

Tech Titans and Courtroom Drama: Employment Data Takes a Backseat

Fresh earnings reports loom on the horizon, and Wall Street is already sharpening its pencils. JPMorgan, Bank of America, and Goldman Sachs are preparing to unveil their quarterly numbers, while chipmaker Taiwan Semiconductor promises insight into the semiconductor boom. Investors hungry for continued profit expansion will scrutinize every line item as they hunt for reasons to sustain the current rally.

But before those reports arrived, a different kind of suspense gripped markets Friday morning.

Traders nervously awaited potential Supreme Court guidance on President Donald Trump's tariff powers under the International Emergency Economic Powers Act. Retail stocks—starving for answers—stumbled at the open before catching their footing and joining the day's advance. The week had already delivered its share of turbulence, with sector rotations triggered by geopolitical tremors including the U.S. strike on Venezuela over the weekend.

Conventional thinking suggests that dismantling tariffs would energize stock prices. Strategists urge caution on that assumption.

A senior investment analyst at CIBC Private Wealth Management pointed to an overlooked complication: "Fixed income has already adapted to tariff proceeds shrinking the trade gap. An unfavorable judicial outcome could spark aggressive bond selling. That challenges the notion that such a ruling would inherently boost equities."

Translation: the courtroom could easily unsettle markets rather than liberate them.

Speaking of things Wall Street shrugged off—November's employment snapshot barely moved the needle.

Nonfarm hiring totaled just 50,000 positions, falling short of the projected 55,000. Unemployment offered modest comfort at 4.4%, dipping beneath the expected 4.5%, while October's reading received an upward adjustment to 4.5%. Analysts yawned collectively. The data punctuated 2025's dismal hiring landscape—the feeblest job growth since 2003 outside of recessionary periods.

Yet equities climbed anyway. Why disconnect?

"Market participants are betting on robust expansion next year, even as workforce figures feel outdated," the CIBC strategist observed. "Attention has pivoted toward the effects of previous rate cuts, possible fiscal tailwinds from the One Big Beautiful Bill, and early indications that select economic measures could regain traction."

Put simply: payroll statistics have become relics—interesting artifacts from the past that reveal little about what lies ahead.

What truly electrified Friday's session? Artificial intelligence—specifically, Meta Platforms announcing distinct energy alliances with nuclear operators Oklo, TerraPower, and Vistra. The aggressive push to lock down reliable power as AI consumption explodes sent shockwaves through the tech sector. The iShares Semiconductor ETF rocketed 2.9% higher while utilities climbed 1.2%.

That momentum cascaded everywhere. The Nasdaq vaulted 0.8%, the S&P 500 gained 0.6%, and the Dow rose 238 points (+0.5%). Every major index recorded its strongest weekly performance since late November.

The bottom line? Employment figures have faded into irrelevance. Artificial intelligence captured Friday's imagination. But the next decisive market moment may bypass both quarterly profits and economic indicators entirely.

The real catalyst might wear black robes and carry gavels.

Market Scorecard

Ticker	Last Day	Weekly	Monthly	YTD	1 Yr
S&P 500	0.65%	1.57%	1.84%	1,76%	17.71%
Nasdaq Composite	0.81%	1.88%	0.40%	1.85%	21.52%
Nasdaq 100	1.02%	2.22%	0.38%	2.05%	21.65%
Dow Jones Ind	0.48%	2.32%	4.09%	3%	16.11%
Russell 2000	0.76%	4.60%	3.86%	5.72%	18.69%

Sector Pulse

S&P 500 Sector	Weekly	Monthly
Consumer Cyclical (XLY)	5.12%	+5.66%
Healthcare (XLV)	1.16%	+5.35%
Basic Materials (XLB)	4.64%	+11.80%

S&P 500 Sector	Weekly Monthly	
Consumer Defensive (XLP)	2.01%	2.43%
Financial Services (XLF)	1.46%	+4.96%
Communication Services (XLC)	0.86%	+1.63%
Utilities (XLU)	-1.55%	+0.18%
Real Estate (XLRE)	0.30%	+1.09%
Industrials (XLI)	2.50%	6.02%
Technology (XLK)	1.28%	-1.11%
Energy (XLE)	+2.23%	+2.99%

Sector Spotlight

Real Estate (XLRE) found some support on Thursday and Friday mainly due to Trump's comments on making homes and mortgages more affordable. Energy (XLE) found an initial jump on Monday over Venezuela development and prospects for several energy companies that could reengage in this country's oil exploration and production such as Chevron (CVX), Exxon (XOM), PBF and some refiners like Valero Energy (VLO). However, after initial boost it was somewhat wild while still looking to make a breakout from recent highs.

Aggressive sectors got their mojo back last week such as Communications (XLC) gained 0.86% on the heels of Meta and Google mainly (heavyweights of this sector). Technology (XLK) was also up handsomely for the week as chip stocks and memory storage stocks such as SNDK (a new darling for Wall Street now) outperformed other areas like software, but the show was stolen by Discretionary sector (XLY) which was 5.12% up for the week as it was bolstered by Home construction, Home Improvement retailers, Durable household products and broadline retailers.

On defensive side, Staples also performed well because stocks like Costco, Walmart and P&G fought back. Utilities continued to struggle as the only S&P 500 sector which was red for the week. Industrials (XLI) was also up by 2.5% as companies like Boeing, Airlines, Defense companies and industrial giants like GE and Caterpillar (CAT) continued to show strength. Materials (XLB) was also very strong due to continuous outperformance by gold, gold miners and other materials like palladium and silver.

Important Economic events next week:

Some Important economic events scheduled for this week are:

Tuesday, Jan 13: CPI (MoM) and (YoY), New Home Sales (Oct), 30-Year Bond Auction

Wednesday, Jan 14: Retail Sales (MoM), PPI (MoM Nov) and PPI (YoY), Existing Home Sales (Dec)

Thursday, Jan 15: Initial Jobless Claims, Philadelphia Fed Manufacturing Index (Jan), S&P Global Manufacturing PMI (Jan)

Important Earnings this week:

Earnings week is kicking off this week with last quarter results. Some important results scheduled for this week are listed below. Big banks are first to announce their results:

Tuesday, Jan 13: Delta Air Lines (DAL), JP Morgan Chase (JPM)

Wednesday, Jan 14: Wells Fargo (WFC), Citigroup (C)

Thursday, Jan 15: Taiwan Semiconductor (TSM), Morgan Stanley (MS), JB Hunt Transport (JBHT)

Long-Term Stock Picks:

Our long-term stocks are those in which we have the conviction that they have strong business fundamentals and enjoy moats in their respective industries; hence the chances of long-term profits are high.

NVDA	<p>Nvidia continued to struggle with another loss of 2.11% last week. We mentioned last week that it has been failing to come out of the range it established since September. Its continuous failure below the 50-day EMA is concerning although it is finding support at these levels. The end of the bullish period after mid-January could also trigger a rollover which is yet to be seen.</p> <p>Nvidia is still a long-term player and enjoys support from investors on every pullback but for the time being it is better to wait and observe its behavior.</p>
AAPL	<p>Apple's position was closed last week after it fell below the support level of 266.95. Long-term, we do not think Apple is in danger of losing its spot as a long-term leader, however, short-term market forces could further pull it down. As mentioned, current period (Dec-Feb) is historically weak and hence we should wait for another suitable entry past this period as Apple is still a long-term leader.</p>
GOOGL	<p>Google gained another 4.26% last week and continues as it is eyeing a breakout from another flat base buy point of 328.83. Google remains our long-term leader because of its strong fundamentals and technical performance. It is actionable at current levels for aggressive long-term investors who do not care about a 10-15% drop. Google is getting increased support from the best mutual funds who injected another 2.37 billion dollars in this stock last month.</p>

Interesting new picks:

We continue to maintain our cautious outlook given the fact that market seems poised for a pullback. However, this action could also generate some good opportunities as well:

COST: Although not in a strong position for now sometimes, Costco looks like it has turned corners and now has regained its 50-day EMA line. In a weak market it can again roll over but after a year-long pullback, we think it is offering an entry with a stop loss below this week's candle at 860.

TSM: Our social media channels are actively discussing TSM, which continues to demonstrate steady strength. Watch its reaction after its earnings scheduled for 01/14 as it is showing characteristics of a long-term leader.

Medium- and Short-Term Picks:

CRM	Picked last week and Salesforce justified its selection with a 2.5% gain, finding support at its 50-day EMA line as mentioned in our previous weekly commentary. Our TR indicator also shows that it is trying to find support at its 50-day EMA line. As it is now past its 200-day EMA line, it is likely to keep this support and still offers an entry.
APH	Selected last week, APH was almost flat although it dipped during the week and tested its 20-day EMA which provided support. It is still offering an early entry at current level with a stop loss below 130.55. Analysts expect sales growth in the current year while it is trading a low P/E ratio relative to the near-term earnings growth.
GH	We mentioned Guardant Health flashed a buy signal last week and it made a breakout with 8.29% gain. Stock seems strong and could extend its recent gains.
GE	General Electric gained 0.26% for the week and is still in a buy range , with dips to the 50-day or 200-day EMA offering better entry points. Its earnings are scheduled for January 21 and hence caution is warranted around that period
NEM/KGC	Although our outlook for gold miners remains positive over the long term, recent upward movements in their prices may lead to short-term profit-taking. Because of this, it is prudent to wait for more favorable conditions before considering additional entries. Specifically, Kinross Gold Corporation (KGC) is currently trading more than 5% above its most recent buy point of 27.84. Meanwhile, Newmont Corporation (NEM) appears ready to challenge its recent high of 109.34. For both

	companies, the best opportunities for entry are expected to emerge around their 20-day and 50-day exponential moving averages (EMAs). Pullbacks to these levels are likely to be met with buying interest, making them ideal spots for another round of investment.
LLY	Eli Lilly staged a breakout but reversed from new high around 1133 before closing at 1063 on Friday. Currently it is testing its rising 20-day EMA line (aggressive investors could try an entry here) but any pullback to its 50-day EMA will be a buy as the long-term trend is in place and expected to continue. Its multiple quarters of double and triple-digit earnings and sales growth make it a strong contender and leader among the Medical-diversified industry group.
AMZN	We mentioned last week that Amazon was offering an aggressive entry and it jumped 9.22%, meeting our expectations. Overall market conditions suggest a cautious approach as it could pull back Amazon stock could pullback along with the market, however, it will again be a good buy between 215-225 range.
FTI	TechnipFMC continued its rise and gained another 5.83% last week. As mentioned, it tested the 50 level profits should be made when they reach 15-20% range and reduce the position size as it is likely to consolidate or even come down soon. Watch a pullback to 20-day EMA for another entry.
IBM	IBM recovered most its losses incurred last week by gaining 4.34%. We mentioned last week that it is likely to consolidate at current levels. If it pulls back below 288 then the position should be closed at this time to protect capital.
WDC	WDC gained another 6.21% week for the week. Last week, there was talk of an impending breakout, which has now occurred. However, its recent price action makes it more suitable on buying on pullbacks at test of its rising 20-day or 50-day EMA lines.
ATAT	Although ATAT lost another 0.58% last week it is forming a base with 43.17 buy point . As said earlier, it is a volatile stock and can reach new highs but can also swing low amazingly fast in case of a pullback
AMD	As anticipated last week, AMD fell by 9% due to weakness in aggressive market sectors, which had a negative impact on its performance. A drop below 200 signals another sell for AMD, so investors should remain cautious as the stock currently tests this support level.
FIX	Comfort Systems gained another 0.67% last week, as it is trying to consolidate at current levels. This position was opened in September around 706 and some profits should be secured at this level. Next buy point is around 1020; care should be taken with tight stop losses since it can come down quickly in case of a market pullback.
MU	MU continued its frenzy with another 9.41% gain last week (over 20% gain two weeks) to continue its rally that started in August. The stock is now extended

	and should find support around gap at 240-245 range or its rising 20-day EMA 254 in case of a pullback. Better to wait for these opportunities.
TSLA	Tesla is still flirting with its 50-days EMA line. If it clears the 458 level then it still has chance to move to its recent highs, otherwise, there are good chances that it will fall back to 424 or even towards the 400 level, which may present an opportunity to consider entering. Till that time, no entry.
MPLX	MPLX lost 1.61% for the week before finding support at its 20-day EMA line. The pipeline operator is offering a handsome 8.12% annual yield and is ideal for dividend seekers. Another entry is possible at current prices as the stock is finding support at its 20-day EMA line.
GLDM	Gold made a shallow pullback and as mentioned last week returned to gain 0.73% for the week. Gold continues to look like a long-term holding and any pullback in gold will not be likely to persist and hence could provide a better entry.

Website:

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<https://chat.whatsapp.com/FII6mn7fXA60wltZvRxOvm>

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