

# RobustQuant Weekly Compass

Weekend Edition | September 29, 2025

 **COMPASS FOR EMOTIONAL DISCIPLINE—NOT TRADING ADVICE**

*Weekly boundaries to help reduce fear and greed in market decisions*

## 1 | At a Glance

Asset	Weekly Range (Oct 3 close)	Width	Track Record
S&P 500	6,511 – 6,896	±2.9%	39/41 (95.1%)
Gold (GLD)	337 – 364*	±3.9%	12/12 (100%)
REITs (XLRE)	40.3 – 43.9*	±4.3%	2/2 (100%)

\*Newsletter-exclusive coverage

Target: ~95% of weekly closes fall within these ranges

Track record details → [robustquant.com/predictions](https://robustquant.com/predictions)

## 2 | This Week's Summary

Markets closed within systematic boundaries as central bank messaging continued diverging paths. Powell emphasized employment risks while Tokyo inflation came in softer than expected.

### Key Results:

- S&P 500: 6,644 (mid-range)
- Gold: 346.8 (upper-range)
- REITs: 41.9 (mid-range)

Normal market behavior continues as range containment operates within design parameters.

## 3 | What Moved Markets (Sep 22–28)

### Powell Reinforces Dovish Stance:

Fed Chair's September 23 speech emphasized "downside risks to employment have risen" following the 25bp rate cut. Jobless claims fell to 218,000, showing continued labor market stability despite Fed concerns.

### Tokyo Inflation Moderates:

September CPI came in at 2.5% vs 2.8% expected, reducing immediate BoJ rate hike pressure. Manufacturing PMI dropped to 48.4 (below 49.5 consensus), indicating sector contraction.

### European Manufacturing Weakness:

Eurozone flash PMI showed manufacturing at 49.5 (below expansion threshold) while services reached 51.4 (nine-month high). Germany posted solid output gains while France continued 13th consecutive month of contraction.


### China Maintains Accommodation:


PBOC quarterly meeting pledged "moderately loose monetary stance" while keeping loan prime rates unchanged at 3.0% (1-year) and 3.5% (5-year).

### Bottom Line:

Central bank divergence continues with Fed emphasizing employment risks while other economies face mixed growth signals and inflation pressures.

## 4 | S&P 500 Boundaries (Oct 3)

 **Range: 6,511–6,896**

 **Hit Rate: 39/41 weeks (95.1%)**

### Last Week's Performance:

Closed at 6,644 within our 6,559-6,949 range as Powell's dovish messaging provided policy clarity.

Current Range: [6,511 ===== 6,896]

^6,644 last close

### What This Means:

Range shifts lower, reflecting increased policy accommodation expectations. Width narrows as post-Fed meeting volatility patterns stabilize.

### For Your Planning:

- Lower zone (6,511-6,650): Where fear often peaks
- Middle zone (6,650-6,750): Normal trading area
- Upper zone (6,750-6,896): Where excitement builds

Remember: These are weekly movement boundaries, not buy/sell signals.

## 5 | Gold Coverage (Newsletter-Exclusive)

 **Range: 337–364**

 **Containment: 12/12 weeks**

Gold closed at 346.8 within our 326-356 range—demonstrating continued safe-haven demand as central banks navigate employment vs inflation trade-offs.

### Policy Divergence Impact:

Fed accommodation supports gold through dollar weakness while softer Tokyo inflation reduces competing yield pressures. Range maintains normal volatility patterns reflecting current market dynamics.

## 6 | REITs Coverage (Newsletter-Exclusive)

 **Range: 40.3–43.9**

 **Containment: 2/2 weeks**

REITs closed at 41.9 within our 40.2-43.9 range—maintaining systematic accuracy as rate-sensitive sectors benefit from Fed accommodation signals.

### Rate Environment Impact:

Powell's emphasis on employment risks supports continued Fed easing expectations, providing favorable backdrop for real estate through lower borrowing costs.

## 7 | How to Read These Ranges

### What They Show:

Weekly boundaries where markets typically move—designed to help you stay calm when emotions run high.

### What They Don't Show:

Buy/sell signals, price targets, or guaranteed outcomes.

### ! The Retail Trap:

Most individual investors buy when markets break above ranges (excitement peaks) and sell when they fall below (fear dominates). This emotional pattern often leads to buying high, selling low.

### Professional Approach:

- Stay systematic within boundaries
- Lower ranges: Fear creates opportunities for planned strategies
- Upper ranges: Excitement may warrant risk review
- Outside ranges: Unusual market behavior where many implement tail risk mitigation strategies

**Key Point:** Range containment within design parameters indicates normal market function. Breaches signal when conditions change and require attention.

## 8 | Track Record

### Performance Since Launch:

- S&P 500: 39 hits in 41 weeks (95.1%)
- Gold: 12 hits in 12 weeks (100%)
- REITs: 2 hits in 2 weeks (100%)

### What This Means:

Containment rates operating near design targets. The systematic approach identifies normal vs unusual market periods rather than predicting direction.

### Transparency:

All ranges published before each week starts. No retroactive changes. Complete history available on our website.

## 9 | The Psychology Behind This

Markets move between fear and greed cycles. Most retail investors:

- Buy during excitement (often near range tops)
- Sell during panic (often near range bottoms)
- Miss the steady middle periods

This compass helps identify when emotions might be driving decisions rather than logical planning.

**Professional traders typically:**

- Maintain systematic approaches
- View range extremes as potential opportunity zones
- Avoid emotional reactions to daily noise
- Focus on risk management over market timing

**Your Approach:**

Whatever your strategy, these boundaries provide context for keeping emotions in check during volatile periods.

## 10 | Method and Limitations

**How Ranges Work:**

Combines current volatility patterns, trend direction, and momentum indicators. Targets ~95% weekly containment rate.

**What Can Go Wrong:**

- Markets change faster than ranges can adapt
- Unusual events create temporary breakouts
- Past accuracy doesn't guarantee future performance

**Current Environment:**

Powell's dovish messaging and softer global inflation provide background context but don't drive range calculations. Systematic approach remains independent of policy speculation.

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**Questions About Your Situation:****Q: Should I buy at 6,700?**

A: This compass shows 6,700 sits in normal weekly range. Your specific actions depend entirely on your financial plan, timeline, and risk tolerance.

**Q: Why are the ranges working so consistently?**

A: Markets are operating within normal parameters. Consistent containment indicates systematic stability rather than predictive success.

**Q: What would signal market change?**

A: Range breaches often signal when market conditions shift beyond normal patterns, requiring updated analysis.

**Q: How do I interpret narrower gold range?**

A: Reduced volatility patterns create tighter boundaries. This reflects current market dynamics, not predictive constraints.

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**Next Week:** Ranges for October 10 close**Updates:** Quick social media notes if exceptional volatility occurs

*This is a hobby project providing market context. Not investment advice. Past performance doesn't guarantee future results. Consult qualified professionals for personal financial decisions.*

**Systematic over emotional. Structure over speculation.**