

# Weekly Market Analysis #520 — 26 July 2024

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## This Week

About once every two years I become possessed by the foolish notion that I can see over the horizon. That happened last week with XLY and XLC. I ignored indicators that I have developed over many, many years. And I ignored the exit stops that I had been gradually advancing to capture profits when their prices turned down.

The outcome was predictable. I ended up selling both ETFs below where I could have if I had followed my own rules. Sometimes the ego causes us to get in our own way and more disciplined traders end up with money that could have been ours.

I'm writing about this because it can (and does) happen to anyone from time to time. The longer you can remember these lapses in discipline, the fewer times they will come back and bite you in the wallet.

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In the finest tradition of "The dog ate my homework", CrowdStrike blamed a bug in one of the tools it uses to check for errors and block update releases.

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AT&T disclosed yet another major security failure, admitting that cybercriminals accessed call and text message data for almost all cellular customers. It seems clear to me that data security comes pretty low on AT&T's list of priorities (and apparently they think they are immune from class action suits).

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This week I rewrote the program that generates the "Securities Making New Highs" table on page 7, and it is already generating some useful information. Since it looks at all the securities I download data for each day, it's revealing things that wouldn't turn up otherwise.

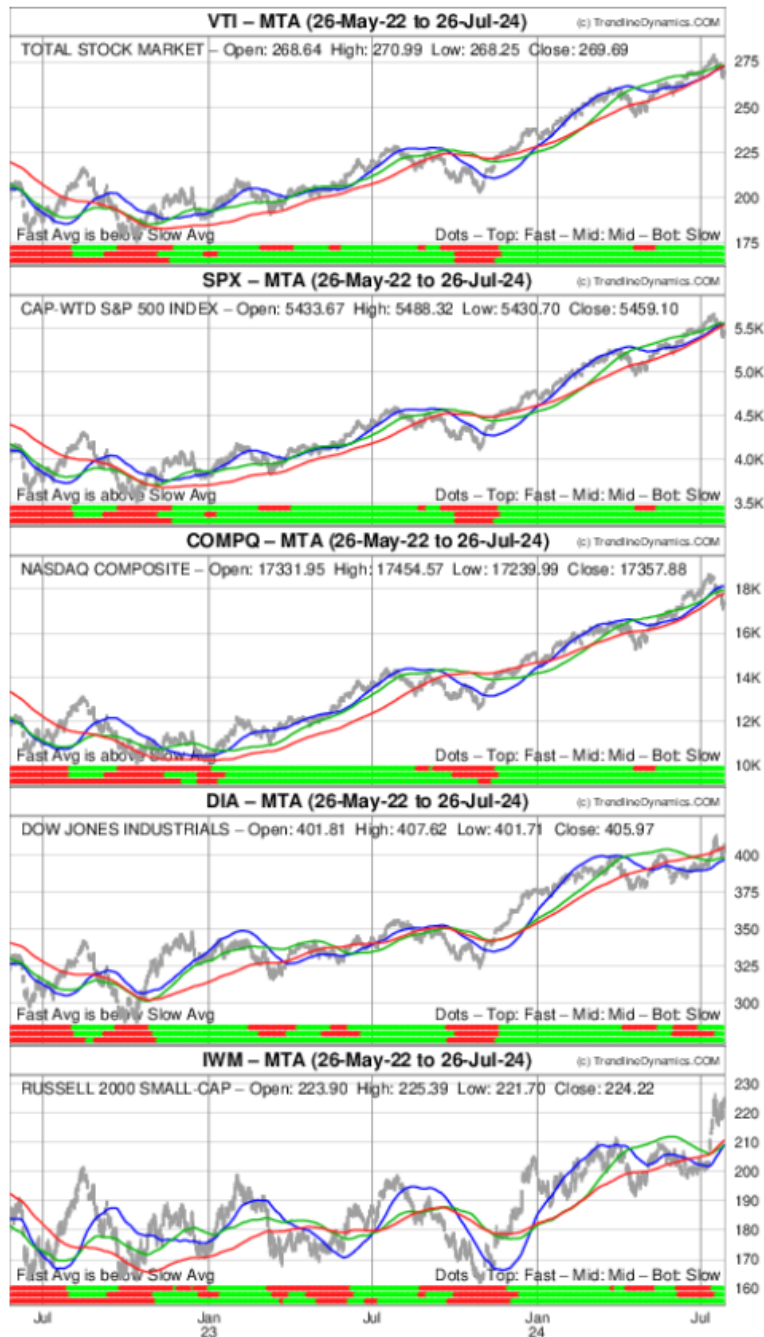
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This is newsletter #520, which marks the 10<sup>th</sup> year of the Trendline Dynamics website. For our 10<sup>th</sup> anniversary, we'll be releasing a number of changes that have been in the works for several months. That includes a couple of additions to the basic charts. I'll be writing to everyone about these changes very soon.

## Market Barometers

← Use this link to see all the market barometer charts

VTI, SPX, and COMPQ declined. DIA and IWM advanced. COMPQ closed at a high on July 10<sup>th</sup>, and has been declining pretty steadily since then. VTI and SPX made a high close on July 16<sup>th</sup> and they, too, have been declining since then. DIA peaked on the 17<sup>th</sup> and may have found support near \$400. IWM topped out on the 16<sup>th</sup>, and is in a consolidation (flat).



Week-over-week: VTI: -0.5%, SPX: -0.8%, COMPQ: -2.1%, DIA: 0.7%, IWM: 3.4%

## A Closer Look

The SPX closed at \$5564.41 on Monday, fell on Tue, Wed, and Thu, then rose a little on Friday. The advance-decline line did a little better than price. So did the stocks above their 50-day averages and 200-day averages.

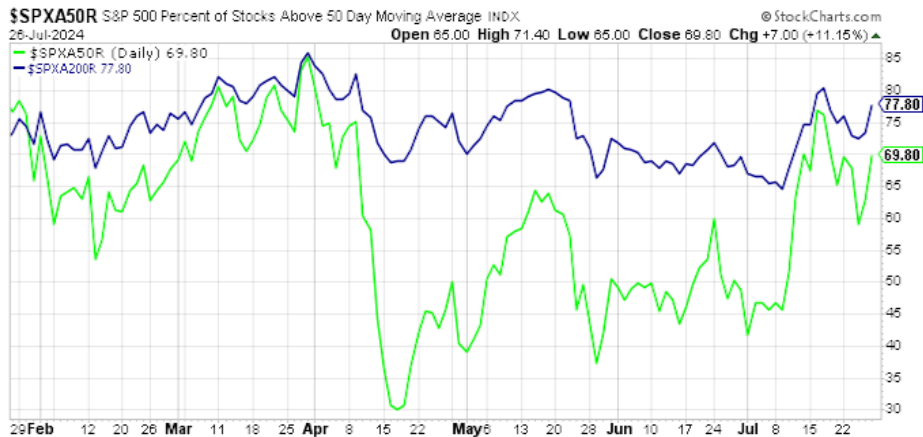


Chart links: [SPX Price](#), [Advances Minus Declines](#), [Stocks Above 50&200 Averages](#), [NewHigh–NewLows](#)

[Bullish Universe](#)

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SPX Sector Universe Analysis for 26-Jul-2024							
Symbol	Description	Instr	MTA 3	RelStr	CMF	NH/NL	MCHist
<a href="#">SMH</a>	SEMICONDUCTORS	ETF	UP	4.25:2.12	≡DN≡	2/9	-2.3
<a href="#">IGM</a>	EXPANDED TECH SECTOR	ETF	UP	3.17:2.12	DN	2/7	-1.2
<a href="#">SPX</a>	CAP-WTD S&P 500 INDEX	INDEX	UP	2.34:2.12	DN	1/6	-0.6
<a href="#">XLY</a>	CONSUMER DISCR	ETF	UP	2.32:2.12	DN	1/6	-1.3
<a href="#">XLRE</a>	REAL ESTATE	ETF	UP	2.31:2.12	«up»	74/2	0.1
<a href="#">XLC</a>	COMMUNICATION SRVCS	ETF	UP	1.51:2.12	DN	1/9	-0.7
<a href="#">XLF</a>	FINANCIALS	ETF	UP	1.47:2.12	-DN-	1/2	0.0
<a href="#">ITB</a>	HOME CONSTRUCTION	ETF	=UP=	1.33:2.12	«up»	918/1	1.1
<a href="#">XLV</a>	HEALTH CARE	ETF	UP	1.09:2.12	-up-	1/1	0.2
<a href="#">XLU</a>	UTILITIES	ETF	UP	1.02:2.12	-DN-	2/1	0.4
<a href="#">KIE</a>	INSURANCE SECTOR	ETF	UP	1.00:2.12	=DN=	941/1	0.3
<a href="#">ITA</a>	SPACE & DEFENSE	ETF	UP	0.82:2.12	=DN=	918/1	0.6
<a href="#">XLP</a>	CONSUMER STAPLES	ETF	UP	0.80:2.12	DN	1/2	0.1
<a href="#">XLI</a>	INDUSTRIALS	ETF	UP	0.36:2.12	DN	1/2	0.1
<a href="#">XRT</a>	RETAIL	ETF	UP	0.25:2.12	«dn»	1/2	0.1
<a href="#">BIL</a>	CASH EQUIVALENT	ETF	UP	0.00:2.12	«UP»	4/1	0.0
<a href="#">PAVE</a>	INFRASTRUCTURE	ETF	UP	-0.12:2.12	DN	2/2	0.3
<a href="#">XLB</a>	MATERIALS	ETF	UP	-0.20:2.12	«up»	1/2	0.2
<a href="#">XLE</a>	ENERGY	ETF	DN	-0.32:2.12	«UP»	1/2	0.2
<a href="#">IYT</a>	TRANSPORT NDX	ETF	DN	-0.33:2.12	-DN-	1/2	-0.3

The week-over-week price changes for the top 5 sectors are: SMH: -3.2%, IGM: -2.0%, XLY: -2.8%, XLRE: 0.5%, XLC: -1.7%.

The Big 7 were all down: AAPL: -2.8%, AMZN: -0.3%, GOOGL: -6.0%, META: -2.3%, MSFT: -2.7%, NFLX: -0.3%, TSLA: -8.1%.

## Sector Relative-Strength History

13 weeks of slope history for 18 sector ETFs and the SPX.

Relative Strength History 03-May-2024 to 26-Jul-2024

03 May	10 May	17 May	24 May	31 May	07 Jun	14 Jun	21 Jun	28 Jun	05 Jul	12 Jul	19 Jul	26 Jul
ENRGY	UTILS	UTILS	UTILS	UTILS	SEMIS	SEMIS	SEMIS	SEMIS	SEMIS	SEMIS	SEMIS	SEMIS
UTILS	ENRGY	SEMIS	SEMIS	SEMIS	UTILS	UTILS	TECHS	TECHS	TECHS	TECHS	TECHS	TECHS
SEMIS	SEMIS	ENRGY	DFEND	DFEND	DFEND	TECHS	UTILS	SP500	SP500	SP500	SP500	SP500
INFRA	DFEND	DFEND	STAPL	TECHS	TECHS	DFEND	SP500	UTILS	COMMS	COMMS	DISCR	DISCR
INDUS	INFRA	INFRA	TECHS	STAPL	STAPL	SP500	COMMS	COMMS	UTILS	DISCR	COMMS	REALE
MATER	INDUS	STAPL	INFRA	SP500	SP500	COMMS	DFEND	STAPL	DISCR	UTILS	REALE	COMMS
DFEND	MATER	INDUS	FINAN	INFRA	COMMS	STAPL	STAPL	DFEND	STAPL	STAPL	FINAN	FINAN
FINAN	FINAN	FINAN	ENRGY	FINAN	SALES	SALES	SALES	HLTHY	HLTHY	REALE	UTILS	BLDRS
COMMS	STAPL	MATER	INDUS	INSUR	FINAN	HLTHY	HLTHY	SALES	DFEND	HLTHY	HLTHY	HLTHY
STAPL	COMMS	SP500	SP500	COMMS	INSUR	FINAN	FINAN	DISCR	REALE	DFEND	STAPL	UTILS
SP500	SP500	INSUR	MATER	MATER	MATER	INSUR	REALE	REALE	SALES	FINAN	INSUR	INSUR
TECHS	INSUR	TECHS	INSUR	INDUS	INFRA	MATER	INSUR	FINAN	FINAN	SALES	DFEND	DFEND
INSUR	TECHS	COMMS	COMMS	ENRGY	INDUS	INDUS	MATER	INSUR	INSUR	INSUR	SALES	STAPL
BLDRS	BLDRS	SALES	SALES	SALES	HLTHY	REALE	DISCR	INDUS	INDUS	INDUS	INDUS	INDUS
SALES	SALES	BLDRS	HLTHY	HLTHY	ENRGY	INFRA	INDUS	MATER	MATER	MATER	MATER	SALES
HLTHY	HLTHY	HLTHY	BLDRS	BLDRS	REALE	DISCR	INFRA	INFRA	ENRGY	ENRGY	ENRGY	INFRA
DISCR	DISCR	DISCR	DISCR	DISCR	DISCR	ENRGY	ENRGY	ENRGY	INFRA	TRANS	TRANS	MATER
TRANS	TRANS	REALE	REALE	REALE	BLDRS	BLDRS	BLDRS	TRANS	TRANS	INFRA	BLDRS	ENRGY
REALE	REALE	TRANS	TRANS	TRANS	TRANS	TRANS	TRANS	BLDRS	BLDRS	BLDRS	INFRA	TRANS

### Details

Symbol	Slope	Synonym	Sector Name	Symbol	Slope	Synonym	Sector Name
1. SMH	4.25	SEMIS	SEMICONDUCTORS	11. KIE	1.00	INSUR	INSURANCE
2. IGM	3.17	TECHS	TECHNOLOGY	12. ITA	0.32	DFEND	AEROSPACE & DEFENSE
3. SPX	2.34	SP500	S&P 500	13. XLP	0.80	STAPL	CONSUMER STAPLES
4. XLY	2.32	DISCR	CONSUMER DISCR	14. XLI	0.36	INDUS	INDUSTRIALS
5. XLRE	2.31	REALE	REAL ESTATE	15. XRT	0.25	SALES	RETAIL SALES
6. XLC	1.51	COMMS	COMMUNICATION SRVCS	16. PAVE	-0.12	INFRA	INFRASTRUCTURE
7. XLF	1.47	FINAN	FINANCIALS	17. XLB	-0.20	MATER	MATERIALS
8. ITB	1.33	BLDRS	HOMEBUILDERS	18. XLE	-0.32	ENRGY	ENERGY
9. XLV	1.09	HLTHY	HEALTH CARE	19. IYT	-0.33	TRANS	TRANSPORTATION
10. XLU	1.02	UTILS	UTILITIES				

The top seven sectors were the same as last week except Communication Services and Real Estate switched places.



## New Highs

I marked 3 of these as being interesting: ITA (just closed above \$140), IWN (just closed above \$170), and KBE (approaching minor psychological resistance at \$55).

SECURITIES MAKING NEW HIGHS					
SYMBOL	COMPANY	INSTR	MTA	SLOPE	WEEKS
KIE	INSURANCE SECTOR	ETF	UP	1.00	941
ITA	SPACE & DEFENSE	ETF	UP	0.82	918
ITB	HOME CONSTRUCTION	ETF	=UP=	1.33	918
HTGC	HERCULES CAPITAL	STOCK	UP	4.32	386
MOAT	MORNINGSTAR WIDE MOAT	ETF	UP	0.41	355
IRM	IRON MOUNTAIN	STOCK	UP	8.33	350
PM	PHILIP MORRIS INTL	STOCK	UP	4.12	341
AM	US LOW VOL HIGH DIV	ETF	UP	1.41	287
SAP	SAP AG	STOCK	UP	3.26	274
WMB	WILLIAMS	STOCK	UP	3.44	269
ABBV	ABBVIE INC	STOCK	DN	1.53	253
KMI	KINDER MORGAN	STOCK	UP	4.12	223
PLTR	PALANTIR	STOCK	UP	9.19	173
IWN	RUSSELL 2000 VALUE	ETF	UP	2.57	134
IBB	BIO-TECH & PHARMA	ETF	UP	2.95	129
SPG	SIMON PROPERTY GROUP	STOCK	UP	0.60	127
KBE	S&P BANK SECTOR	ETF	UP	4.79	117
INFY	INFOSYS	STOCK	UP	8.13	115
MO	ALTRIA GROUP	HLD	UP	3.99	108
BFH	BREAD FINANCIAL HOLDINGS	STOCK	UP	11.16	107
HYG	HIGH-YIELD CORP BOND (HD)	ETF	UP	0.47	98
IIPR	INNOVATIVE INDUSTRIAL PROPERTIES	STOCK	UP	4.89	83
RHHBY	ROCHE	STOCK	UP	7.68	81
KBWB	BIG BANKS	ETF	UP	3.35	74
XLRE	REAL ESTATE	ETF	UP	2.31	74
DEI	DOUGLAS EMMETT	STOCK	UP	3.10	73
FRT	FEDERAL REALTY INVT	STOCK	UP	2.44	73
DIV	GLOBAL X SUPERDIVIDEND US (HD)	ETF	UP	1.46	71
KRE	KBW REGIONAL BANKS	ETF	UP	5.29	70
PDM	PIEDMONT OFFICE REALTY TRUST	STOCK	UP	7.18	70

'CEF' is a Closed End Fund

'HLD' is a Holding Company

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