

# Smart Cents Weekly

Modern Financial Education for [Young Investors](#)

Week 1 • August 3, 2025

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## Hello there 🖐️

This is our first-ever financial newsletter, providing you with insights on markets across the US Stock Market and helping you expand your knowledge on creating a better future through investments and financial literacy. This newsletter is powered by our own machine learning programs, which you can view at the bottom of this document, as well as our preferred charting platform: TradingView. We hope that these insights into the market for the past week and the upcoming weeks will give you a better understanding of how markets really work and what goes on behind the scenes.

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## So what's happening with money ?

### Previous Market Snapshot

Last week, the market showed neutral sentiment with a sideways consolidation phase. This basically means that markets have not moved significantly from the previous week and have remained relatively steady in terms of their trading or trades taken on many exchanges (e.g., SPX, DJI, Nasdaq). However, there were certain parts of last week when major indices traded at high levels, indicating investor confidence and a potential upward trend in the market.

### Volatility Check

The VIX (or the “fear index”) is currently at 16.0, which indicates moderate market volatility (or the tendency for the market to change quickly and unpredictably). This reflects normal market fluctuations. Meaning that young investors should stay focused on their long-term goals and avoid making emotional decisions or impulsive trades, as even a small price change can impact your long-term profits.

## Stock Trends Analysis

Using our machine learning analysis, we show positive momentum: NVDA, ZOOM. Facing headwinds: JPM. Trading sideways: AAPL, AMZN, PYPL, PFE.

With only 29% of analyzed stocks showing positive trends, caution may be warranted in the near term. What This Means for Young Investors

As a young investor, you have time on your side - the most potent tool in investing. Neutral markets are perfect for building consistent investing habits. Focus on learning and establishing a regular investment routine.

Bottom Line for Young Investors: Neutral markets are perfect for building good habits. Focus on consistency and education.

- Keep investing regularly, regardless of market conditions
  - Focus on learning rather than trying to time the market
  - Build an emergency fund before investing heavily
  - Consider low-cost index funds as your foundation.
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### High Confidence Picks

Here is an analysis of 5 popular stocks based on current market conditions.

All predictions are for the next 7 days and should be used as part of your broader research process.

AAPL is expected to trade sideways with minimal movement this week. Multiple indicators align with this direction. Tech stocks often move with broader market sentiment and innovation cycles.

AMZN is expected to trade sideways with minimal movement this week. Multiple indicators align with this direction.

NVDA is expected to trade sideways with minimal movement this week. Strong technical signals support this forecast. Tech stocks often move with broader market sentiment and innovation cycles.

JPM is expected to trade sideways with minimal movement this week. Multiple indicators align with this direction.

PFE is expected to trade sideways with minimal movement this week. Multiple indicators align with this direction. Healthcare stocks tend to be more defensive during market uncertainty.

All predictions are uncertain. Use these insights as part of your broader research process.

### Stock Analysis

Symbol	Industry	Prediction	Confidence
AAPL	Technology/Hardware	-1.4%	84%
AMZN	E-commerce/Cloud	-0.0%	84%
NVDA	Technology/Semicondu...	+2.0%	86%
JPM	Banking/Finance	-2.0%	80%
PFE	Healthcare/Pharmaceuti cal	-0.5%	82%

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### Worth Watching

Analysis of 2 popular stocks based on current market conditions.

All predictions are for the next 7 days and should be used as part of your broader research process.

PYPL is expected to trade sideways with minimal movement this week. Mixed market signals create moderate uncertainty. Tech stocks often move with broader market sentiment and innovation cycles.

ZOOM is projected to rise by 3.7% over the next week. Mixed market signals create moderate uncertainty. Tech stocks often move with broader market sentiment and innovation cycles.

All predictions are uncertain. Use these insights as part of your broader research process.

### Stock Analysis

Symbol	Industry	Prediction	Confidence
PYPL	Financial Technology	-0.1%	71%
ZOOM	Technology/Communica. ..	+3.7%	70%

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## Money Basics You'll Love

Let's dive into investing fundamentals for young investors - a crucial concept every young investor should understand. This is the foundation every investor needs to understand.

Investing means putting your money to work by buying assets that you expect to increase in value over time. The goal is to build wealth gradually through compound growth.

Remember: All investments carry risk, and past performance doesn't guarantee future results. Always do your research and consider consulting with a financial advisor.

Action Item: This week, research one low-cost index fund and write down its expense ratio and what it invests in.

Index funds are a great starting point for new investors because they provide instant diversification at low cost. One of the most significant advantages young investors have is time. Even small amounts invested regularly can grow into substantial wealth over decades.

•If you invest \$1,000 in an index fund that grows 7% annually, it becomes \$1,967 after 10 years without adding any more money.

- Buying shares of a company makes you a partial owner. If the company does well, your shares become more valuable.
  - Investing is about buying assets that grow in value over time
  - Start early to take advantage of compound growth
  - All investments carry some level of risk
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## Why Do Prices Bounce?

### What is the VIX?

The VIX, or "Volatility Index," measures market fear and uncertainty. Think of it as the market's anxiety meter.

- **Below 20** 🌞: The market is calm and confident
- **20–30** 🌤️: Normal levels of uncertainty
- **30–40** 🌀: High anxiety and considerable volatility expected
- **Above 40** 🚨: Panic mode – significant volatility ahead

The VIX at **16.0** indicates normal market fluctuations. This is typical market behavior where some uncertainty exists, but nothing extreme. Most long-term investors can comfortably stay the course and continue regular investing.

### Why Volatility Matters Less When You're Young 🧒

Moderate volatility is healthy for markets and your portfolio.

- It prevents bubbles from forming.
- It gives you opportunities to buy quality investments at varying prices through **dollar-cost averaging (DCA)**.

**Remember:** Volatility is temporary, but time in the market beats timing the market. Your 20+ year investment horizon is your superpower.

### Innovative Strategies for Moderate Volatility

- Stick to your dollar-cost averaging plan – this is when it works best.
- Avoid making significant portfolio changes based on daily market moves.
- Use volatility as an opportunity to rebalance your portfolio.
- Focus on quality companies that can weather uncertainty.

## Historical Perspective

This VIX level is close to the historical average. Markets spend most of their time in this range, making it a good baseline for normal market behavior.

**Key Lesson:** Market volatility is cyclical.

What goes up must come down, and what goes down often comes back up.

Your job as a young investor is to stay invested through the cycles.

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## Grow Your Cash: Easy Ideas

Hey there! Congratulations on taking the first step towards securing your financial future. You're about to discover how investing can help you grow your money over time. Don't worry if you're new to this; we'll break it down in simple terms.


Investing is like putting your money to work for you. You use it to buy assets (like shares or bonds) that have the potential to increase in value over time. The goal is to earn more money than you initially invested.

**The sooner you start, the more time your money has to grow.** Let's say you invest \$1,000 today and it grows at a rate of 5% per year. In 10 years, you'll have approximately \$1,628. That's an extra \$628 just by letting your money sit there!

Investing involves risks ⚠️, including the potential loss of principal (the initial amount you invest). It's essential to understand that **past performance is not a guarantee of future results**. Always do your research or consult with a financial professional before making investment decisions.

You're taking a fantastic step towards financial freedom. **Keep learning, stay committed, and watch your money grow!**

- **Savings accounts** 💰: These are like regular bank accounts but often earn a higher interest rate. For example, if you put \$1,000 in a savings account with a 2% annual interest rate, you'll earn \$20 in interest over a year, making your total \$1,020.
- **Mutual funds** 📊: These pool money from many investors to invest in a variety of assets. They are a good way to diversify (or mix up) your investments. For instance, a mutual fund might invest in shares of different companies, so if one company does poorly, the others can help offset the loss.
- Open a savings account or start a **custodial account** 🧒 (a type of savings account for minors managed by an adult) if you're under 18.
- Look into **low-cost investment accounts** that allow you to invest small amounts of money.
- Consider setting up a regular **investment plan** 📅, where you invest a fixed amount of money at regular intervals.
- **Start small** ✅; even \$10 a month is a great beginning.
- **Be consistent** ✅; investing regularly can help you build wealth over time.

- **Educate yourself** ; the more you know, the better your investment decisions will be.
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Continue your financial education journey with us next week.

Some quick financial legal stuff below 

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