

# Weekly Market Analysis #448 — 10 March 2023

Richard "Doc" Ahrens

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## This Week

Addressing Congress, Jerome Powell said rates may have to rise at a faster pace and reach a higher level than previously anticipated. To no one's surprise, the market did not react well to the news.

Some people have expressed disappointment in utilities since they have been declining since September; however, XLU is now back near \$65, a long-time support area.



On Wednesday, the 2-year treasury yield reached 5% while the 10-year was at 3.97%

Date	1 Mo	2 Mo	3 Mo	4 Mo	6 Mo	1 Yr	2 Yr	3 Yr	5 Yr	7 Yr	10 Yr
03/07/2023	4.80	4.88	5.04	5.12	5.32	5.22	5.00	4.66	4.31	4.17	3.97

That puts the 2-year yield more than 1.0% higher than the 10-year yield, the biggest inversion of the 2/10 spread in 4 decades. On Friday, Steve Goldstein at Barron's said:

The adage with banks is that they borrow short, and lend long. That is, they get funded by savers with maturities at the short end of the yield spectrum, and lend to companies and households at the long end.

Well, that's about the worst trade anyone can be in at the moment, as the inversion between the 2- and 10-year Treasuries this week hit the deepest point since 1981. Investors have noticed: the Invesco KBW Bank ETF, which tracks the biggest banks, has dropped 4% this year; the SPDR S&P Regional Banking ETF has slumped 10%, including an 8% slide on Thursday alone.

On Tuesday, Holding company Silvergate Capital (SI) announced the shutdown of its crypto-lending Silvergate Bank, and (like Circle Internet Financial, Gemini Trust, and Coinbase Global), Silvergate shut down its high-speed crypto exchange network. By Friday, Silvergate closed down its Silicon Valley Bank, and trading in SI shares were halted as SI fell to \$2.52, down more than 98% in 12 months. The demise of Silvergate seems to be the result of its ties to Sam Bankman-Fried's FTX crypto debacle.

## Market Barometers

← Use this link to see all the market barometer charts

This week VTI declined -5.1%, SPX -4.5%, COMPQ -4.7%, DIA -4.3% and IWM -8.0%. All 5 dropped below their MTA averages.



## A Closer Look

The SPX fell on Tuesday, Thursday, and Friday. The advance-decline line went negative, and the percentage of stocks above their 50-day and 200-day averages both dropped below 50%.



Chart links: [SPX Price](#), [Advances Minus Declines](#), [Stocks Above 50&200 Averages](#), [NewHigh-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.

<b>Bullish Universe Analysis for 10-Mar-2023</b>							
Symbol	Description	Instr	MTA 3	RelStr	CMF	NH/NL	MCHist
<a href="#">IGV</a>	SOFTWARE	ETF	UP	3.9:1.3	DN	1/7	-0.7
<a href="#">VGT</a>	INFORMATION TECHNOLOGY	ETF	UP	3.7:1.3	-DN-	3/6	-0.5
<a href="#">QQQ</a>	NASDAQ 100	ETF	UP	3.2:1.3	≡DN≡	3/6	-0.6
<a href="#">COMPQ</a>	NASDAQ COMPOSITE	INDEX	UP	2.8:1.3	-DN-	1/7	-0.8
<a href="#">MOAT</a>	MORNINGSTAR WIDE MOAT	ETF	UP	2.8:1.3	DN	1/7	-0.6
<a href="#">VUG</a>	LARGE CAP GROWTH	ETF	UP	2.7:1.3	≡DN≡	3/7	-0.7
<a href="#">IEFA</a>	EUROPE/AUSTRALIA/FAR-EAST	ETF	UP	2.5:1.3	-DN-	1/8	-0.3
<a href="#">IYT</a>	DOW JONES TRANSPORTS	ETF	UP	2.3:1.3	«DN»	1/9	-0.4
<a href="#">IQLT</a>	GLOBAL QUALITY	ETF	UP	2.0:1.3	≡up≡	1/9	-0.3
<a href="#">IWM</a>	RUSSELL 2000 SMALL-CAP	ETF	UP	2.0:1.3	≡DN≡	1/9	-1.0
<a href="#">VTI</a>	TOTAL STOCK MARKET	ETF	UP	1.4:1.3	-DN-	1/9	-0.6
<a href="#">RSP</a>	UNWEIGHTED S&P 500	ETF	UP	1.2:1.3	≡DN≡	1/10	-0.7
<a href="#">SPY</a>	S&P 500 (LARGE-CAP)	ETF	UP	1.2:1.3	≡DN≡	3/9	-0.5
<a href="#">SPX</a>	S&P 500	INDEX	UP	1.2:1.3	DN	3/9	-0.4
<a href="#">VNQ</a>	U.S. REIT INDEX	ETF	DN	0.7:1.3	≡DN≡	1/17	-0.8
<a href="#">IEMG</a>	EMERGING MARKETS	ETF	DN	0.6:1.3	DN	1/9	-0.3
<a href="#">DIA</a>	DOW JONES INDUSTRIALS	ETF	-DN-	-0.1:1.3	≡DN≡	3/18	-0.5
<a href="#">DXY</a>	US DOLLAR INDEX	INDEX	DN	-0.3:1.3	None	14/3	0.0
<a href="#">USMV</a>	USA MIN VOLATILITY	ETF	DN	-0.6:1.3	-DN-	2/19	-0.4
<a href="#">USO</a>	UNITED STATES OIL FUTURES	ETF	DN	-1.0:1.3	=up=	6/2	-0.1

[Bearish Universe](#)

← Use this link to get to the live summary table

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

<b>Bearish Universe Analysis for 10-Mar-2023</b>							
Symbol	Description	Instr	MTA 3	RelStr	CMF	NH/NL	MCHist
<a href="#">IWN</a>	RUSSELL 2000 VALUE	ETF	UP	1.5:1.3	-DN-	1/10	-1.1
<a href="#">SPYV</a>	S&P 500 (VALUE)	ETF	UP	1.3:1.3	DN	1/9	-0.7
<a href="#">PFF</a>	S&P PREFERRED	ETF	«DN»	1.1:1.3	=DN=	2/9	-0.7
<a href="#">PCY</a>	EMERGING MARKET BONDS	ETF	DN	0.7:1.3	=up=	1/1	0.0
<a href="#">ANGL</a>	FALLEN ANGEL HIGH YIELD BOND	ETF	DN	0.2:1.3	=DN=	3/9	-0.1
<a href="#">CBON</a>	CHINESE BONDS	ETF	DN	0.2:1.3	«DN»	1/10	-0.1
<a href="#">SHV</a>	CASH EQUIVALENT	ETF	UP	0.0:1.3	-UP-	2/1	-0.0
<a href="#">BIL</a>	CASH EQUIVALENT	ETF	UP	0.0:1.3	-up-	2/1	-0.0
<a href="#">VTV</a>	US LARGE CAP VALUE	ETF	«DN»	0.0:1.3	-DN-	3/19	-0.7
<a href="#">TIP</a>	TIPS BOND	ETF	DN	-0.1:1.3	«UP»	4/15	0.1
<a href="#">MUB</a>	MUNICIPAL BONDS	ETF	DN	-0.1:1.3	«DN»	3/1	0.1
<a href="#">BGRN</a>	GLOBAL GREEN BOND	ETF	DN	-0.1:1.3	=DN=	3/1	0.1
<a href="#">USIG</a>	USD INVESTMENT GRADE CORPORATE BOND	ETF	DN	-0.2:1.3	=DN=	3/1	0.1
<a href="#">BND</a>	TOTAL BOND MARKET	ETF	DN	-0.3:1.3	dn	3/1	0.1
<a href="#">GOVT</a>	U.S. TREASURY BOND	ETF	DN	-0.4:1.3	«UP»	4/1	0.2
<a href="#">LQD</a>	INVESTMENT GRADE CORP BOND	ETF	DN	-0.4:1.3	=DN=	3/1	0.1
<a href="#">TLT</a>	U.S. 20+ YEAR T-BOND	ETF	DN	-0.4:1.3	UP	5/1	0.6
<a href="#">IEI</a>	3-7 YEAR TREASURY BOND	ETF	DN	-0.5:1.3	«UP»	4/16	0.1
<a href="#">TLH</a>	10-20 YEAR T-BOND INDEX	ETF	DN	-0.5:1.3	up	4/1	0.4

## [Inflation Universe](#)

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

<b>Inflation Universe Analysis for 10-Mar-2023</b>							
Symbol	Description	Instr	MTA 3	RelStr	CMF	NH/NL	MCHist
<a href="#">SMH</a>	SEMICONDUCTORS	ETF	UP	5.8:1.3	-DN-	3/2	-0.3
<a href="#">PAVE</a>	INFRASTRUCTURE	ETF	UP	3.6:1.3	«DN»	1/6	-0.6
<a href="#">CPER</a>	US COPPER INDEX	ETF	UP	2.7:1.3	≡up≡	1/2	-0.3
<a href="#">COPX</a>	GLOBAL X COPPER MINERS	ETF	UP	2.5:1.3	«DN»	1/9	-0.8
<a href="#">KBWB</a>	BIG BANKS	ETF	«DN»	1.6:1.3	DN	1/115	-2.1
<a href="#">IVE</a>	S&P 500 VALUE	ETF	UP	1.3:1.3	up	1/9	-0.6
<a href="#">DBA</a>	DB AGRICULTURE INDEX	ETF	UP	1.0:1.3	=DN=	1/6	-0.4
<a href="#">URA</a>	URANIUM	ETF	DN	0.5:1.3	≡DN≡	1/10	-1.3
<a href="#">GLD</a>	SPDR GOLD SHARES	ETF	UP	0.5:1.3	«UP»	4/2	0.2
<a href="#">DBB</a>	BASE METALS	ETF	≡DN≡	0.3:1.3	-up-	1/9	-0.3
<a href="#">VIG</a>	DIVIDEND APPRECIATION	ETF	«DN»	0.2:1.3	-DN-	3/16	-0.5
<a href="#">LIT</a>	LITHIUM & BATTERY TECH	ETF	DN	-0.8:1.3	≡DN≡	1/9	-0.9
<a href="#">REMX</a>	RARE EARTH METALS	ETF	DN	-1.0:1.3	=DN=	1/9	-1.2
<a href="#">INFL</a>	INFLATION BENEFICIARIES	ETF	DN	-1.1:1.3	-DN-	1/19	-0.7
<a href="#">DBC</a>	DB COMMODITY INDEX	ETF	DN	-1.5:1.3	=up=	1/53	-0.1
<a href="#">GDX</a>	MARKET VECTORS GOLD MINERS	ETF	DN	-1.8:1.3	-DN-	1/16	-0.2
<a href="#">GDXJ</a>	JUNIOR GOLD MINERS	ETF	DN	-2.3:1.3	=DN=	1/16	-0.3
<a href="#">SLV</a>	SILVER TRUST	ETF	DN	-3.1:1.3	≡DN≡	1/17	-0.4
<a href="#">UNG</a>	UNITED STATES NATURAL GAS	ETF	DN	-25.1:1.3	«up»	1/2	1.5

[Sector Universe](#)

← Use this link to get to the live summary table

<b>SPX Sector Universe Analysis for 10-Mar-2023</b>							
Symbol	Description	Instr	MTA 3	RelStr	CMF	NH/NL	MCHist
<a href="#">XHB</a>	HOMEBUILDERS	ETF	UP	4.1:1.3	-DN-	1/7	-0.5
<a href="#">XAR</a>	SPACE & DEFENSE	ETF	UP	3.9:1.3	-up-	1/6	-0.6
<a href="#">XLC</a>	COMMUNICATION SRVCS	ETF	UP	3.9:1.3	DN	3/7	-0.9
<a href="#">XTN</a>	S&P TRANSPORTATION	ETF	UP	3.8:1.3	DN	1/8	-1.0
<a href="#">XLK</a>	TECHNOLOGY	ETF	UP	3.6:1.3	-DN-	3/1	-0.4
<a href="#">XRT</a>	RETAIL	ETF	«DN»	2.6:1.3	-DN-	1/8	-1.2
<a href="#">XLY</a>	CONSUMER DISCRETIONARY	ETF	«DN»	2.4:1.3	-DN-	1/7	-1.3
<a href="#">XLI</a>	INDUSTRIALS	ETF	UP	1.7:1.3	-DN-	1/7	-0.3
<a href="#">XLB</a>	MATERIALS	ETF	UP	1.3:1.3	-DN-	1/9	-0.4
<a href="#">XLF</a>	FINANCIALS	ETF	UP	1.1:1.3	=DN=	3/19	-1.3
<a href="#">XLRE</a>	REAL ESTATE	ETF	DN	0.6:1.3	≡DN≡	1/16	-0.7
<a href="#">XLP</a>	CONSUMER STAPLES	ETF	DN	-0.9:1.3	«DN»	2/17	-0.3
<a href="#">XLE</a>	ENERGY	ETF	UP	-1.3:1.3	-DN-	3/20	-0.3
<a href="#">XLV</a>	HEALTH CARE	ETF	DN	-1.9:1.3	≡DN≡	1/19	-0.7
<a href="#">XLU</a>	UTILITIES	ETF	DN	-2.4:1.3	-DN-	2/1	-0.1

The top five SPX sectors this week have some changes.

1. XHB
2. XAR
3. XLC
4. XTN
5. XLK

[Auxiliary Universe](#)

← Use this link to get to the live summary table

<b>Auxiliary Universe Analysis for 10-Mar-2023</b>							
Symbol	Description	Instr	MTA 3	RelStr	CMF	NH/NL	MCHist
<a href="#">ARKW</a>	NEXT GENERATION INTERNET	ETF	DN	10.0:1.3	-DN-	1/6	-2.2
<a href="#">ARKK</a>	DISRUPTIVE INNOVATION	ETF	DN	7.3:1.3	≡DN≡	1/7	-2.2
<a href="#">ARKQ</a>	AI & ROBOTICS	ETF	UP	5.7:1.3	DN	1/6	-1.7
<a href="#">ITB</a>	U.S. HOME CONSTRUCTION	ETF	UP	4.5:1.3	-DN-	1/3	-0.3
<a href="#">XME</a>	METALS AND MINING	ETF	UP	3.2:1.3	-DN-	1/9	-0.6
<a href="#">HACK</a>	CYBER SECURITY	ETF	UP	2.4:1.3	DN	1/7	-0.7
<a href="#">FIVG</a>	FIFTH GENERATION NETWORKS	ETF	«DN»	1.7:1.3	-DN-	1/9	-0.5
<a href="#">KIE</a>	INSURANCE SECTOR	ETF	UP	1.5:1.3	≡DN≡	1/18	-1.3
<a href="#">FIW</a>	POTABLE/WASTE WATER	ETF	UP	1.4:1.3	«DN»	1/9	-0.6
<a href="#">IHI</a>	U.S. MEDICAL DEVICES	ETF	DN	0.2:1.3	≡DN≡	1/16	-0.5
<a href="#">WOOD</a>	GLOBAL TIMBER & FORESTRY	ETF	DN	0.1:1.3	-DN-	1/17	-0.3
<a href="#">XBI</a>	BIOTECHNOLOGY	ETF	DN	-0.2:1.3	DN	1/23	-1.3
<a href="#">PPH</a>	PHARMACEUTICALS	ETF	«DN»	-0.2:1.3	≡up≡	1/15	-1.0
<a href="#">SRVR</a>	DATA & TRANSMISSION REIT	ETF	DN	-0.4:1.3	≡DN≡	1/16	-0.4
<a href="#">ARKG</a>	GENOMIC REVOLUTION	ETF	DN	-0.5:1.3	DN	1/10	-1.2
<a href="#">IBB</a>	BIO-TECH & PHARMA	ETF	DN	-1.2:1.3	≡DN≡	1/19	-1.0
<a href="#">VDE</a>	VANGUARD ENERGY ETF	ETF	UP	-1.3:1.3	«DN»	1/20	-0.4
<a href="#">XOP</a>	OIL & GAS EXP & PROD	ETF	DN	-2.0:1.3	-DN-	1/22	-0.4



[Special Security Universe](#)

← Use this link to get to the live summary table

This is the top half (or so) of the universe.

<b>Special Security Universe Analysis for 10-Mar-2023</b>							
Symbol	Description	Instr	MTA 3	RelStr	CMF	NH/NL	MCHist
<a href="#">SPOK</a>	SPOK HOLDINGS	STOCK	UP	9.2:1.3	up	67/1	0.9
<a href="#">UWMC</a>	UWM HOLDINGS CORP	STOCK	UP	7.0:1.3	DN	1/2	0.0
<a href="#">NVEC</a>	NVE CORP	STOCK	UP	6.0:1.3	«DN»	1/4	-0.6
<a href="#">LYB</a>	LYONDELL BASELL INDUSTRIES	STOCK	UP	5.1:1.3	DN	1/9	-1.1
<a href="#">HTGC</a>	HERCULES CAPITAL	STOCK	UP	5.0:1.3	DN	2/20	-2.2
<a href="#">NDMO</a>	DYNAMIC MUNICIPAL OPPTY	CEF	UP	3.3:1.3	DN	2/2	-0.5
<a href="#">BSTZ</a>	SCIENCE AND TECHNOLOGY	CEF	DN	3.1:1.3	≡DN≡	3/8	-1.0
<a href="#">RTL</a>	NECESSITY RETAIL REIT	ETF	UP	3.1:1.3	=DN=	24/2	-0.7
<a href="#">XRX</a>	XEROX	STOCK	UP	2.4:1.3	=DN=	1/9	-0.6
<a href="#">EPD</a>	ENTERPRISE PRODUCTS PRTRNS LP	STOCK	UP	1.8:1.3	DN	3/2	-0.4
<a href="#">RA</a>	BROOKFIELD REAL ASSETS	CEF	DN	1.8:1.3	≡DN≡	1/3	-0.3
<a href="#">MO</a>	ALTRIA GROUP	STOCK	UP	1.7:1.3	«DN»	2/1	-0.2
<a href="#">CSQ</a>	CALAMOS STRATEGIC	CEF	DN	1.5:1.3	-DN-	1/8	-0.7
<a href="#">GTY</a>	GETTY REALTY	STOCK	UP	1.4:1.3	«up»	4/1	0.4
<a href="#">AWP</a>	ABERDEEN GLOBAL PREMIER	CEF	DN	1.4:1.3	-DN-	3/9	-0.6
<a href="#">IEP</a>	ICAHN ENTERPRISES	STOCK	UP	1.3:1.3	≡DN≡	3/10	-0.6
<a href="#">BNS</a>	BANK OF NOVA SCOTIA	STOCK	DN	1.3:1.3	=DN=	2/11	-1.2

## This Week's Selections

My choices for last week were: IEFA 10%, NVEC 10%, PAVE 10%, and BIL 70%.

### Top ETFs By Slope

Current Holdings				Other High-Slope ETFs			
Sym	Slope	Long	Last	Sym	Slope	Long	Last
NVEC	6.0 ↓↓	yes	\$74.93 ↓	SMH	5.8 ↓↓	no	\$237.72 ↓
PAVE	3.6 ↓	<b>SELL</b>	\$27.98 ↓	ARKQ	5.7 ↓↓	no	\$46.41 ↓
IEFA	2.5 ↓↓	<b>SELL</b>	\$64.36 ↓	ITB	4.5 ↓↓	no	\$66.35 ↓
				IGV	3.9 ↓↓	no	\$272.75 ↓
				VGT	3.7 ↓↓	no	\$347.95 ↓
				XME	3.2 ↓↓	no	\$52.50 ↓
				QQQ	3.2 ↓↓	no	\$288.55 ↓
				MOAT	2.8 ↓↓	no	\$88.31 ↓

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

### Analysis

[NVEC](#) declined with the market, but found support near \$75. [PAVE](#) dropped through my \$28.75 stop on Friday. [IEFA](#) also dropped through its \$64.85 stop on Friday.

[SMH](#) traded between \$235 and \$245 but RSI has stayed around 40 and CMF went negative. [ARKQ](#) has all 6 basic charts negative. [ITB](#) has historic support near \$66, This week it declined, then stopped in that area; however, money flow is negative. [IGV](#) closed lower every day this week.

[VGT](#) has all 6 basic charts negative. [XME](#) dropped 11% this week. [QQQ](#) closed lower every day this week. [MOAT](#) closed lower every day this week.

### Thoughts and Decisions

I'm going sell IEFA and PAVE because their risks outweigh their potential rewards at this time. And I'm changing my tentative stop of \$73.45 on NVEC to a hard stop.

I'm not buying anything this week, so my choices are: NVEC 10%, and BIL 90%. And if NVEC closes below \$73.45, it's outta here, too.

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