

# ***Rail-Splitter Capital Management***

***Rail-Splitter Insights***

a weekly commentary on  
investing

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*Rail-Splitter Capital Management is focused on protecting and growing wealth for our clients. Our services are provided through Delta Investment Management a registered investment advisory firm.*

*We welcome discussions on how we can help you manage your assets and maximize your wealth.*

*Please contact us at [info@rail-splitter.com](mailto:info@rail-splitter.com) or 312-724-8722.*

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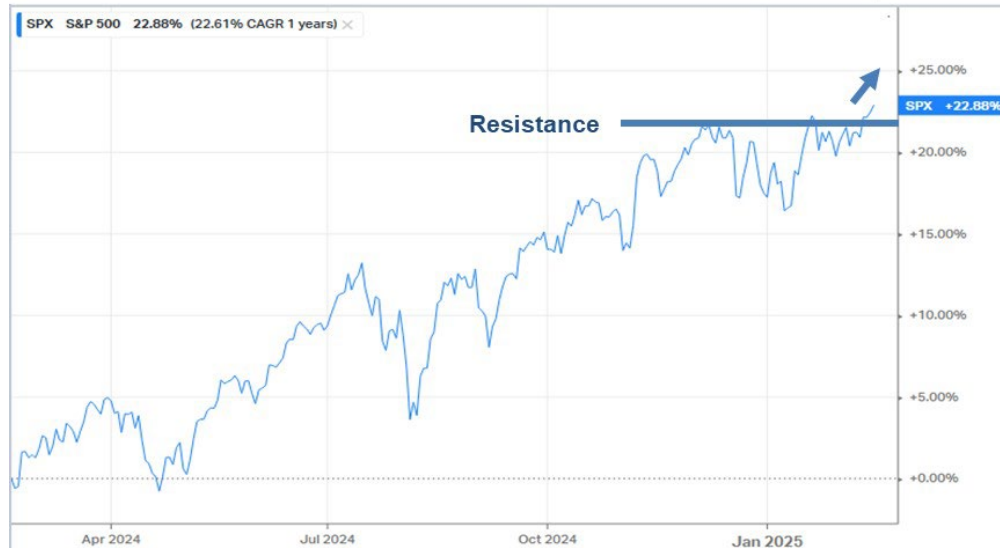
## **Buy-The-Dip**

February 21, 2025

Consumer sentiment is at its lowest point since July and September, respectively. Both measures posted a local high after the election. Consumers' assessment of the labor market fell for the first time in four months and business conditions fell for the second consecutive month. Consumption tends to track changes in consumer confidence.

Although consumer sentiment is waning, the S&P 500 has been resilient and investors continue to buy-the-dips. The stock market has experienced below normal levels of volatility (10-day realized volatility is 8.8%, the lowest 10-day stretch of the year) and has broken out to new highs this week.

## S&P 500: Resistance Broken, New High



## NASDAQ 100: Resistance Broken, New High



It has taken roughly two months for the S&P 500 and NASDAQ 100 to breakthrough resistance. Technical traders may view this as a significant event as the market often continues to move higher following a breakout.

If the stock market is able to hold onto its gains over the next week, the breakout will

be “confirmed.” Historically, tax season has not been a bullish time period for the markets as investors may be sending money to the IRS rather than to new equity purchases. Over the next week or so, we will see if buy-the-dip remains the predominant investment thesis

### **Let Us Help You Position Your Portfolio – Give Us a Call Today**

We pride ourselves on our unique and sophisticated investment strategies designed to capture the gains of the stock market while minimizing drawdowns during bear markets. If you're seeking expert guidance in your financial planning journey, we're here to assist you.

Whether you're a seasoned investor looking to optimize your portfolio or someone just starting to explore investment opportunities, our team is dedicated to providing tailored solutions to meet your financial goals.

To learn more about how we can help you navigate the complexities of the financial markets and achieve your investment objectives, we invite you to reach out to us. You can give us a call at **(312) 724-8722**, visit our website at [www.rail-splitter.com](http://www.rail-splitter.com), or simply email us at [info@rail-splitter.com](mailto:info@rail-splitter.com).



*"I can see why they made February the shortest month of the year."*

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## Delta Stock Market Dashboard

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MARKET SENTIMENT IS

**BULLISH**

THIS WEEK'S NUMBER IS

**50.7**

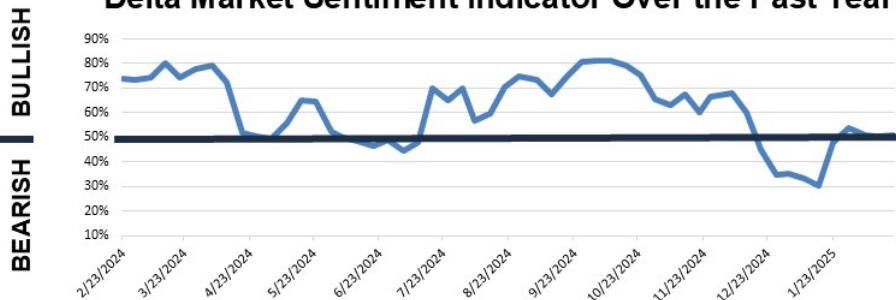
Our technical indicator increased  
from 50.6 to 50.7 this week

### INDICATOR STATISTICS

Consecutive Bullish Weeks:	4
Cycle Inception Date:	1/30/2025
Range:	50.6 - 53.8
Mean::	52.4
Bullish Weeks YTD:	4
Bearish Weeks YTD:	4
*S&P 500	1.8%
*DJIA	0.0%
*NASDAQ	2.3%

\* Percentage change during current cycle

### Delta Market Sentiment Indicator Over the Past Year



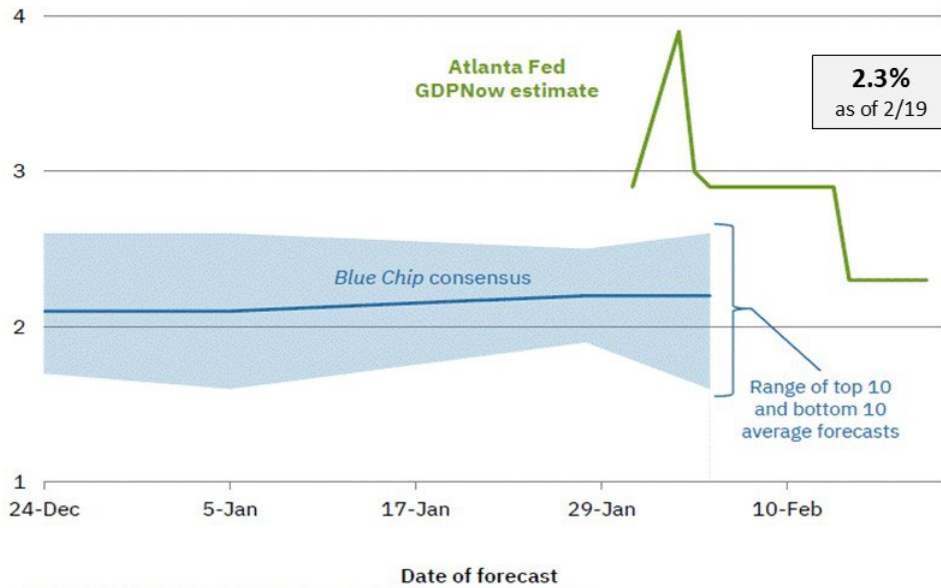
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Delta Market Sentiment Indicator (MSI) is published weekly in *Barron's*

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# Atlanta Fed GDPNow Forecast

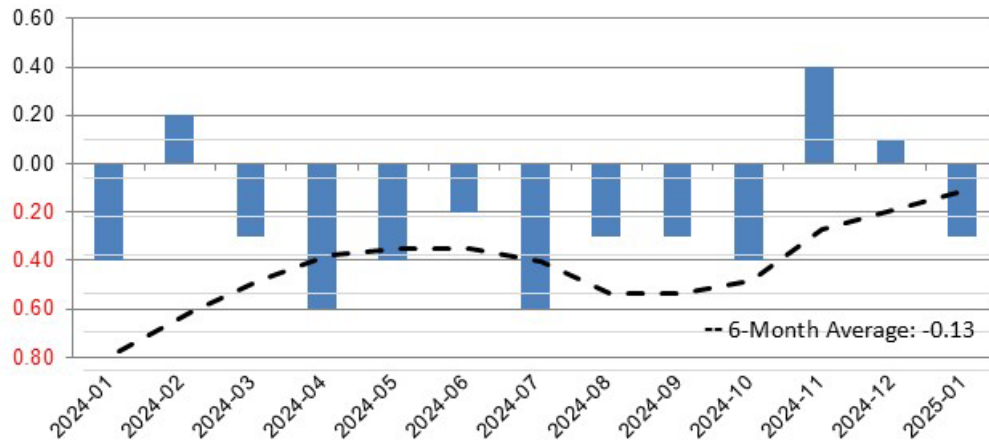
Real GDP Estimate for 1Q2025



Sources: Blue Chip Economic Indicators and Blue Chip Financial Forecasts

# Leading Economic Index % Change Monthly

Jan 2024 – Jan 2025



Source: The Conference Board – last update 2/20/2025

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