Bert Dohmen's
FEARLESS ETF TRADER™
The Premier Advisory for Active ETF Traders

"Celebrating Our 49th Year of Guiding Investors Successfully"*

Issue # 30 – April 7, 2025
(Last Fearless ETF Trader sent: April 4, 2025)

MARKET DATA:

	LAST	CHANGE	%CHG
DJIA	37965.60	-349.26	-0.91
Nasdaq Composite	15603.26	15.48	0.10
S&P 500	5062.25	-11.83	-0.23
DJ Total Stock Market	49903.27	-147.26	-0.29
Russell 2000	1810.14	-16.89	-0.92
NYSE Composite	17438.64	-179.97	-1.02
Barron's 400	1077.64	-4.47	-0.41
CBOE Volatility	46.98	1.67	3.69

	NYSE	NASDAQ
Issues		
Advancing	581	1,448
Declining	2,249	3,069
Unchanged	27	119
Total	2,857	4,636
Issues At		
New Highs	1	34
New Lows	1,335	1,853
Share Volume		
Total	8,717,543,265	12,585,434,976
Advancing	2,988,980,192	6,263,028,673
Declining	5,700,202,017	6,226,833,192
Unchanged	28,361,056	95,573,111

Source: wsj.com

MARKETS:

The tariff wars continue. But the US is in the driver's seat. The US is the biggest middle-class consumer market in the world. Trade wars would hurt the US and make things less comfortable for the majority of Americans. But many other countries would go into depressions without the US consumer.

Our trade partners should oust their narrow-minded politicians who may not recognize that trade has been very unfair for the US for many decades. China is the biggest abuser.

On Friday, April 4, China imposed a retaliatory 34% tariff on US goods, in addition to all the other duties, IP theft, and trade obstacles. So far, the China-produced ingredients for the deadly Fentanyl that is killing 200,000 Americans each year has not been addressed.

Trump had warned nations NOT to increase their tariffs. So now Trump threatened to imposed an additional 50% tariff on China if they don’t withdraw their 34% tariff.

This is a game of chicken. China doesn’t care about the consequences to its people because it has a dictator. It won’t affect his life until he is deposed by force. Until then, citizens are just tools to be used until their usefulness has expired.

Trump wrote this excellent message today:

> **Donald J. Trump**
> @realDonaldTrump
>
> Yesterday, China issued Retaliatory Tariffs of 34%, on top of their already record setting Tariffs, Non-Monetary Tariffs, Illegal Subsidization of companies, and massive long term Currency Manipulation, despite my warning that any country that Retaliates against the U.S. by issuing additional Tariffs, above and beyond their already existing long term Tariff abuse of our Nation, will be immediately met with new and substantially higher Tariffs, over and above those initially set. Therefore, if China does not withdraw its 34% increase above their already long term trading abuses by tomorrow, April 8th, 2025, the United States will impose ADDITIONAL Tariffs on China of 50%, effective April 9th. Additionally, all talks with China concerning their requested meetings with us will be terminated! Negotiations with other countries, which have also requested meetings, will begin taking place immediately. Thank you for your attention to this matter!

Below is a chart that shows how a “fake” news item today was used to cause some big moves to benefit the market manipulators.

A headline from a leading newswire service wrote that the reporter heard that a 90-day suspension of the tariffs would be implemented. The short sellers were demolished as stocks quickly soared. NVDA soared 17% in just a few minutes.

Then came the **“rumor denial” directly from the WH:**

> “White House Press Secretary **Karoline Leavitt has confirmed this 90-day pause is "fake news".**

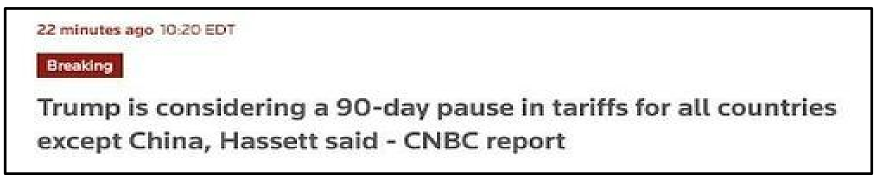
The White House' Rapid Response [(@RapidResponse47)](@RapidResponse47) account has confirmed this is:

> ***"Wrong. Not only did Director Hassett not say this (clip above), @POTUS has been clear — "it all has to change, but especially with CHINA!!!"***

Do you see how even major news outlets cannot be trusted? How many billions of dollars were made, and lost, with this one reported rumor?

That led to a sharp selloff in the major indices, sending them back down into negative territory. At the low, the DJI had another huge loss of about 1700 points.

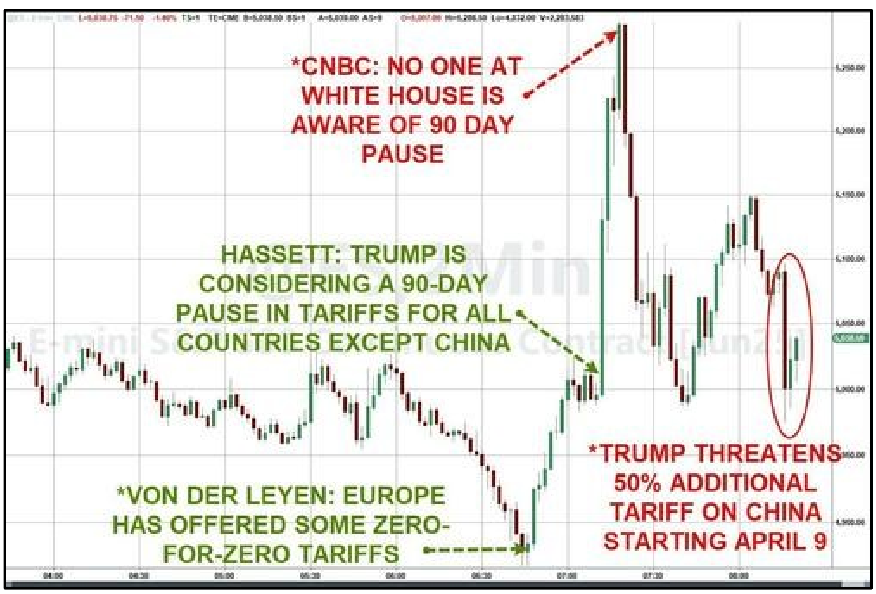
And that is how the game is played. Such manipulation in the “olden days” would be investigated and prosecuted by the SEC. In recent years, that hasn’t happened. Here is the chart & headline (via zerohedge):



22 minutes ago 10:20 EDT

Breaking

Trump is considering a 90-day pause in tariffs for all countries except China, Hassett said - CNBC report



The intraday moves in today’s session were incredible. Here is one example; the 5-minute chart of NVDA during the first half of trading TODAY (each bar is 5 minutes of trading):

Although late in the trading day (2 hours before the close) the indices looked like they were going to be pushed higher and all close in the black, only the NASDAQ Comp was able to end the day with a gain (up a fraction, i.e. +0.1%).

The Russell 2000 suffered the biggest loss (-0.9%) while the DJI finished 349 points lower after swinging 2595 points intraday from its low to its high.

The S&P 500 entered bear market territory at its early morning low as it was **down 21%** from its recent high. However, that triggered the algos to buy, propelling the S&P higher and closing off its lows, although it still ended 0.2% lower.

Usually Wall Street does what it can to keep losses from entering deep into bear market territory on the first encounter. That offers temporary support.

What's interesting is that the S&P 500 also hit important long term trendlines at today's lows. See the "monthly" chart of the index below, which goes back to 2016. It hit the upward sloping blue trendline, connecting a few market bottoms since 2020, exactly today at the low.

Furthermore, there is support from the horizontal blue line, which goes back to the 2021 peak. Thus, there are **two important supports**. They should not be ignored.

We also have support from the 50% retracement level of the last bull market. That is a very important level in this age of algo-traders. Below is the weekly S&P 500 chart that shows the 50% retracement line (long blue horizontal line). That was also hit exactly today!

Such a confluence of chart signals **should not be ignored**. It suggests that the market has likely reached an **interim bottom**. This lines up perfectly with our forecast from Friday saying, *"further selling should be expected on Monday. However, thereafter we will be watching for a bounce."*

Today we also saw the **"% of stock above their 200-day m.a."** indicator reach our target level we gave on April 3 when we wrote "We should see this indicator fall to the 12-13% range ("X"), which was the **low of the last bear market in 2022**."

On the weekly chart of the indicator below we can see it closed today at 12.98 after breaking the blue horizontal support line intraday. Notice how over the past **15 years** this support has only been reached and/or penetrated at **6 different brief periods including today, most of which lasted a week or two (yellow shaded areas).**

The only time this indicator stayed below this level for longer than that was during the Covid crash when its spent 9-10 weeks at those extreme lows (at the very low just 2.4% of stocks were above their 200-day m.a. in late March 2020).

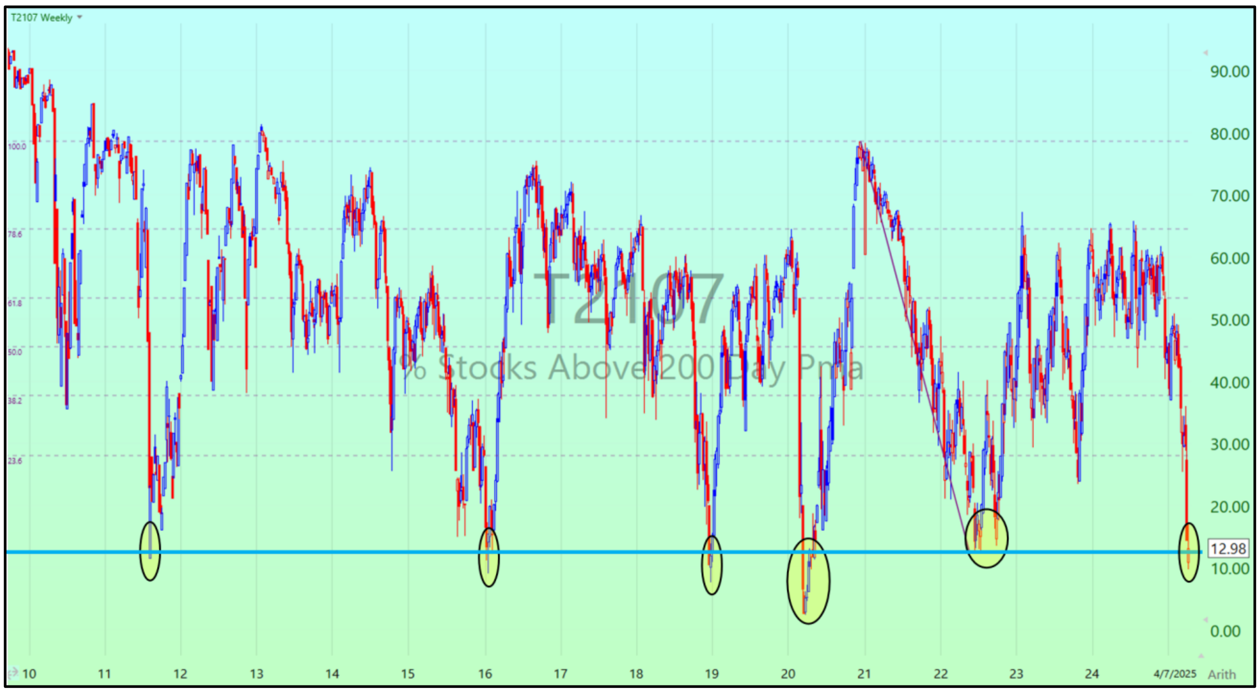


Chart patterns repeat because they reflect the cycles of human emotions, contrary to popular belief. Even the fundamentals are similar to the Covid Crash. Remember, at that time world trade and commerce basically came to a standstill for a while with all the lockdown measures that were implemented.

Currently, world trade is still ongoing, but it could end in a global trade war, although we don't believe it will go that far with Trump in control. He is trying re-write the rules of global trade. It's gutsy, but if there's anyone who can get it done, it's him.

Sentiment is finally bearish enough for an interim bottom. Today **we saw worry on financial TV**. Statistics confirm that retail investors had given up on bargain hunting and were selling. Hedge funds are now fully committed to the short side.

That all suggests that a temporary bottom was very likely reached. **But it doesn't mean that a big rally is ahead**. We shall see.

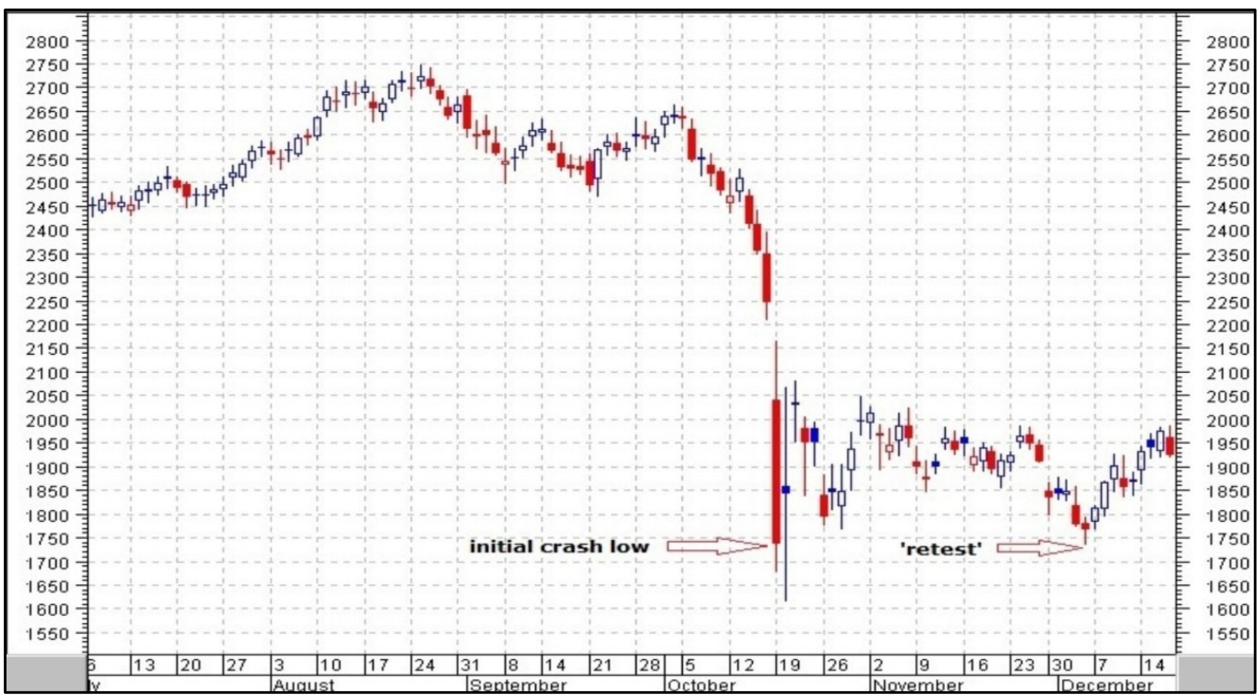
We believe that the markets will be very choppy for a few weeks. That is the phase where bulls and bears both lose lots of money because of a trendless market.

We warned about choppy market action ahead in our April 4 issue saying.

> "**The volatility after such crashes is severe and almost impossible to trade profitably.** For traders, let us just say that after a crash, and an intermediate bottom, the markets churn up and down. That makes the market very hazardous to trade. You can lose lots of money quickly."

Let's look at the CRASH OF 1987. Below is the daily chart of the DJI from July to December 1987. Notice how the crash, when the DJI plunged 22.6% in one day, was followed by two weeks of churn. It would have been almost impossible to trade. Keep this chart in mind in the coming days and weeks.

As you know, we have no conflicts of interest, such as managing people's money. We can tell you the truth, instead of saying markets always go up over the long term.



We have not heard one analyst who mentions the "Crash of '87" say what actually caused it. Well, we'll explain it to our members as it's important to consider the difference between then and what's happening now.

The Crash of ’87 was a temporary event, which was over quickly. The firm of Leland O’Brien sold a new program to institutions with the false idea, *“you never have to sell if you see a market downturn.”* It was called “portfolio insurance,” The idea was to short sell futures contracts on indices if their signals were negative. That would provide a hedge.

When we heard of it, we wrote, *“it will never work. When all the institutions sell the futures short, there won’t be any buyers. Floor traders will go to the sidelines.”*

And that is what happened. Portfolio Insurance blew up in **one day**, resulting in the DJI plunging 22.6% on “Black Monday.” And then it was over, but the losses and damage were with people for a long time. Many even lost their houses when they couldn’t meet margin calls.

So far, **the DJI has plunged 15.8% from its record high set** in early December of last year. But the current situation is much more enduring as it involves world trade. The aftermath will be with us for a long time, good and bad.

CURRENT POSITIONS—BULLISH ETFS:

Our long (bullish) ETFs were lower today as the dollar and yields reversed higher. We would hold.

Redacted – Members Only Access

CURRENT POSITIONS—BEARISH (INVERSE) ETFS:

We would have sold our bearish ETFs today on the market selloff this morning per our suggestion on Friday.

We choose to reduce risk and stand aside for now and see if a brief technical bounce can be generated.

CONCLUSION:

Our members to our various services were safe or even prospered during the past month as stocks tumbled. Our forecasts were pinpointed to the exact days. That is worth the subscription cost a hundred times over.

We only mention that to remind casual active investors who use their speed reading. Our success is due to decades of experience. It is one of the few benefits of getting older.

We believe trading the next week or two should be done with either no or very low exposure. Volatility will subside in a couple of weeks. We foresee great opportunities, but this is the time to take a rest.

Wishing you successful trading,

Bert Dohmen and Dion Dohmen

IMPORTANT NOTE: we will publish a new issue only when:

1. There is a change in our positions, or
2. There is a new recommendation, or
3. There is an important event we consider significant to our trading strategy

This will also make it less tedious for our valued subscribers. Time is precious for all of us.

We hope you will support us on this clarification of our publishing schedule. We look forward to continuing to help you become a better, more informed, and more successful trader.

DISCLAIMER for ALL POSITIONS: We (Dohmen Capital) usually try not to have positions in the stocks mentioned and instead go into the same sector with a similar stock for ourselves. This is to avoid any appearance of conflict. However, if there are not enough stocks with good volume and fundamentals in the sector so that we have an alternative for our own accounts, we may have positions in any of the stocks mentioned in the services from time to time. Those buys and sells may be different than the suggestions in this service.

Important: Always remember that the ultimate decision of what to buy, sell, and sell short is up to the individual. Our information, forecasts, and securities are merely suggestions. You should always research all investment opportunities yourself.

HOW TO CONTACT US:

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WHAT "AREA" MEANS IN SMARTER STOCK TRADER:

When I give advice to buy or sell in certain price area, I do it so that not all of our orders are sitting at exactly the same price. By "area", I mean a range. Our rules of thumb are as follows:

[< than $15] = ± 0.25; [< than $30] = ± 0.50; [< than $50] = ± 0.75; [< than $100] = ± $1.00; [> than $100] = ± $1.50.

BOOKS by Bert Dohmen:

PRELUDE TO MELTDOWN ($15)

The truth behind the global financial crisis of 2008 REVEALED! This book may save you a fortune! Bert Dohmen, who warned at the beginning of 2008, that starting in September '08 the global financial markets would teeter on the brink. (go to http://dohmencapital.com/PreludetoMeltdown.html)

FINANCIAL APOCALYPSE ($25)

Do you want to know where the global markets are likely to go over the next several years and how to interpret the clues for yourself instead of listening to the pundits? Here is the book that will show you. It is a step by step account of the 2008 financial crisis, with charts, technical indicators, and credit market analysis, which gave us all the clues that in the fall of the year we would encounter something similar to 1929. This book is the road map for the next global crisis. It's a collector's item and can be used as a reference book to see what Wall Street tells investors to keep them in the markets even while they are selling themselves.
(go to http://bookapocalypse.com/)

THE COMING CHINA CRISIS (Edited Edition) ($25)

Bert Dohmen's SPECIAL E-book on the coming China Crisis presents the case that China will produce a Tsunami throughout the global economies. China was the locomotive of the globe, the financing mechanism for the immense US debt, the source of incredible demand for commodities and oil, and the economic power of Asia. That is changing now.
(go to http://dohmencapital.com/thechinaCrisis.htm)

THE CHINA CRISIS IS HERE ($20)

In this special follow up e-book to the prescient *The Coming China Crisis*, Bert Dohmen explains the true China credit crisis actually started in 2014, when overnight interest rates tripled from one day to the next. That was quickly covered up with massive credit creation by the government. The result was an immense stock market bubble. All bubbles eventually implode and that is exactly what happened to the "China bubble," which burst in June 2015. Wealth equivalent to half of China's GDP was wiped out in a matter of weeks. (go to http://dohmencapital.com/the-china-crisis-is-here/)
