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All five indexes are up and IWM is still lagging.



A Closer Look

The SPX made a 61-week high on Monday and then wilted. NYAD mostly confirmed price, but did better than price on Friday. And the percentage of stocks above their 50-day and 200-day averages followed what the NYAD did.



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

[Bullish Universe](#)

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[Bearish Universe](#)

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[Inflation Universe](#)

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[Auxiliary Universe](#)

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[Special Security Universe](#)

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[Sector Universe](#)

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SPX Sector Universe Analysis for 07-Jul-2023							
Symbol	Description	Instr	MTA 3	RelStr	CMF	NH/NL	MCHist
XLK	TECHNOLOGY (SPX 11)	ETF	UP	6.5:3.2	«up»	0/1	-0.5
XLY	CONSUMER DISCR (SPX 11)	ETF	UP	5.3:3.2	-up-	45/1	-0.2
XHB	HOMEBUILDERS	ETF	UP	4.1:3.2	=up=	0/2	-0.5
VOX	COMMUNICATION SRVCS	ETF	UP	3.7:3.2	≡UP≡	59/0	-0.1
SPX	S&P 500	INDEX	UP	2.7:3.2	«up»	61/1	-0.1
XTN	TRANSPORTATION	ETF	UP	2.6:3.2	up	61/1	0.2
XLI	INDUSTRIALS (SPX 11)	ETF	UP	1.0:3.2	«up»	999/1	-0.0
XLV	HEALTH CARE (SPX 11)	ETF	DN	-0.1:3.2	-up-	0/5	-0.2
XLP	CONSUMER STAPLES (SPX 11)	ETF	DN	-0.5:3.2	«up»	6/3	0.1
ITA	U.S. AEROSPACE & DEFENSE	ETF	=UP=	-0.6:3.2	«up»	11/1	0.0
XLB	MATERIALS (SPX 11)	ETF	UP	-0.6:3.2	=up=	17/2	-0.1
XLRE	REAL ESTATE (SPX 11)	ETF	DN	-0.9:3.2	UP	17/0	0.4
XLF	FINANCIALS (SPX 11)	ETF	DN	-1.0:3.2	UP	17/1	0.1
XLU	UTILITIES (SPX 11)	ETF	DN	-1.0:3.2	≡UP≡	3/1	0.1
XRT	RETAIL	ETF	DN	-1.9:3.2	«up»	16/1	0.2
XTL	TELECOM (SPX 11)	ETF	DN	-2.0:3.2	-UP-	11/1	0.2
XLE	ENERGY (SPX 11)	ETF	DN	-2.4:3.2	«UP»	4/1	0.2

Only minor changes in the top five.

1. XLK
2. XLY
3. XHB
4. VOX
5. SPX

The next page is now an extension of this page.

Sector Relative-Strength History

This new table shows 13 weeks of slope history for the 16 sector ETFs.

If you look at the first column of the "Sector Universe Analysis 07-Jul-2023" table on the previous page, you will see that the ETFs there are in the same order as the ETFs in the far right column, the column labeled "Jul 7", in this new table. The left column from the previous page and the right column on this page are the same except for the cell colors.

For this new table, I picked some colors out of a hat and arbitrarily assigned one to each of the 16 sector ETFs. The colors are there to make it easier to identify patterns in the ETFs' movements.

Sector Relative Strength History													14-Apr-2023 to 07-Jul-2023												
Apr 14	Apr 21	Apr 28	May 05	May 12	May 19	May 26	Jun 02	Jun 09	Jun 16	Jun 23	Jun 30	Jul 07	Apr 14	Apr 21	Apr 28	May 05	May 12	May 19	May 26	Jun 02	Jun 09	Jun 16	Jun 23	Jun 30	Jul 07
XLK	XLK	XLK	XLK	XLK	XLK	XLK	XLK	XLK	XLK	XLK	XLK	XLK	XLK	XLK	XLK	XLK	XLK	XLK	XLK	XLK	XLK	XLK	XLK	XLK	
VOX	VOX	VOX	VOX	VOX	VOX	VOX	VOX	VOX	VOX	VOX	VOX	VOX	XLY	XLY	XLY	XLY	XLY	XLY	XLY	XLY	XLY	XLY	XLY	XLY	
XLY	XLY	XLY	XLY	XLY	XLY	XLY	XLY	XLY	XLY	XLY	VOX	VOX	XHB	XHB	XHB	XHB	XHB	XHB	XHB	XHB	XHB	XHB	XHB	XHB	
XHB	XHB	SPX	XHB	XHB	XHB	XHB	XHB	XHB	XHB	XHB	XHB	XHB	SPX	SPX	SPX	SPX	SPX	SPX	SPX	SPX	SPX	SPX	SPX	SPX	
SPX	SPX	XHB	SPX	SPX	XLP	XLP	SPX	SPX	SPX	SPX	SPX	SPX	ITA	ITA	XLP	XLP	SPX	SPX	XLP	XLP	XLP	XTN	XTN	XTN	
ITA	ITA	XLP	XLP	XLP	SPX	SPX	XLP	XLP	XLP	XTN	XTN	XTN	XLP	XLP	ITA	XLU	XLU	XLU	XLV	XLV	XTN	XLI	XLI	XLI	
XLP	XLP	ITA	XLU	XLU	XLU	XLU	XLV	XLV	XTN	XLI	XLI	XLI	XLI	XLI	XLI	XLI	XLI	XLI	XLI	XLI	XLI	XLI	XLI	XLI	
XLI	XLU	XLU	ITA	XLV	XLV	XLV	XLU	XTN	XLV	XLP	XLV	XLV	XLU	XLI	XLI	XLI	XLI	XLI	XLI	XLI	XLI	XLI	XLI	XLI	
XLU	XLI	XLV	XLV	ITA	ITA	XTN	XTN	XLU	XLI	XLV	XLP	XLP	XLU	XLI	XLI	XLI	XLI	XLI	XLI	XLI	XLI	XLI	XLI	XLI	
XTN	XLB	XLI	XLI	XLI	XLI	XLI	XLI	XLI	XLI	XLI	XLI	XLI	XLU	XLU	ITA	ITA	ITA	ITA	ITA	ITA	ITA	ITA	ITA	ITA	
XLB	XLV	XLB	XLB	XLB	XLB	XLRE	ITA	ITA	ITA	ITA	ITA	ITA	XLU	XLU	XLB	XLB	XLB	XLB	XLB	XLB	XLB	XLB	XLB	XLB	
XLRE	XLRE	XLRE	XLRE	XLRE	XLRE	XTN	XLRE	XLRE	XLRE	XLRE	XLRE	XLRE	XLRE	XLRE	XLRE	XLRE	XLRE	XLRE	XLRE	XLRE	XLRE	XLRE	XLRE	XLRE	
XLV	XTN	XTN	XTN	XTN	XTN	XLB	XLB	XLB	XLB	XLB	XLB	XLB	XLB	XLB	XLB	XLB	XLB	XLB	XLB	XLB	XLB	XLB	XLB	XLB	
XRT	XRT	XLE	XLE	XLE	XLE	XRT	XLF	XLF	XLF	XLF	XLF	XLF	XLF	XLF	XLF	XLF	XLF	XLF	XLF	XLF	XLF	XLF	XLF	XLF	
XTL	XTL	XRT	XRT	XRT	XRT	XLF	XRT	XLE	XLE	XLE	XLE	XRT	XRT	XRT	XRT	XRT	XRT	XRT	XRT	XRT	XRT	XRT	XRT	XRT	
XLE	XLE	XTL	XTL	XLF	XLF	XLE	XLE	XRT	XRT	XRT	XRT	XRT	XLE	XLE	XLE	XLE	XLE	XLE	XLE	XLE	XLE	XLE	XLE	XLE	
XLF	XLF	XLF	XLF	XTL	XTL	XTL	XTL	XTL	XTL	XTL	XTL	XTL	XTL	XTL	XTL	XTL	XTL	XTL	XTL	XTL	XTL	XTL	XTL	XTL	

Notice that XLK (tech), VOX (communications), and XLY (consumer discretionary) have all been in the Top 5 sectors and above SPX (S&P 500) for all 13 weeks. XHB (home builders) was above SPX for 12 out of the last 13 weeks. The point of all this is that when the slope of a sector gets above the slope of the SPX, it tends to stay there for quite a while (i.e., it displays persistence).

By looking at 13 weeks of how the various sectors have done in comparison to each other, we can see that sectors don't usually jump around much in the rankings. The gray XLF (financials) started at the bottom 13 weeks ago, and it has been gradually moving up. The orange XLRE (real estate) seems to be stuck right around #6. The purple XTL (telecom) wanders around in the bottom 3, but can't seem to get off the ground.

Starting next week, we will be talking about a way to use this information to make money by investing in sector ETFs. In general, this new approach takes less work and provides longer holding periods. It also beats the market in a simple and pretty obvious way.

This Week's Selections

My choices for last week were: ITB 10%, QQQ 10%, VUG 10%, and BIL 70%.

Top ETFs By Slope

Current Holdings				Other High-Slope ETFs			
Sym	Slope	Stop	Last	Sym	Slope	Long	Last
QQQ	6.5 —	\$363.85	\$366.24—	SMH	7.3	no	\$149.05 ↓
VUG	5.3 —	\$274.85	\$280.14 ↓	XLK	6.5	no	\$171.21—
ITB	4.8 ↑↑	\$82.88	\$81.94 ↓	VGT	6.2	no	\$435.48 ↓
				IGV	6.1	no	\$339.77 ↓
				ARKQ	5.4	no	\$55.77 —
				ARKG	5.4	no	\$33.15 ↓
				XLY	5.3	no	\$169.37—
				ARKK	4.7	no	\$43.73 —

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

Analysis

[QQQ](#) barely moved, which is kind of positive since most things went down. [VUG](#) made a 63-week high and has strong money flow. [ITB](#) closed below its trailing stop on both Thursday and Friday. Time to capture profits in this one.

[SMH](#) pulled back below \$150 and its money flow is zero. [XLK](#) is quiet near \$170 although its CMF is still positive. [VGT](#) has been flat for about 3 and a half weeks but its CMF is positive. [IGV](#) has been flat for 4 weeks and its money flow is zero.

[ARKQ](#) has been flat for about 3 and a half weeks and its CMF is negative. [ARKG](#) is declining. [XLY](#) made a 45-week high on Monday and then slid back below \$170. [ARKK](#) has been flat for 4 weeks.

Thoughts and Decisions

As I expected, this week was a dud because of the holiday week. Watch the action next week as the big traders come back from vacation. Sell ITB.

My choices for this week are: QQQ 10%, VUG 10%, and BIL 80%.