



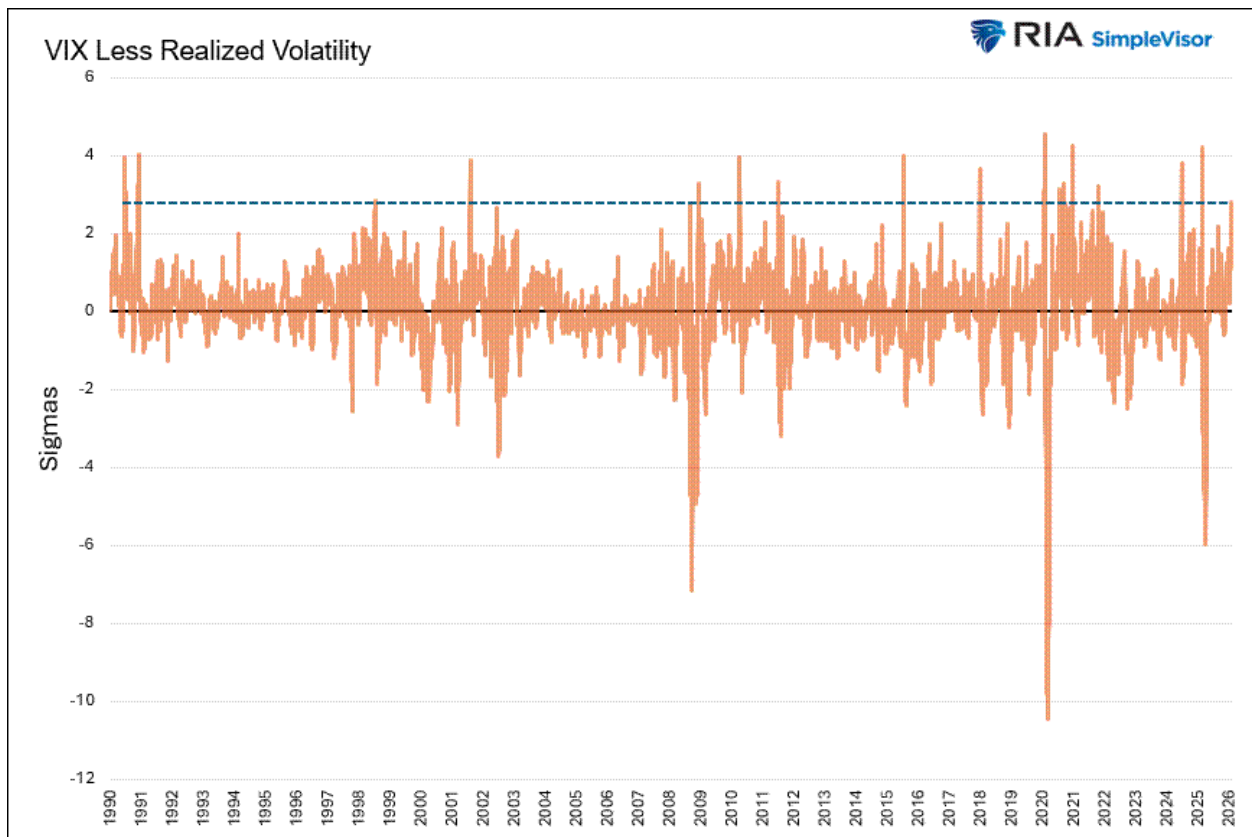
The VIX Is Lying: Or Is It?

Expected and historical (realized) volatility are sending investors a puzzling signal. Because of the Iran conflict, intense oil price swings, and rising interest rates, the VIX, or implied volatility (what options markets are pricing in as future fear), is elevated. However, actual realized volatility has been much more subdued. That gap between the VIX and realized volatility is wider than historical norms, thus worth examining. The graph below shows the difference between the VIX and realized volatility, measured in standard deviations (Sigma). Currently, the gap is over two sigma's, a somewhat rare event.

The bearish interpretation is that the VIX is telling the truth and realized volatility is the lie. Options markets are pricing in risks that the equity market has not yet acknowledged. Simply, investors are paying a steep premium for protection against a shock that the market has not priced in. The bearish scenario is the gap closing with realized volatility catching up to implied volatility.

The bullish interpretation is that realized volatility is low because the underlying economy, despite higher oil prices, remains reasonably healthy and corporate earnings are unlikely to be significantly affected. Accordingly, the market is treating the Iranian conflict and surge in oil prices as a temporary disruption rather than a structural shock. Thus, the bullish scenario is that the gap closes not through a realized volatility spike but through a gradual decline in implied volatility as the geopolitical situation stabilizes.

Both interpretations are defensible. When VIX, the market's fear gauge, and actual volatility are telling different stories, paying close attention is warranted.



What To Watch Today

Earnings

- *No notable earnings releases*

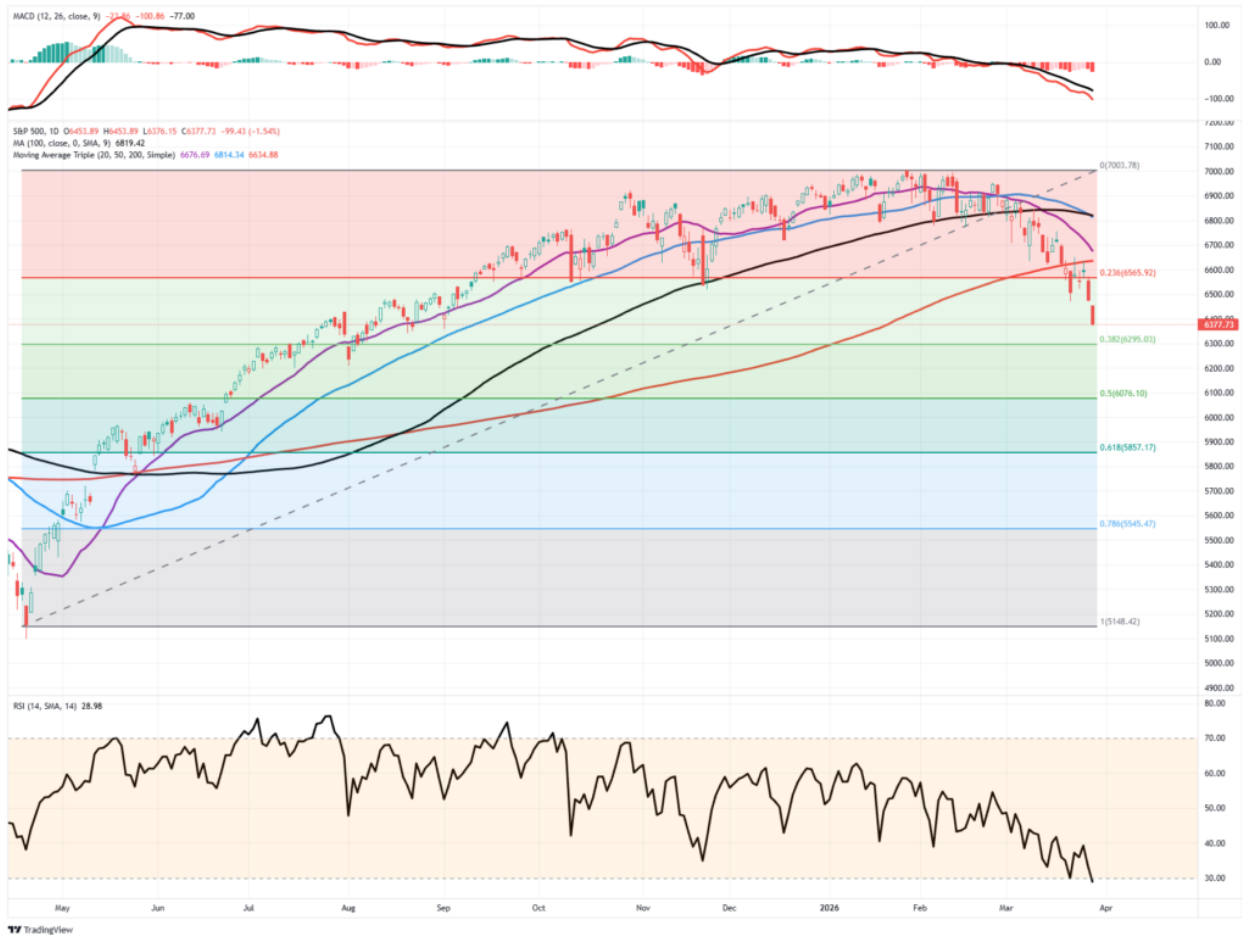
Economy

Monday March 30 2026		Actual	Previous	Consensus	Forecast
08:20 AM	US	NY Fed Bill Purchases 4 to 12 months		\$6.726 billion	
09:30 AM	US	Dallas Fed Manufacturing Index MAR	0.2		
10:30 AM	US	3-Month Bill Auction			
10:30 AM	US	6-Month Bill Auction			
03:00 PM	US	Fed Williams Speech			

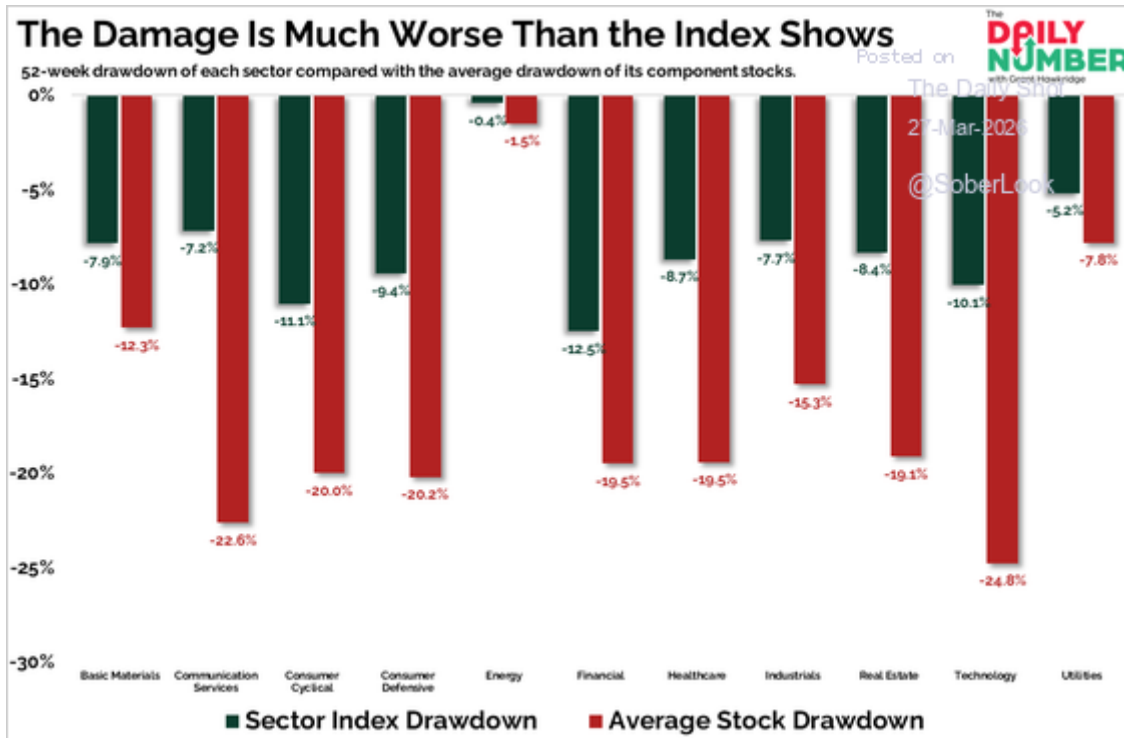
Market Trading Update

The S&P 500 closed Friday at ~6,370, completing a fifth consecutive weekly loss and putting the index **9.0% below January's all-time high of 7,002**, which is on the doorstep of an official correction. As noted above, this past week was a masterclass in false hope.

The technical picture continues to deteriorate across all time frames except the longest. The index is now 4% below its 200-DMA (~6,620), with the 50-DMA, 100-DMA, and 200-DMA all stacked above as resistance. The VIX topped 31, above 30 for the first time since March 2025, a level that historically precedes tactical bounces of 3-8%. The Relative Strength Index (RSI) is firmly oversold, also suggestive of a reflexive bounce. All that is needed in any positive catalyst to spark a buying frenzy.



Notably, the MACD remains deeply negative, and every rally attempt this month has been sold within 48 hours. J.P. Morgan captured the paradox: the S&P 500 is down only ~9% despite oil rising 70% and the Fed shifting from pricing two cuts to a 50% probability of a hike, and software falling 20%. [As we noted recently](#), a much larger correction is underway in the market.



Bottom line: We are one bad week from an official 10% correction. The 200-DMA break data we reviewed two weeks ago suggested a 10-15% further drawdown before a durable bottom, and we're tracking right through that range. Wells Fargo's worst-case scenario of 6,000 is no longer abstract. With the VIX above 30 and the RSI in oversold territory, the market is building conditions for a tradeable bounce. **The emphasis on tradeable, not durable.**

Use rallies to reduce risk and rebalance exposures for now. However, start building the shopping list, so you're ready when the market bottom becomes clearer. Consider accumulating quality companies at pre-defined levels (6,300, then 6,000-6,100). At the moment, we don't have the signs of a durable bottom. Oil needs to find a ceiling, and the VIX needs to reverse below 20.

For now, it remains defense over offense. Trade accordingly.

Level Type	Price Zone	Technical Significance
Immediate Resistance	6,590 – 6,635	Prior support turned resistance. Monday's rally peak and the 200-DMA.
Secondary Resistance	6,674	20-DMA. First meaningful technical reclaim target.
Major Resistance	6,800 – 6,820	Broken 50-DMA / 100-DMA. Heavy overhead supply zone.
Immediate Support	6,300 – 6,350	38.2% Fibonacci retracement. Full 10% correction from January highs.
Major Support	6,100 – 6,150	2025 Pre-Liberation Day Highs and the 50% Fibonacci retracement.

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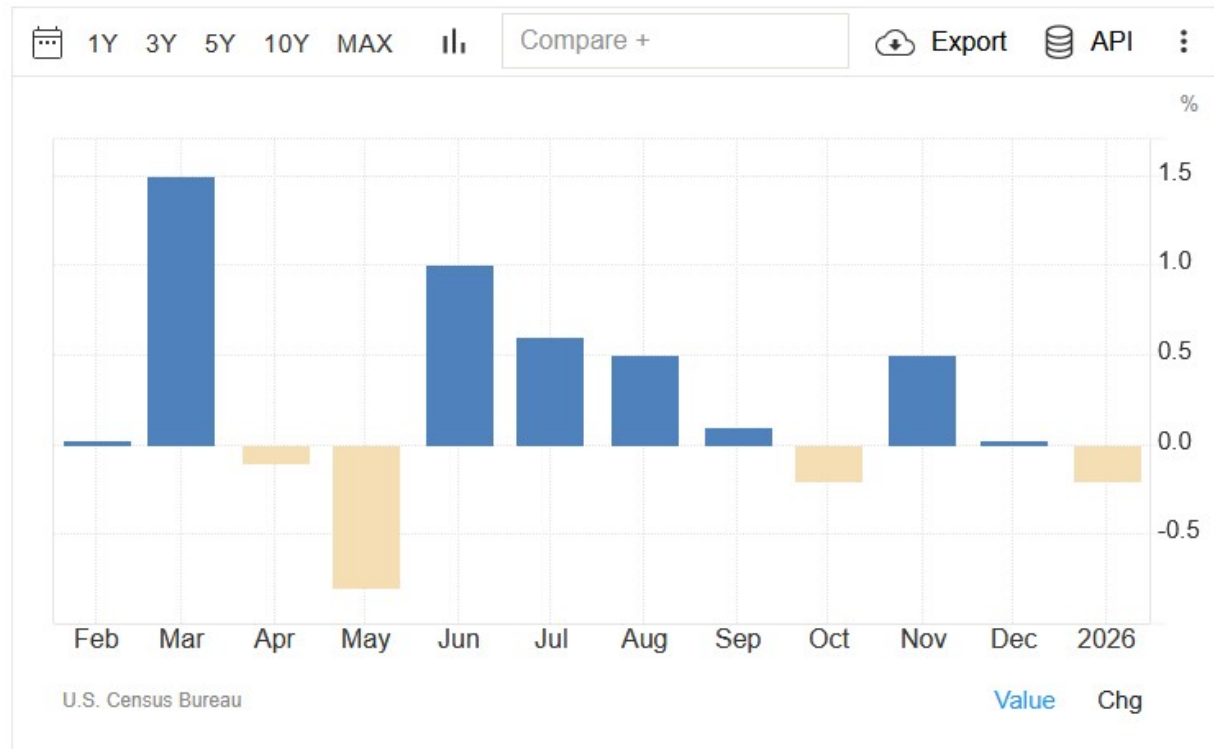
The Week Ahead

Despite the market closure for the Good Friday holiday, the BLS will release its employment report on Friday morning. After reporting a loss of 92k jobs last month, a rebound to +48k is expected. The unemployment rate is expected to tick up by 0.1% to 4.5%. JOLTS on Tuesday and ADP on Wednesday will provide further employment data.

The ISM manufacturing and services surveys should provide some information on how the Iranian conflict is impacting business sentiment. Retail sales for February will be released on Wednesday. As we share below, retail sales have been relatively flat since September. Bear in mind, this measure does not strip out inflation; thus, on a real basis, retail sales are declining at a 2-3% annualized rate. As a reminder, personal consumption accounts for roughly 70% of GDP.

US Retail Sales

Summary Stats Forecast Calendar Alerts Download ▾



Rubino: Fiat Currencies Are In A Death Spiral

The fiat currency collapse narrative is one of the most emotionally satisfying arguments in all of financial punditry. It feels intellectually rigorous, draws on genuine history, and speaks to deep and legitimate anxieties about government overreach, monetary recklessness, and the long-term consequences of unlimited debt creation. Monetary analyst John Rubino makes the case as well as anyone, warning that the world's major fiat currencies are entering a "death spiral" driven by insurmountable debt obligations.

But compelling is not the same as correct.

When you stress-test the fiat death spiral thesis against actual evidence, three foundational problems emerge that don't just weaken the argument; they systematically dismantle it. Let's work through each one.

[READ MORE...](#)

Table 1: Every Major World Currency Is Fiat — There Is No Alternative System

Currency	Country / Region	What Backs It	Fiat?
USD	United States	Full faith & credit of U.S. government	✓ Fiat
EUR	Eurozone (20 nations)	Full faith & credit of ECB member states	✓ Fiat
JPY	Japan	Full faith & credit of Japanese government	✓ Fiat
GBP	United Kingdom	Full faith & credit of UK government	✓ Fiat
CNY	China	Full faith & credit of Chinese government	✓ Fiat
CHF	Switzerland	Full faith & credit of Swiss government	✓ Fiat
AUD	Australia	Full faith & credit of Australian government	✓ Fiat
CAD	Canada	Full faith & credit of Canadian government	✓ Fiat
BRL	Brazil	Full faith & credit of Brazilian government	✓ Fiat
INR	India	Full faith & credit of Indian government	✓ Fiat

Source: Bank for International Settlements, IMF. All G20 currencies and major trading currencies operate on fiat principles.

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95% of gold miners are now in a bear market.
Breadth collapses like this often mark key inflection points.

See the chart GDX % in Bear Market: users.sentimentrader.com/users/modeledg...



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