FSI Snapshot November 30, 2025

Market Breadth Brings Pep to Stocks, Holiday Season

We hope our U.S. readers had a happy Thanksgiving. Trading for the month of November has now concluded, and in our view, **the story this month was one of resilience**. The S&P 500 showed choppiness, and at one point, stocks were down as much as 6% from their October highs. Yet with **the broad-based large-cap index surging 4.75% during the abbreviated final trading week of the month**, we ended the month with stocks eking out a 0.39% gain.

November's volatility caused some discomfort. **Retail investor sentiment**, as measured by the American Association of Individual Investors (AAII), **remains net bearish** at negative 10.7%. Nevertheless, Lee does not view November's developments as disrupting his constructive expectations for December.

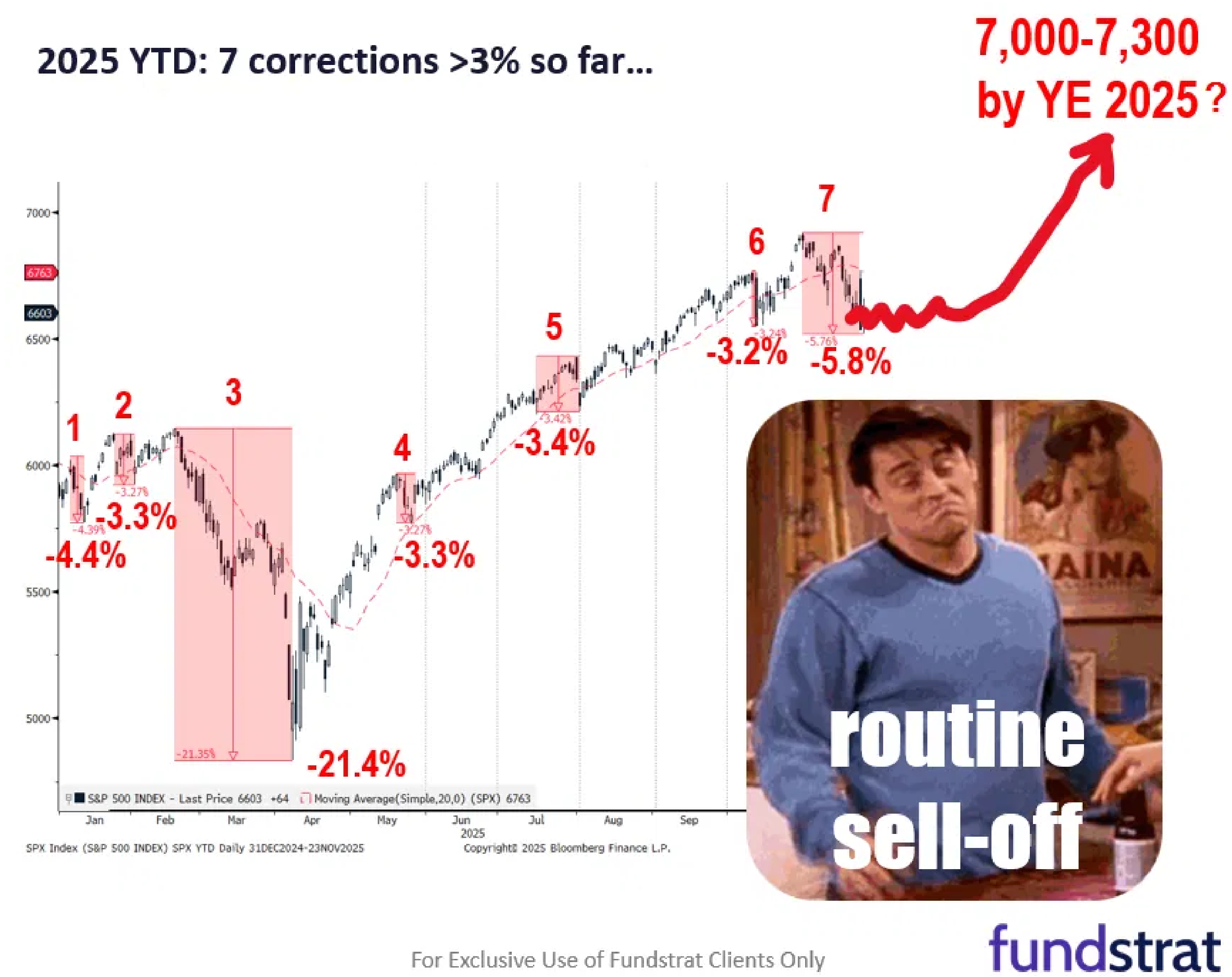
Among the reasons for his constructive view are **strong seasonality and the growing likelihood of another rate cut from the Federal Reserve** in December, with odds (as implied by Fed funds futures trading) rising to 86.9%. Lee also sees **momentum as on the side of the bulls**, noting that in the past 100 years, there have been six times in which stocks have been up six months in a row in October. In those historical precedents, "November and December rallied five out of six times, with a median gain of 5%," he pointed out.

Much of the pain in November had to do with the travails of technology. **The tech sector ($XLK) sank more than 4.72% this month**, led by big tech – though the month's 2.92% decline of equal-weighted tech ($RSPT) showed that it wasn't just the Magnificent Seven that struggled.

Yet there is arguably **a silver lining to be seen**. For months now, Head of Technical Strategy Mark Newton has repeated his concerns about deteriorating breadth, noting that gains by heavyweights like Nvidia were masking lackluster action in other sectors. **With Nvidia stumbling despite beating expectations** in its most recent earnings report this month ($NVDA fell 12.76% in November), **other parts of the market stepped up** – especially this week. "This week's sharp rally is certainly helpful, as many different parts of the market participated in this move," he told us.

Notably, Newton noted that market breadth "began to **rebound [...] in sectors like consumer discretionary, industrials, and financials**." With this in mind, Newton's technical work leads him to suggest that "**some broad-based rallying could be likely into year-end**," a view consistent with Lee's outlook.

Chart of the Week

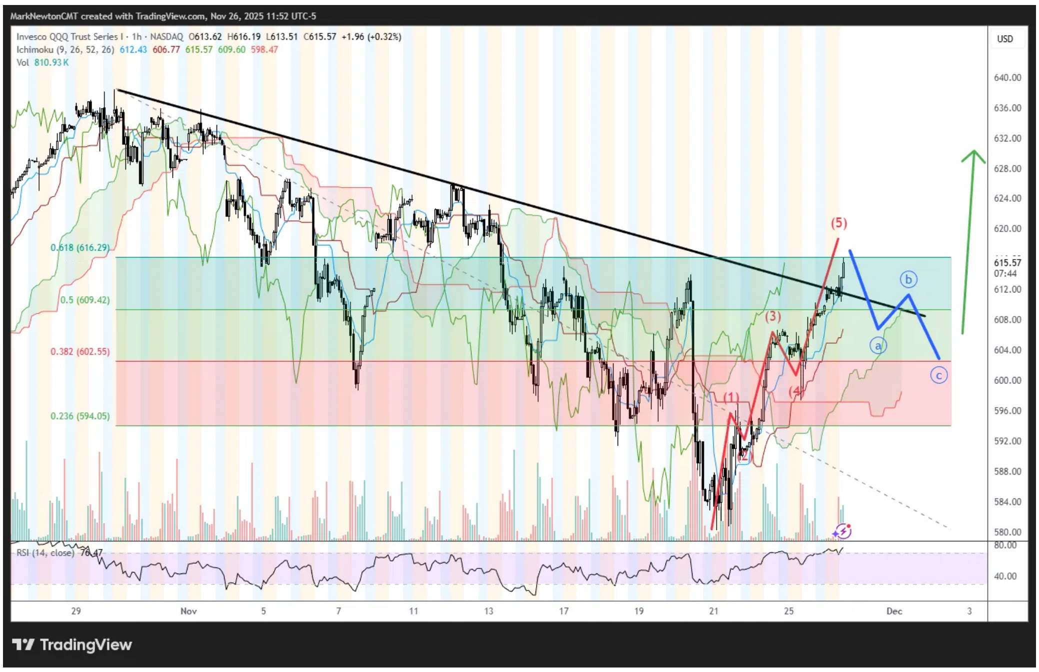


November's choppiness included a temporary correction that worried investors, but as Fundstrat's Tom Lee pointed out, such corrections have not been unusual this year. In fact, this is the seventh correction of at least 3% that markets have seen in 2025, as seen in our Chart of the Week. Lee maintains his constructive outlook for December, including a year-end target of 7,000 for the S&P 500.

Recent ⚡ Flash*Insights*

Mark L. Newton, CMT AC
Head of Technical Strategy

Both QQQ and ^SPX have now gotten above the minor downtrend from late October and market breadth has been rising over the last few days given the comebacks in areas like Consumer Discretionary and Industrials. Today nearly half of the sectors are up more than 1% and this week's move is very constructive towards thinking markets have started the process of their move back to new highs. While this four day rally will require some consolidation which might happen post-Thanksgiving, momentum and breadth have risen to make me a bit more constructive on SPX and QQQ potentially being able to challenge highs next month. For now, there remains some work to be done with regards to helping Technology stabilize a bit after turning in the worst monthly performance of all 11 sectors in the last month. Yet, its encouraging to start to see other sectors begin to pick up the slack, and this is key for the bullish end of year argument, technically speaking. QQQ has resistance near 616, while over might allow for a brief overthrow before a minor period of consolidation happens. Yet, this breakout of the downtrend from late October i find constructive.



Nov 26 • 12:23 PM

Mark L. Newton, CMT AC
Head of Technical Strategy

This morning's bounce has exceeded last Fridays' highs, which is constructive. However, market breadth is negative and other sectors are going to have to join in order to think this can extend. While Technology is higher by more than 1%, nine of 11 sectors are down today and last Thursday's highs of 6770 will continue to be the important level that needs to be exceeded in the short run. Until that happens, it's thought that trends remain negative and this bounce might be susceptible to failing

Nov 24 • 10:42 AM

Mark L. Newton, CMT AC
Head of Technical Strategy

An odd but generally constructive start of the day. Stocks like **NVDA▼-1.98%** are falling hard and breaking down.. Yet others like **AAPL▲0.38%** are breaking out and GOOGL▲0.06% continues its tear higher. Both Equal-weighted SPX along with Small caps are showing excellent strength today and US Dollar and Yields are falling. S&P stalled briefly and isn't making much progress, but with NVDA▼-1.98% being 8% of SPX and 10% of QQQ, it's logical that this wouldn't break out right away. I am expecting NVDA has maximum downside to near 164 and then begins a bounce which likely lasts into late January. This should be constructive for Technology, but for today, Tech is a notable laggard compared to Healthcare, Industrials, Discretionary, Materials and Staples. Breadth is 2.5/1 bullish but yet, NVDA is a definite drag on Index performance in what otherwise is a pretty solid start to today

Nov 25 • 11:08 AM

FS Insight Video: Weekly Highlight

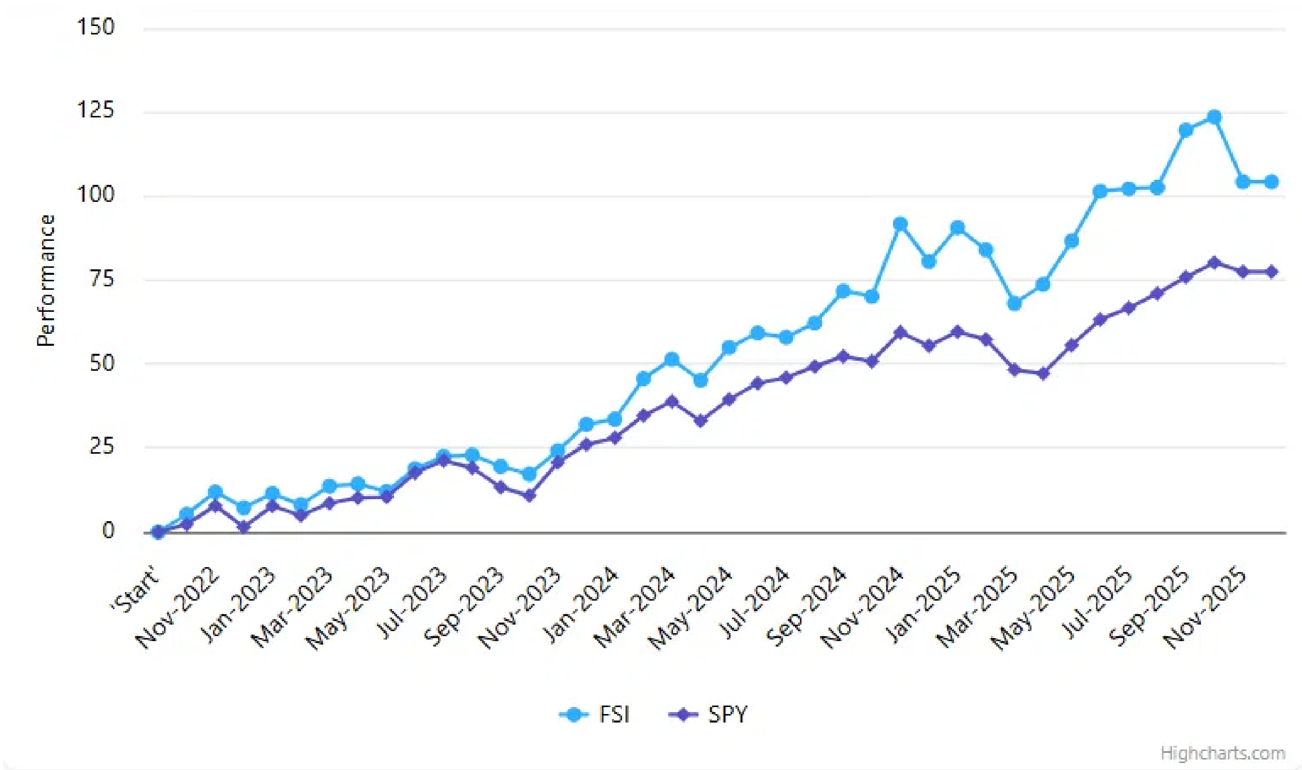
Key incoming data

- ~~11/24 10:30 AM ET: Nov Dallas Fed Manuf. Activity Survey~~ **Tame**
- ~~11/25 9:00 AM ET: Sep S&P Cotality CS 20-City MoM SA~~ **Tame**
- ~~11/25 10:00 AM ET: Nov Conference Board Consumer Confidence~~ **Tame**
- ~~11/25 10:00 AM ET: Nov Richmond Fed Manufacturing Survey~~ **Tame**
- ~~11/26 8:30 AM ET: Sep P Durable Goods Orders MoM~~ **Tame**
- ~~11/26 8:30 AM ET: Oct P Durable Goods Orders MoM~~ **Delayed due to Shutdown**
- ~~11/26 8:30 AM ET: 3Q S GDP QoQ~~ **Delayed due to Shutdown**
- ~~11/26 10:00 AM ET: Oct Core PCE MoM~~ **Delayed due to Shutdown**
- ~~11/26 10:00 AM ET: Oct New Home Sales~~ **Delayed due to Shutdown**
- ~~11/26 2:00 PM ET: Fed Releases Beige Book~~ **Mixed**
- 12/1 9:45 AM ET: Nov F S&P Global Manufacturing PMI

- 12/1 10:00 AM ET: Nov ISM Manufacturing PMI
- 12/3 9:45 AM ET: Nov F S&P Global Services PMI
- 12/3 10:00 AM ET: Nov ISM Services PMI
- 12/4 8:30 AM ET: Oct Trade Balance
- 12/5 9:00 AM ET: Nov F Manheim Used Vehicle Index
- 12/5 10:00 AM ET: Dec P U. Mich. 1yr Inf Exp

Stock List Performance

Upticks vs SPY (Inception to Date)



Performance period: October 5, 2022 through November 16, 2025

In the News

Mark Newton: Why Markets Will Still Prove Choppy in December

Nov 26, 2025

FOX BUSINESS

Tom Lee: Drift lower in crypto reflects market makers' struggles hence broader selling

Nov 20, 2025

Tech pullback is normal but AI's productivity boom still drives the rally

Nov 14, 2025

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