Friday the 13th Strikes Again: Markets Rattle as Middle East Tensions Rise

What began as a typical trading day quickly turned into a rollercoaster as fresh turmoil between Israel and Iran gripped global markets. The escalation resulted in major indices declining, an increase in oil prices of 7.26%, and a shift of investors towards gold which hit a new all-time high.

By the close, the Nasdaq Composite had shed 1.3%, the S&P 500 dropped 1.13%, slipping back below the key psychological level of 6,000—and the Dow tumbled 1.8%, breaching its 200-day moving average after weeks of clinging to it. The market attempted an intraday rebound but ultimately closed at session lows. Small-cap stocks bore the brunt of the pain, with the Russell 2000 sinking 1.83% after getting rejected at its 200-day line for the third straight session.

As geopolitical headlines grow more dire, investor anxiety could intensify. The looming threat of damage to oil infrastructure or restricted movement through the Strait of Hormuz—one of the world's most critical oil chokepoints—has analysts warning of the potential for crude prices to surge toward the $100–120 range. If that scenario unfolds, it could reignite inflationary pressures and derail economic momentum in the near term.

However, it's not all doom and gloom. The S&P 500 and Nasdaq are still holding above their 21-day exponential moving averages, suggesting the broader uptrend remains intact—for now. The question is whether they can stay above this level as new risks emerge. If major indices close below this moving average, it will require traders to be more cautious and reduce their exposure. On another day like Friday indices could close below this key average.

Heading into the weekend, the uncertainty is palpable. With global tensions rising, many investors will likely keep one eye on the headlines. Looking ahead, the upcoming FOMC meeting will be a major event. While no rate cut is expected, Fed Chair Jerome Powell's remarks could hint at what's next on the policy front.

A quiet week wrapped in chaos, reminding us just how quickly sentiment can shift. There's always "weekend risk" when geopolitics are in play—but remember to take a breather. Markets will still be here on Monday, although next week will be a shortened trading week due to Juneteenth holiday on June 19th.

The performance of major US indices during the last week was as follows:

Index	Friday (6/13)	Weekly	Monthly	YTD	1-Year
S&P 500	-1.13%	-0.39%	1.54%	1.62%	10.00%
Dow Jones Industrial	-1.79%	-1.32%	0.14%	-0.81%	9.19%
Nasdaq 100	-1.29%	-0.60%	2.04%	2.95%	10.49%
Nasdaq Composite	-1.30%	-0.63%	2.09%	0.50%	9.84%
Russell 2000	-1.83%	-1.42%	0.12%	-5.25%	4.34%

Sector Check-In: Energy Sizzles, Financials Fizzle

This past week brought a mixed bag for the 11 S&P 500 sector ETFs, with Energy stealing the spotlight and Financials taking a nosedive.

Sector	Weekly Change	One-Month Trend
Energy (XLE)	**+5.62%**	+2.72%
Health Care (XLV)	+1.30%	+3.23%
Technology (XLK)	+0.34%	+2.82%
Utilities (XLU)	+0.28%	+2.22%
Real Estate (XLRE)	+0.02%	+1.95%
Discretionary (XLY)	-0.20%	-1.64%
Materials (XLB)	-0.46%	+1.50%
Staples (XLP)	-0.89%	+1.28%
Communications (XLC)	-1.09%	+2.41%
Industrials (XLI)	-1.57%	+0.97%
Financials (XLF)	**-2.57%**	**-2.19%**

Winners and Losers:

- **Financials (XLF)** had a rough ride, logging the worst weekly performance and losing key technical support at the 21-day EMA. Heavyweights like Visa and MasterCard tumbled over 4% each on Friday following chatter about Walmart and Amazon exploring stablecoin payment options.
- **Energy (XLE)** surged ahead with a 5.62% weekly gain, fueled by rising geopolitical tensions and a 7.26% rally in crude oil prices. Traders are clearly hedging against potential disruptions in global oil supply.
- **Tech (XLK)** slipped on Friday with a 1.40% drop but managed to finish the week in the green, thanks to ongoing strength in semiconductors and AI leaders that continue to outshine the broader market.
- **Staples (XLP)** and **Materials (XLB)** saw contrasting moves—Staples showed relative weakness all week, while Materials rebounded nicely off recent lows and hovered near its 200-day EMA, keeping pace with the broader S&P 500.
- **Communications (XLC)** has been flashing red for three days straight, as investors took profits in high-fliers like Microsoft and Meta after recent rallies.
- **Consumer Discretionary (XLY)** underperformed on a monthly basis, dragged down by softness in Tesla and Amazon, making it one of only two sectors in the red over the past month (the other being Financials).
- **Industrials (XLI)** lost steam, pulled lower by Boeing and GE following an unfortunate Air India incident that marked the first-ever “hull loss” for the Boeing 787 Dreamliner.

- **Healthcare (XLV)** started to perhaps turn a little bit of corner outperforming the broad market this week but still lagging the market on year-to-date basis.

Important Economic events next week:

Some important economic events for the upcoming week are:

Tuesday (06/17): Retail Sales (MoM), Atlanta Fed GDPNow (Q2)
Wednesday (06/18): Initial Jobless Claims, Crude Oil Inventories, FOMC Statement and Interest Rate Decision
Friday (06/20): Philadelphia Manufacturing Index

Important Earnings this week:

Not much left for this shortened week as earning season winds up:

Monday (06/16): Lennar (LEN)
Tuesday (06/17): Jabil (JBL)
Wednesday (06/18): Smith & Wesson (SWBI)
Friday (06/20): Kroger (KR), Accenture (CAN), Darden Restaurants (DRI), CarMax (KMX)

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:	Besides a 2% decline on Friday, Nvidia still managed to end the week on a positive note showing its relative strength vs the rest of the pack. Nvidia is a long-term leader, and its stock is likely to surpass its recent high of 153 soon but a fresh entry at this point seems risky. Despite facing challenges, Nvidia typically performs well in July, and similar results are expected this year.
COST:	As mentioned last week, Costco continued its decline with another 2.44% loss and now below 1,000 level. Although Costco remains a long-term leader, we think this is the time to take a pause and wait for a better entry as it is below the 50-day EMA.

Interesting new picks for Watchlists:

MELI:	The Latin American online commerce platform pulled back to its 50-day EMA and currently testing its 50-day EMA line. It seems to be an ideal place to make an entry with an 8% suggested stop loss. Months of July and August have been traditionally strong for MELI which is sometimes also referred to as the Amazon of Latin America.

CRDO	Credo Technology group provides cables and networks that connect the equipment of AI data centers. Its stock has doubled since the year low on April 7. Watch its action as if it crosses 80.99 that could be a potential entry for this AI related stock. Caution: These types of stocks are suited only to aggressive investors because of high volatility.
AEM	Although we already have a gold miner AU in our picks (see the list below) but this Canadian company's stock is in a buy range eyeing a breakout at 126.65. While AU is extended but this stock provides an alternate entry as it is in a buy range as per our daily TR indicator chart.

Medium- and Short-Term Picks:

These are newly picked stocks which have come out of bases during recent market correction.

CIBR:	The Cybersecurity ETF cooled last week by 1.5% as market retreated. Overall, we think that for long-term investors interested in AI players, semiconductors and cybersecurity, the Cybersecurity ETF CIBR is an interesting ticker and offers a potential entry at current prices.
AU:	Anglogold Ashanti gained another 10.62% last week and is now 16% up from two weeks ago when we first mentioned it. Take some partial profits if more than 15%. Any pullback will be a welcome target for investors in this gold miner stock. Note: Consider AEM or GDX for other options in gold Miners' group.
NOW:	ServiceNow could not make a breakout beyond 1046 and pulled back. June-August is also traditionally a strong period for this software company and hence any move above 1046 is actionable. On the other hand, any dip back to 926 level will also be attractive.
META:	After a greater than 10% rise in two weeks, Meta retreated by 2% last week along with the broader market. Although long-term trends seem to be in place and continue but it could have a pullback in the short term. Any pullback to 650-670 level could provide another entry.
TSLA:	A hint of reconciliation between Elon Musk and President Trump staged a recovery in Tesla's stock which rose by 10.22% drop after a 14.81% increase in the last week. Right now, it has found support at the 200-day EMA line at 293. Tesla plans to launch its robotaxi service in late June. Therefore, June has become a key month setting its direction for the near future as last earning report fell short of expectations and Tesla is continuously losing market share to BYD in China and Europe. We think its stock will remain volatile in the near future and hence investors should also avoid fresh entries till the situation clears.

MSFT:	Microsoft continued its advance with 1% gain besides a retreat in general market. We continue to think that at current levels it is now extended and could consolidate, we should wait for a pullback to get a proper buy point such as 450-461 range.
GOOGL:	Google gained another 0.69% last week and continued to trade in a tight range. The current price level presents an **opportunity for entry,** with a recommended maximum stop loss set at 145.
CVX:	We recommended Chevron around 133 level five weeks ago and since then it has increased approximately by 10% and is trading above the 200-day EMA. Chevron was the top performer in Dow last week and is **still actionable** at current prices (since oil prices are expected to increase) with a stop loss around 137. As mentioned earlier, it is not a growth stock and is not likely to move quickly but could provide a solid dividend (4.69%).
ZS:	Zscaler was almost flat last week showing resilience while the overall market retreated. We still think that it is currently overpriced; investors should wait for a pullback before buying.

<u>Recently Picked Stocks:</u>

BSX:	Boston Scientific lost its support at its 50-day EMA and should be put on hold for a suitable buy point. Let's wait for its RSI to come down to 30 again for another opportunity.
T:	AT&T gained another 0.40 % last week as it continued to show a bullish flag pattern. As mentioned two weeks ago, a pullback to 20 or 50-day EMA was a buy which exactly it did as it found support at 50-day EMA We think sooner or later it will provide another opportunity when it tests its rising 50-day EMA.
SMH:	Although the Semiconductor ETF gained 1.69% for the week but Friday was a heavy red day signaling trouble (or maybe a pause) ahead as the market is trying to adjust to Middle East conflict. We suggest holding for a while to see how situation develops, and market reacts to it before making any further entries at this stage.
ATGE:	ATGE lost another 4.98% last week as it consolidates after a 1 year long run. Basically, it has lost more than 10% from its peak and hence this is not the right time to consider an entry as it is expected to further come down to 112.87 level for a rebound.

GDX:	Gold miners ETF gained by 5.5% as it broke out along with the gold prices. Long-term prospects are still in favor of this ETF and any pullback to its 20-day or 50-day EMA will likely get support.
MPLX/HESM:	MPLX regained 1.09% while HESM gained another 1.51% after a rebound from their 200-day EMA lines. Long-term investors could buy and hold these stocks for a continuous stream of income.
BABA:	Although BABA lost another 3.08% but it is finding support at current levels. We think Ali Baba is undervalued and could rise from here to 131.21. Suggested stop loss around 102.98.
GLDM:	Market uncertainty and Middle East conflict propelled the Gold ETF to all-time highs again. While we are bullish on gold, but it seems to be approaching overbought territory and any peace dal in Iran could cause a sudden drop in gold prices. Therefore, a pullback is recommended to seek entry into the gold ETF currently for conservative investors. Aggressive investors on the other hand could take a position at this level with a stop loss of around 8-10% as it is likely to show its strength in the upcoming days.
ETR/NI:	ETR was flat while NI gained 0.61% last week. Given their good dividend payouts, these two utilities stocks are expected to move forward and test their recent highs at 87.25 and 40.74 respectively while continuing trending in a tight range.

Website:

We have added a WhatsApp group where we post regular alerts on stocks and markets we follow. It could be found here:

https://chat.whatsapp.com/FII6mn7fXA60wltZvRxOvm

Please review our offers and if interested in our Excel based software, the TR (Trend Recognition) Indicator and the commentary then you could purchase it on:
https://analyzestocks.net

or visit our Etsy store at:

https://www.etsy.com/listing/1540978608/advanced-excel-stocks-analysis-and

All customers will continue to receive the Market commentary for a period of 1 year from the date of the purchase.

Follow us on Facebook: https://www.facebook.com/profile.php?id=61552548116888

Follow us on Threads:
https://www.threads.net/@analyzestocks?hl=en&xmt=AQGziO6tlaC0EPODJbcgfFfP1BbWKvISSctP5P5R6-L89lE

Subscribe to our YouTube channel to obtain the latest news and information about our products at

https://www.youtube.com/channel/UC8aS_P5xpWUDVG5IDdSjGEg

Happy Trading and best regards,

Disclaimer:

Markets Shaken by Geopolitical Tensions on Friday the 13th

Markets tumbled on Friday the 13th as escalating tensions between Israel and Iran triggered a sharp rise in oil prices (+7.26%), a flight to gold, and broad equity sell-offs. The Dow fell 1.8%, breaching its 200-day moving average, while the S&P 500 dropped 1.13% and the Nasdaq slid 1.3%, closing at session lows. Small caps were hit hardest, with Russell 2000 down 1.83%. Energy stocks surged on supply fears, while Financials sank amid concerns over stablecoin competition. Despite the volatility, the S&P and Nasdaq remained above key short-term support levels. With the FOMC meeting and Juneteenth holiday approaching, investors face a critical, shortened week ahead.