

RobustQuant Weekly Detailed

Weekend Edition | May 3, 2026 | Prediction for May 8

📄 COMPASS FOR EMOTIONAL DISCIPLINE---NOT TRADING ADVICE Weekly boundaries to help reduce fear and greed in market decisions

1 | At a Glance

Asset	Range	Width	Track Record
S&P 500 (SPX)	6,855 – 7,628	±5.3%	66/70 (94.3%)
Gold (GLD)*	377 – 476	±11.6%	39/41 (95.1%)
REITs (XLRE)*	42.0 – 47.1	±5.7%	30/31 (96.8%)

*Newsletter-exclusive coverage

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

2 | This Week's Summary

1969 jobless claims. 2022 oil. 2024 inflation. All in one week.

Four central banks held — Fed, ECB, BOJ, PBOC — with the same diagnosis and three different reactions. UAE quit OPEC+. Hormuz still closed. Big Tech beat across the board. Q1 GDP rebounded; core PCE hit a 28-month high.

The news tells stories. The compass measures where markets actually closed.

Key Results:

- S&P 500: 7,230 (mid-upper range) ✓
- Gold: 423 (lower-mid range) ✓
- REITs: 44.3 (middle range) ✓

Pattern of the week: Three historic data extremes printed in five trading days. Three central banks split internally. One war reshaping supply chains. Three contained closes.

3 | What Moved Markets (Apr 27–May 3)

Central Bank Holds, Internal Splits:

The Fed held 3.50–3.75% by an 8-4 vote — Miran dissented for a cut, Hammack/Kashkari/Logan dissented against an "easing bias" in the statement. Powell flagged this as "his last press conference as chair." The BOJ held at 0.75% by 6-3, with three members favouring an immediate hike to 1.0%. The ECB held unanimously, citing "intensified" upside inflation risks. The PBOC stayed on hold whilst the Politburo signalled "ample liquidity."

Energy Geopolitics:

The UAE announced its exit from OPEC+ on 28 April, effective 1 May. The OPEC+ "Seven" agreed a 188,000 b/d production hike for June. Brent intraday touched its highest level since June 2022. ExxonMobil and Chevron booked combined ~\$3.6 billion in war-hedge losses.

Three Historic Data Extremes:

US Q1 GDP rebounded to +2.0% q/q SAAR. Initial jobless claims fell to 189,000 — the lowest weekly print since 1969. March core PCE at 3.2% y/y — highest since January 2024. ISM Manufacturing held 52.7 with Prices Paid at 84.6 and Employment at 46.4. Microsoft, Alphabet, Meta, Amazon and Apple all beat consensus.

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

4 | S&P 500 (SPX) Boundaries (May 8)

Range for Friday May 8: 6,855–7,628

Hit Rate: 66/70 weeks (94.3%)

Last Week's Performance:

Last week: Range 6,787-7,545, closed **7,230** (mid-upper range)

SPX closed 7,230 in the upper half of the range. New range shifts higher whilst maintaining width ($\pm 5.3\%$ unchanged). Track record at 66/70 (94.3%).

For Your Planning:

- Lower zone (6,855-7,113): Where fear often peaks
- Middle zone (7,113-7,370): Normal trading area
- Upper zone (7,370-7,628): Where excitement builds

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

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

Range for Friday May 8: 377–476

Containment: 39/41 weeks (95.1%)

Last Week's Performance:

Last week: Range 373-499, closed **423** (lower-mid range)

GLD closed 423 in the lower-mid range. New range shifts slightly lower whilst narrowing ($\pm 11.6\%$ vs $\pm 14.4\%$). Track record at 39/41 (95.1%).

For Your Planning:

- Lower zone (377-410): Where consolidation may emerge
- Middle zone (410-443): Current close territory
- Upper zone (443-476): Where safe-haven demand peaks

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

Range for Friday May 8: 42.0–47.1

Containment: 30/31 weeks (96.8%)

Last Week's Performance:

Last week: Range 41.7-46.6, closed **44.3** (middle range)

REITs closed 44.3 in the middle of the range. New range shifts slightly higher whilst widening ($\pm 5.7\%$ vs $\pm 5.5\%$). Track record at 30/31 (96.8%).

For Your Planning:

• Lower zone (42.0-43.7): Where rate-hike fears typically pressure sector • Middle zone (43.7-45.4): Normal trading area • Upper zone (45.4-47.1): Where rate-cut optimism drives positioning

7 | Psychology & How to Read

Every week brings a new headline asking the same question: should I act?

This week the question came in three forms. Claims at a 57-year low — is the labour market unbreakable? Core inflation at a 28-month high — is stagflation here? Central banks splitting internally — is policy losing its anchor?

The compass doesn't answer those questions. It draws a boundary around where markets typically close — and lets the close speak.

What They Show:

Weekly boundaries where markets typically move — designed to help you stay grounded whether the headline says recession, record, or rupture.

What They Don't Show:

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

The Retail Trap:

Conflicting headlines paralyse most individual investors. They wait for clarity that never comes — and either freeze through the move or chase it after the fact. The compass replaces "what should I think about this?" with "where is the close relative to the range?"

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:

Sentiment, dissents, and hedge losses don't sit in a range. Closes do.

8 | Track Record

Performance Since Launch:

• S&P 500: 66 hits in 70 weeks (94.3%) • Gold: 39 hits in 41 weeks (95.1%) • REITs: 30 hits in 31 weeks (96.8%)

What This Means:

SPX at 94.3% (66/70). Mid-upper close at 7,230.

GLD at 95.1% (39/41) — at design parameters. Lower-mid close at 423.

REITs at 96.8% (30/31) — well above design parameters. Middle close at 44.3.

Transparency:

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

9 | Method and Limitations

How Ranges Work:

The model combines current volatility patterns, trend direction, and momentum indicators to target ~95% weekly containment. It tracks Friday closes only.

When Ranges Break:

Breakouts signal markets transitioning beyond normal parameters. They aren't failures — they're information. The model adapts; subsequent ranges reflect what the prior breach revealed.

Current Environment:

Cross-asset volatility comes from simultaneous shocks the model does not need to reconcile — it observes the close. The wider GLD range reflects elevated intra-week dispersion in precious metals; the steady SPX width reflects equity volatility within normal parameters.

Questions About Your Situation:

Q: With Fed leadership changing in two weeks, should I reduce risk before the transition?

A: Leadership transitions create narrative uncertainty, not necessarily price uncertainty. The range for May 8 is 6,855–7,628 regardless of who chairs the FOMC. Your actions depend on your financial plan and rules established before emotional moments arrive.

Q: Q1 GDP rebounded but inflation accelerated — is stagflation here?

A: The compass doesn't ask you to choose a macro narrative. Both data points can be simultaneously true. Where the Friday close falls in the range — that's the data point the compass produces. Your strategic response belongs in your financial plan.

Next Week: Ranges for May 8 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 (Apr 27–May 3)

For readers who want comprehensive economic data and regional breakdowns

United States: Fed Holds with Four Dissents Amid Q1 Rebound

Macro Data: A Fragile Bounce, A 57-Year Low in Jobless Claims

The Bureau of Economic Analysis released the Q1 2026 advance GDP estimate on 30 April: real GDP grew +2.0% q/q SAAR, against +0.5% in Q4 2025 and consensus +2.3%. The headline reflected a partial unwind of the Q4 government-shutdown drag (BEA had previously estimated this subtracted ~1.16 ppts in Q4), with federal compensation rebounding +9.3% and consumer spending +1.6%. The GDP price index rose +3.6% q/q; the Q1 PCE price index surged +4.5% q/q (vs +2.9% in Q4) and core PCE +4.3% q/q (vs +2.7%) — clear evidence of energy-and-tariff-driven price pressure feeding through.

Released the same morning, March 2026 Personal Income & Outlays showed personal spending up +0.9% m/m and the PCE price index at +3.5% y/y with core PCE at +3.2% y/y (the highest since January 2024). The personal saving rate fell to 3.6%, a level not seen since July 2008. The Q1 Employment Cost Index rose +0.9% q/q and +3.4% y/y. Most striking, initial jobless claims for the week ending 25 April collapsed to 189,000 — the lowest weekly print since 1969 — against consensus near 213,000; continuing claims fell to 1.785 million.

ISM Manufacturing PMI for April held at 52.7 on 1 May, matching the highest reading since August 2022, but the composition was uncomfortable: Prices Paid jumped 6.3 points to 84.6 (highest since April 2022) whilst Employment fell 2.3 points into contraction at 46.4. The Conference Board Consumer Confidence Index edged up to 92.8 on 28 April, with chief economist Dana Peterson noting "material concern about rising gasoline prices as the war in the Middle East prompted a surge in Brent crude oil prices." The Chicago PMI dropped sharply into contraction at 49.2, and the Dallas Fed General Business Activity index slipped to -2.3.

Federal Reserve: 8-4 Hold, Four Dissents in Two Directions

The FOMC met 28–29 April and held the federal funds target range at 3.50–3.75% by an 8-4 vote. Governor Stephen Miran dissented in favour of a 25 bp cut; Hammack, Kashkari and Logan dissented because they opposed inclusion of an "easing bias" in the statement. Chair Powell, in what he flagged as "his last press conference as chair" (Trump nominee Kevin Warsh advanced from the Senate Banking Committee that morning, with confirmation expected mid-May), emphasised that core PCE prices "rose 3.2 percent over the 12 months ending in March" and that "this relatively high rate largely reflects the effects of tariffs on prices in the goods sector." On energy, Powell linked the rise in headline PCE to "the significant rise in global oil prices that has resulted from the conflict in the Middle East." Post-blackout, Vice Chair Bowman spoke on AI in the financial system on 1 May, with Governor Waller delivering remarks on reserve bank operations the same day.

Big Tech Delivers: Microsoft, Alphabet, Amazon, Meta, Apple All Beat

Q1 reporting was concentrated on 29–30 April. Microsoft posted fiscal Q3 revenue of \$82.9 bn (+18% y/y), EPS \$4.27, with CEO Satya Nadella noting the AI business surpassed an annual revenue run rate of \$37 billion, up 123% year-over-year. Alphabet delivered \$109.9 bn revenue (+22%) with Google Cloud accelerating to \$20.03 bn (+63%), raising 2026 capex guidance to \$180–190 bn. Meta revenue hit \$56.31 bn (+33%), EPS \$10.44, and raised 2026 capex to \$125–145 bn. Amazon delivered \$181.5 bn revenue (+17%) with AWS at \$37.6 bn (+28%); Q1 net income of \$30.3 bn included a \$16.8 bn pre-tax non-operating gain on its Anthropic stake. Apple's fiscal Q2 revenue was a March-quarter record \$111.2 bn (+17%) with iPhone +22%, Services at an all-time-record \$30.98 bn, and a fresh \$100 bn buyback authorisation; Tim Cook is transitioning to Executive Chairman.

Energy majors were hit by Iran-war hedging losses. ExxonMobil's Q1 net income fell 46% to \$4.2 bn (EPS \$1.00), including a \$706 mn loss on financial hedges and \$3.9 bn of unfavourable derivative timing effects. Chevron's adjusted EPS of \$1.41 beat consensus of \$0.95 despite a \$2.9 bn hedge charge — its largest beat since October 2020. Visa posted fastest revenue growth since 2022 (\$11.2 bn, +17%) and authorised a fresh \$20 bn buyback. Mastercard revenue grew 16% to \$8.4 bn.

Trade and Tariff Backdrop

Following the Supreme Court's 20 February 2026 ruling in *Learning Resources, Inc. v. Trump* striking down IEEPA-based tariffs, the administration's substitute Section 122 10% global "Temporary Import Surcharge" remains the operative regime alongside Section 232 and Section 301 measures. CBP's CAPE refund portal continued processing an estimated \$166 bn of refunds to over 330,000 businesses. USTR's Section 301 forced-labour public hearing ran 28 April – 1 May in Washington, covering 16 economies including China.

European Union: Stagnant Growth, Accelerating Inflation, ECB Stays the Course

The Eurozone confronted the textbook stagflationary cocktail: Q1 GDP slowed to +0.1% q/q whilst HICP jumped to 3.0% y/y, the highest in 30 months, with energy +10.9%. German Q1 surprised positively at +0.3% and unemployment fell to 6.2%. France stalled at 0.0%. Italian HICP at 2.9%, German HICP at 2.9%. The ECB's unanimous hold framed the conjuncture as one in which "upside risks to inflation and the downside risks to growth have intensified," and Lagarde explicitly rejected stagflation language whilst conceding that the longer high energy prices persist, the more second-round effects intensify. Consumer inflation expectations leapt to 4.0% (12-month) and credit standards tightened most sharply since Q3 2023.

The political economy of the energy shock remained fragile. The 20th sanctions package against Russia entered force during the week but was already a watered-down version of what the Commission originally proposed — Cyprus, Malta and Greece blocked the full G7-coordinated maritime services ban on Russian crude amid the Hormuz crisis. National budget arithmetic deteriorated further: Germany cut its 2026 GDP forecast to 0.5% from 1.0%, Italy to 0.6%, France to 0.9%. The 20th sanctions package's LNG-tanker services ban took effect 25 April, with the LNG-terminal services ban deferred to 1 January 2027. TTF gas settled at €45.41/MWh on 1 May.

Hungarian PM Viktor Orbán's loss of office in April 2026 elections materially eases EU sanctions unanimity for upcoming packages.

China: Politburo Reaffirms Stance, Trump–Xi Summit on the Calendar

China's week was structurally about signalling continuity rather than acceleration. The 28 April Politburo readout reaffirmed proactive fiscal and accommodative monetary stances but conspicuously avoided any reference to fresh RRR or rate cuts — signalling that the existing toolkit is judged sufficient given Q1's "robust start." Q1 industrial profits accelerated to +15.5% y/y (the strongest first-quarter pace since 2017 ex-pandemic) and the official Manufacturing PMI held above 50 for a second month, with new export orders crossing into expansion for the first time in 23 months. The Caixin Manufacturing PMI's surge to 52.2 (highest since December 2020) reinforced the picture of resilient industrial activity, even as the Non-Manufacturing index slipped to 49.4 and SME confidence remained mixed.

The trade dimension was the calmest it has been in months. With the Busan truce holding through 10 November 2026 and the Bessent–He Lifeng video call on 30 April preparing the ground for Trump's 14–15 May Beijing visit, both sides used the week to set guardrails rather than escalate. Beijing nonetheless tightened domestically: the MIIT's draft administrative-penalty framework for rare-earth quota breaches and the State Council's 7 April supply-chain security regulation give Beijing more discretionary leverage without crossing the truce. The yuan held steady at 6.83/USD with a firmer-than-expected fixing bias from the PBOC.

Japan: BOJ Splits 6-3, MOF Intervenes

Japan delivered the week's single most consequential central-bank surprise: the BOJ's 6-3 vote to hold at 0.75%, with three members dissenting in favour of an immediate hike to 1.0%. The accompanying Outlook Report cut FY2026 real GDP to +0.5% and raised FY2026 core CPI projections by 0.9 ppts to +2.8% — sharply revising the inflation profile higher whilst downgrading growth, an explicit acknowledgement of stagflation risk transmitted via Middle East energy. Ueda's framing — that the BOJ would "look through temporary supply shock-driven inflation" unless second-round effects emerge — implies a policy reaction function that is asymmetric and hawkish-leaning, but with no specific timeline.

The currency dimension was extraordinary. USD/JPY broke 160.73 on 30 April and reversed roughly 500 pips intraday on confirmed MOF intervention, with Vice Minister Mimura's "final evacuation warning to markets" representing the week's clearest verbal escalation. Tokyo April core CPI at 1.5% (well below consensus 1.8%) suggested the BOJ's domestic underlying inflation problem is less acute than its headline forecast revisions implied — a paradox driven by government utility subsidies offsetting Iran-war pressures. Golden Week closures from 29 April onward thinned market liquidity and amplified the volatility that drew MOF action.

Commodities and Energy

The UAE announced its exit from OPEC+ on 28 April, effective 1 May. The OPEC+ "Seven" met Sunday 3 May and agreed a 188,000 b/d production hike for June. Set against ~9 mb/d of Hormuz-

shut-in capacity, the increase is symbolically more important than physically meaningful — spare capacity remains concentrated in Saudi Arabia and UAE, both export-constrained by the Strait closure. Brent intraday touched its highest level since June 2022. ExxonMobil booked \$706 mn in financial hedge losses plus \$3.9 bn in unfavourable derivative timing. Chevron took a \$2.9 bn hedge charge.

Gold gave back ground despite intensifying geopolitics. GLD closed at 423, down from prior week's 433. Spot gold drifted lower as oil-driven rate-hike fears, dollar firmness, and central-bank holds outweighed safe-haven flows. The market is pricing a hawkish Fed response to energy-driven inflation over near-term safe-haven demand.