

# Smart Cents Weekly

Modern Financial Education for [Young Investors](#)

Week 10 • October 5th, 2025

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## Welcome

This is MeridianAlgo's tenth financial newsletter. If you're returning from our previous editions, thank you for coming back. We dedicate ourselves to educating young investors and supporting our community in any way we can, which means a great deal to us. If you're new here, welcome! In this document, you'll find MeridianAlgo's insights on the US stock market, designed to boost your financial knowledge and investment skills for a brighter future. Our analysis is powered by proprietary machine learning algorithms, which you can see at the bottom of this document, along with our preferred charting platform: TradingView. We hope the market insights shared here, covering the past week and upcoming weeks, will help you better understand how markets really work and what happens behind the scenes.

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## What's Happening with the Market ?

### Looking Overall

For the week of Sept 29–Oct 4, 2025, the S&P 500 rose 1.1%, closing at a record 6,715.79 amid D.C. gridlock and shutdown fears. Investors shrugged off risks, building on prior highs with steady gains. Overall, a resilient up week near peaks, defying headwinds.

### Current Market Snapshot

Gains spread beyond tech: healthcare surged 6.6%, utilities up 2.3%. Energy lagged, down 3.3% on oil weakness. Mixed but positive breadth drove the advance, no broad sell-off—market stays buoyant with typical volatility.

### **Volatility Check**

VIX edged up slightly, from 15.3 on Sept 26 to 16.6 by Oct 2, hovering mid-16s. Mild caution amid shutdown noise, not fear—normal for new investors, pullbacks often signal buys.

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## **Understanding Companies**

**This week, we aim to educate you about different companies and their respective roles, starting with Broadcom.**

**Broadcom Inc. (AVGO)** is a Fortune 500 tech leader that designs, develops, and supplies semiconductors, enterprise software, and security solutions across data centers, networking, broadband, wireless, storage, industrial automation, and AI. Founded in 1961 as Hewlett-Packard's semiconductor division (later spun off as Agilent in 1999 and Avago in 2005), it grew through acquisitions: Merger with Broadcom Corp in 2016 (\$77B), followed by CA Technologies (2018, \$18.9B), Symantec (2019, \$10.7B), and VMware (2023, \$61B deal). These drives 60+ years of innovation, with ~21,000 employees globally, HQ in San Jose, and fabs in the US, Singapore, and China.

### **Business Segments:**

- Semiconductor Solutions (80%+ revenue): Analog/mixed-signal chips, optical/RF components. Key products include Ethernet switches (Tomahawk series for 800G+ speed), Wi-Fi 7/Bluetooth modules (used in 90%+ smartphones), AI chips (e.g., \$10B+ deal with OpenAI for GPT models), storage controllers, and broadband SoCs.
- Infrastructure Software (20% revenue, post-VMware): Virtualization (vSphere/ESXi), cybersecurity (Symantec endpoint protection), and mainframe software.

**To learn more, click here:**

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# Money Basics



## Recap

Last time, we explored Dollar-Cost Averaging (DCA), a simple but powerful strategy where you invest a fixed amount of money on a regular schedule, regardless of market ups and downs. This takes the stress out of trying to “time” the market, spreads your risk, and builds long-term wealth steadily. For new investors, DCA helps create discipline and consistency.

## TP and SL: The Basics

Take Profit (TP) and Stop Loss (SL) are risk management tools in trading. TP sets a price to automatically sell and lock in gains; SL sets a price to sell and limit losses.

### Types:

- Fixed TP/SL: Set at specific price levels based on analysis.
- Trailing TP/SL: Adjusts dynamically as price moves favorably.

### Why They Matter:

- They enforce discipline, protect capital from big losses, and secure profits without emotion. For example, in volatile markets, SL prevents wipeouts while TP captures upside.

**Key Term – Risk-Reward Ratio:** Measures potential profit (TP) against potential loss (SL), ideally 1:2 or better for sustainable trading.

**Think of TP and SL as guardrails on your trades, keeping emotions in check for smarter, safer decisions.**

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Thank you for reading Smart Cents Weekly  
Continue your financial education journey with us next week.

Some quick financial legal stuff below 

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