

# Weekly Market Analysis #423 — 16 September 2022

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## This Week

On Tuesday stocks tumbled, Treasury yields and the dollar spiked, and every stock in the Nasdaq 100 closed lower. All eleven S&P sectors declined and all 30 Dow components closed lower following the 0.1% rise in inflation data.

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Steve Blumenthal says: "If you study the history of the Fed's interest rate cycles, you learn that bear markets end after the Fed stops raising rates and starts cutting them."

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Morgan Stanley said they expect the S&P 500 to plunge another 17%-27% within the next four months.

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Ray Dalio published a new paper on "[How inflation, interest rates, markets, and economic growth relate to each other and what that means for what's ahead](#)". Like John Mauldin, Ray has a knack for explaining financial subjects in a way that is as simple as possible without leaving out any of the important pieces.

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This week I rearranged the basic charts so that the charts with little or no lag — Heikin Ashi, RSI+, and CMF — were all on the left side, and the basic chart with more lag — ATS, MACD, and Volume+OBV — were on the right. To me, it makes easier to line up the changes and identify the short-term change. (In a 5500-line program, it took changing 6 characters :-)



[Market Barometers](#)

← Use this link to see all the market barometer charts

After a significantly down week, all four MTAs remain solid red.



## A Closer Look

Monday was quiet. On Tuesday the SPX dropped 100 points in the first minute. (This had to be algos at work because human traders can't react that fast. The human traders were still thinking about the news when the bottom dropped out of the market in a matter of seconds.) Wednesday was a consolidation. Thursday closed at \$3900. Then Friday fell some more, closing the week at \$3873. Surprisingly, the NYAD wasn't quite as bad as price but the stocks below their 50-day averages was worse.



Chart links: [SPX Price](#), [Advances Minus Declines](#), [Stocks Above Their 50-day Averages](#), [NewHighs–NewLows](#)

## [Bullish Universe](#)

← Use this link to get to the live summary table

These are ETFs that are likely to do well during bull markets.

Bullish Universe Analysis for 16-Sep-2022							
Symbol	Description	Instr	MTA 3	RelStr	CMF	NH/NL	MCHist
<a href="#">EEM</a>	EMERGING MARKETS	ETF	DN	-1.4:0.3	-DN-	3/116	-0.4
<a href="#">IEFA</a>	EUROPE/AUSTRALIA/FAR-EAST	ETF	DN	-1.9:0.3	<<UP>>	3/2	-0.2
<a href="#">IEMG</a>	EMERGING MARKETS	ETF	DN	-1.3:0.3	-DN-	3/116	-0.4
<a href="#">IGV</a>	SOFTWARE	ETF	DN	-0.1:0.3	-DN-	3/9	-0.9
<a href="#">IQLT</a>	GLOBAL QUALITY	ETF	DN	-1.9:0.3	DN	3/112	-0.2
<a href="#">IWM</a>	RUSSELL 2000 SMALL-CAP	ETF	DN	1.3:0.3	=UP=	3/2	-0.7
<a href="#">IYT</a>	DOW JONES TRANSPORTS	ETF	DN	1.1:0.3	UP	3/9	-1.4
<a href="#">MOAT</a>	MORNINGSTAR WIDE MOAT	ETF	DN	-0.2:0.3	<<UP>>	3/9	-0.8
<a href="#">QQQ</a>	NASDAQ 100	ETF	DN	0.0:0.3	<<UP>>	3/9	-0.9
<a href="#">RSP</a>	UNWEIGHTED S&P 500	ETF	DN	0.4:0.3	<<UP>>	3/9	-0.6
<a href="#">SPY</a>	S&P 500 (LARGE-CAP)	ETF	DN	0.2:0.3	<<UP>>	3/9	-0.7
<a href="#">USL</a>	US 12 Month Oil FUND	ETF	DN	-3.6:0.3	DN	2/1	-0.4
<a href="#">USMV</a>	USA MIN VOLATILITY	ETF	DN	0.3:0.3	<<UP>>	3/9	-0.6
<a href="#">VGK</a>	FTSE EUROPE	ETF	DN	-2.5:0.3	DN	3/2	-0.0
<a href="#">VGT</a>	INFORMATION TECHNOLOGY	ETF	DN	-0.2:0.3	<<UP>>	3/9	-1.0
<a href="#">VNQ</a>	U.S. REIT INDEX	ETF	DN	-0.7:0.3	<<dn>>	3/9	-0.9
<a href="#">VTI</a>	TOTAL STOCK MARKET	ETF	DN	0.4:0.3	<<UP>>	3/9	-0.7
<a href="#">VUG</a>	LARGE CAP GROWTH	ETF	DN	0.5:0.3	<<UP>>	3/9	-0.9
<a href="#">COMPQ</a>	NASDAQ COMPOSITE	INDEX	DN	0.3:0.3	<<UP>>	3/9	-0.8
<a href="#">DIA</a>	DOW JONES INDUSTRIAL AVERAGE	ETF	DN	-0.2:0.3	<<dn>>	3/9	-0.7
<a href="#">SPX</a>	S&P 500	INDEX	DN	0.1:0.3	<<UP>>	3/9	-0.7

All MTAs are down. Only 3 Slopes are up (greater than or equal to 0.5%).

## [Bearish Universe](#)

← Use this link to get to the live summary table

These are ETFs that are likely to do well during bear markets.

Bearish Universe Analysis for 16-Sep-2022							
Symbol	Description	Instr	MTA 3	RelStr	CMF	NH/NL	MCHist
<a href="#">ANGL</a>	FALLEN ANGEL HIGH YIELD BOND	ETF	DN	-0.3:0.3	≡DN≡	3/9	-0.2
<a href="#">BGRN</a>	GLOBAL GREEN BOND	ETF	DN	-0.8:0.3	<<dn>>	1/192	-0.1
<a href="#">BND</a>	TOTAL BOND MARKET	ETF	DN	-1.0:0.3	-DN-	1/698	-0.2
<a href="#">CBON</a>	CHINESE BONDS	ETF	DN	-1.4:0.3	UP	2/108	-0.1
<a href="#">GOVT</a>	U.S. TREASURY BOND	ETF	DN	-1.0:0.3	<<UP>>	1/529	-0.1
<a href="#">IEI</a>	3-7 YEAR TREASURY BOND	ETF	DN	-0.8:0.3	DN	1/263	-0.1
<a href="#">IWN</a>	RUSSELL 2000 VALUE	ETF	DN	0.2:0.3	<<UP>>	3/2	-0.6
<a href="#">LQD</a>	INVESTMENT GRADE CORP BOND	ETF	DN	-1.3:0.3	-DN-	1/2	-0.1
<a href="#">MUB</a>	MUNICIPAL BONDS	ETF	DN	-0.7:0.3	dn	2/126	-0.1
<a href="#">PCY</a>	EMERGING MARKET BONDS	ETF	DN	-0.8:0.3	-DN-	2/8	-0.4
<a href="#">PFF</a>	S&P PREFERRED	ETF	DN	-0.7:0.3	≡DN≡	2/2	-0.1
<a href="#">SHV</a>	CASH EQUIVALENT	ETF	DN	0.0:0.3	DN	2/719	-0.0
<a href="#">SPYV</a>	S&P 500 (VALUE)	ETF	DN	0.0:0.3	<<UP>>	3/9	-0.5
<a href="#">TIP</a>	TIPS BOND	ETF	DN	-1.6:0.3	-DN-	1/126	-0.3
<a href="#">TLH</a>	10-20 YEAR T-BOND INDEX	ETF	DN	-2.1:0.3	DN	1/262	-0.3
<a href="#">TLT</a>	U.S. 20+ YEAR T-BOND	ETF	DN	-2.6:0.3	<<up>>	1/429	-0.2
<a href="#">USIG</a>	USD INVESTMENT GRADE CORPORATE BOND	ETF	DN	-1.0:0.3	<<dn>>	1/126	-0.1
<a href="#">VTV</a>	US LARGE CAP VALUE	ETF	DN	-0.1:0.3	<<UP>>	3/9	-0.4

And all bearish ETFs have red MTAs.

## [Inflation Universe](#)

These are ETFs that are likely to do well during strong inflation.

Inflation Universe Analysis for 16-Sep-2022							
Symbol	Description	Instr	MTA 3	RelStr	CMF	NH/NL	MCHist
<a href="#">COPX</a>	GLOBAL X COPPER MINERS	ETF	DN	-3.5:0.3	UP	3/1	-0.1
<a href="#">CPER</a>	US COPPER INDEX	ETF	DN	-3.3:0.3	≡DN≡	3/1	-0.0
<a href="#">DBA</a>	DB AGRICULTURE INDEX	ETF	DN	-0.7:0.3	-up-	12/1	-0.0
<a href="#">DBB</a>	BASE METALS	ETF	DN	-3.2:0.3	<<UP>>	2/1	-0.2
<a href="#">DBC</a>	DB COMMODITY INDEX	ETF	≡DN≡	-2.3:0.3	DN	2/1	-0.4
<a href="#">GDV</a>	MARKET VECTORS GOLD MINERS	ETF	DN	-7.2:0.3	≡DN≡	3/2	0.2
<a href="#">GLD</a>	SPDR GOLD SHARES	ETF	DN	-2.2:0.3	DN	3/123	-0.3
<a href="#">INFL</a>	INFLATION BENEFICIARIES	ETF	DN	0.3:0.3	DN	3/8	-0.4
<a href="#">IVE</a>	S&P 500 VALUE	ETF	DN	0.0:0.3	<<UP>>	3/9	-0.5
<a href="#">KBWB</a>	BIG BANKS	ETF	DN	0.2:0.3	<<UP>>	4/1	-0.2
<a href="#">KRBN</a>	GLOBAL CARBON	ETF	DN	-4.6:0.3	=UP=	2/1	-0.6
<a href="#">LIT</a>	LITHIUM & BATTERY TECH	ETF	DN	1.7:0.3	<<UP>>	3/2	-0.2
<a href="#">PAVE</a>	INFRASTRUCTURE	ETF	<<DN>>	2.1:0.3	=up=	3/7	-1.2
<a href="#">PPLT</a>	PLATINUM	ETF	DN	-1.8:0.3	<<dn>>	4/1	1.0
<a href="#">REMX</a>	RARE EARTH METALS	ETF	UP	3.4:0.3	<<UP>>	1/2	-1.0
<a href="#">SLV</a>	SILVER TRUST	ETF	DN	-3.8:0.3	DN	4/1	1.0
<a href="#">SMH</a>	SEMICONDUCTORS	ETF	DN	-2.4:0.3	<<UP>>	3/10	-0.7
<a href="#">UNG</a>	UNITED STATES NATURAL GAS	ETF	UP	5.9:0.3	<<up>>	2/6	-1.6
<a href="#">URA</a>	URANIUM	ETF	UP	4.5:0.3	≡up≡	1/3	-1.2
<a href="#">VIG</a>	DIVIDEND APPRECIATION	ETF	DN	0.2:0.3	<<UP>>	3/9	-0.7

Only 3 of the inflation ETFs have both rising slopes and rising MTAs.

[Sector Universe](#)

← Use this link to get to the live summary table

SPX Sector Universe Analysis for 16-Sep-2022							
Symbol	Description	Instr	MTA 3	RelStr	CMF	NH/NL	MCHist
<a href="#">XAR</a>	SPACE & DEFENSE	ETF	DN	-0.3:0.3	«UP»	3/9	-0.8
<a href="#">XHB</a>	HOMEBUILDERS	ETF	DN	0.5:0.3	≡DN≡	3/10	-1.0
<a href="#">XLB</a>	MATERIALS	ETF	DN	-1.0:0.3	«dn»	3/9	-0.6
<a href="#">XLC</a>	COMMUNICATION SRVCS	ETF	DN	-2.0:0.3	«UP»	3/118	-0.7
<a href="#">XLE</a>	ENERGY	ETF	UP	2.0:0.3	«DN»	3/1	-0.5
<a href="#">XLF</a>	FINANCIALS	ETF	DN	0.6:0.3	«UP»	3/2	-0.4
<a href="#">XLI</a>	INDUSTRIALS	ETF	DN	1.1:0.3	«UP»	3/9	-1.0
<a href="#">XLK</a>	TECHNOLOGY	ETF	DN	-0.4:0.3	«dn»	3/11	-1.0
<a href="#">XLP</a>	CONSUMER STAPLES	ETF	DN	-0.3:0.3	«dn»	3/12	-0.6
<a href="#">XLRE</a>	REAL ESTATE	ETF	DN	-0.5:0.3	«UP»	3/12	-1.1
<a href="#">XLU</a>	UTILITIES	ETF	UP	2.9:0.3	≡DN≡	999/2	-0.6
<a href="#">XLV</a>	HEALTH CARE	ETF	DN	-0.6:0.3	«dn»	4/2	0.1
<a href="#">XLY</a>	CONSUMER DISCRETIONARY	ETF	UP	2.4:0.3	«UP»	4/2	-0.5
<a href="#">XOP</a>	OIL & GAS EXP & PROD	ETF	UP	3.1:0.3	≡DN≡	3/4	-0.9
<a href="#">XRT</a>	RETAIL	ETF	DN	0.7:0.3	«UP»	3/2	-0.9
<a href="#">XTN</a>	TRANSPORTATION	ETF	DN	-0.2:0.3	-DN-	3/9	-1.0

4 of the sector ETFs have both rising slopes and rising MTAs.

[Auxiliary Universe](#)

← Use this link to get to the live summary table

Auxiliary Universe Analysis for 16-Sep-2022							
Symbol	Description	Instr	MTA 3	RelStr	CMF	NH/NL	MCHist
<a href="#">ARKG</a>	GENOMIC REVOLUTION	ETF	DN	3.6:0.3	=UP=	3/1	0.3
<a href="#">ARKK</a>	DISRUPTIVE INNOVATION	ETF	DN	-0.5:0.3	=UP=	3/1	1.0
<a href="#">ARKQ</a>	AI & ROBOTICS	ETF	DN	-1.1:0.3	UP	3/9	-0.5
<a href="#">ARKW</a>	NEXT GENERATION INTERNET	ETF	DN	-1.2:0.3	=UP=	4/1	0.7
<a href="#">FIVG</a>	FIFTH GENERATION NETWORKS	ETF	DN	-1.3:0.3	<<UP>>	3/13	-0.7
<a href="#">FIW</a>	POTABLE/WASTE WATER	ETF	UP	2.5:0.3	UP	3/8	-0.8
<a href="#">HACK</a>	CYBER SECURITY	ETF	DN	-0.4:0.3	dn	3/2	-0.6
<a href="#">IBB</a>	BIO-TECH & PHARMA	ETF	DN	1.9:0.3	=UP=	4/2	-0.1
<a href="#">IHI</a>	U.S. MEDICAL DEVICES	ETF	DN	-0.4:0.3	-DN-	4/2	0.1
<a href="#">ITB</a>	U.S. HOME CONSTRUCTION	ETF	DN	-0.9:0.3	<<UP>>	3/11	-0.7
<a href="#">KIE</a>	INSURANCE SECTOR	ETF	DN	0.6:0.3	<<UP>>	3/2	-0.2
<a href="#">KWEB</a>	CHINA INTERNET	ETF	DN	-0.9:0.3	DN	2/16	-0.5
<a href="#">PPH</a>	PHARMACEUTICALS	ETF	DN	-3.0:0.3	≡DN≡	3/2	0.0
<a href="#">SOXX</a>	PHLX SEMICONDUCTORS	ETF	DN	-2.4:0.3	<<UP>>	3/9	-0.6
<a href="#">SRVR</a>	DATA & TRANSMISSION REIT	ETF	DN	-1.7:0.3	<<dn>>	3/13	-0.5
<a href="#">VDE</a>	VANGUARD ENERGY ETF	ETF	UP	2.6:0.3	<<DN>>	3/1	-0.5
<a href="#">WOOD</a>	GLOBAL TIMBER & FORESTRY	ETF	DN	-2.3:0.3	-DN-	3/91	-0.8
<a href="#">XBI</a>	BIOTECHNOLOGY	ETF	UP	5.2:0.3	=UP=	3/2	-0.6
<a href="#">XME</a>	METALS AND MINING	ETF	≡DN≡	0.2:0.3	DN	1/7	-2.0
<a href="#">DXY</a>	US DOLLAR INDEX	INDEX	UP	1.6:0.3	up	2/4	-0.0

And 4 of the auxiliary sector ETFs have both rising slopes and rising MTAs.

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[Stock Universe](#) Top 10 Stocks Sorted by Slope on September 16<sup>th</sup>

1. DVN 5.70
2. SMM 5.10
3. PAA 5.10
4. URA 4.50
5. GTY 4.50
6. ET 4.20
7. IRM 3.70
8. REMX 3.40
9. SPOK 3.30
10. BP 3.00



## This Week's Selections

Last week's choices were: VICI 10% and SHV 90%.

### Top 10 ETFs By Slope

Sym	Slope	Long	Last
UNG	5.9 ↓↓	no	\$26.95
DVN	5.7 ↑	no	\$66.82
XBI	5.2 ↓↓	no	\$83.27
SMM	5.1 ↑	no	\$8.68
PAA	5.1 ↑	no	\$11.85
URA	4.5 ↑↑	no	\$21.84
GTU	4.5 ↑	no	\$30.02
ET	4.2 ↑	no	\$11.81
IRM	3.7 ↑↑	no	\$55.29
VICI	4.0 ↓↓	yes	\$33.42

Legend: Up: ↑, Down: ↓, Flat/Stable: —

### This Week

I started mixing in entries from the Special Securities Universe to try to find something that is going up.

### Analysis

[UNG](#) jumped up on Wednesday and jumped back down on Friday. [DVN](#) has been in a trading range for 12 days. Money flow is flat. [XBI](#) has been in a slow decline since mid-August. [SMM](#) has been in a nicely rising, 2-year channel, but it has been sliding since late August. [PAA](#) has been in a trading range since mid-August.

[URA](#) was rallying since early July but got clobbered on Thursday and Friday. [GTU](#) has been in a very gentle decline since the end of August, and it managed to close higher on Thursday and Friday. [ET](#) also made a small decline since the end of August, but its money flow remains positive. [IRM](#) has mostly been in a range between \$52.50 and \$55.00 since August 8th. [VICI](#) has been sliding since mid-August but it seems to have found support near \$33 and its money flow has been climbing.

### My Decisions

There are a couple of securities that looks promising, but I'm not going to buy anything until I see how the market as a whole goes next week. So my positions remain: VICI 10% and SHV 90%.