

Market Intelligence

by Stock Chartistry

WEEKLY WRAP UP | December 7, 2025

What's in This Report

1. Market Overview
2. Macro Landscape — Liquidity, concentration, Fed dynamics, economic trends
3. News & Catalysts — Major events: Netflix acquisition, Carry Trade stress, NVDA competitiveness
4. Sector Performance — Rapid-scan analysis of XLK, XLF, XLC, XLY
5. Equity Spotlights — ES, NQ, NVDA, TSLA, ADBE, NFLX, BTC, GLD
6. Magnificent 7 Dashboard — Trend + key levels
7. Week Ahead — Earnings + macro events
8. Technical Levels to Watch — Major levels across indices, crypto, metals
9. Summary and Final Thoughts — Big-picture interpretation and directional outlook

1. Market Overview

Markets rose on renewed **Federal Reserve liquidity**, even as structural risks persisted. Breadth narrowed, mega-caps carried the tape, sector divergence widened, and Bitcoin took the hit from renewed **Carry Trade** stress. Liquidity continues to overpower fundamentals.

Key Stats

- **S&P 500 / Nasdaq 100:** near highs; breadth thin
- **VIX:** lower but volatility remains possible
- **10-yr Yield:** slightly higher; bond caution
- **Dollar Index:** flat
- **Bitcoin:** under \$90,000 amid unwind pressure

2. Macro Landscape

Market Structure

Fed liquidity supported risk assets as XLK and DJT posted **10 consecutive up days**. Market behavior resembled **1998–1999 Dot-Com acceleration**, with speculative extension concentrated in mega-caps.

Concentration Risk

The **Magnificent 7** drove disproportionate returns, nearing pandemic-era concentration. Roughly **95% of AI companies** remain unprofitable, creating fragility around AI-related trades.

Liquidity & the Federal Reserve

Repo operations mimicked **2018–2019 pre-cut liquidity cycles**. Rate-cut odds held near **86%**. A steepening yield curve signaled shifting policy tone. Rapid liquidity injections and withdrawals suggested a potential **Fed head fake**.

Economy, Labor, Consumer

Job cuts reached the highest levels since **Nov. 2022**, led by tech and auto sectors. Consumers leaned heavily on credit, signaling stress. Risk appetite elevated as traders bought aggressively for **8 straight sessions**.

3. News & Catalysts

Netflix Acquires Warner Bros Discovery

Netflix announced a **\$72B–\$82.7B** acquisition of WBD's studio and streaming assets, forming a dominant **content + distribution** ecosystem. Oversold conditions and a full Fibonacci extension give NFLX high probability of a **1–3 day bounce**. Regulatory pressure expected.

Carry Trade Stress Hits Bitcoin

Renewed funding pressure struck leverage-heavy assets.

Key levels:

- **\$84,000** support
- **\$94,000** breakout trigger
- **\$75,000** risk level

NVDA Margin Concerns

META and GOOGL accelerated internal chip development, challenging NVDA's long-term **pricing power**. Leadership intact, but narrative softening.

4. Sector Performance & Divergence

XLK (Technology) — slow grind higher; volatility compression; narrow leadership

XLF (Financials) — rejected at **\$54**; likely pullback ahead

XLC (Communication Services) — stalled at **\$117**; indecisive structure

XLY (Consumer Discretionary) — overbought; choppy; consumer fatigue emerging
Takeaway: Top four sectors $\approx 70\%$ of the S&P 500; hesitation sets up early-week chop.

5. Equity Spotlights

ES — weak breakout; 6865.75 downside trigger

NQ — highest weekly close ever; 7,000 magnet

NVDA — holding weekly 20-MA; \$165 / \$185 levels

TSLA — testing \$450; breakout \rightarrow \$500

ADBE — cleared 50-MA + \$325; consolidation likely

NFLX — oversold; stretched below 10-EMA; bounce likely

BTC — under \$90,000; \$84,000 / \$94,000 / \$75,000 levels

GLD — above \$4,250; target \$4,350

6. Magnificent 7 Dashboard

AAPL — near highs; strong RS; above 50-SMA at **\$265**

MSFT — mild lag; near 200-SMA at **\$268**

NVDA — \$165 support; \$185 breakout

GOOGL — extended above 20-SMA at **\$301**

META — above 20-SMA at **\$623**; facing 50-SMA at **\$673**

AMZN — reclaimed 50-SMA; facing 20-SMA resistance

TSLA — \$450 test; \$500 magnet

7. Week Ahead

Monday, Dec 9

- **Oracle (ORCL)** — 4:00 PM EST — Earnings

Wednesday, Dec 10

- **CPI** — 8:30 AM EST — Economic Report
- **FOMC Rate Decision** — 2:00 PM EST — Economic Event
- **Powell Press Conference** — 2:30 PM EST — Economic Event

Thursday, Dec 11

- **PPI** — 8:30 AM EST — Economic Report

- **Jobless Claims** — 8:30 AM EST — Economic Report
- **Adobe (ADBE)** — 4:00 PM EST — Earnings
- **Broadcom (AVGO)** — 4:00 PM EST — Earnings
- **Costco (COST)** — 4:00 PM EST — Earnings
- **Lululemon (LULU)** — 4:00 PM EST — Earnings

Friday, Dec 12

- **Consumer Sentiment Index** — 10:00 AM EST — Economic Report

8. Technical Levels to Watch

- **ES:** 6865.75
- **NQ:** 7,000
- **NVDA:** \$165 / \$185
- **TSLA:** \$450 → \$500
- **BTC:** \$84,000 / \$94,000 / \$75,000
- **GLD:** \$4,250 → \$4,350

9. Summary and Final Thoughts

Markets traded sideways to lower during the first week of December, exactly as expected given overbought conditions from the holiday period and typical early-December rebalancing. Seasonality favors strength in December, especially in strong market years, so **tailwinds remain with the buyers**.

A likely **Fed rate cut on Wednesday** adds further upward bias. But the bigger story is liquidity: after draining liquidity through November, the Fed is now **adding liquidity back into the system**, which is historically a powerful catalyst for risk assets. Liquidity is the real driver — even more than rate cuts.

Make no mistake: **this market is still driven by the Federal Reserve**. As long as liquidity stays supportive and mega-caps maintain trend structure, the market retains upside potential despite divergences and structural risks.