. I continue to ride the trend up for now.

Unfortunately, the uncertainty from a political and economic perspective, continues to worsen. In short, everything seems crazy now and the world can go on tilt. Since April, the strength in the U.S. economy has been able to overcome this constant change on a daily basis to establish principles. I anticipate sometime this year that there will be at least a 12-15% correction from market highs or more. The Federal Reserve has done a decent job of keeping interest rates and inflation in check. Concerns of further inflation due to higher commodity prices and tariffs has been managed by not cutting short-term interest rates significantly, which has helped support a weakening dollar. In May, the Federal Reserve, in my opinion, will lose its independence when Federal Reserve chairman Powell leaves his position. The new Federal chair will do exactly what the administration wants, thereby losing its independence. This could cause U.S. market confidence to quickly erode.

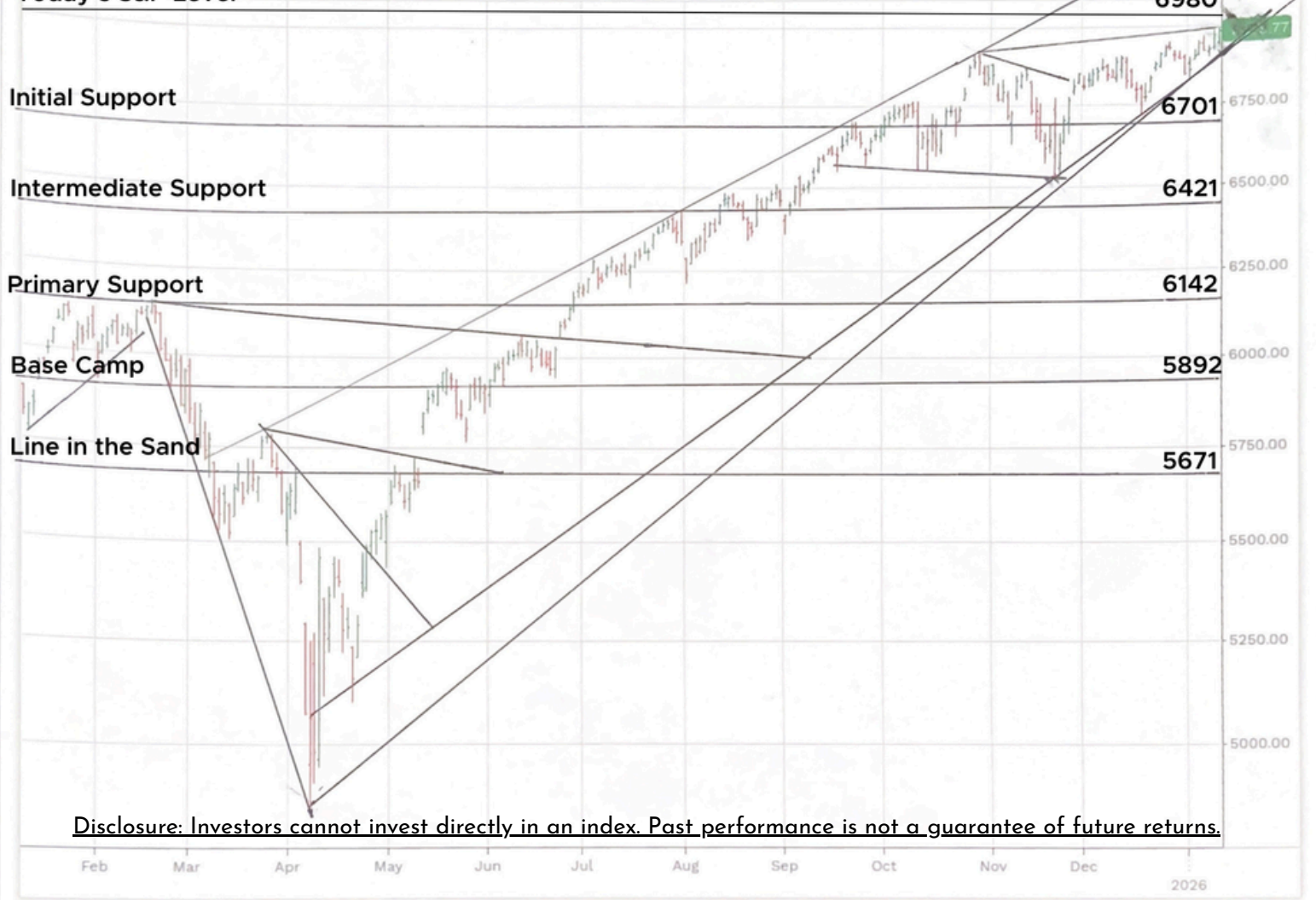
Stratos is raising our Initial Support Level to 6701 and our Primary Support to 6142. A pullback to this level makes sense because it's close to the breakout that we had in June of 2025. I'm raising my Line in the Sand from 5592 to 5671 in the S&P 500.

Based on my concerns of inflation and a weaker dollar, I continue to stress the need to invest in energy and material securities as a form of protection. From what I had personally observed, oil prices have recovered slightly over the last few days as the uncertainty in Velenzula could help support prices for now. Oil stocks continue to consolidate and Chevron and Exxon are close to breaking out, which would indicate a long-term uptrend in energy prices. Lower prices provide no incentive to invest in necessary infrastructure and I anticipate a demand increase or a supply disruption would push prices up to the \$80-90 level by year-end. I still expect the possibility of the testing of \$50 in oil, but the bottom may already be in. According to the S&P 500 materials are leading all sectors in the S&P 500 so far this year and I expect this new trend to continue throughout 2026 and maybe beyond.

The initial weakness in the dollar this year should be a concern to investors. I anticipate the U.S. dollar will be down another 10% this year, which could wreak havoc and result in eventual higher interest rates and inflation. I do believe exploding metal prices are a direct result of the lack of confidence in the U.S. as a global leader and these two factors, the weakening of the dollar and higher metal prices, are clear indicators of further inflation in the next 3-5 years.

Today's S&P Level

Jan 10, 2025 - Jan 12, 2026, Daily



Disclosure: Investors cannot invest directly in an index. Past performance is not a guarantee of future returns.

FACTSET © 2026 Factset Research Systems Inc.

As of January 12, 2026 in USD 1:35:10 PM

Good Trading for the Long Term



210 N Stanton St Suite
3 El Paso, TX 79901



(915)-312-6117



weekendatbernards.com



I suspect the U.S. economy is slowing down and the earnings from equities will not be enough to keep stocks at these levels. Because it's difficult to determine what's going on in our economy for various reasons, I'm assuming the U.S. equity market is ahead of itself.

In spite of these concerns, the one certainty we have is the Fed Chair will still be in place through May. Therefore, I expect U.S. equities to continue higher for the short-term as we ride the wave to its peak. If the S&P 500 tests Stratos Primary target of 7348, I may suggest that U.S. stocks have become overvalued for the short-term, but for now, let's enjoy new daily highs with the potential of another step higher. Good Trading for the Long Term.

Stratos Investments is a DBA of OneSeven, an investment adviser in Ohio. OneSeven is registered with the Securities and Exchange Commission ("SEC"). Registration of an investment adviser does not imply any specific level of skill or training and does not constitute an endorsement of the firm by the Commission. OneSeven only transacts business in states in which it is properly registered or is excluded or exempted from registration. A copy of OneSeven's current written disclosure brochure filed with the SEC, which discusses OneSeven's business practices, services, and fees, is available through the SEC's website at: www.adviserinfo.sec.gov.

Please note, the information provided in this presentation is for informational purposes only and investors should determine for themselves whether a particular service or product is suitable for their investment needs. Please refer to the disclosure and offering documents for further information concerning specific products or services. Investments in securities entail risk and are not suitable for all investors. This is not a recommendation nor an offer to sell (or solicitation of an offer to buy) securities in the United States or in any other jurisdiction.