

## Weekly Market Analysis #526 — 6 September 2024

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### This Week

Sorry, I didn't collect much news this week. I'm still recovering from COVID and pretty low on energy.

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On Friday, Bloomberg reported:

The Federal Reserve's attention has been squarely focused on inflation these past few years. But as it seeks to execute a soft landing following all the post-pandemic tumult, the central bank is looking to the other part of its mandate. With several reports, including [August job numbers](#), suggesting the US labor market is losing steam, Fed watchers are wondering if the Fed will make a bigger-than-expected interest-rate cut when it meets later this month. The most recent [jobs report](#) further affirmed expectations for a cut, so the big question now is how much. For Fed Governor Christopher Waller, "the balance of risks has shifted toward the employment side of our dual mandate," adding that "policy needs to adjust accordingly." In some corners of Wall Street, traders are again [putting bets](#) on the Fed opting for a [50-basis-point](#) cut (which looked like wishful thinking a month ago) instead of the widely expected 25-point reduction.

## Market Barometers

← Use this link to see all the market barometer charts

During this 4-day week, all 5 indexes lost ground. All 5 MTAs remain green, despite the average index declining slightly over 4.5%.



Week-over-week: VTI: -4.3%, SPX: -4.2%, COMPQ: -5.8%, DIA: -2.8%, IWM: -5.5%.

## A Closer Look

It appears that StockCharts.COM has gone completely bonkers about the possibility that someone, somewhere **might** be running an ad blocker. Yesterday it started complaining that Firefox was running an ad blocker. It's not smart enough to tell me which ad blocker, so I uninstalled FireFox and switched to Edge. Edge is not running any extensions at all, but StockCharts.COM still leapt up and down about Edge running an ad blocker. Go figure.

So this week I will use the SPX market breadth chart from <https://www.marketinout.com/>

On Tuesday, Thursday, and Friday the SPX did poorly. According to MarketInOut, the SPX Advance-Decline line is doing better than price since mid-July. (Note that this is not the NYSE A-D Line that was displayed in previous editions of this newsletter.)



If any of you have useful suggestions about where to obtain the NYSE A-D Line, please let me know. (That reminds me, I'll have to touch base with my old acquaintance Tom McClellan...)

[Bullish Universe](#)

← Use this link to get to the live summary table

[Bearish Universe](#)

← Use this link to get to the live summary table

[Inflation Universe](#)

← Use this link to get to the live summary table

[Auxiliary Universe](#)

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[Special Security 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
<a href="#">ITB</a>	HOME CONSTRUCTION	ETF	UP	4.38:0.92	«UP»	1/1	0.3
<a href="#">XLRE</a>	REAL ESTATE	ETF	UP	4.37:0.92	UP	102/1	0.2
<a href="#">KBE</a>	S&P BANK SECTOR	ETF	UP	4.18:0.92	UP	4/1	0.5
<a href="#">XLU</a>	UTILITIES	ETF	UP	3.48:0.92	«UP»	99/1	-0.0
<a href="#">KIE</a>	INSURANCE SECTOR	ETF	UP	3.10:0.92	UP	946/1	0.5
<a href="#">ITA</a>	SPACE & DEFENSE	ETF	UP	3.01:0.92	«UP»	923/1	0.2
<a href="#">XLV</a>	HEALTH CARE	ETF	UP	2.33:0.92	«UP»	999/1	0.3
<a href="#">XLP</a>	CONSUMER STAPLES	ETF	UP	2.26:0.92	UP	999/1	0.2
<a href="#">XLF</a>	FINANCIALS	ETF	UP	2.12:0.92	UP	999/1	0.4
<a href="#">XLI</a>	INDUSTRIALS	ETF	UP	1.30:0.92	UP	999/1	0.3
<a href="#">XLC</a>	COMMUNICATION SRVCS	ETF	UP	0.88:0.92	«UP»	7/2	0.1
<a href="#">SPX</a>	CAP-WTD S&P 500 INDEX	INDEX	UP	0.87:0.92	«UP»	7/1	0.3
<a href="#">XLB</a>	MATERIALS	ETF	UP	0.63:0.92	UP	999/1	0.5
<a href="#">XRT</a>	RETAIL	ETF	UP	0.21:0.92	=DN=	1/2	0.1
<a href="#">PAVE</a>	INFRASTRUCTURE	ETF	UP	0.19:0.92	«UP»	4/1	0.3
<a href="#">BIL</a>	CASH EQUIVALENT	ETF	=UP=	0.00:0.92	«DN»	38/1	0.0
<a href="#">XLY</a>	CONSUMER DISCR	ETF	UP	-0.06:0.92	=up=	1/2	0.4
<a href="#">IYT</a>	TRANSPORT NDX	ETF	DN	-0.06:0.92	«UP»	6/1	0.4
<a href="#">IGM</a>	EXPANDED TECH SECTOR	ETF	UP	-0.26:0.92	=up=	1/2	0.3
<a href="#">XLE</a>	ENERGY	ETF	DN	-0.86:0.92	«UP»	4/1	0.2
<a href="#">SMH</a>	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: -3.0%, XLRE: 0.2%, KBE: -5.0%, XLU: -0.5%, KIE: -2.3%.

The WoW changes for the Big 7 were AAPL: -3.6%, AMZN: -4.0%, GOOGL: -7.6%, META: -4.0%, MSFT: -3.7%, NFLX: -5.1%, TSLA: -1.6%.

## Sector Relative-Strength History

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

Relative Strength History 14-Jun-2024 to 06-Sep-2024

14 Jun	21 Jun	28 Jun	05 Jul	12 Jul	19 Jul	26 Jul	02 Aug	09 Aug	16 Aug	23 Aug	30 Aug	06 Sep
SEMIS	SEMIS	SEMIS	SEMIS	SEMIS	SEMIS	BANKS	BANKS	BANKS	BANKS	BANKS	BLDRS	REALE
UTILS	TECHS	TECHS	TECHS	TECHS	TECHS	SEMIS	BLDRS	BLDRS	REALE	BLDRS	REALE	BLDRS
TECHS	UTILS	SP500	SP500	SP500	SP500	TECHS	REALE	REALE	BLDRS	REALE	BANKS	BANKS
DFEND	SP500	UTILS	COMMS	COMMS	DISCR	SP500	INSUR	UTILS	UTILS	UTILS	UTILS	UTILS
SP500	COMMS	COMMS	UTILS	DISCR	BANKS	DISCR	FINAN	INSUR	INSUR	INSUR	INSUR	INSUR
COMMS	DFEND	STAPL	DISCR	UTILS	COMMS	REALE	DISCR	DFEND	DFEND	DFEND	DFEND	DFEND
STAPL	STAPL	DFEND	STAPL	STAPL	REALE	COMMS	SP500	FINAN	HLTHY	HLTHY	HLTHY	STAPL
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	HLTHY
FINAN	FINAN	DISCR	REALE	DFEND	UTILS	HLTHY	DFEND	SP500	INDUS	INDUS	INDUS	INDUS
INSUR	REALE	REALE	SALES	FINAN	STAPL	UTILS	HLTHY	COMMS	COMMS	COMMS	COMMS	SP500
MATER	INSUR	FINAN	FINAN	BANKS	INSUR	INSUR	SEMIS	INDUS	SP500	SP500	SP500	COMMS
INDUS	MATER	INSUR	INSUR	SALES	DFEND	DFEND	COMMS	DISCR	MATER	MATER	MATER	MATER
REALE	DISCR	INDUS	INDUS	INSUR	SALES	STAPL	STAPL	INFRA	INFRA	SALES	SALES	TRANS
BANKS	INDUS	MATER	BANKS	INDUS	INDUS	INDUS	INDUS	MATER	SALES	INFRA	INFRA	DISCR
INFRA	INFRA	BANKS	MATER	MATER	MATER	SALES	SALES	SALES	DISCR	DISCR	DISCR	INFRA
DISCR	BANKS	INFRA	ENRGY	ENRGY	ENRGY	INFRA	INFRA	TECHS	TECHS	TRANS	TRANS	SALES
ENRGY	ENRGY	ENRGY	INFRA	TRANS	TRANS	MATER	MATER	ENRGY	ENRGY	TECHS	TECHS	TECHS
BLDRS	BLDRS	TRANS	TRANS	INFRA	BLDRS	ENRGY	ENRGY	TRANS	TRANS	ENRGY	ENRGY	ENRGY
TRANS	TRANS	BLDRS	BLDRS	BLDRS	INFRA	TRANS	TRANS	SEMIS	SEMIS	SEMIS	SEMIS	SEMIS

### Details

Symbol	Slope	Synonym	Sector Name	Symbol	Slope	Synonym	Sector Name
1. XLRE	4.62	REALE	REAL ESTATE	11. SPX	0.89	SP500	S&P 500
2. ITB	4.13	BLDRS	HOMEBUILDERS	12. XLC	0.81	COMMS	COMMUNICATION SRVCS
3. KBE	3.97	BANKS	BANKS	13. XLB	0.78	MATER	MATERIALS
4. XLU	3.73	UTILS	UTILITIES	14. IYT	0.28	TRANS	TRANSPORTATION
5. KIE	3.56	INSUR	INSURANCE	15. XLY	0.25	DISCR	CONSUMER DISCR
6. ITA	2.91	DFEND	AEROSPACE & DEFENSE	16. PAVE	-0.02	INFRA	INFRASTRUCTURE
7. XLP	2.65	STAPL	CONSUMER STAPLES	17. XRT	-0.04	SALES	RETAIL SALES
8. XLF	2.57	FINAN	FINANCIALS	18. IGM	-0.49	TECHS	TECHNOLOGY
9. XLV	2.52	HLTHY	HEALTH CARE	19. XLE	-1.01	ENRGY	ENERGY
10. XLI	1.43	INDUS	INDUSTRIALS	20. SMH	-2.83	SEMIS	SEMICONDUCTORS

The top 10 are the same as last week with a few rearrangements.

## 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
XLRE	4.62% ↑↑	\$42.45	\$43.63 —
ITB	4.13% ↓	\$117.85	\$117.36 ↓
KIE	3.56% ↑↑	\$54.87	\$55.18 ↓
ITA	2.91% ↓	\$142.58	\$139.97 ↓
XLP	2.65% ↑↑	\$80.47	\$82.99 ↑↑
XLV	2.52% ↑↑	\$154.14	\$153.95 ↓
XLI	1.43% ↑↑	\$127.69	\$125.89 ↓
BIL	0.00% —	\$90.85	\$91.53 —

#### Other Sectors

Sym	Slope	Long	Last
KBE	3.97% ↓↓	no	\$51.16 ↓
XLU	3.73% ↑↑	no	\$75.91 ↓
XLF	2.57% ↑↑	no	\$44.29 ↓
SPX	0.89% —	INDEX	\$5,408.42 ↓
XLC	0.81% ↓	no	\$83.77 ↓↓
XLB	0.78% ↑	no	\$89.93 ↓
IYT	0.28% ↑	no	\$65.33 ↓
XLY	0.25% ↑	no	\$182.40 ↓↓
XRT	0.00% ↓	no	\$72.52 ↓↓

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

### Analysis

[XLRE](#) edged up a little and made a 102-week high. Money flow is all right. [ITB](#) closed below its stop price. [KIE](#) remains just above its stop price. [ITA](#) closed below its stop price. [XLP](#) made yet another all-time high, and money flow is up. [XLV](#) declined this week while its stop price rose. [XLI](#) closed below its stop price on Thursday and then again on Friday.

[KBE](#) moved lower every day this week and basic charts are down. [XLU](#) made a 100-week high as price continues to rise. [XLF](#) declined some this week to a more-or-less neutral point.

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### Thoughts and Decisions

Time to sell ITB, ITA, XLV, and XLI. I will be watching XLU and XLF as possible candidates.

My sector choices for this week are 10% KIE, 10% XLP, 10% XLRE, and 70% BIL.

## New Highs

Not too many all-time highs this week.

SECURITIES MAKING NEW HIGHS as of 6-SEP-2024					
SYMBOL	COMPANY	INSTR	MIA	SLOPE	WEEKS
WMT	WALMART STORES	STOCK	UP	5.14	999
XLP	CONSUMER STAPLES	ETF	UP	2.65	999
PM	PHILIP MORRIS INTL	STOCK	UP	8.00	375
IBM	INTERNATIONAL BUSINESS MACHINES	STOCK	UP	4.67	367
SNY	SANOFI	STOCK	UP	6.12	280
ABBV	ABBVIE INC	STOCK	UP	6.33	258
MO	ALTRIA GROUP	HLD	UP	6.01	118
T	A T & T	STOCK	UP	3.88	109
IEI	3-7 YEAR TREASURY BOND	ETF	UP	1.26	104
USIG	USD INVESTMENT GRADE CORPORATE BOND	ETF	UP	1.32	104
LQD	INVESTMENT GRADE CORP BOND	ETF	UP	1.53	103
BND	TOTAL BOND MARKET	ETF	UP	1.39	102
VZ	VERIZON COMMUNICATIONS	STOCK	≡UP≡	0.65	102
XLRE	REAL ESTATE	ETF	UP	4.62	102
VNQ	U.S. REIT INDEX	ETF	UP	4.47	100
XLU	UTILITIES	ETF	UP	3.73	100
UTG	REAVES UTILITY INCOME FUND	CEF	UP	3.24	83
RQI	C&S QUALITY INCOME REALTY	CEF	UP	5.77	80
AWP	ABERDEEN GLOBAL PREMIER	CEF	UP	4.90	79
UTF	C&S INFRASTRUCTURE	CEF	UP	2.74	79
BTI	BRITISH AMERICAN TOBACCO	STOCK	UP	7.57	77
D	DOMINION ENERGY	STOCK	UP	4.65	69
VICI	VICI PROPERTIES	ETF	UP	5.77	68
TIP	TIPS BOND	ETF	UP	0.93	67
TLH	10-20 YEAR T-BOND INDEX	ETF	UP	2.37	57
O	REALTY INCOME	STOCK	UP	5.79	56

'CEF' is a Closed End Fund

'HLD' is a Holding Company

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