

# US Stock Express

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## Historical S&P 500 Monthly Performance (1950–2025)

The idea that January tends to rise (the "January effect") and February tends to fall is a common market lore, but the data shows mixed support. The January effect was more pronounced in earlier decades and for small-cap stocks, but for the S&P 500 overall, January has a slightly higher chance of rising than February, though neither is dramatically different from the average month (around 60% positive across all months). February is actually close to average, not notably weak. These patterns are based on price returns (close-to-close) and can vary by period or inclusion of dividends, but they represent general seasonality. Note that seasonality is not predictive—market trends, economic conditions, and events drive returns more reliably.

Month	% Rising (Positive)	% Falling (Negative)
January	59%	41%
February	57%	43%
March	63%	37%
April	67%	33%
May	58%	42%
June	57%	43%
July	62%	38%
August	57%	43%
September	44%	56%
October	58%	42%
November	67%	33%
December	74%	26%


Grok - xAI The  
 World's Most Powerful AI

*Risk disclosure: Price can go up and down at any moment, use free money to trade and bear the risk according to your own capital;  
 Never trade with money that has a deadline for withdrawal.  
 All suggestions are for reference only, even AI cannot be 100% reliable, final decision still lies upon investors.  
 Copy trading cannot replicate another trader's background or psychological state.*

What emotion is driving the market now?

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## North East West South is NEWS

The Japanese government announced that it has retrieved rare earth-containing sediments from a depth of 6,000 meters during a trial excavation at Blue Bird Island. Japan hopes this will reduce its dependence on China for rare minerals. This mission marks the world's first attempt to mine deep-sea rare earths at such a depth. The area is estimated to contain over 16 million tons of rare earth elements, making it the world's third-largest reserve. Please refer to The Express of 20251229.

Due to Congress's failure to pass the 2026 budget by the deadline, some departments of the US government shut down on January 31. US House Speaker Mike Johnson stated that he is confident of securing enough votes by the 3rd to pass the budget bill and end the partial government shutdown.

The strengthening euro will undoubtedly be a focus of this week's European Central Bank (ECB) meeting. Markets are increasingly concerned that a continued strengthening euro could impact the export-oriented Eurozone economy and put pressure on inflation.

Iranian Supreme Leader Khamenei warned that a US attack on Iran would trigger a regional war. US President Trump stated today that he hopes to reach an agreement with Iran.

SpaceX's future fundraising could exceed \$50 billion, potentially pushing its valuation above \$1.5 trillion. If successful, the IPO could become the largest in history. Sources indicate that SpaceX initially plans to launch its IPO around Musk's 55th birthday, approximately June 28th, but the specific timeline depends on market conditions and regulatory processes. Regarding revenue structure, reports suggest that Musk's Starlink satellite internet service is SpaceX's primary revenue engine, contributing approximately 50% to 80% of its revenue.



## Market Observation

Day	1441
Russia/Ukraine Conflict	

# Will Market Fall in February?

Some people said that normally US stock will fall in February, therefore I asked the AI to list out the percentage of rising and falling of every calendar month. When we refer to page 1, the chance of falling in February is just 43%, it ranks together with June and August in the 2<sup>nd</sup> place, and the highest ratio is September which is 56%. Of course, recently it is said to be because of the product introduction of Apple.

The conclusion is that this legend can be said as correct, but not so horrible.

The most horrible incident will be the attack of Iran, but if it can be done in a single day strike, it is good news. If it follows the Putin evaluation, hope that it can be done within 48 hours, but today is already the 1441<sup>st</sup> day which is 34,584 hours. However, it will never happen in US! Simply because Putin cannot accept opposition voice and evaluation, he and his cabinet thought the war really could finish in 48 hours and thus get it started. Trump is as crazy as King Donald, but after ordered the F-35 to fly up, he could accept opposition voice from those keymen, saying that scale of attack could not put down the current Iranian regime, only can hurt them. So, the crazy Trump at once called back all fighters and bombers. Now, they re-organized a larger invincible fleet which believed can pull down Hoseyni Xāmene'i. Anyway, the fighting in Iran if started, would not last for 4 years or as long as that of World War I or II, and of course would not as Ukrainian War.

Besides King Donald, there are still some important market movers in US. They are Karvin Warsh, the new Fed chair (please refer to the AI on page 5), Elon Musk and Jensen Huang. Last Friday, market dropped greatly, some

people said it was a blood-shed day. But Tesla rose among the fall. Already said this year is a year of rise of individual stocks. Simply because of the IPO of SpaceX. Tesla is no more an individual great company, it is a company reshaping global energy, transportation, geopolitics on earth and even beyond earth. Its business is not limited to Mars, but also in the space above the earth of Starlink. He is now applying to shoot one million artificial satellite to lower earth orbit. Oh my God! He is bringing traffic jam from earth to lower orbit of space. Of course the space is vast and endless, but one million satellite means he already occupied the best locations in lower orbit, no matter for business, military or space exploration.

What other people can do is to fight again for the second-best orbits like from EU (and new EU), China, India, Japan, UAE, North and South Korea, and Taiwan.....

Elon Musk also like to have a joke that he is an alien, not from this earth. Please refer to The Express of 20250917, the diameter of our Milky Way is 100,000 light years, our sun is just a dot among the 100 billion stars, and our earth is just a dot when comparing with the sun. The sun is but a dot in the Milky Way. The Milky Way is nothing but a dot among the various galaxy systems, it is quite hard for aliens to find out us. When you look up, you will find a lot of galaxies rotating in anti-clockwise direction, and when you look down, a lot of them are rotating in clockwise direction.

Please study the six companies of Elon Musk and see how they are in an inter-related situation with others so as to change the world on earth and beyond earth. Elon Musk is a superman similar to the AI or aliens and he is going to change the world today with his six companies. Jensen Huang will be talked about tomorrow.

**Kevin Warsh, newly nominated by President Trump as the next Federal Reserve Chair, is seen as more *hawkish* than Jerome Powell—favoring vigilance on inflation and potentially higher interest rates. His nomination triggered a short-term stock market decline because investors fear tighter monetary policy could slow growth, even though Warsh has also expressed openness to rate cuts in line with Trump’s push for looser policy.**

## Kevin Warsh’s Major Policy Stance

- **Inflation vigilance:** Warsh is considered a *hawk*, meaning he prioritizes controlling inflation over aggressive stimulus.
- **Interest rates:** While aligned with Trump’s preference for lower rates, Warsh is more cautious about excessive monetary easing compared to other candidates.
- **Market perception:** Investors interpret his stance as potentially less supportive of high-risk assets, leading to volatility in equities.
- **Institutional credibility:** Warsh emphasizes Fed independence but is seen as more sympathetic to Trump’s economic agenda than Powell.

## Why Stocks Fell After His Nomination

- **Risk-off reaction:** Markets turned defensive when Warsh’s name surfaced, with **S&P 500 futures down ~0.4% and Nasdaq futures off ~0.5%.**  
Global Banking & Finance Review
- **Hawkish tilt:** Investors worried Warsh might raise rates faster or resist aggressive stimulus, reducing liquidity for equities. USA TODAY
- **Dollar strength:** His nomination coincided with a stronger dollar and falling commodities (gold, silver), reinforcing risk aversion. Yahoo Malaysia
- **Uncertainty:** Leadership transition itself created short-term volatility, as markets reassessed Fed direction. discoveryalert.com.au



GPT-5 is here - OpenAI

## Implications for Markets

- **Equities:** Short-term pressure as investors price in tighter policy.
- **Bonds:** Yields may rise if Warsh signals less dovishness than Powell.
- **Commodities:** Stronger dollar could weigh on gold and silver.
- **Consumers:** Borrowing costs (mortgages, credit cards) could increase if rates rise.  
CNBC

## Takeaway

Kevin Warsh’s nomination did contribute to the recent stock market dip, not because of immediate policy changes, but due to investor expectations of a more hawkish Fed stance. His balancing act—hawkish on inflation but sympathetic to Trump’s calls for lower rates—means markets will remain volatile until his actual policy direction becomes clear after Senate confirmation.

Would you like me to build a **scenario table (hawkish vs dovish Warsh)** showing how stocks, bonds, and commodities could react under each policy path?

Kevin Warsh was nominated by President Donald Trump on January 30, 2026, to serve as the next Chair of the Federal Reserve Board of Governors, succeeding Jerome Powell whose term as chair ends in May 2026 (pending Senate confirmation). Warsh previously served as a Fed governor from 2006 to 2011, where he played a key role during the 2008 financial crisis. [whitehouse.gov](#)



## Major Policy Views

Warsh's monetary policy stance has evolved over time but is generally characterized as hawkish on inflation, meaning he has historically favored tighter policy to prioritize price stability, even if it means higher interest rates and slower economic growth. Key elements include:

[politico.com](#) [theconversation.com](#)

- Criticism of Quantitative Easing (QE) and Balance Sheet Expansion:** He has long opposed the Fed's use of QE, arguing it led to a "bloated" balance sheet (which peaked at nearly \$9 trillion) and financial excesses. Warsh advocates for aggressively shrinking the balance sheet to reduce distortions and create room for conventional rate tools. [theconversation.com](#) [+3 more](#)
- Interest Rate Policy:** During his Fed tenure, he expressed concerns about upside inflation risks and resisted easy money post-2008. More recently, however, Warsh has shifted dovish, calling for lower rates to support growth amid productivity gains from AI and other factors. He has criticized the current Fed as "backward-looking" and too slow to cut rates. [cnn.com](#) [pimco.com](#)
- Fed Reforms and "Regime Change":** Warsh has pushed for a "regime change" at the Fed, including less reliance on data-driven decisions, reduced forward guidance (which he sees as confusing), and a new Treasury-Fed accord to coordinate on balance sheet reduction and potentially involve housing agencies like Fannie Mae and Freddie Mac. He emphasizes Fed independence but openness to presidential criticism. [cfr.org](#) [+3 more](#)
- Other Views:** He argues tariffs won't necessarily spike inflation and supports supply-side improvements to enable non-inflationary growth. Some analysts describe him as a "weathervane" economist, adapting views based on political context—hawkish under Democrats but more dovish under Republicans. [cfr.org](#) [+2 more](#)

Overall, his approach blends traditional conservatism with recent alignment to Trump's preferences for lower rates, though implementation would depend on the full Federal Open Market Committee (FOMC) and economic data. [reuters.com](#) [investopedia.com](#)

## Impact on Stock Market

Yes, Warsh's nomination announcement on January 30, 2026, contributed to a decline in U.S. stock markets that day, amid broader concerns including hotter-than-expected inflation data. The S&P 500 fell 0.4% (after dropping as much as 1.1% intraday), the Dow Jones Industrial Average dropped 0.4% (179 points), and the Nasdaq Composite lost 0.9%. Investors interpreted the pick as hawkish, signaling potentially slower rate cuts than hoped, which strengthened the U.S. dollar and pressured equities. Gold plunged, and silver dropped sharply (one report cited a 31.4% decline, marking one of the largest one-day falls since 1980). Some market participants viewed this as an overreaction, noting Warsh's recent support for rate cuts and expecting minimal long-term deviation from the Fed's projected path of gradual easing to 3.0%–3.5%. [nytimes.com](#) [+6 more](#)

**Yes—if Elon Musk successfully merges SpaceX, Tesla, and xAI, the combined entity could challenge Apple, Microsoft, and Saudi Aramco for the world’s largest market capitalization. Such a merger would integrate electric vehicles, AI, robotics, and space exploration into one ecosystem, potentially reshaping global energy, transportation, and even geopolitics.** Times of India + 2

## Why a Musk Mega-Merger Could Dominate

- **Tesla:** Leader in EVs, batteries, and autonomous driving.
- **SpaceX:** Dominant in reusable rockets, Starlink satellite internet, and future Mars missions.
- **xAI:** Musk’s AI venture, positioned to rival OpenAI and integrate AI into Tesla and SpaceX systems.
- **Combined synergies:**
  - AI-driven robotaxis + Optimus humanoid robots.
  - Space-based AI centers and solar power infrastructure.
  - Starlink + Tesla energy grids for global connectivity.

### Valuation potential:

- Tesla market cap: ~\$1 trillion.
- SpaceX IPO expected: \$1.5 trillion.
- xAI (private): speculative ~\$100–200 billion.
- **Combined entity could exceed \$2.5–3 trillion, rivaling Apple and Microsoft.**



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## Global Changes If Merger Happens

### 1. Transportation Revolution

- Robotaxis and autonomous fleets reduce car ownership.
- **SpaceX rockets + Tesla energy systems enable interplanetary logistics.**

### 2. AI & Robotics Integration

- Optimus humanoid robots scaled with xAI intelligence.
- **AI centers in orbit managing Earth’s data and energy flows.**

### 3. Energy Transformation

- **Space-based solar power transmitted to Earth.**
- Tesla batteries + Starlink grids create decentralized energy networks.

### 4. Geopolitical Impact

- US dominance in AI + space reinforced.
- Nations reliant on Musk’s infrastructure for internet, energy, and transport.

## Comparison: Musk Mega-Merger vs Current Giants

Company	Market Cap (2026)	Core Strengths	Musk Merger Advantage
<b>Apple</b>	~\$2.9T	Consumer hardware + services	Musk offers hardware + AI + space
<b>Microsoft</b>	~\$3.0T	Cloud + enterprise AI	Musk offers AI + robotics + energy
<b>Saudi Aramco</b>	~\$2.1T	Oil & energy	Musk offers renewable + space solar
<b>Musk Merger</b>	~\$2.5–3.0T (projected)	EVs, rockets, AI, energy	Integrated ecosystem across Earth & space



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### Risks & Challenges

- **Regulatory hurdles:** Antitrust concerns in US/EU.
- **Execution risk:** Integrating three massive companies is complex.
- **Capital intensity:** Space-based solar and Mars missions require trillions in funding.
- **Competition:** NVIDIA, Microsoft, and Chinese AI/EV firms could counter Musk's dominance.

### Takeaway

If Musk merges **Tesla, SpaceX, and xAI**, the entity could realistically become the largest company in the world, surpassing Apple and Microsoft. The impact would be transformative: **robotaxis, humanoid robots, space-based AI, and solar energy from orbit**—reshaping how humans live on Earth and beyond.

Would you like me to build a **scenario forecast (bull/base/bear)** showing how this merged entity's valuation could evolve from 2026 to 2035, including milestones like Optimus scaling and Mars landing?



## Merger Rumors and Context

Recent reports indicate that SpaceX is in advanced discussions for a potential merger with xAI, with an announcement possibly coming as soon as this week. Elon Musk appeared to confirm this on X by responding affirmatively to a post about the deal. Separately, SpaceX has also explored a merger with Tesla as an alternative, though analysts view a SpaceX-Tesla tie-up as less likely in the short term due to regulatory hurdles, shareholder approvals, and Tesla's public status. There are no confirmed reports of a three-way merger involving all three companies simultaneously, but Musk's history of consolidating his ventures (e.g., integrating xAI tech into X) suggests it's not impossible if synergies align. These talks come amid SpaceX's preparations for a potential IPO in mid-2026, which could value it at up to \$1.5 trillion. [ca.finance.yahoo.com](#) [+11 more](#)

## Potential to Become the World's Largest by Market Cap

Yes, a merged entity has a plausible chance to challenge for the top spot, but it's highly speculative and depends on the merger structure, post-merger growth, and market conditions. Here's a breakdown based on current valuations:

- **Current Valuations** (as of early February 2026):
  - Tesla: ~\$1.6 trillion (public market cap). [companiesmarketcap.com](#) [companiesmarketcap.com](#)
  - SpaceX: ~\$850 billion (private valuation from recent secondary sales). [finance.yahoo.com](#) [+2 more](#)
  - xAI: ~\$230 billion (post recent \$20 billion funding round). [reuters.com](#) [+3 more](#)
- **Hypothetical Merged Valuations:**
  - SpaceX + xAI: ~\$1.1 trillion initially, but could be revalued higher (e.g., toward \$1.5 trillion) if tied to SpaceX's IPO, factoring in synergies like space-based data centers for AI. This would place it around 8th-10th globally, behind leaders like Nvidia (~\$4.65 trillion). [reuters.com](#) [+5 more](#)
  - SpaceX + Tesla: ~\$2.45 trillion, potentially vaulting it into the top 5 (ahead of Amazon at ~\$2.56 trillion but behind Microsoft at ~\$3.2 trillion). [companiesmarketcap.com](#)
  - All Three (Speculative): ~\$2.7 trillion, still short of Alphabet (~\$4.1 trillion) or Nvidia, but with massive growth potential from integrated AI, autonomy, and space tech. [247wallst.com](#) [+2 more](#)
- **Path to Largest:**
  - Short-term (1-2 years post-merger/IPO): Unlikely to immediately surpass Nvidia or Alphabet without explosive growth. Current top spots require 4-5x the merged value.
  - Long-term: Strong chance if the entity leverages Musk's ecosystem—e.g., Starlink powering Tesla's robotaxis, xAI enhancing Neuralink/Optimus robots, or space-based AI compute. Bullish projections (e.g., from ARK Invest) suggest Tesla alone could hit \$8-10 trillion by 2030 via autonomy; adding SpaceX/xAI could accelerate that. Risks include antitrust scrutiny, execution challenges, and market volatility. [reuters.com](#) [+5 more](#)

Rank	Company	Market Cap (Feb 2026)
1	Nvidia	~\$4.65T
2	Alphabet	~\$4.1T
3	Apple	~\$3.8T
4	Microsoft	~\$3.2T
5	Amazon	~\$2.56T
...	Tesla (standalone)	~\$1.6T
Hypothetical	SpaceX + Tesla + xAI	~\$2.7T (initial)

## Potential Changes to the World

A merger could reshape industries and society through deep integration of AI, space, and energy tech, but it would also amplify debates on power concentration. Key impacts:

- **Technological Advancements:**

- **AI-Space Synergies:** Space-based data centers (e.g., via Starship/Starlink) could enable massive, energy-efficient AI training, accelerating breakthroughs in fields like drug discovery, climate modeling, and autonomous systems. xAI's Grok could integrate with Tesla vehicles for advanced autonomy and SpaceX missions for real-time AI decision-making.

[reuters.com](#) [+2 more](#)

- **Sustainable Energy and Mobility:** Faster rollout of Tesla's Optimus robots powered by xAI, or Starlink enabling global EV connectivity, could cut emissions and transform logistics/transport.

[247wallst.com](#) [techcrunch.com](#)

- **Space Exploration:** Combined resources might speed up Mars colonization, with AI optimizing habitats and Tesla tech aiding electric propulsion. [interactive.satellitetoday.com](#)

- **Economic and Societal Shifts:**

- **Job Disruption/Creation:** Automation from AI-robots could displace millions in manufacturing/transport but create roles in space/AI engineering. Global broadband via Starlink could bridge digital divides in remote areas. [reuters.com](#) [techcrunch.com](#)

- **Monopoly Concerns:** Musk controlling such a behemoth could raise antitrust issues, potentially leading to regulatory breakups or innovation stifling. It might also influence geopolitics, e.g., U.S. dominance in space/AI amid tensions with China. [electrek.co](#)

- **Ethical/Risk Factors:** Faster AI development could amplify biases or existential risks, while space commercialization might spark debates on resource exploitation (e.g., orbital debris).

[youtube.com](#) [techcrunch.com](#)

Overall, this could usher in an era of rapid innovation, making technologies like AGI and interplanetary travel mainstream faster—but at the cost of increased reliance on one individual's vision.





**Historically, the S&P 500 shows clear seasonal patterns: January rises about 62% of the time, while February falls more often (only ~55% positive). The strongest months are April, November, and December, while September is the weakest.**

Visual Capitalist + 1

## S&P 500 Monthly Performance (Since 1950)

Month	% of Years Positive	Avg. Return	Notes
January	~62%	+1.0%	Often strong, but can be volatile (January effect).
February	~55%	-0.1%	Historically weaker, often a correction month.
March	~64%	+1.1%	Generally positive, boosted by Q1 earnings optimism.
April	~70%	+1.5%	One of the strongest months ("spring rally").
May	~59%	+0.2%	Mixed; "Sell in May and go away" reflects weaker summer.
June	~56%	-0.1%	Historically flat to negative.
July	~65%	+1.0%	Strong mid-year performance.
August	~55%	-0.2%	Often volatile, weaker returns.
September	~45%	-0.7%	Worst month historically; consistent underperformance.
October	~60%	+0.9%	Volatile (crashes in 1929, 1987), but often rebounds.
November	~70%	+1.6%	Strongest month historically.
December	~73%	+1.4%	"Santa Claus rally" effect, strong year-end gains.

### Key Takeaways

- **Best months:** November, December, April (positive ~70%+ of the time).
- **Worst month:** September (negative average return, only ~45% positive).
- **January effect:** Stocks often rise in January due to new inflows and tax-related trading, though not guaranteed.
- **February weakness:** Historically one of the least reliable months, often following January strength with a correction.

### Risks & Caveats

- These are **historical averages**—individual years can differ greatly.
- Macro factors (Fed policy, earnings, geopolitics) often override seasonal trends.
- Seasonal investing strategies (like "Sell in May") work inconsistently and should be combined with broader analysis.

### Conclusion

On average, **January tends to rise, February tends to fall, and September is the weakest month of the year.** The strongest months for the S&P 500 are **April, November, and December**, making them historically favorable for equity investors.

Would you like me to build a **visual chart of monthly S&P returns** so you can see the seasonal pattern more clearly across the year?



S&P seen 7002.28 on Jan 28 and retreated, showing that the barrier on 7000 points is quite strong and would shuttle up and down. Basically, 250-SMA and 100-SMA are still in integral uptrend.



WTI denotes light sweet crude oil, but the trend is not as sweet as the taste of the crude oil. Ichimoku red cloud pressed it down, It soared up because of Iran crisis, and now suddenly dropped with stocks, gold and crypto.