

Weekly Market Analysis #525 — 30 August 2024

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This Week

Last Monday Brian Schreiner noted: "New data shows US job growth has been far weaker than initially reported. Over the 12 month period ending in March, the BLS over-estimated new jobs by 818,000. The sectors that saw the most downward revisions were professional and business services, leisure and hospitality, and manufacturing."

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In addition to selling 50% of its stake in Apple, Berkshire Hathaway sold its entire stake in Snowflake. Berkshire holds the distinction of being the first company outside of the tech sector to surpass a one trillion dollar market cap.

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AMD acquired server builder ZT Systems for \$5B to enhance its data center AI capabilities.

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Bloomberg said:

Apple, Microsoft and Nvidia are in talks to invest in OpenAI, and if the discussions move forward, it would mean the three most valuable tech companies are all backing the maker of the groundbreaking ChatGPT chatbot. It's part of a funding round led by Thrive Capital that would value the AI startup at more than \$100 billion.

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Volkswagen is pondering layoffs and assembly plant closings. Like other legacy auto makers. VW faces a mortal threat from falling behind on EVs. Volkswagen and its European peers look like they fumbled the lead when the region began early adoption of electric cars, leaving room for Chinese rivals to gain command of the market.

[Market Barometers](#)

← Use this link to see all the market barometer charts

All 5 indexes continue to have bullish MTAs. VTI, SOX, and DIA were up this week. COMPQ and IWM were down.



Week-over-week: VTI: 0.3%, SPX: 0.2%, COMPQ: -0.9%, DIA: 1.1%, IWM: -0.1%.

A Closer Look

This was a seesaw week for SPX but it had a big up day at the end of the week. The advance-decline line and the stocks above their 50-day averages did a little better than price. The stocks above their 200-day averages kept pace with price.

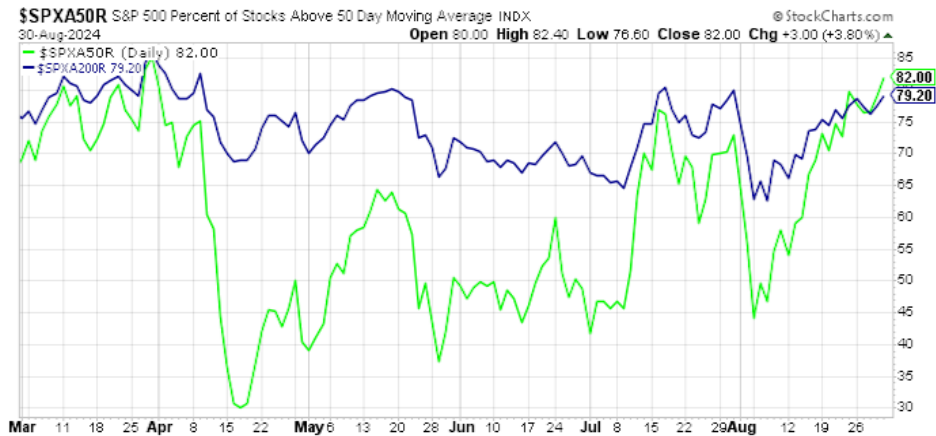


Chart links: [SPX Price](#), [Advances Minus Declines](#), [Stocks Above 50&200 Averages](#), [NewHigh–NewLows](#)

[Bullish Universe](#)

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[Bearish Universe](#)

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[Sector Universe](#)

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SPX Sector Universe Analysis for 30-Aug-2024							
Symbol	Description	Instr	MTA 3	RelStr	CMF	NH/NL	MCHist
ITB	HOME CONSTRUCTION	ETF	UP	4.38:0.92	«UP»	1/1	0.3
XLRE	REAL ESTATE	ETF	UP	4.37:0.92	UP	102/1	0.2
KBE	S&P BANK SECTOR	ETF	UP	4.18:0.92	UP	4/1	0.5
XLU	UTILITIES	ETF	UP	3.48:0.92	«UP»	99/1	-0.0
KIE	INSURANCE SECTOR	ETF	UP	3.10:0.92	UP	946/1	0.5
ITA	SPACE & DEFENSE	ETF	UP	3.01:0.92	«UP»	923/1	0.2
XLV	HEALTH CARE	ETF	UP	2.33:0.92	«UP»	999/1	0.3
XLP	CONSUMER STAPLES	ETF	UP	2.26:0.92	UP	999/1	0.2
XLF	FINANCIALS	ETF	UP	2.12:0.92	UP	999/1	0.4
XLI	INDUSTRIALS	ETF	UP	1.30:0.92	UP	999/1	0.3
XLC	COMMUNICATION SRVCS	ETF	UP	0.88:0.92	«UP»	7/2	0.1
SPX	CAP-WTD S&P 500 INDEX	INDEX	UP	0.87:0.92	«UP»	7/1	0.3
XLB	MATERIALS	ETF	UP	0.63:0.92	UP	999/1	0.5
XRT	RETAIL	ETF	UP	0.21:0.92	=DN=	1/2	0.1
PAVE	INFRASTRUCTURE	ETF	UP	0.19:0.92	«UP»	4/1	0.3
BIL	CASH EQUIVALENT	ETF	=UP=	0.00:0.92	«DN»	38/1	0.0
XLY	CONSUMER DISCR	ETF	UP	-0.06:0.92	=up=	1/2	0.4
IYT	TRANSPORT NDX	ETF	DN	-0.06:0.92	«UP»	6/1	0.4
IGM	EXPANDED TECH SECTOR	ETF	UP	-0.26:0.92	=up=	1/2	0.3
XLE	ENERGY	ETF	DN	-0.86:0.92	«UP»	4/1	0.2
SMH	SEMICONDUCTORS	ETF	UP	-2.22:0.92	=up=	1/2	0.6

The week-over-week price changes for the top 5 sectors are: ITB: -1.8%, XLRE: 0.4%, KBE: 0.7%, XLU: 1.2%, KIE: 2.4%.

In the Big 7 NFLX and TSLA went in opposite directions: AAPL: 1.0%, AMZN: 0.8%, GOOGL: -1.4%, META: -1.3%, MSFT: 0.1%, NFLX: 2.1%, TSLA: -2.8%.

Sector Relative-Strength History

13 weeks of slope history for 19 sector ETFs and the SPX.

Relative Strength History 07-Jun-2024 to 30-Aug-2024

07 Jun	14 Jun	21 Jun	28 Jun	05 Jul	12 Jul	19 Jul	26 Jul	02 Aug	09 Aug	16 Aug	23 Aug	30 Aug
SEMIS	SEMIS	SEMIS	SEMIS	SEMIS	SEMIS	SEMIS	BANKS	BANKS	BANKS	BANKS	BANKS	BLDRS
UTILS	UTILS	TECHS	TECHS	TECHS	TECHS	TECHS	SEMIS	BLDRS	BLDRS	REALE	BLDRS	REALE
DFEND	TECHS	UTILS	SP500	SP500	SP500	SP500	TECHS	REALE	REALE	BLDRS	REALE	BANKS
TECHS	DFEND	SP500	UTILS	COMMS	COMMS	DISCR	SP500	INSUR	UTILS	UTILS	UTILS	UTILS
SP500	SP500	COMMS	COMMS	UTILS	DISCR	BANKS	DISCR	FINAN	INSUR	INSUR	INSUR	INSUR
STAPL	COMMS	DFEND	STAPL	DISCR	UTILS	COMMS	REALE	DISCR	DFEND	DFEND	DFEND	DFEND
COMMS	STAPL	STAPL	DFEND	STAPL	STAPL	REALE	COMMS	SP500	FINAN	HLTHY	HLTHY	HLTHY
SALES	SALES	SALES	HLTHY	HLTHY	REALE	FINAN	FINAN	UTILS	HLTHY	FINAN	STAPL	STAPL
FINAN	HLTHY	HLTHY	SALES	DFEND	HLTHY	HLTHY	BLDRS	TECHS	STAPL	STAPL	FINAN	FINAN
INSUR	FINAN	FINAN	DISCR	REALE	DFEND	UTILS	HLTHY	DFEND	SP500	INDUS	INDUS	INDUS
BANKS	INSUR	REALE	REALE	SALES	FINAN	STAPL	UTILS	HLTHY	COMMS	COMMS	COMMS	COMMS
MATER	MATER	INSUR	FINAN	FINAN	BANKS	INSUR	INSUR	SEMIS	INDUS	SP500	SP500	SP500
INFRA	INDUS	MATER	INSUR	INSUR	SALES	DFEND	DFEND	COMMS	DISCR	MATER	MATER	MATER
INDUS	REALE	DISCR	INDUS	INDUS	INSUR	SALES	STAPL	STAPL	INFRA	INFRA	SALES	SALES
HLTHY	BANKS	INDUS	MATER	BANKS	INDUS	INDUS	INDUS	INDUS	MATER	SALES	INFRA	INFRA
ENRGY	INFRA	INFRA	BANKS	MATER	MATER	MATER	SALES	SALES	SALES	DISCR	DISCR	DISCR
REALE	DISCR	BANKS	INFRA	ENRGY	ENRGY	ENRGY	INFRA	INFRA	TECHS	TECHS	TRANS	TRANS
DISCR	ENRGY	ENRGY	ENRGY	INFRA	TRANS	TRANS	MATER	MATER	ENRGY	ENRGY	TECHS	TECHS
BLDRS	BLDRS	BLDRS	TRANS	TRANS	INFRA	BLDRS	ENRGY	ENRGY	TRANS	TRANS	ENRGY	ENRGY
TRANS	TRANS	TRANS	BLDRS	BLDRS	BLDRS	INFRA	TRANS	TRANS	SEMIS	SEMIS	SEMIS	SEMIS

Details

Symbol	Slope	Synonym	Sector Name	Symbol	Slope	Synonym	Sector Name
1. ITB	4.38	BLDRS	HOMEBUILDERS	11. XLC	0.88	COMMS	COMMUNICATION SRVCS
2. XLRE	4.37	REALE	REAL ESTATE	12. SPX	0.87	SP500	S&P 500
3. KBE	4.18	BANKS	BANKS	13. XLB	0.63	MATER	MATERIALS
4. XLU	3.48	UTILS	UTILITIES	14. XRT	0.21	SALES	RETAIL SALES
5. KIE	3.10	INSUR	INSURANCE	15. PAVE	0.19	INFRA	INFRASTRUCTURE
6. ITA	3.01	DFEND	AEROSPACE & DEFENSE	16. XLY	-0.06	DISCR	CONSUMER DISCR
7. XLV	2.33	HLTHY	HEALTH CARE	17. IYT	-0.06	TRANS	TRANSPORTATION
8. XLP	2.26	STAPL	CONSUMER STAPLES	18. IGM	-0.26	TECHS	TECHNOLOGY
9. XLF	2.12	FINAN	FINANCIALS	19. XLE	-0.86	ENRGY	ENERGY
10. XLI	1.30	INDUS	INDUSTRIALS	20. SMH	-2.22	SEMIS	SEMICONDUCTORS

The top 11 were the same, but BANKS dropped from #1 to #3, moving Home Builders and Real Estate up to #1 and #2.

This Week's Selections

My sector choices last week were: 10% ITA, 10% ITB, 10% XLP, 10% XLRE, 10% XLV, and 50% BIL.

Top ETFs By Slope

Current Holdings

Sym	Slope	Sell Stop	Last
ITB	4.38% ↑↑	\$117.85	\$120.98 —
XLRE	4.37% ↑↑	\$42.45	\$43.55 —
ITA	3.01% ↑↑	\$142.58	\$147.70 ↑↑
XLV	2.33% ↑↑	\$152.83	\$157.20 ↑↑
XLP	2.26% ↑↑	\$80.47	\$82.51 ↑↑
BIL	0.00% —	\$90.85	\$91.82 —

Other Sectors

Sym	Slope	Long	Last
KBE	4.18% ↓↓	no	\$53.86 ↑↑
XLU	3.48% ↑↑	no	\$76.29 ↑↑
KIE	3.10% ↑↑	no	\$56.48 ↑↑
XLF	2.12% ↑	no	\$45.74 ↑↑
XLI	1.30% ↑↑	no	\$131.46 ↑↑
XLC	0.88% ↑	no	\$87.32 ↓
SPX	0.87% ↑	INDEX	\$5,648.40 ↑↑
XLB	0.63% ↑↑	no	\$94.28 ↑↑
XRT	0.21%	no	\$76.32 ↓

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

Analysis

[ITB](#) – Good news: ITB made a new high on the 23rd and it looks like it has support at \$120. Bad news: It may be forming a double top...RSI, MF, and OBV put in lower highs around the 26th. [XLRE](#) made a ~2-year high and all the basic charts are up except for MACD which is neutral+. OBV is down a little but the OBV meanders so that doesn't mean much yet. [ITA](#) climbed above \$145 and made a 17.75-year high. All basic charts are up. [XLV](#) made yet another all-time high, ended the week above \$157, and all basic charts are up. [XLP](#) also made another all-time high, and is now above \$82. All basic charts are currently up.

[KBE](#) needs to get above \$55 to become interesting. All basic charts are up. [XLU](#) made a 99-week high as price continued upward away from \$75. Basic charts are up but MACD is neutral-. [KIE](#) rose steadily up through the \$55 level and made another 18-year high. All basic charts are up. [XLF](#) made another all-time high and sailed easily up through the \$45 level. Basic charts are all up. [XLI](#) made another all-time high and ending the week at \$130. Basic charts are all up, but OBV could be a little stronger. [XLC](#) made an all-time high and all the basic charts are up.

Thoughts and Decisions

I'm going to buy KIE and XLI.

My sector choices for this week are 10% ITA, 10% ITB, 10% KIE, 10% XLI, 10% XLP, 10% XLRE, 10% XLV, and 30% BIL.

Please check everything on this page and let me know if you find errors. I came down with COVID on Wednesday. It started with a headache, an infection in my throat and ears, and feeling like somebody beat me with a stick. All I did for the first 2-3 days was sleep. I'm feeling better but I find it hard to focus and I keep falling asleep in my chair, even when I'm typing. (I wake up and wonder what the heck I was writing.)

New Highs

8 new all-time highs this week, plus KIE, ITA, and ITB with over 17-years highs.

SECURITIES MAKING NEW HIGHS					
SYMBOL	COMPANY	INSTR	MTA	SLOPE	WEEKS
DIA	DOW JONES INDUSTRIALS	ETF	UP	1.33	999
RSP	EQU-WTD S&P 500 INDEX	ETF	UP	1.42	999
WMT	WALMART STORES	STOCK	UP	4.52	999
XLB	MATERIALS	ETF	UP	0.63	999
XLF	FINANCIALS	ETF	UP	2.12	999
XLI	INDUSTRIALS	ETF	UP	1.30	999
XLP	CONSUMER STAPLES	ETF	UP	2.26	999
XLV	HEALTH CARE	ETF	UP	2.33	999
KIE	INSURANCE SECTOR	ETF	UP	3.10	946
ITA	SPACE & DEFENSE	ETF	UP	3.01	923
USMV	USA MIN VOLATILITY	ETF	UP	2.70	648
FIW	POTABLE/WASTE WATER	ETF	UP	1.47	391
VIG	DIVIDEND APPRECIATION	ETF	UP	1.75	387
IVE	S&P 500 VALUE	ETF	UP	1.60	385
IQLT	GLOBAL QUALITY	ETF	UP	0.68	382
SPYV	S&P 500 (VALUE)	ETF	UP	1.56	382
VTV	US LARGE CAP VALUE	ETF	UP	1.65	382
XAR	EQU-WTD SPACE & DEFENSE	ETF	UP	2.68	379
PM	PHILIP MORRIS INTL	STOCK	UP	7.66	375
IBM	INTERNATIONAL BUSINESS MACHINES	STOCK	UP	4.33	366
MOAT	MORNINGSTAR WIDE MOAT	ETF	UP	2.49	360
IRM	IRON MOUNTAIN	STOCK	UP	10.48	355
GLDM	GOLD MINISHARES	ETF	UP	2.34	311
AZN	ASTRAZENECA	STOCK	UP	4.48	279
NVS	NOVARTIS	STOCK	UP	4.85	279
SAP	SAP AG	STOCK	UP	4.02	279
VGK	FTSE EUROPE	ETF	UP	0.63	278
WMB	WILLIAMS	STOCK	UP	3.07	274
COST	COSTCO WHOLESALE	STOCK	UP	2.35	258
JPM	JPMORGAN CHASE	STOCK	UP	2.67	258

'CEF' is a Closed End Fund

'HLD' is a Holding Company

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