

Rail-Splitter Capital Management

Rail-Splitter Insights

a weekly commentary on
investing

Rail-Splitter Capital Management is focused on protecting and growing wealth for our clients. Our services are provided through Delta Investment Management a registered investment advisory firm.

We welcome discussions on how we can help you manage your assets and maximize your wealth.

Please contact us at info@rail-splitter.com or 312-724-8722.

Buyback Safety Net

November 14, 2025

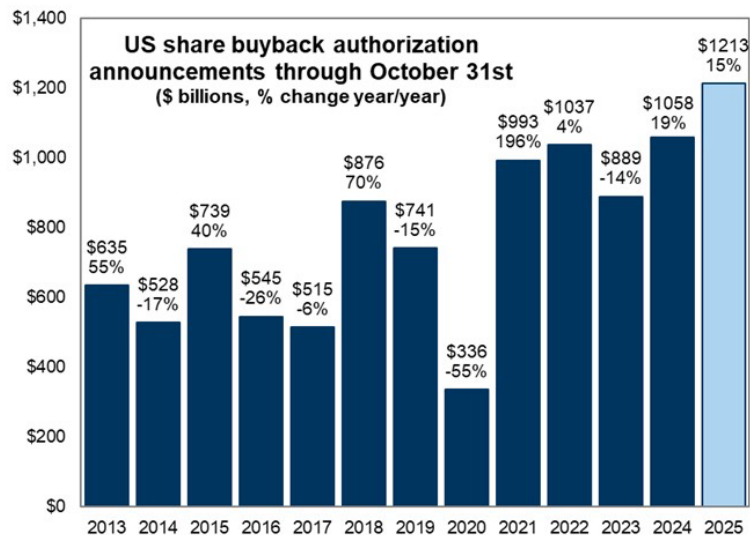
The government has reopened but key economic data may not be released before the Federal Reserve makes a rate decision at its December 10 meeting. The Fed's key inputs for a potential rate cut are inflation and employment. The Consumer Price Index (CPI) was not reported this week. The Bureau of Labor Statistics (BLS) nonfarm payrolls report may not be reported in the first week of December.

In the absence of data, market expectations for a rate cut have been declining in response to hawkish remarks from Fed officials. According to the CME FedWatch Tool, the probability of a 25-basis-point cut to a 3.50-3.75% target in December is now just 53.4% versus 95.5% a month ago.

While we are experiencing a data blackout, the corporate stock-buyback blackout period is rolling off. During earnings season, companies are in a "blackout window" that prohibits trading in their own shares to avoid the appearance of insider trading. Once earnings are public, the blackout ends. With third quarter earnings season mostly behind us, roughly 90% of the companies in the S&P 500 are in a "open window."

Corporations have announced a record amount of share repurchase authorizations this year.

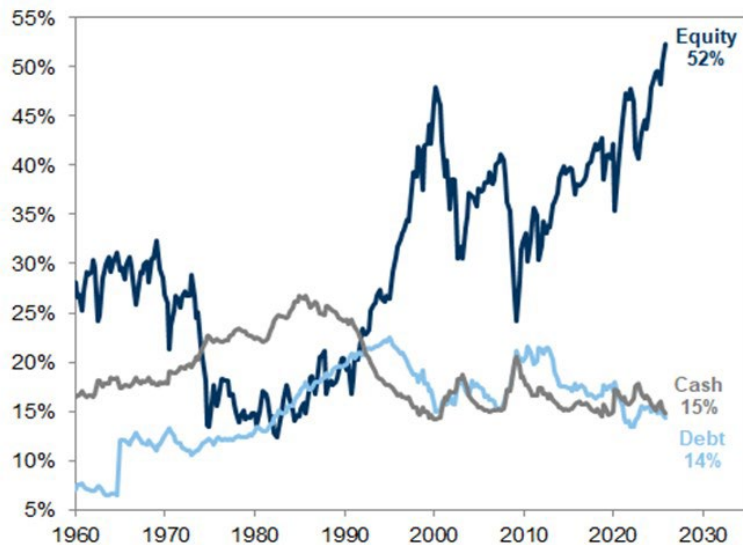
Share Buyback Authorizations



November is historically the second-largest execution month, accounting for 10% of the annual buyback spend. Goldman Sachs' trading desk estimates over \$6 billion of daily corporate buyback demand for each November trading day. The next blackout window begins on December 19.

Retail (U.S. domestic households) stock demand is very strong. Individuals are buying stock rather than holding it in cash or fixed income.

US Household Financial Asset Allocation



Goldman Sachs estimates the combined buying pressure from corporations and households is roughly \$10 billion per day through the rest of this month.

This level of buying pressure may not drive the S&P 500 higher by year-end, but it should provide a safety net from extreme downside volatility. We expect “buy-the-dip” to continue to be the best characterization of market trading dynamics through year-end.

Taking Care of Business: Year-End Checklist

As the year winds down, now is a great time to review your accounts and button up year-end items. Please review the list below and reply with anything you would like help with.

Profile & Beneficiaries

- **Contact info:** Is your mailing address, email, and phone current on all accounts? If not, log in to Schwab and update your profile. Out-of-date info can trigger trading or “move money” restrictions.
- **Beneficiaries:** Confirm beneficiaries on both retirement (IRAs/qualified) and non-qualified accounts (we highly recommend doing both). If you cannot see/do not know your beneficiaries, please check with us.

Required Minimum Distributions (RMDs)

- If you're **age 73+**, you must withdraw your 2025 RMD by December 31, 2025.
- Schwab experiences heavy year-end volume; to avoid delays, please initiate RMDs as early as possible. We highly recommend submitting any RMD request no later than December 1, 2025 to help ensure timely processing.

Qualified Charitable Distributions (QCDs)

- A QCD lets individuals age 70½+ donate from an IRA directly to a qualified charity.
- QCDs do not increase taxable income and can count toward your RMD.
- If you plan to use a 2025 QCD, please let us know soon so we can prepare the paperwork.

Tax Planning & Realized Gains/Losses

- **Tax-loss harvesting:** We can review taxable accounts for opportunities. Remember, the wash-sale rule (30 days) applies.
- **Estimated taxes:** If you make quarterly payments, your next due date is January 15, 2026.
- **Roth conversions (2025):** Conversions must be completed by December 31, 2025. Given year-end activity at Schwab, we recommend submitting paperwork by

December 3, 2025; after that date, Schwab cannot guarantee processing before year-end.

Contributions & Benefits

- **401(k)/403(b):** Make any final salary-deferral changes before your last 2025 paycheck.
- **IRAs/Roth IRAs:** We'll confirm eligibility and funding strategy with you (2025 limits apply).
- **529 plans:** Consider year-end contributions (state tax benefits vary).
- **FSA/HSA:** Use remaining FSA dollars if your plan is "use-it-or-lose-it"; consider topping up HSA contributions.

Housekeeping & Risk

- **Cash management:** Confirm adequate emergency reserves and a competitive yield on idle cash.
- **Estate & documents:** Ensure wills, POAs, and healthcare directives reflect your wishes; verify accounts are correctly titled (e.g., to trusts where applicable).

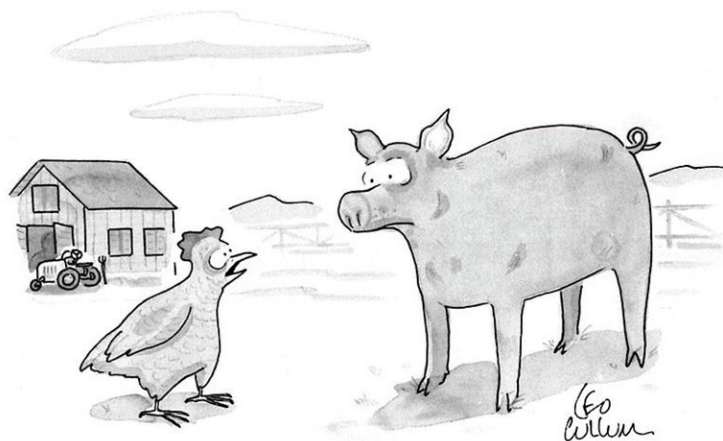
Please feel free to call or email us to talk about the above.

Let Us Help You Position Your Portfolio – Give Us a Call Today

We pride ourselves on our unique and sophisticated investment strategies designed to capture the gains of the stock market while minimizing drawdowns during bear markets. If you're seeking expert guidance in your financial planning journey, we're here to assist you.

Whether you're a seasoned investor looking to optimize your portfolio or someone just starting to explore investment opportunities, our team is dedicated to providing tailored solutions to meet your financial goals.

To learn more about how we can help you navigate the complexities of the financial markets and achieve your investment objectives, we invite you to reach out to us. You can give us a call at (312) 724-8722, visit our website at www.rail-splitter.com, or simply email us at info@rail-splitter.com.



"You know you have my support on pork and beans, but where do you stand on chicken and dumplings?"

Delta Stock Market Dashboard

MARKET SENTIMENT IS

BEARISH

THIS WEEK'S NUMBER IS

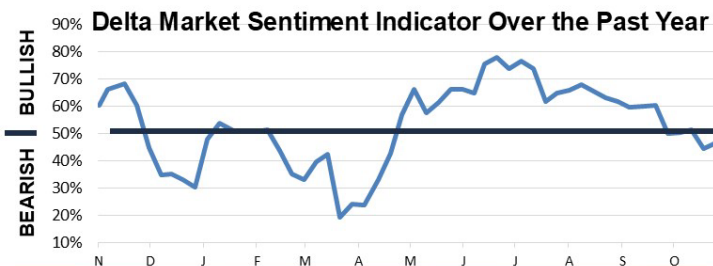
46.7

Our technical indicator increased
from 44.5 to 46.7 this week

INDICATOR STATISTICS

Consecutive Bearish Weeks:	2
Cycle Inception Date:	11/6/2025
Range:	44.5 - 46.7
Mean::	45.6
Bullish Weeks YTD:	30
Bearish Weeks YTD:	16
*S&P 500	0.0%
*DJIA	1.5%
*NASDAQ	-1.1%

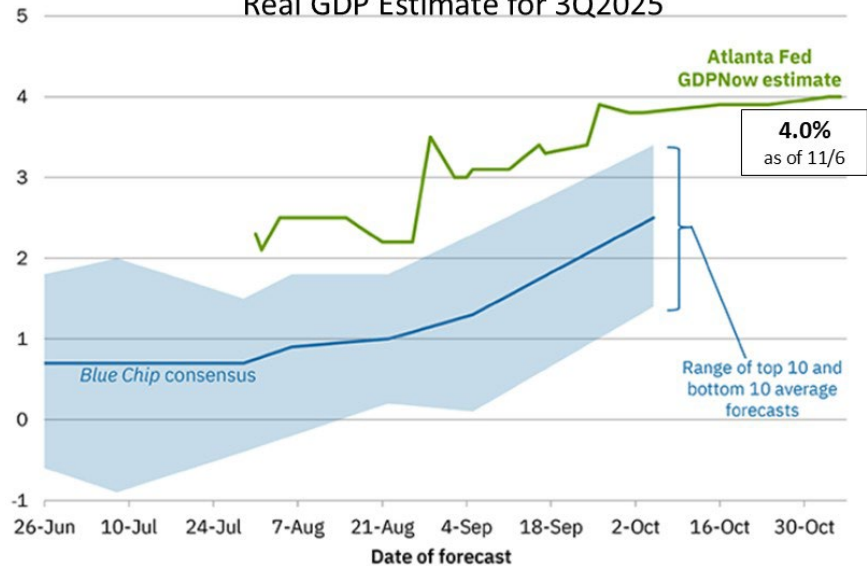
* Percentage change during current cycle



Delta Market Sentiment Indicator (MSI) is published weekly in *Barron's*

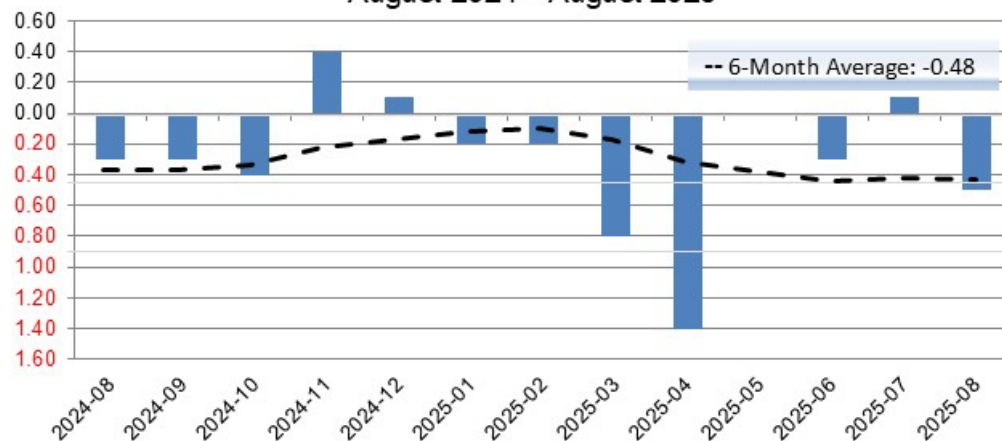
Atlanta Fed GDPNow Forecast

Real GDP Estimate for 3Q2025



Leading Economic Index % Change Monthly

August 2024 – August 2025



Source: The Conference Board – last update 9/18/2025

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