

Outlook: Focus will be on Nvidia earnings report coming out Wednesday this week after market close.

Summary: Markets were relatively flat last week but our **Infrastructure PLUS** strategy took another step back last week. **S&P500 (+0.18% w/w)** while the NASDAQ Composite (-0.45%) fell. Most sectors were lower. Strength was in **Health Care (XLV, +3.89%)** and **Energy (XLE, +2.77%)**. **Technology (XLK, -0.00%)** was flat but risk was off as risk proxies, **ARK Innovation ETF (ARKK, -4.7%)** and **Innovator IBD 50 ETF (FFTY, -7.0%)** both fell hard as several AI plays suffered damage. Mag 7 stocks (MAGS) fell -1.16% on the week. The S&P500 and the Nasdaq both briefly breached below their 50-day moving averages before rallying Friday into the close. However, one encouraging sign was that the major indices and risk proxies all finished in the top 30% of the daily closing range on Friday as buyers stepped up to butt the dip. The major news for the week was the vote by Congress to reopen the US Federal Government and the odds of a December rate cut dropped below 50% (see FedWatch - CME Group). **Sunday night futures show modest increases with the S&P500 up +~0.3%, the Nasdaq up +~0.5%, and the Dow Jones Industrial Average flat.**

Investors will be focused on Nvidia (NVDA) earnings due to report Wednesday, Nov 19 after market close with guidance having huge impacts across many sectors of the economy and market.

Dow Futures	Change	S&P 500 Futures	Change	NASDAQ Futures	Change
47,221.00	- 8.00 0.02%▼	6,775.00	+ 19.75 0.29%▲	25,224.00	+ 130.00 0.52%▲

Recent projections (per **Morgan Stanley** according to Grok) for hyperscaler Capex expected to show mind-blowing growth: 2025 now sits at \$440B for 2025, rising to \$600B in 2026 and \$800B by 2028 and nearly \$3trillion in aggregate through 2028. Furthermore, **Advanced Micro Devices (AMD, +5.7% w/w)** released stellar results and guided total revenue growth of +35% CAGR through the next 3-5 years, including datacenter AI revenue CAGR of over 80% CAGR, server revenue market share of over 50% and visibility to achieving \$20EPS by 2030 versus \$3 EPS for 2025 and \$4.55 EPS for 2026. Nonetheless, several AI infrastructure related stocks were slammed last week as investors continue to evaluate the sustainability of AI despite the massive increase in productivity that AI brings across many industries and multiple companies reporting AI demand strength and upbeat Nvidia earnings previews and Nvidia CEO Jensen Huang hinting at Street revenue projections appear too low.

Among infrastructure and AI plays **Credo Technology (CRDO, -11.1%)** fell again on no news, **Sterling Infrastructure (STRL, -10.4%)**, **Vistra (VST, -8.5%)**, **Comfort Systems (FIX, -4.8%)**, **Oracle (ORCL, -6.9%)**. The main issue most of these stocks have in common is

that they have made gains well above the broader market indices in 2025. The US 10-year interest rate added 7pbs w/w to 4.16%.

Stock Market Today Nov 14/Week: Nov 14, 2025

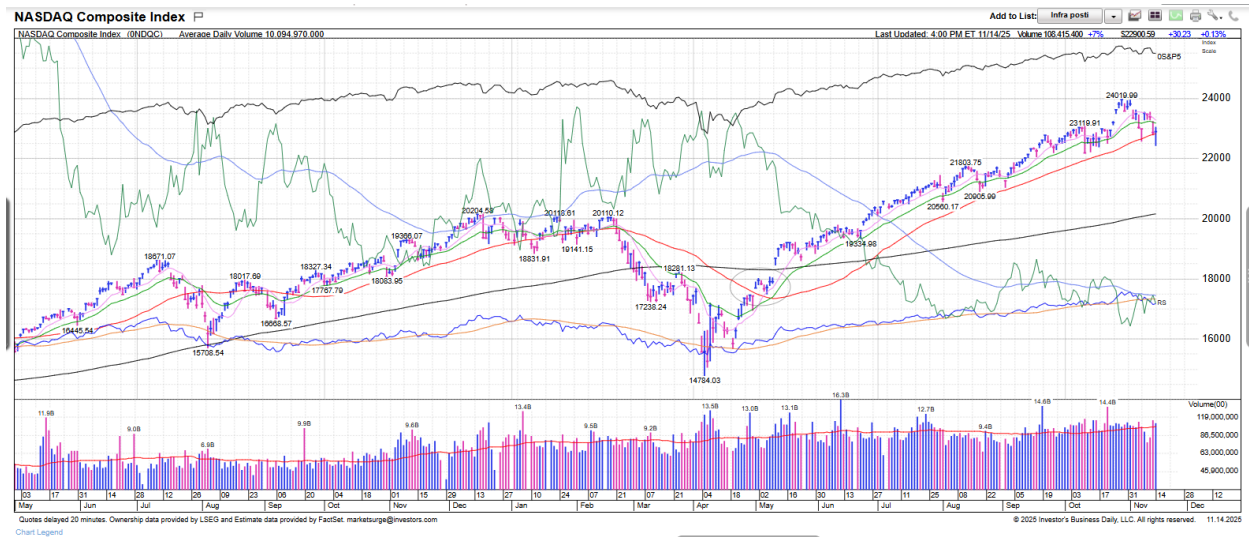
Stock Market Today/Week: Oct 31, 2025

Index	Level	Day change	Week Change
S&P 500	6,734.11	-0.05%	+0.08%
S&P500 eq wt	187.34	-0.37%	-0.12%
Nasdaq Composite	22,900.59	+0.13%	-0.45%
Dow Jones Industrial Avg.	46,987.10	-0.65%	+0.34%
US 10 year	4.15%		+6bp

Source: Factset

Market indices remain in confirmed uptrend and remain stacked in normal relationships with the 10dma > 21ema > 50dma > 200dma.

All three market averages are below the key 21-day exponential moving average but above the 50-day moving average. We will be watching this week for averages to retake the key 21-day exponential moving average.



Source: **MARKET SURGE**
BY INVESTOR'S BUSINESS DAILY

Key events for the week ahead: Nvidia earnings due out Wednesday AMC likely the most watched event given the enormous impact of Nvidia on the US and global economy and market. Fed speeches every day next week. NAHB Housing Market Index due out Tuesday. FOMC Minutes due out Wednesday. Global PMI for Nov due out Friday.

This Past week bull-bear debate:

Bulls: Strong pushback against AI bubble talks. Goldman Sachs noted macro and market imbalances that were present in the .com bubble of the late 1990s not present in the current boom. Multiple companies that reported last week pointed to surging demand in AI infrastructure. Rotation occurred last week more than risk off. Largest government shutdown contributed to investor pull back and that has ended. White House pushing tariff adjustments with Lat Am countries to promote more affordability for consumers. American Express Q4 billings similar to Q3 implying consumer resilience. AMD analyst day showing insatiable demand for AI compute. Cisco earnings report focused on networking strength and record AI infrastructure orders.

Bears: Momentum unwind continued with AI and retail favorites most shorted. AI theme under scrutiny as Softbank unloaded its entire \$5.8B stake (but did reinvest in other AI plays) and CoreWeave cut guidance on data center delays. Tech credit spreads widened (read: Oracle). More Hawkish Fed speak reduced the odds of a December rate cut to less than 50%. Labor market softening as ADP estimated private sector cut 11,250 jobs weekly in the four weeks ending 25Oct. Verizon announced it was cutting 15k jobs and reports out regarding weakest job market for college grads in five years. Signs of retail investor sentiment sliding as JPMorgan noted that retail call vs put option options rolled over. Softness in demand reported by Disney across several of its businesses.

Upcoming calendar: Very light on the earnings calendar, inflation data 2nd half of the week.

11/17 DAC earnings.

11/18 POWL

11/19 NVDA DE

11/20 ROAD UGI

11/21

What to do now: Pulling back some from fully invested levels.

Appendix:

What kind of positive technical confirmations for a power trend per IBD ("Webby's rules"):

1. Follow through day (FTD)
2. Subsequent FTDs.
3. Close above 21-day exponential moving average (EMA).
4. Low above 21EMA.
5. 3 consecutive days with low above 21EMA.
6. Close above 50-day moving average (DMA).
7. Low above 50dma.
8. 3 consecutive days with low above 50dma.
9. Close above 200dma.
10. Low above 200dma.
11. 3 consecutive days low above 200dma.
12. 21ema moves above 50dma.
13. 21ema moves above 200dma.
14. 50dma moves above 200dma.

In the current rally as of 11/16/2025 11 conditions have been met (fail on #3, #5, #7).

John D. Edwards, CFA

Sr. Portfolio Manager – Infrastructure PLUS Equity Strategy

Disclaimer

The information presented is for educational purposes only and is believed to be factual and up-to-date. All expressions of opinion reflect the judgment of the author(s) as of the date of publication and are subject to change. Nothing in this commentary should be construed as investment advice and does not take into consideration your specific situation. All investments involve risk. Past performance does not guarantee future results. Advisory services offered through Capital Ideas, an investment adviser registered with the U.S. Securities and Exchange Commission.