RobustQuant Weekly Compass

Weekend Edition | March 22, 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) 6,193 – 6,701 ±3.9% 62/65 (95.4%) Gold (GLD)* 357.8 – 471 ±13.7% 34/36 (94.4%) REITs (XLRE)* 38.1 – 42.4 ±5.3% 25/26 (96.2%)

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*Newsletter-exclusive coverage

Target: ~95% of weekly closes fall within these ranges
Track record details → robustquant.com/predictions

2 | This Week's Summary

Descending equities. Surging inflation. Escalating war. Central banks pause.

Equities are falling---S&P 500 posted its fifth consecutive weekly decline and sits 5% below its January high. Inflation pressures are rising---PPI surged +0.7% headline, core PCE at 3.1%, Fed raised its inflation projection. The Iran conflict continues to escalate---Hormuz in its third week shut, oil volatile between $104-$114, a 22-nation coalition forming. And the Fed, ECB, and BOJ all chose to hold rates within 24 hours of each other. Gold crashed 10% in a single week.

The Compass translates this macro tension into clear weekly ranges, showing whether markets remain contained or begin to break under pressure.

Key Results:

• S&P 500: 6,506 (lower range)
• Gold: 413 (lower range)
• REITs: 40.59 (lower range)

Pattern of the week: All three in lower range---third consecutive week. Gold closed near the lower boundary of a wide ±12.9% range after its sharpest weekly decline in months. Central banks frozen, markets descending, and still: contained. Compass frames the week ahead.

3 | What Moved Markets (Mar 16–20)

Three Central Banks Hold:

Fed held at 3.50-3.75% (11-1). Dot plot: seven members see no cuts in 2026. Inflation projection raised to 2.7% PCE. ECB held at 2.00%, revised inflation up to 2.6%, growth down to 0.9%. BOJ held at 0.75% (8-1), kept April hike on the table. All three acknowledged stagflationary risks. All three declined to act.

PPI Hot, Gold Crashed:

February PPI surged +0.7% m/m (vs +0.3% expected), +3.4% YoY. Core +0.5% m/m, +3.9% YoY. Fed funds futures now price zero cuts for 2026. Gold crashed from $5,025 to $4,494 (-10% in one week) as the dollar surged. Silver fell 17% in two sessions.

Hormuz Third Week, Oil Triple Digits:

Brent traded $104-$114, touching $113.71 Wednesday. 22-nation coalition formed to reopen strait. DIA estimated Iran can keep it shut 1-6 months. No ceasefire. Trump-Xi summit postponed.

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

4 | S&P 500 (SPX) Boundaries (Mar 27)

🎯 **Range for Friday Mar 27: 6,193–6,701**
📊 **Hit Rate: 62/65 weeks (95.4%)**

Last Week's Performance:

Last week: Range 6,348-6,859, closed **6,506** (lower range)

SPX declined 1.5% Friday to a new 2026 closing low. Range shifts lower again (±3.9% maintained). Track record improved to 95.4% (62/65).

For Your Planning:

• Lower zone (6,193-6,362): Where fear often peaks
• Middle zone (6,362-6,532): Normal trading area
• Upper zone (6,532-6,701): Where excitement builds

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

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

🎯 **Range for Friday Mar 27: 357.8–471**
📊 **Containment: 34/36 weeks (94.4%)**

Last Week's Performance:

Last week: Range 409-530, closed **413** (lower range)

GLD closed **413**---near the lower boundary of a wide ±12.9% range. Range widens further (±13.7% vs ±12.9%). Track record improved to 94.4% (34/36).

For Your Planning:

• Lower zone (357.8-395.5): Where consolidation may emerge
• Middle zone (395.5-433.2): Current close territory
• Upper zone (433.2-471): Where safe-haven demand peaks

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

🎯 **Range for Friday Mar 27: 38.1–42.4**
📊 **Containment: 25/26 weeks (96.2%)**

Last Week's Performance:

Last week: Range 40-44, closed **40.59** (lower range)

REITs closed **40.59** as 10-year yield climbed to 4.39%, 30-year approached 5.00%. Range shifts lower (38.1-42.4 vs 40-44). Track record reached 96.2% (25/26)---above design parameters.

For Your Planning:

• Lower zone (38.1-39.5): Where rate-hike fears typically pressure sector
• Middle zone (39.5-40.9): Normal trading area
• Upper zone (40.9-42.4): Where rate-cut optimism drives positioning

7 | Psychology & How to Read

Every narrative competes for your attention. Headlines shift daily. Conflicting interpretations flood your screen. News describes chaos but rarely measures it.

The Compass doesn't interpret headlines. It translates market reality into three ranges for the week ahead. No predictions. No narratives. Just measurable boundaries.

This week: gold---the supposed safe haven---crashed 10% while war escalated. Central banks offered no direction. Markets kept descending. And the Compass still measured where they actually closed. All three assets in range.

What They Show:

Weekly boundaries where markets typically move---designed to help you see through the noise when institutions freeze and headlines overwhelm.

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 safe havens stop behaving as expected and institutions offer no direction---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 cannot control what central banks, oil, or wars do. You can control your risk, your positioning, and your interpretation of reality. The news tells stories. The Compass measures where markets actually move. No noise. Just numbers.

8 | Track Record

Performance Since Launch:

• S&P 500: 62 hits in 65 weeks (95.4%)
• Gold: 34 hits in 36 weeks (94.4%)
• REITs: 25 hits in 26 weeks (96.2%)

What This Means:

SPX improved to 95.4% (62/65) with lower-range close at 6,506. Fifth consecutive weekly decline, Russell 2000 in correction---containment held.

GLD improved to 94.4% (34/36) with lower-range close at 413---near the lower boundary of a wide range. Contained.

REITs reached 96.2% (25/26) with lower-range close at 40.59. Yields at 4.39%. All three assets above design parameters.

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, policy decisions, or coalition announcements.

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:

The Compass doesn't require institutions to act or markets to stabilise. It measures where they close. Three consecutive weeks contained. Ranges shift lower again. The system absorbs what headlines cannot.

Questions About Your Situation:

Q: Gold crashed 10%---should I be worried about the safe-haven narrative?

A: GLD closed at 413---lower range, but inside range. The Compass tracks where assets close, not whether they behave as conventional narratives expect. Gold fell while war escalated. That's the data. Your plan should account for assets moving in unexpected directions.

Q: Central banks are frozen---what happens next?

A: Ranges are published regardless of what central banks decide. Fed, ECB, and BOJ all held---and all three compass assets remained contained. The model doesn't wait for policy clarity. Friday's close measures the result. Your preparation matters more than the next rate decision.

Next Week: Ranges for March 27 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 16–22)

For readers who want comprehensive economic data and regional breakdowns

United States: Fed Holds, Dot Plot Hardens

FOMC held 11-1, inflation projections raised

Fed held at 3.50-3.75%. Governor Miran sole dissent (preferred 25bp cut). Waller swung back to majority after dissenting in January. Median dot plot unchanged at 3.4% year-end (implying one cut), but distribution shifted hawkish: seven members see no cuts in 2026, tied with seven projecting one cut. Only five see two or more cuts. Headline PCE projection raised to 2.7% (from 2.4%), core to 2.7% (from 2.5%). GDP raised to 2.4% (technical shift from Q4 2025 shutdown/reopening). Longer-run neutral rate edged to 3.0%.

Powell pressed on stagflation, succession

Powell: "The forecast is that we will be making progress on inflation, not as much as we had hoped." Called it "too soon to tell" whether Middle East warranted policy response. Rejected stagflation framing. On DOJ probe: "I have no intention of leaving the board until the investigation is well and truly over." Chair term expires 15 May 2026. Warsh confirmation blocked by Senator Tillis.

February PPI surged

Headline PPI +0.7% m/m (double 0.3% consensus), +3.4% YoY (highest since February 2025). Core +0.5% m/m, +3.9% YoY. Goods +1.1% (largest since August 2023). Food +2.4%, energy +2.3%, vegetables +48.9%. Diesel in intermediate demand +13.9%. Fed funds futures now price virtually zero easing for remainder of 2026.

Labour market and consumer data

Initial claims 205,000 (lowest since January 2026). "Low-hire, low-fire" dynamic persists---contrasts with February's -92,000 NFP. Retail sales postponed to 1 April. NRF/CNBC alternative gauge: +0.28% m/m, +6.24% YoY. Michigan sentiment 55.5, expectations at 54.1 (weakest since November 2025). One-year inflation expectations held at 3.4%. Sentiment at 2nd percentile historically.

Markets: fifth consecutive weekly loss

SPX closed at 6,506 (-1.5% Friday)---new 2026 low, down 5.1% YTD. Wednesday pivotal: hot PPI at 08:30 + Powell's "not as much progress as hoped" at 14:30 + Brent $109 drove SPX -1.36% to 6,624.70. Dow lost 768 points, breached 200-day moving average. Triple witching Friday amplified selling. Nasdaq -2.01% to 21,647.61. Russell 2000 -2.26% to 2,438.45---entered correction territory (-10% from recent high), first major US index to do so. VIX closed 26.78 (+11.31% Friday). 10-

year yield 4.39% (+11bp for week). 30-year approached 5.00%. 2-year at 3.88% (highest since July 2025). JPMorgan cut year-end SPX target to 7,200 from 7,500. Bank of America: markets pricing 35% recession probability (up from 10% two weeks ago). Energy only sector with weekly gains for second straight week.

Tariffs: Section 301 fills IEEPA vacuum

Section 301 public docket opened 17 March targeting 16 economies for "structural excess capacity." Comments due 15 April, hearings 5-8 May. USTR aims to conclude before Section 122 expires 24 July---providing legal scaffolding for permanent tariff regime after SCOTUS struck down IEEPA. IEEPA refund saga: $166B owed to 330,000 importers, CBP says immediate compliance infeasible. Section 122 replacement (10% global levy, 150-day limit) remains only operative trade barrier.

European Union: ECB Holds, ZEW Collapses

ECB held sixth consecutive meeting

Deposit rate at 2.00%, main refinancing 2.15%, marginal lending 2.40%. Staff projections (data cut-off extended to 11 March to capture early Iran impact): inflation revised to 2.6%, core to 2.3%, growth cut to 0.9%. Lagarde: war "has made the outlook significantly more uncertain, creating upside risks for inflation and downside risks for economic growth." Nagel signalled possible April hike. Villeroy reaffirmed readiness to act "decisively." Markets pricing two hikes in 2026, 60% probability of May move---dramatic reversal from easing expectations weeks earlier.

ZEW collapsed 58.8 points

Third-largest monthly decline in survey history (after March 2022 and April 2025). Sentiment fell to -0.5 from 58.3. Inflation expectations surged 78.9 points to 79.0. ZEW President Wambach: "The ZEW Indicator has collapsed. The escalation in the Middle East spikes energy prices and increases inflationary pressure." Eurozone ZEW fell to -8.5 (11-month low).

Gas, energy, Turnberry

TTF traded €58-62/MWh---double pre-conflict levels. EU gas storage 28.93% (lowest seasonal since 2021-22, Netherlands at 9-10%). EU ban on Russian pipeline gas took effect 18 March under Regulation EU/2026/261. QatarEnergy Ras Laffan damage could take five years to repair. EU mandatory 90% storage fill target by November looks exceedingly challenging. Turnberry Deal advanced through EP Trade Committee with conditions: sunset clause, territorial sovereignty trigger (added after Trump's Greenland comments), automatic steel snapback (EU tariffs reintroduced if US steel levies not reduced from 50% to 15% within six months), standstill clause (deal suspended if US tariffs exceed 15%).

Final February HICP and equity markets

Headline 1.9%, core 2.4%, services 3.4%---does not yet capture full energy shock. STOXX 600 fell to three-month low (-2.4% Thursday, every sector red except oil and gas). Norwegian Equinor surged 11%. EUR/USD hit seven-month low ~1.145 before recovering to ~1.157. European Council (19-20 March): Middle East crisis overwhelmed competitiveness agenda. Hungary vetoed €90B Ukraine support loan.

China: Strong Data, Summit Postponed

January-February data beat across the board

Industrial production +6.3% YoY (vs 5.0-5.3% consensus). Retail sales +2.8% (strongest since October 2025). Fixed asset investment +1.8% (turnaround from -3.8% full-year 2025). Property investment decline slowed to -11.1%. Urban unemployment 5.3%. NBS attributed strength to holiday spending and foreign demand.

PBOC held, Trump-Xi postponed

LPR unchanged for 10th month (1-year 3.0%, 5-year 3.5%). PBOC injected RMB 500B but net liquidity contracted---first since June 2025. Trump-Xi summit postponed 5-6 weeks (citing Iran). Paris preparatory talks described as "very good" by Bessent. Section 301 docket opened---China primary target. Hang Seng rallied on data but faded. Shanghai Composite lost 4,000 level Friday (3,957). USD/CNY 6.88-6.91.

Japan: BOJ Hawks, Shuntō Delivers

BOJ held 8-1, April hike alive

Rate at 0.75%. Takata dissented (proposed 1.0%). Ueda: "A new risk scenario tied to rising oil prices has emerged." Kept April on the table, called slowdown "likely temporary." Bloomberg: "hawkish hold."

Shuntō strongest in 30+ years

Toyota fully met demands for 6th year (up to ¥21,580/month, bonus 7.3 months). Preliminary Rengo data: 5.46% overall wage growth, 3.84% base-pay growth. Most major companies offered 5-7%.

Yen, Nikkei, oil reserves

USD/JPY hit 159.82 (highest since July 2024). Finance Minister Katayama flagged possible joint intervention with US. Nikkei swung: +2.73% Wednesday, -3.38% Thursday. Ended week ~1.87% lower. 80M barrel oil reserve release commenced 16 March. February exports +4.2% YoY, surprise trade surplus ¥57.3B. Exports to US -8%, car shipments -14.8%.

Geopolitics and Commodities

Hormuz third week shut

Only 21 tankers transited since war began (vs 100+/day pre-conflict). ~400 vessels backed up. US launched aerial campaign (A-10s, Apaches) to neutralise coastal threats. 22-nation coalition formed. DIA estimated 1-6 months closure. Iranian FM: "We never asked for a ceasefire." Trump postponed Xi summit, deployed 2,500 additional marines.

Oil volatile in triple digits

Brent $104-$114 range. Hit $113.71 Wednesday (PPI + Fed). Pulled back to $107.40 Thursday (Trump ruled out ground troops). Recovered to ~$112 Friday. Over 50% above pre-war ~$65. Gulf producers forced shut-ins ~8.5M bpd. OPEC+ meeting 5 April.

Gold crashed 10%

Gold opened $5,025 Monday, fell to $4,494 by Friday---sharpest weekly decline in months. Wednesday's Fed-driven dollar surge triggered $150 drop. Thursday: -$310 in single session. Dollar reassertion over safe-haven flows. Silver crashed 17% in two sessions ($80.90→$66.93) before recovering to $72.10. DXY traded 99-100.5.

European gas above €60

TTF €58-62/MWh. QatarEnergy Ras Laffan damage (export capacity -17%) could take five years to repair. EU storage 28.93%. No Russia-Ukraine ceasefire progress. Polymarket: 0.6% probability of ceasefire by 31 March.