

# BILLS ASSET MANAGEMENT

## BAM MARKET NOTE

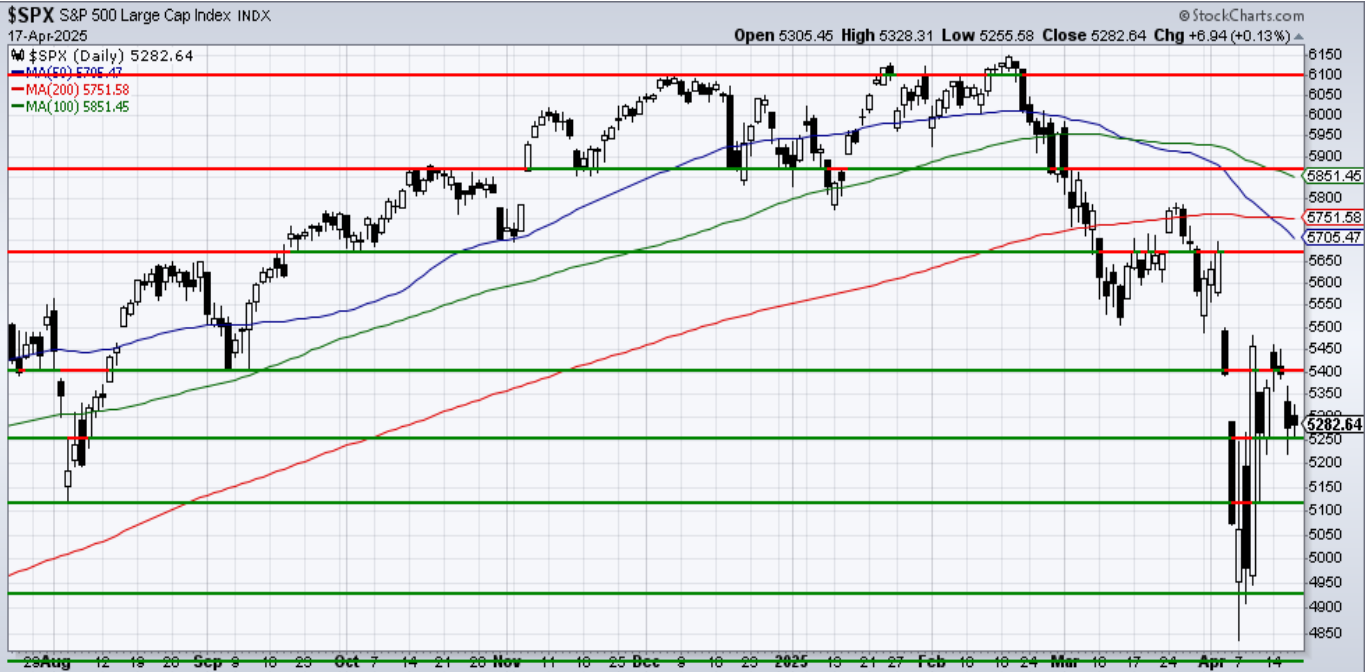
APRIL 17, 2025

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## Our Point

With the market closed for Good Friday tomorrow, we are issuing an abbreviated note today. Relatively speaking, it has been a quiet week. That is not to say there hasn't been some volatility with a large down day on Wednesday – centered in the tech sector with restrictions placed on Nvidia's sale of chips to China. Despite the sell-off, the market will finish the short week with only a modest loss. Importantly, some of the emotion has been removed from the market. While wild swings are still occurring with daily tweets and developments, the swings have been more muted as investors become more comfortable with being uncomfortable. In an emotion filled market technical analysis becomes meaningless. However, we are beginning to see support and resistance levels hold and become more helpful in determining the most likely next market moves. Currently, 5250 on the S&P is a very key support. We have tested this level 6 out of the last 9 trading days – 2 as resistance and 4 as support. In the very short-term, this area is key for the markets to hold in order to keep healing the significant damage done over the last few weeks. 5400 on the upside remains the next hurdle for the market to conquer. While a return to the lows in the 4900 level are certainly possible, we likely won't see a breach of that level. We expect continued volatility and some bouncing around between 5500 and 5000 before the market makes a sustained push upward later this year. Of course, headlines could change that. The announcement of treaty deals (or lack thereof) will continue to move the markets. One big risk is that tariff deals don't get cut and the economy weakens significantly. That would change the current event driven risk into a more complicated and damaging systemic market risk. We believe, ultimately, that common sense will prevail, and all parties will come to the table. With earnings expectations muted, we could get some positive movement due to earnings beats over the next few weeks. Several big banks have reported already and largely met and exceeded expectations. We'll get earnings from the likes of Tesla, Intel and Google next week with several other less notable names reporting. We made no changes to our holdings this week. We have generated cash over the last few weeks, so we have money to put to use and our buying list is growing. By the pollen in the air and on my truck, it appears that Spring is in full swing! It looks to be a beautiful weekend in Tennessee. Happy Easter and may your family be blessed. Have a great weekend wherever it finds you.