



The Powell Relief Rally - RIA

Monday's Commentary started: On Truth Social, President Trump stated, "Powell's Termination Can't Come Fast Enough!" The stock and bond markets fell as investors feared President Trump might try to remove Powell from his role as the Chairman of the Federal Reserve. This isn't new ground; Trump spoke similar words during his first term. However, with tariffs roiling markets, investors seemed to take his post much more seriously.

On Tuesday, likely based on advice from his trusted advisors, Trump backed off. He said he has "no intention" of firing Powell. Per CNBC:

"None whatsoever," Trump said in the Oval Office when asked to clarify that he did not seek Powell's removal. "Never did."
































Trump may now realize that any harm high interest rates are causing the economy may pale compared to the economic damage and harm to financial markets that trying to remove Powell would result in. Further, Powell's term ends in a year. Given Powell's seeming resoluteness about finishing his term, lengthy court challenges would likely forestall any presidential action to remove the Fed Chair until his term expires. Thus, any actions could be fruitless yet damaging to investor sentiment.

The red circles show the negative impact of Trump's threatening post last week. Conversely, the green circle highlights the relief that Trump has "no intention" of firing Powell.



What To Watch Today

Earnings

Thursday Apr 24	EPS	Consensus	Previous	Revenue	Consensus	Previous	MarketCap	Fiscal	Time		
 Alphabet <small>GOOG-US</small>		2.03	1.89		89.75B	80.54B	\$882.52B	Q1	PM	★	🔔
 P&G <small>PG-US</small>		1.58	1.52		20.53B	20.2B	\$398.23B	Q3	AM	★	🔔
 T-Mobile Us <small>TMUS-US</small>		2.52	2		20.61B	19.6B	\$312.36B	Q1	PM	★	🔔
 Merck <small>MRK-US</small>		2.20	2.07		16.28B	15.8B	\$197.5B	Q1	AM	★	🔔
 PepsiCo <small>PEP-US</small>		1.65	1.61		18.27B	18.25B	\$195.7B	Q1	AM	★	🔔
 Union Pacific <small>UNP-US</small>		2.79	2.69		6.11B	6.03B	\$134.08B	Q1	AM	★	🔔
 Gilead Sciences <small>GILD-US</small>		1.76	3.34		6.64B	6.65B	\$131.62B	Q1	PM	★	🔔
 Comcast <small>CMCSA-US</small>		1.05	1.04		30.01B	30.06B	\$129.8B	Q1	AM	★	🔔
 Fiserv <small>FISV-US</small>		2.15	1.88		4.91B	4.88B	\$119.06B	Q1	AM	★	🔔
 Bristol-Myers Squibb <small>BMJ-US</small>		1.70	-4.40		11.43B	11.9B	\$101.27B	Q1	AM	★	🔔
 Intel <small>INTC-US</small>		0.09	0.18		12.88B	12.7B	\$80.41B	Q1	PM	★	🔔
 Republic Services <small>RSQ-US</small>		1.55	1.45		4.08B	3.86B	\$76.66B	Q1	PM	★	🔔
 Southern Copper <small>SCCO-US</small>		1.15	0.95		2.97B	2.6B	\$72.73B	Q1	AM	★	🔔
 Carrier Global <small>CARR-US</small>		0.59	0.62		5.34B	6.18B	\$53.11B	Q1	AM	★	🔔
 Digital Realty <small>DLR-US</small>		0.30	0.82		1.47B	1.3B	\$49.82B	Q1	PM	★	🔔
 Keurig Dr Pepper <small>KDP-US</small>		0.40	0.38		3.67B	3.47B	\$49.36B	Q1	AM	★	🔔
 Freeport-McMoran <small>FCX-US</small>		0.2332	0.32		5.62B	6.32B	\$47.71B	Q1	AM	★	🔔
 Ameriprise Financial <small>AMP-US</small>		9.27	8.39		4.48B	4.15B	\$45.28B	Q1	AM	★	🔔
 NASDAQ <small>NDAQ-US</small>		0.74	0.63		1.21B	871B	\$41.7B	Q1	AM	★	🔔
 L3Harris Technologies <small>LHX-US</small>		3.29	3.06		5.32B	5.2B	\$41.61B	Q1	AM	★	🔔
 Xcel Energy <small>XEL-US</small>		0.90	0.88		4.02B	3.65B	\$38.87B	Q1	AM	★	🔔
 PG&E <small>PG-US</small>		0.39	0.37		6.13B	5.86B	\$36.82B	Q1	AM	★	🔔
 Valero Energy <small>VLO-US</small>		1.05	3.82		29.59B	31.76B	\$36.08B	Q1	AM	★	🔔
 CBRE Group <small>CBRE-US</small>		0.90	0.78		8.79B	7.94B	\$35.87B	Q1	AM	★	🔔
 Hartford Financial Services <small>HFC-US</small>		2.83	2.34		7.00B	6.42B	\$35.08B	Q1	PM	★	🔔
 Tractor Supply <small>TSCO-US</small>		0.37	1.83		3.53B	3.39B	\$26.87B	Q1	AM	★	🔔
 Rockwell Automation <small>ROK-US</small>		2.06	2.50		1.99B	2.13B	\$26.52B	Q2	AM	★	🔔
 Verisign <small>VRSN-US</small>		2.06	1.92		395.46M	384M	\$24.85B	Q1	PM	★	🔔
 CenterPoint Energy <small>CNP-US</small>		0.5471	0.55		2.67B	2.62B	\$24.22B	Q1	AM	★	🔔
 LPL Financial <small>LPLA-US</small>		4.70	4.21		3.50B	2.83B	\$23.11B	Q1	PM	★	🔔
 Dover <small>DOV-US</small>		2.07	1.95		1.93B	2.09B	\$22.36B	Q1	AM	★	🔔

Economy

Thursday April 24 2025			Actual	Previous	Consensus	Forecast		
07:30 AM	US	Durable Goods Orders MoM MAR		0.9%	2%	1.7%		
07:30 AM	US	Chicago Fed National Activity Index MAR		0.18		0.11		
07:30 AM	US	Durable Goods Orders Ex Transp MoM MAR		0.7%	0.2%	0.1%		
07:30 AM	US	Initial Jobless Claims APR/19		215K	221K	218.0K		
07:30 AM	US	Continuing Jobless Claims APR/12		1885K	1880K	1888.0K		
07:30 AM	US	Durable Goods Orders ex Defense MoM MAR		0.8%	0.2%	0.1%		
07:30 AM	US	Jobless Claims 4-week Average APR/19		220.75K		222.0K		
07:30 AM	US	Non Defense Goods Orders Ex Air MAR		-0.3%	0.2%	0.2%		
09:00 AM	US	Existing Home Sales MAR		4.26M	4.13M	4.18M		
09:00 AM	US	Existing Home Sales MoM MAR		4.2%	-3%	-1.9%		
09:30 AM	US	EIA Natural Gas Stocks Change APR/18		16Bcf				
10:00 AM	US	Kansas Fed Composite Index APR		-2		-4		
10:00 AM	US	Kansas Fed Manufacturing Index APR		1		-2		

Market Trading Update

[Yesterday](#), we discussed the rotation of markets and how strong-performing assets often become a source of liquidity when the market rotates. As we have discussed previously, the negativity on the dollar, the markets, and the economy reached a fevered pitch with bearish sentiment surging and investor allocations to equities declining. During corrective processes, we often forget that when markets reach more extreme levels, it doesn't take much *good news* to fuel a decent reversal. Such was certainly the case over the last couple of days amid announcements from the White House that eased the feud between President Trump and Jerome Powell, suggested easing China tariffs, and supporting a relief rally in the markets.

However, that is most likely all this is currently, and significant overhead resistance will continue to weigh on markets over the next month or so. The chart below shows that yesterday's rally tested the downtrend from the February peak, but cleared initial resistance at the 20-DMA. The bulls need the market to clear the downtrend line to confirm the higher lows from the April bottom. We could see a follow-through rally for a few days with a MACD buy signal in place and the markets not overbought, but there is a cluster of resistance between 5650 and 5800 that will likely contain any rally for now.



Given the nearly 20% decline from the February peak, many investors will look for an exit to reduce portfolio risk. Therefore, until confirmed otherwise, investors should use any rally towards 5600 to reduce portfolio risk, raise cash, and hedge accordingly. As you may be aware, we previously added a small short S&P 500 position to portfolios, which we will add to on any further rally. Most likely, investors should expect a retest of recent lows at some point before this current correction process is complete.

This is not the time to get overly confident in risk-taking. While you may enter stocks at high levels than previously at the next low, the entry point will be much safer for longer-term holding periods.

The SimpleVisor logo is displayed in white text on a blue rectangular background.

Don't invest alone.
Tap into the power of SimpleVisor.

[> Sign up now](#)

Gallup Poll: Economic Pessimism Grows

Like other consumer and corporate economic polls, the Gallup poll below suggests growing financial concerns. While consumer angst and corporate anxiety have yet to show up in hard economic data, soft data, like the Gallup poll, warns that without progress on tariff deals, the economy will likely soften more than is currently forecasted by Wall Street. Furthermore, lower stock prices reduce the propensity of consumers to spend as they feel their wealth is diminished. The so-called "wealth effect" popularized by Ben Bernanke impacts economic activity and plays a key role in driving monetary policy at the Fed.

The polls can flip quickly if consumers and executives see the light at the end of the tariff tunnel. Moreover, passage or at least discussion of lower taxes and friendly changes to corporate regulations would further improve sentiment. However, until then, the current environment fosters weaker economic activity and possibly a recession, the longer the tariff standoff continues.

2025 Trend: Expectations for Key Aspects of U.S. Economy

Over the next six months, do you think that each of the following will —
[ROTATED: go up a lot, go up a little, remain the same, go down a little (or) go down a lot]?

	Go up a lot/a little	Remain the same	Go down a lot/a little
	%	%	%
The stock market			
2025 Apr 1-14	29	9	58
2025 Jan 2-15	61	15	18
Interest rates			
2025 Apr 1-14	42	19	35
2025 Jan 2-15	35	21	41
Inflation			
2025 Apr 1-14	63	9	26
2025 Jan 2-15	52	13	33
Economic growth			
2025 Apr 1-14	38	13	48
2025 Jan 2-15	53	14	29
Unemployment			
2025 Apr 1-14	47	14	37
2025 Jan 2-15	38	21	38

GALLUP®

The Path Ahead: Soar, Stall, or Plummet

We have good and bad news for investors who want to know whether the stock market will soar, stall, or plummet. First, the good news. This article presents the market path for what lies ahead. Unfortunately, the "right" path is among three likely scenarios.

Despite our inability to definitively show you the way forward, we can share the technical patterns that will help guide us and, in time, assign better odds as to which of the three paths will be the "right" path. Importantly, we also lay out the possible economic, geopolitical, and monetary policy scenarios that would likely correspond with each forecast.

[READ MORE?](#)



Tweet of the Day



Chris Carolan $\$=1/\infty$ @spiralcal · 10s

SPX breadth

@WalterDeemer

		adv	dec	
	4/3/2025	95	407	
	4/4/2025	14	489	
	4/7/2025	160	342	
	4/8/2025	69	434	
	4/9/2025	494	9	
	4/10/2025	75	427	
	4/11/2025	437	64	
	4/14/2025	432	70	
	4/15/2025	198	303	
	4/16/2025	66	436	
	4/17/2025	384	118	
	4/21/2025	39	464	
	4/22/2025	494	9	
	4/23/2025	443	58	

?Want to achieve better long-term success in managing your portfolio? Here are our [15-trading rules for managing market risks.](#)

Please [subscribe to the daily commentary](#) to receive these updates every morning before the opening bell.

If you found this blog useful, please send it to someone else, share it on social media, or contact us to set up a meeting.