# Markets on Edge: Volatility, Oil Surges, and Sector Shifts Shape the Week

Last week saw renewed market volatility, with key developments emerging for investors to monitor. Volatility remained elevated as markets reacted to a steady stream of economic data and geopolitical headlines that moved prices across multiple sectors. Early in the week, CPI inflation data arrived in line with expectations, producing little immediate reaction. However, as the week progressed, news headlines surrounding energy markets pushed oil prices sharply both higher and lower, creating ripple effects across equities and influencing sentiment in economically sensitive industries. Toward the end of the week, the release of fourth-quarter GDP figures added to investor concern. The economy expanded by just **0.7%**, well below the **1.5% estimate**, reinforcing fears that growth may be slowing. Unsurprisingly, sectors tied closely to economic activity reacted negatively and continued to weaken.

Not all developments were bearish, however. Corporate earnings also played a role in shaping market leadership. **Oracle** delivered strong quarterly results and announced several strategic partnerships—including collaborations involving **Nvidia**, which helped lift AI-related companies and provided a bright spot within the technology sector. This pocket of strength in artificial intelligence remains one of the few areas showing resilience, even as other segments of technology struggled to maintain momentum.

Investors can expect another important week filled with key economic events.  The Federal Reserve will announce its interest rate decision on Wednesday, with Fed Chair Jerome Powell set to speak afterwards. Market participants will closely watch his remarks for insights into future central bank policy.  Later in the week, **Producer Price Index (PPI)** data will offer additional insight into inflation trends, potentially influencing expectations for future rate movements.

Turning to the charts, the **S&P 500** ended the week under renewed pressure. Earlier in the week the index briefly slipped below an important support zone before reclaiming it for several sessions, only to break below it again as selling intensified. The next key level to monitor sits near **6521**, corresponding to the November lows. If that level fails to hold, the index may test its **200-day moving average**, a widely watched indicator of long-term trend health. A decisive break below this level would raise concerns about the market's broader stability.

Breadth indicators also signal caution. The **equal-weighted S&P 500**, which measures the performance of all stocks in the index equally rather than emphasizing mega-cap companies, has begun declining faster than the standard S&P 500. Earlier this year, this index climbed steadily, suggesting broader participation in the rally. Recently, however, weakness has spread across many sectors while several **Magnificent Seven** technology giants have helped mask the deterioration in the broader market.

Digging deeper into market internals reveals additional themes. Oil prices were among the most influential drivers of volatility. After news briefly suggested the possibility of releasing strategic reserves—temporarily calming the market—crude ultimately ended the week back above **$100**,

reinforcing inflation concerns. Elevated energy prices often ripple through the economy, contributing to higher inflation and pushing **interest rates** upward. Reflecting this dynamic, the **10-year Treasury yield** climbed to around **4.3%**, a level that tends to pressure both growth stocks and economically sensitive sectors.

At the same time, market anxiety remains elevated. The **VIX volatility index** surged to **35 early in the week** before easing slightly, but it still ended near **27**—a level associated with heightened uncertainty. Historically, readings above **25** signal increased market stress, while moves above **30** often coincide with sharp pullbacks.

## Market Scorecard

A summary of how major markets performed last week is as follows:

| Ticker | Last Day | Weekly | Monthly | YTD | 1 Yr |
|---|---|---|---|---|---|
| S&P 500 | -0.57% | -1.50% | -4.29% | -3.06% | 18.51% |
| Nasdaq Composite | -0.88% | -1.23% | -4.12% | -4.68% | 25.37% |
| Nasdaq 100 | -0.59% | -1.01% | -3.16% | -3.16% | 24.49% |
| Dow Jones Ind | -0.23% | -1.86% | -6.97% | -3.56% | 12.67% |
| Russell 2000 | -0.33% | -1.71% | -6.93% | -0.88% | 22.62% |

## Sector Pulse

| S&P 500 Sector | Weekly | Monthly |
|---|---|---|
| Basic Materials (XLB) | -1.34% | -8.26% |
| Real Estate (XLRE) | -1.49% | -1.29% |
| Industrials (XLI) | -3.11% | -5.83% |
| Consumer Defensive (XLP) | -1.21% | -4.14% |
| Energy (XLE) | 2.00% | 4.95% |
| Utilities (XLU) | 0.47% | 5.32% |
| Technology (XLK) | -0.36% | -4.32% |
| Consumer Cyclical (XLY) | -3.13% | -5.86% |
| Healthcare (XLV) | -1.91% | -4.13% |
| Financial Services (XLF) | -3.32% | -7.30% |
| Communication Services (XLC) | -2.56% | -1.96% |

Sector performance further highlights the market's shifting dynamics. **Energy (XLE)** stood out as the clear leader, rising roughly **2% for the week** as crude oil surged back above the **$100 per barrel** level. Exploration and production companies were among the biggest beneficiaries of oil spikes. **Utilities (XLU)**, another traditionally defensive sector, also managed modest gains as investors sought stability amid the volatility.

On the opposite end of the spectrum, several economically sensitive groups struggled. **Financial sector (XLF)** continued to decline as weaker economic expectations and rising interest rates

weighed on lending activity. R**egional banks** continued to slide as higher rates and slowing economic growth threaten loan demand.

**Consumer discretionary** (XLY) companies also faced pressure, reflecting concerns that households may reduce spending in a slower economic environment. **Basic materials** slipped below their 50-day moving average as the stronger U.S. dollar pushed precious metals lower, dragging down gold-related stocks.

Technology presented a mixed picture. Although AI-driven companies enjoyed renewed investor interest, the broader **technology sector closed the week below its 200-day moving average**, indicating lingering weakness. Semiconductors, however, stood out as a relatively bright spot. The **SOXX semiconductor ETF** finished the week up roughly **2.4%**, supported by optimism around artificial intelligence and continued demand for advanced chips. Selectivity remains crucial within this space, as companies tied directly to AI infrastructure appear best positioned to outperform.

Software companies experienced a different fate. The **IGV software ETF**, which had been one of the top performing groups the prior week, dropped nearly **4.5%** as its attempted recovery stalled. One technical challenge facing the group is the downward slope of its **50-day moving average**, which often acts as resistance during rallies. Additionally, concerns are emerging that AI tools could disrupt certain software business models, weighing on sentiment toward the sector.

Within growth-oriented tech, **communication services** sector (XLY) also pulled back sharply, finishing the week down roughly **2.5%** despite a rally in major component **Alphabet**.

Several industry groups also displayed notable weakness. **Homebuilders**, represented by the **XHB** fell sharply as rising mortgage rates and slowing housing demand weighed on the sector. **Retail stocks**, tracked by **XRT**, dropped below their 200-day moving average, reflecting concerns about consumer spending.

Gold also saw some pressure during the week as the strengthening U.S. dollar reduced demand for the metal as a safe-haven asset. Technical indicators suggest gold could enter a period of sideways consolidation if momentum weakens further.

In the end, the **S&P 500 finished the week down roughly 1.5%**, reflecting the combined impact of geopolitical tensions, rising oil prices, weakening economic data, and sector rotation. With volatility elevated and several key support levels tested, investors will need to remain vigilant as the market heads for another eventful week.

### _Important Economic events next week:_

Next week, following important economic events are scheduled:

Monday, March 16: Industrial Production (MoM) and (YoY)
Tuesday, March 17: Pending Home Sales
Wednesday, March 18: Crude oil Inventories, Fed Interest Rate Decision, FOMC Statement, FOMC Press Conference

Thursday, March 19: Building Permits (MoM), Philadelphia Fed Manufacturing Index (Mar), Initial Jobless Claims, New Home Sales

## *Important Earnings this week:*

Some important results scheduled for this week are listed below.

Monday, March 16: Dollar Tree (DLTR)
Tuesday, March 17: Lululemon Athletica (LULU). Atour Lifestyle (ATAT)
Wednesday, March 18: Williams-Sonoma (WSM), Jabil (JBL), Five Below (FIVE), Micron (MU)
Thursday, March 19: Ali Baba (Baba), Intuitive Machines (LUNR), Darden Restaurants (DRI), FedEx (FDX), Orla Mining (ORLA)
Friday, March 20: Carnival (CCL)

## *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.

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| **NVDA** | Nvidia will be in the spotlight on Mon Monday due to its GTC conference. Its stock has been trading sideways ahead of the event. While Nvidia is still a long-term stock but if it breaks the support around 170.56 then existing positions could be closed to secure some profits. Being a long-term stock, it enjoys support from investors at almost every level. |
| **AAPL** | Apple lost another 2.85% last week. It was mentioned two weeks ago that it is on its way towards 243 where another entry could be tried but because of recent development, no new entries are suggested now. Apple could retreat further below the 243 level, and its position may be closed to secure profits.<br><br>Apple remains a favorite and a long-term leader, but current scenario poses threat to losing support and hence we should wait for a better buy point in near future. |
| **GOOGL** | Google gained 1.33% during the week and regained the 300 level to close at 302.28.<br>It is still the best-looking chart among the Mag7 stocks. There was a suggestion that Google might retest its recent lows prior to experiencing another upward movement. Even if it breaks 280-290 range, it will still be attractive in the long-term. Aggressive investors could add to their existing positions although reduced position sizing is suggested amid market conditions. |

## **New picks for your watchlist:**

Due to recent developments in Middle East, the uncertainty is too high at this moment with elevated risks to initiate new positions. However, pullbacks could also offer good entry position in stocks

which could move higher due to increased volatility although expect wild moves because of the underlying market conditions (stay tuned to our social media channels for regular updates:

1. **BABA:** On the face of it, Ali Baba looks depressed and forecasts are weak, but BABA is heading into earnings with a price of $135.21 and a consensus EPS forecast of 12.51 for Mar 19, 2026. Analyst targets signal a potential upside of 23.9%–27%. It is at a long-term support and any guidance around AI/cloud **business could spark a sharp rally offering a high reward-to-risk trade** at current prices while a stop loss below 119.43.

2. **INR:** Infinity Natural Resources is an Oil and gas exploration and production company with a recent IPO from 2025. It reported stellar fourth quarter results on March 10. **Long-Term it looks like it is poised to test 20 and then 22**. Stop-loss is below 15.50 which is high given it is a recent IPO.

3. **MSFT:** Recent pullback in Microsoft provides another opportunity into this long-term leader which has lost 29% from its all-time high. We think that the long-term story remains solid and market has excessively punished this software giant. However, current market conditions warrant an extremely cautious approach towards taking positions and interested traders could wait for another test of recent lows around 382. **Aggressive investors could also take a position at current prices** (although with reduced position sizing).

### *Medium- and Short-Term Picks:*

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| **NOW** | ServiceNow was picked two weeks ago (through our social media forum) at 108 with a target around 125. It found resistance at 125 and then pulled back as expected. Software as a group is trying to rebound and ServiceNow has strong fundamentals and history. Keep an eye on its price action. If it falls into range of 105-110 then **it could provide another entry** into this depressed software stock with a stop loss below 100. |
| **AVGO** | Broadcom's attempt to break out as it lost 2.5% last week.  Stock is forming a base and is likely to find support between 307-310 range. **Keep an eye on this stock for a possible entry in this range.** |
| **GE** | GE position was closed as it breached last Friday's low at 317.61 resulting in another slide below 300 level.<br><br>While long-term indicators support the trend's continuation, current market uncertainty and risks suggest pausing new entries for now. |

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| **SNDK** | SNDK's tremendous gains last week of 25% signals extraordinary strength, which we cannot ignore. It is in a strong uptrend and **should be bought at any pullback to 50-day EMA** as breakouts in this environment have a higher tendency to fail. |
| **VLO** | Selected five weeks ago, VLO gained another 2.65% last week and registered another high. Although looking strong but the stock seems a bit extended and could consolidate (or even come down due to profit taking), hence it is suggested to reduce the position size at current levels and take some profits. **Any pullback to its rising 20-day EMA line could provide another suitable entry.** |
| **CVX** | Chevron gained another 3.62% last week as it got very close to 200 level. It may be wise to take some profits now because resistance is likely at these levels, while allowing the remaining position to continue. |
| **XOM** | XOM recovered 3.25% last week as it is trying to consolidate at current levels. It found support at 147.66 as mentioned last week and offered another entry. Another **pullback to 148-150 range would like provide support and another entry in this oil major.** |
| **BKV** | BKV lost 6.47% last week and breached its 50-days EMA, Accordingly, this position was also closed to protect capital. |
| **NEM/KGC** | NEM and KGC lost 5-6% each last week. They are very close to their recent support at 107.80 and 30.12 and should be closed if these levels are beached to avoid further losses at the moment. |
| **AMZN** | It was mentioned that Amazon was likely to find resistance in the range of 215-220 which it did and pulled back by 2.6% during the last week. Profits should have been secured at these levels. Given the market conditions, there is a chance of another leg down pushing the stock back to recent lows where it will be attractive once again. |
| **FTI** | FTI was flat for the week. Given the market conditions, no new entries are suggested at this time, in fact positions should be reduced and cash should be raised. |
| **MU** | MU made an extraordinarily strong U-turn with an outside week gaining 15%. Earnings are set to be released next week, and with anticipated EPS growth of 460% and a sales increase of 137%, this momentum could easily propel the stock to a new high. However, a challenging market has recently caused several very good stocks to retreat after jumping on results and same could happen to MU.<br><br>MU is an ideal candidate for buying on pullbacks and should **find support at its rising 50-day EMA (377 currently) where a better high reward-to-risk trade** will be available. |

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| **MPLX** | Our favorite dividend player lost another 0.22% last week (almost flat). Offering 7.36% dividend at current rates, it is a good income generator, but it can cool as well due to profit taking. Long-term trend is in place, and market is indicating support for a bullish trend however, we think **that a pullback is now due to 55-56.5** levels at which price it would become attractive again. |
| **GLDM** | The **GLDM gold ETF** declined about **2.64%** as the strengthening U.S. dollar reduced demand for the metal as a safe-haven asset. Longer-term charts still show an upward trend, but technical indicators suggest gold could enter a period of sideways consolidation if momentum weakens further. |

***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/FwjzhbKSL8399XSzEhOiXy

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