

RobustQuant Weekly Compass

Weekend Edition | March 8, 2026

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

Weekly boundaries to help reduce fear and greed in market decisions

1 | At a Glance

S&P 500 (SPX)	6,477 – 6,989	±3.8%	60/63 (95.2%)
Gold (GLD)*	424 – 548	±12.8%	32/34 (94.1%)
REITs (XLRE)*	41 – 45	±4.7%	23/24 (95.8%)

*Newsletter-exclusive coverage

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

Track record details → robustquant.com/predictions

2 | This Week's Summary

Last week we asked: does the regime break? The answer arrived. Iran hit. Hormuz shut. Oil surged 35%. Payrolls: -92,000. The dollar posted its strongest week since May 2025. SPX had its worst week since October. All three major indexes turned negative for 2026.

Reality changed. Ranges shifted lower and wider. And the compass held.

Key Results:

- S&P 500: 6,740 (lower range)
- Gold: 474 (lower range)
- REITs: 42.89 (lower range)

Pattern of the week: All three assets in lower range---the first time this year. Gold fell despite war. Equities fell despite resilient ISM data. The world looks different than two weeks ago. The compass absorbed it. This is the new normal---and markets stayed inside it.

3 | What Moved Markets (Mar 2–6)

Iran and Oil:

Operation Epic Fury's aftermath dominated. Strait of Hormuz transits collapsed from 24 per day to 2 commercial vessels by Friday. WTI surged 35.6% to \$90.90---largest weekly gain in futures history. Brent reached \$92.69. No ceasefire by week's end. QatarEnergy declared force majeure on LNG shipments after drone strikes on Ras Laffan.

Payrolls Shock:

February NFP: -92,000 (vs +55,000 consensus). Unemployment rose to 4.4%. Third net job loss in five months. December revised down by 65,000 (to -17,000). Average hourly earnings +3.8% YoY---above expectations. Fed governors Waller and Bowman signalled openness to cuts; Daly urged caution.

Stagflation Signal:

ISM manufacturing prices paid leapt 11.5 points to 70.5---highest since June 2022. ISM services at 56.1 (strongest since July 2022). Jobs down, prices up, activity resilient. 10-year yield surged from 3.96% to 4.14%---biggest weekly rise since April.

Dollar Surge:

US dollar index gained 1.3% for the week---strongest since August. Gold fell despite the geopolitical crisis. All three major equity indexes turned negative for 2026.

→ For detailed regional breakdowns and economic data, see Appendix at end of newsletter

4 | S&P 500 (SPX) Boundaries (Mar 13)

 **Range for Friday Mar 13: 6,477–6,989**

 **Hit Rate: 60/63 weeks (95.2%)**

Last Week's Performance:

Last week: Range 6,659-7,144, closed **6,740** (lower range) 

SPX declined 2.0% for the week---worst since October 2025. Close at 6,740 positioned in lower range. Range shifts lower and widens ($\pm 3.8\%$ vs $\pm 3.5\%$). Track record maintained at 95.2% (60/63).

For Your Planning:

- Lower zone (6,477-6,648): Where fear often peaks
- Middle zone (6,648-6,818): Normal trading area
- Upper zone (6,818-6,989): Where excitement builds

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

5 | Gold (GLD) Coverage (Newsletter-Exclusive)

 **Range for Friday Mar 13: 424–548**

 **Containment: 32/34 weeks (94.1%)**

Last Week's Performance:

Last week: Range 438-558, closed **474** (lower range) 

GLD closed **474** as spot gold weakened despite the crisis---dollar surged 1.1% (strongest week since May 2025), making gold more expensive for international buyers. Range shifts slightly lower ($\pm 12.8\%$ vs $\pm 12.0\%$). Track record improved to 94.1% (32/34).

For Your Planning:

- Lower zone (424-465): Where consolidation may emerge
- Middle zone (465-507): Normal trading area
- Upper zone (507-548): Where safe-haven demand peaks

6 | REITs (XLRE) Coverage (Newsletter-Exclusive)

 Range for Friday Mar 13: 41–45

 Containment: 23/24 weeks (95.8%)

Last Week's Performance:

Last week: Range 42.4-46.0, closed **42.89** (lower range) 

REITs closed **42.89**, dropping to lower range as 10-year yield surged from 3.96% to 4.14%. Range shifts lower (41-45 vs 42.4-46.0). Track record reached 95.8% (23/24)---above design parameters.

For Your Planning:

- Lower zone (41-42.3): Where rate-hike fears typically pressure sector
- Middle zone (42.3-43.7): Normal trading area
- Upper zone (43.7-45): Where rate-cut optimism drives positioning

7 | Psychology & How to Read

Iran struck. Hormuz closed. Oil up 35%. Jobs: -92,000. Dollar surged. Gold fell despite war. Worst week since October. All three assets in lower range. Contained.

The reality changed. Two weeks ago there was no war. Now there is. Ranges moved lower and wider---the compass absorbed the shift.

What They Show:

Weekly boundaries where markets typically move---designed to help you stay grounded when war, job losses, and surging oil prices arrive in the same week.

What They Don't Show:

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

The Retail Trap:

Most individual investors buy high when excitement peaks and sell low when fear dominates. This pattern---amplified when every headline screams crisis---is the primary destroyer of long-term returns. This compass is designed to help you avoid this trap.

Professional Approach:

- Stay systematic within boundaries
- Lower ranges: Fear creates opportunities for planned strategies
- Upper ranges: Excitement may warrant risk review
- Outside ranges: Market behaviour shifting beyond normal parameters

Key Point:

You can't control what Iran, oil, or payrolls do to markets. You can control your capital---if you already know what you'll do when prices sit in lower range, and what you'll do if they break below. That preparation is your edge.

8 | Track Record

Performance Since Launch:

- S&P 500: 60 hits in 63 weeks (95.2%)
- Gold: 32 hits in 34 weeks (94.1%)
- REITs: 23 hits in 24 weeks (95.8%)

What This Means:

SPX maintained 95.2% (60/63) with lower-range close at 6,740. Worst week since October 2025---containment held despite oil shock and payrolls miss.

GLD improved to 94.1% (32/34) with lower-range close at 474. Gold weakened as dollar surged 1.1%---counter-intuitive during geopolitical crisis, but contained.

REITs reached 95.8% (23/24) with lower-range close at 42.89. All three assets above design parameters despite the most violent week of 2026.

Transparency:

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

9 | Method and Limitations

How Ranges Work:

Combines current volatility patterns, trend direction, and momentum indicators. Targets ~95% weekly containment rate. Model tracks Friday closes, not intraday moves or geopolitical developments.

When Ranges Break:

Breakouts signal markets transitioning beyond normal parameters. These aren't failures---they're signals that create opportunities for disciplined investors prepared to recognise regime changes.

Current Environment:

War, oil shock, payrolls miss, stagflation signals---all in one week. Last week we asked whether Iran would break the regime. It didn't. The normal shifted lower, and the compass shifted with it. That's the system working.

Questions About Your Situation:

Q: Everything dropped---is this the start of a crash?

A: SPX closed at 6,740---lower range, but inside range. Model doesn't predict whether this continues or reverses. It shows current boundaries. If Friday's close falls outside, conditions shifted beyond normal. If inside, markets are operating within the new normal.

Q: Oil doubled, yields spiked---how long can this last?

A: Compass measures weekly behaviour, not duration. WTI went from \$67 to \$91, yields from 3.96% to 4.14%---all three assets still closed in range. What matters isn't how long it lasts, but whether you have a plan for each scenario.

Next Week: Ranges for March 13 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.

APPENDIX | Detailed Market Review (Mar 2–8)

For readers who want comprehensive economic data and regional breakdowns

United States: Stagflation Becomes the Dominant Narrative

February payrolls delivered a jarring shock

The US economy lost 92,000 jobs in February, against consensus of +55,000---a miss of nearly 150,000. Unemployment rose to 4.4%. Healthcare shed 28,000 (Kaiser Permanente strike involving 31,000 workers), manufacturing -12,000, construction -11,000, transportation -11,000, federal government -10,000. December was revised down by 65,000 (from +48,000 to -17,000), January trimmed by 4,000 (to +126,000). Federal employment has declined by 330,000 positions (~11% of total) since its October 2024 peak. Average duration of unemployment reached 25.7 weeks---longest since December 2021. Average hourly earnings rose 0.4% m/m and 3.8% YoY, both above expectations.

ADP had offered a different signal two days earlier: +63,000 private-sector jobs (strongest since July 2025, above +48,000 consensus). The divergence underscored the difficulty of reading a labour market buffeted by strikes, federal layoffs, and structural shifts.

ISM surveys showed expansion with inflationary pressure

ISM Manufacturing PMI at 52.4 (third expansionary reading in 40 months). New orders 55.8, backlogs surged to 56.6 (highest since May 2022). Prices paid leapt 11.5 points to 70.5---highest since June 2022---driven by tariff-inflated costs for steel, aluminium, and raw materials. ISM Services at 56.1 (strongest since July 2022), business activity 59.9, new orders 58.6, employment returned to expansion at 51.8. Combined ISM readings: economy generating momentum but facing rapidly mounting cost pressures.

Fed tilted toward action

Fed funds rate at 3.50-3.75% (held since January). Governor Waller before NFP: "I could certainly see this meeting going either way depending on the data." Vice Chair Bowman after NFP: labour market "could use some support from our policy rate." San Francisco Fed's Daly urged caution: "don't make more of it than one month of data." Post-NFP futures pulled next expected cut forward to July, with markets pricing two cuts before year-end. However, 10-year yield surged from 3.96% to 4.14%---biggest weekly rise since April---reflecting inflation expectations from the oil shock.

Tariff developments continued

24 Democratic-led states filed suit on Wednesday against Section 122 tariffs, arguing the statute was designed for monetary emergencies, not trade deficits. Judge Eaton ordered refund processing; CBP responded it cannot comply, citing 53 million tariff entries needing reprocessing. Court subsequently reversed the refund order. Estimated \$165B in refunds owed to 330,000 importers. Cato Institute estimated Treasury accruing ~\$700M/month in interest costs on withheld funds.

Equity markets posted worst week since October 2025

SPX closed at 6,740 (-1.3% Friday, worst week since October 2025). Dow at 47,502 (-0.9%), Nasdaq -1.6%. Russell 2000 dropped 2.39% on Friday alone. All three majors negative for 2026. VIX surged to 29.26 (+23.2% Friday). Defence stocks outperformed (Lockheed Martin, Northrop Grumman, Palantir). Airlines lost 4-6% Thursday on jet fuel costs. Energy stocks soared (XOP +30% YTD). Dollar index gained 1.3% for the week---best since August.

European Union: Energy Shock Flips ECB Expectations

Inflation ticked above target before the full shock hit

February HICP flash: 1.9% (vs 1.7% consensus), up from 1.7% in January. Core at 2.4% (up from 2.2%). Services inflation ticked to 3.4%. This captured data largely before the 28 February strikes---full energy pass-through not yet reflected. France sharply higher (to 1.1% from 0.4%), Germany eased to 2.0%, Italy jumped to 1.6%, Spain steady at 2.5%.

ECB expectations underwent extraordinary reversal

Within one week, markets flipped from pricing 40% probability of a rate cut to fully pricing a September hike. ECB Chief Economist Lane referenced December 2023 scenario analysis predicting substantial energy-driven inflation spike in Middle East escalation. Board member Schnabel warned of upside inflation risks. Next Governing Council: 18-19 March.

European gas doubled before partial retreat

TTF surged from pre-crisis €32/MWh to intraday peak ~€65/MWh on Tuesday, settling ~€48-52/MWh by Friday---still ~50% above pre-war levels. QatarEnergy force majeure on LNG reduced near-term global supply by ~19% (Goldman estimate). European gas storage at critically low 30% (vs ~40% year earlier). Goldman raised April TTF forecast to €55/MWh, warned one-month blockade could push toward €74/MWh. EY estimated persistent Hormuz closure could reduce euro area GDP by 1.3% by 2027 and push HICP to ~5%.

Germany's manufacturing expanded; defence orders surged

Final February manufacturing PMI: 50.9 (revised up from 50.7)---first expansion in 3.5 years. Defence budget at ~€377B for 2026 procurement. NATO allies agreed to 5% of GDP target by 2035. Chancellor Merz visited White House where Trump attacked Spain.

Spain-US confrontation became Europe's political flashpoint

Sánchez refused US military use of bases for Iran operations. Trump threatened to cut off all trade with Spain. European Council expressed "full solidarity." Turnberry Deal ratification postponed for second time. Euro Stoxx 50 fell ~5.8-7.2% for the week---worst since April 2025. Defence stocks outperformed (Rheinmetall +3.3%, Dassault +4.3%, Leonardo +2.6% Friday).

China: Lowest GDP Target Meets PMI Divergence

Two Sessions set cautious tone

GDP growth target: 4.5-5%---lowest on record (excluding 2020). Budget deficit at ~4% of GDP (5.89 trillion yuan). Ultra-long special treasury bonds 1.3 trillion yuan, local government bonds 4.4 trillion yuan. General expenditure surpassed 30 trillion yuan for first time. Defence budget +7% to 1.91 trillion yuan. 15th Five-Year Plan targeting digital economy at 12.5% of GDP.

PMI divergence widened dramatically

NBS Manufacturing PMI: 49.0 (second consecutive contraction, lowest since October). Export orders collapsed to 45.0. Small enterprises at 44.8. Caixin Manufacturing PMI: 52.1 (highest since December 2020)---third consecutive expansion. Caixin Services: 56.7 (highest since May 2023). Composite 55.4. Widest divergence between official and Caixin data in recent memory---private sector significantly outperforming state enterprises.

PBOC held fire but signalled readiness

No rate or RRR cut. Governor Pan pledged "flexible and efficient" use of monetary tools including cuts. Midpoint fixing set at 6.9007 (strongest in 34 months). Yuan traded ~6.91 by Friday. Hang Seng fell ~3.3% for the week but rebounded 1.7% Friday. CSI 300 near 4,790.

Japan: Strong Data Buried by Oil Shock

BOJ signalled patience amid geopolitical uncertainty

Deputy Governor Himino refrained from signalling March hike. Governor Ueda acknowledged oil could impact economy through multiple channels but reaffirmed: "If economy and prices move in line with our forecast, we will continue to raise interest rates." Policy rate at 0.75%, next meeting 18-19 March.

Data was unambiguously positive

Final manufacturing PMI: 53.0 (strongest since May 2022). Services: 53.8 (best since May 2024). Export orders growing at fastest pace in eight years. Shunto wage demands at 5.94% (weighted average)---exceeding Rengo's 5% target.

Markets suffered despite fundamentals

Nikkei fell over 5% to 55,621. Yen weakened to 157.5-157.8. Finance Minister Katayama issued statement watching markets with "extremely high sense of urgency," intervention "remains an option." Japan imports virtually all its energy---oil above \$90 hits with particular force.

Geopolitics and Commodities

Oil recorded largest weekly gain in futures history

WTI surged 35.6% to \$90.90 (from ~\$67)---largest weekly gain in NYMEX history since 1983. Brent settled at \$92.69 (+28%), intraday peak near \$94. Strait of Hormuz transits collapsed from

24/day to 2 commercial vessels by Friday. ~150 ships anchored outside strait, ~200 tankers stranded within Gulf. Iraq shut 1.5M bpd; Kuwait cutting output. JPMorgan warned losses could approach 6M bpd. Qatar's Energy Minister warned crude could reach \$150 in coming weeks. US gasoline rose from ~\$3.00 to \$3.41/gallon. OPEC+ agreed 206,000 bpd increase for April---effectively moot given disruption.

Gold fell despite crisis

Spot gold traded \$5,097-\$5,408 range but weakened overall. Opened ~\$5,338 Monday, dropped to ~\$5,097 Friday before recovering to ~\$5,105-5,180. Dollar's 1.1% surge (strongest since May 2025) made gold more expensive for international buyers. Physical supply chains through Dubai disrupted. Silver fell ~6%, ending near \$83. Copper retreated 3.6% to ~\$12,955/tonne.

European gas surged on LNG disruption

TTF surged from €32 to peak ~€65/MWh before settling ~€48-52. QatarEnergy force majeure after drone strikes on Ras Laffan reduced global LNG supply ~19%. EU gas storage at 30% (vs 40% year ago). Brief de-escalation signal Wednesday (Iranian diplomatic outreach) sent TTF down 12% intraday---reversed after Trump demanded "unconditional surrender."

No ceasefire by week's end

Iran's President Pezeshkian halted strikes on neighbouring countries, apologised for collateral damage to Gulf states, but maintained targeting of US and Israeli military assets. Trump demanded unconditional surrender. IRGC claimed strikes on commercial tanker near strait. Iranian casualties exceeded 1,300 dead. US forces lost at least 6 service members. Trump announced \$20B insurance programme for oil tankers---not yet operational.