

**Weekly Market Analysis #565 — 6 June 2025**  
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**This Week**

A lot of people seem pleased with this week's jobs report. I see some good things in it, but I also see some not-so-good things. Peter Boockvar is an acknowledged expert on analyzing employment reports. His 6-minute video "The Confusing Jobs Report" can be seen [here](#). He commented that foreign investors are rethinking how much they want to put into US assets.

Keith Fitz-Gerald said:

Avoid legacy office REITs still stuck in 2019, office space specifically. Instead, focus on those tied to:

- Industrial logistics and power
- Urban mixed-use conversions
- Residential retrofits in major metros
- Medical rehab, post operative care & longevity

**The Big Strange Budget Bill**

Buried about half way through the 1,116 page bill is a single paragraph under the heading of "SEC. 70302. RESTRICTION ON ENFORCEMENT." This section has nothing to do with government spending nor the US budget. It states:

No court of the United States may enforce a contempt citation for failure to comply with an injunction or temporary restraining order if no security was given when the injunction or order was issued pursuant to Federal Rule of Civil Procedure 65(c), whether issued prior to, on, or subsequent to the date of enactment of this section.

I learned of Section 70302 from David Kotok at Cumberland Advisors, a very knowledgeable and reliable source. You can read his analysis [here](#).

The gist of 70302 is:

This provision effectively means that the courts may not be able to hold a government official for contempt since government officials are not required to post security when an injunction or order is issued. The result is that the executive branch would no longer be constrained by the courts.

Several lawyers have commented that 70302 is an attempt to circumvent the checks and balances set forth in the Constitution by undermining the ability of the courts to enforce their rulings.

## Market Barometers

COMPQ is still the only index to have its MTA turn up. The other major indexes are still down, although VTI and SPX are starting to show signs of turning up.



Week-over-week: DIA: 1.3%, SPX: 1.5%, VTI: 1.8%, COMPQ: 2.2%, IWM: 3.3%

Month-over-month: DIA: 3.5%, SPX: 5.9%, VTI: 6.1%, COMPQ: 8.9%, IWM: 5.3%

## A Closer Look

The SPX continues to edge higher. It's above its May high and ended the week a hair above \$6000. The BPSPX rose with price, but remains below its May high. The NYAD is above zero, but below its May high. And the SPXA50 and the SPXA200 look more like the NYAD than the SPX itself.



[S&P Price](#) [Bullish Percent](#) [Advance-Decline Line](#) [Stocks Above Averages](#)

[Bullish Universe](#)

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SPX Sector Universe Summary for 06-Jun-2025							
Symbol	Description	Instr	MTA 3	RelStr	CMF	NH/NL	MCHist
<a href="#">ITA</a>	SPACE & DEFENSE	ETF	UP	4.18:0.57	-up-	999/0	0.0
<a href="#">GLD</a>	SPDR GOLD SHARES	ETF	UP	3.62:0.57	-up-	3/0	0.2
<a href="#">XLI</a>	INDUSTRIALS	ETF	UP	1.85:0.57	-up-	999/0	-0.2
<a href="#">IGM</a>	EXPANDED TECH SECTOR	ETF	UP	1.50:0.57	-up-	14/0	0.0
<a href="#">SMH</a>	SEMICONDUCTORS	ETF	DN	1.23:0.57	-up-	14/0	0.1
<a href="#">XLC</a>	COMMUNICATION SRVCS	ETF	UP	1.21:0.57	UP	14/0	-0.1
<a href="#">PAVE</a>	INFRASTRUCTURE	ETF	DN	1.17:0.57	<<up>>	17/0	-0.1
<a href="#">XLU</a>	UTILITIES	ETF	UP	1.09:0.57	=up=	1/0	-0.0
<a href="#">XLF</a>	FINANCIALS	ETF	UP	1.02:0.57	UP	1/0	-0.0
<a href="#">XLY</a>	CONSUMER DISCR	ETF	DN	0.69:0.57	≡up≡	0/3	-0.5
<a href="#">XRT</a>	RETAIL	ETF	DN	0.62:0.57	UP	14/0	-0.1
<a href="#">SPX</a>	CAP-WTD S&P 500 INDEX	INDEX	DN	0.61:0.57	-up-	14/0	-0.0
<a href="#">XLP</a>	CONSUMER STAPLES	ETF	UP	0.42:0.57	-up-	12/1	-0.0
<a href="#">KIE</a>	INSURANCE SECTOR	ETF	DN	0.32:0.57	UP	2/0	0.1
<a href="#">XLRE</a>	REAL ESTATE	ETF	DN	-0.14:0.57	UP	2/0	0.1
<a href="#">XLB</a>	MATERIALS	ETF	DN	-0.23:0.57	<<up>>	13/0	0.1
<a href="#">IYT</a>	TRANSPORT NDX	ETF	DN	-0.39:0.57	=up=	0/3	-0.4
<a href="#">KBE</a>	S&P BANK SECTOR	ETF	DN	-0.41:0.57	<<UP>>	1/0	-0.1
<a href="#">XLE</a>	ENERGY	ETF	DN	-1.81:0.57	<<up>>	1/0	0.1
<a href="#">XLV</a>	HEALTH CARE	ETF	DN	-2.33:0.57	UP	1/0	0.4
<a href="#">ITB</a>	HOME CONSTRUCTION	ETF	DN	-3.45:0.57	UP	1/6	0.3

MoM price changes for the top 5 sectors: [ITA](#): 11.3%, [GLD](#): 0.2%, [XLI](#): 6.6%, [IGM](#): 10.5%, [SMH](#): 13.9%

MoM price changes for the Big 7 are: [AAPL](#): 3.3%, [AMZN](#): 11.2%, [GOOGL](#): 12.6%, [META](#): 16.7%, [MSFT](#): 7.4%, [NFLX](#): 8.5%, [TSLA](#): 3.6%

## Sector Relative-Strength History

13 weeks of slope history for 20 sector ETFs and the SPX.

14 Mar	21 Mar	28 Mar	04 Apr	11 Apr	17 Apr	25 Apr	02 May	09 May	16 May	23 May	30 May	06 Jun
GOLD	GOLD	GOLD	GOLD	GOLD	GOLD	GOLD	GOLD	GOLD	GOLD	GOLD	GOLD	DFEND
COMMS	INSUR	INSUR	INSUR	INSUR	INSUR	STAPL	STAPL	DFEND	DFEND	DFEND	DFEND	GOLD
FINAN	COMMS	DFEND	DFEND	STAPL	STAPL	INSUR	DFEND	STAPL	UTILS	UTILS	INDUS	INDUS
INSUR	FINAN	FINAN	STAPL	DFEND	DFEND	UTILS	UTILS	UTILS	STAPL	INDUS	UTILS	TECHS
STAPL	DFEND	COMMS	FINAN	UTILS	UTILS	DFEND	INSUR	INSUR	FINAN	FINAN	FINAN	SEMIS
DFEND	STAPL	STAPL	UTILS	FINAN	FINAN	FINAN	FINAN	FINAN	INDUS	COMMS	COMMS	COMMS
UTILS	UTILS	UTILS	ENRGY	HLTHY	HLTHY	REALE	REALE	REALE	INSUR	STAPL	TECHS	INFRA
HLTHY	HLTHY	ENRGY	COMMS	COMMS	COMMS	HLTHY	COMMS	COMMS	COMMS	INSUR	INFRA	UTILS
REALE	REALE	HLTHY	HLTHY	ENRGY	REALE	COMMS	HLTHY	INDUS	REALE	INFRA	STAPL	FINAN
SP500	ENRGY	REALE	REALE	REALE	ENRGY	INDUS	INDUS	SP500	INFRA	TECHS	DISCR	DISCR
INDUS	INDUS	INDUS	INDUS	INDUS	INDUS	ENRGY	SP500	HLTHY	SP500	SP500	INSUR	SALES
BANKS	SP500	SP500	SP500	SP500	SP500	SP500	MATER	MATER	TECHS	DISCR	SP500	SP500
DISCR	BANKS	MATER	MATER	MATER	MATER	MATER	ENRGY	INFRA	DISCR	REALE	SEMIS	STAPL
TECHS	MATER	BANKS	BANKS	BANKS	DISCR	INFRA	INFRA	DISCR	MATER	SEMIS	SALES	INSUR
ENRGY	TRANS	TRANS	DISCR	DISCR	INFRA	DISCR	DISCR	TECHS	BANKS	SALES	REALE	REALE
TRANS	TECHS	TECHS	TRANS	INFRA	BANKS	BANKS	TECHS	BANKS	SALES	MATER	MATER	MATER
MATER	DISCR	DISCR	TECHS	TRANS	TRANS	TECHS	BANKS	ENRGY	TRANS	BANKS	BANKS	TRANS
INFRA	INFRA	INFRA	INFRA	TECHS	TECHS	TRANS	SALES	SALES	HLTHY	TRANS	TRANS	BANKS
SEMIS	SEMIS	SEMIS	SALES	SALES	SALES	SALES	TRANS	TRANS	SEMIS	ENRGY	ENRGY	ENRGY
SALES	SALES	SALES	SEMIS	SEMIS	BLDRS	BLDRS	BLDRS	SEMIS	ENRGY	HLTHY	HLTHY	HLTHY
BLDRS	BLDRS	BLDRS	BLDRS	BLDRS	SEMIS	SEMIS	SEMIS	BLDRS	BLDRS	BLDRS	BLDRS	BLDRS

### Details

Symbol	Slope	Synonym	Sector Name	Symbol	Slope	Synonym	Sector Name
1. ITA	4.18	DFEND	AEROSPACE & DEFENSE	12. SPX	0.61	SP500	S&P 500
2. GLD	3.62	GOLD	GOLD	13. XLP	0.42	STAPL	CONSUMER STAPLES
3. XLI	1.85	INDUS	INDUSTRIALS	14. KIE	0.32	INSUR	INSURANCE
4. IGM	1.50	TECHS	TECHNOLOGY	15. XLRE	-0.14	REALE	REAL ESTATE
5. SMH	1.23	SEMIS	SEMICONDUCTORS	16. XLB	-0.23	MATER	MATERIALS
6. XLC	1.21	COMMS	COMMUNICATION SRVCS	17. IYT	-0.39	TRANS	TRANSPORTATION
7. PAVE	1.17	INFRA	INFRASTRUCTURE	18. KBE	-0.41	BANKS	BANKS
8. XLU	1.09	UTILS	UTILITIES	19. XLE	-1.81	ENRGY	ENERGY
9. XLF	1.02	FINAN	FINANCIALS	20. XLV	-2.33	HLTHY	HEALTH CARE
10. XLY	0.69	DISCR	CONSUMER DISCR	21. ITB	-3.45	BLDRS	HOMEBUILDERS
11. XRT	0.62	SALES	RETAIL SALES				

Aerospace and Defense overtook Gold this week. Utilities dropped from 4<sup>th</sup> to 8<sup>th</sup>. Financials fell to 9<sup>th</sup>, but Industrials held steady. Semiconductors (SMH) jumped from 13<sup>th</sup> to 5<sup>th</sup> and Technology (IGM) jumped from 7<sup>th</sup> to 4<sup>th</sup>.

### Notes

In case you're wondering what the difference is between SMH and IGM, SMH is a concentrated, semiconductor-focused ETF that significantly overlaps with IGM's semiconductor holdings, but IGM is broader and more diversified across the tech sector as a whole. While SMH is purely semiconductors and related equipment, IGM invests in Information technology, software, hardware, internet.

SMH (VanEck Semiconductor ETF) holds 25 semiconductor-focused stocks, but IGM (iShares Expanded Tech Sector ETF) holds around 280 technology stocks across various sub-sectors. Of SMH's 25 holdings, 22 are also found in IGM.

## This Week's Selections

My sector choices last week were: GLD 10%, ITA 10%, XLI 10%, and BIL 70%.

### Top Sector ETFs By Slope

Symbol	MTA	ARI	SSlope	8% Stop	Close	Position
ITA	UP	Up	4.18%	\$167.37	\$181.92	Hold 10%
GLD	UP	Up	3.62%	\$290.34	\$305.18	Hold 10%
XLI	UP	Up	1.85%	\$133.34	\$144.93	Hold 10%
IGM	UP	Up	1.50%	\$97.81	\$106.32	No
SMH	DN	Up	1.23%	\$232.51	\$252.73	No
XLC	UP	Dn	1.21%	\$95.41	\$103.71	No
PAVE	DN	Up	1.17%	\$39.22	\$42.63	No
XLU	UP	Up	1.09%	\$76.15	\$81.19	No
XLF	UP	Dn	1.02%	\$47.49	\$51.28	No
SPX	DN	Dn	0.61%	\$5,520.33	\$6,000.36	INDEX

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

## Analysis

[ITA](#) has been on a tear since its April 7<sup>th</sup> low. This week saw another all-time high. [GLD](#) continues its consolidation, holding above \$300 for a 3<sup>rd</sup> week. [XLI](#) is still between \$140 and \$145, but it made an all-time high closing at \$144.93 on Friday. [IGM](#) broke above \$100 and it's SSlope is now clearly positive. However, there are 13 days of overhead supply from the highs in Dec-Feb, so I'd like to see it get above \$107.50 before buying it.

[SMH](#)'s MTA is still down and it's making lower highs and lower lows since July of 2024. [XLC](#) is turning up but it needs to get above \$105 high before I'll consider it. [PAVE](#)'s MTA is down and it's making lower highs and lower lows since November of 2024. On the 3<sup>rd</sup>, [XLU](#) tried to make a high and a low above \$82.50 but closed at \$82.40.

[XLF](#) is above \$50 but still needs to get above its February high close near \$52.50 to become interesting. [SPX](#) got above \$6000 twice on Friday, then ended the day a few pennies above it.

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## Thoughts and Decisions

My positions for this week remain the same: GLD 10%, ITA 10%, XLI 10%, and BIL 70%.

## New Highs And New Lows

There were 17 new all-time highs this week and 2 all-time lows.

SECURITIES MAKING NEW HIGHS DURING THE WEEK OF 06-Jun-2025					
SYMBOL	COMPANY	INSTR	MTA	SLOPE	WEEKS
AVGO	BROADCOM	STOCK	UP	5.61	999
CM	CANADIAN IMPERIAL BANK (DS 1868)	STOCK	UP	3.14	999
CRWD	CROWDSTRIKE	STOCK	UP	6.46	999
DUAVF	DASSAULT AVIATION	STOCK	UP	8.42	999
IBM	INTERNATIONAL BUSINESS MACHINES (DK)	STOCK	UP	2.68	999
IEFA	EUROPE/AUSTRALIA/FAR-EAST	ETF	UP	2.74	999
IQLT	GLOBAL QUALITY	ETF	UP	2.29	999
ITA	SPACE & DEFENSE	ETF	UP	4.18	999
MSFT	MICROSOFT	STOCK	UP	3.50	999
NFLX	NETFLIX	STOCK	UP	7.66	999
PLTR	PALANTIR	STOCK	UP	13.60	999
PM	PHILIP MORRIS INTL	STOCK	UP	6.17	999
SLV	SILVER TRUST	ETF	UP	1.34	999
URA	URANIUM	ETF	UP	4.83	999
VGK	FTSE EUROPE	ETF	UP	3.03	999
XAR	EQU-WTD SPACE & DEFENSE	ETF	UP	4.09	999
XLI	INDUSTRIALS	ETF	UP	1.85	999
GDX	MARKET VECTORS GOLD MINERS	ETF	UP	5.22	637
ECF	GROWTH AND INCOME	CEF	UP	1.29	156
BMO	BANK OF MONTREAL (DS 1829)	STOCK	UP	2.75	150
TD	TORONTO-DOMINION BANK (DS 1857)	STOCK	UP	4.58	149
UTF	C&S INFRASTRUCTURE	CEF	UP	1.49	136
UGI	UGI CORP	STOCK	UP	4.79	112
SECURITIES MAKING NEW LOWS DURING THE WEEK OF 06-Jun-2025					
CAG	CONAGRA FOODS	STOCK	DN	-4.26	999
FLO	FLOWERS FOODS	STOCK	DN	-4.24	999
CLX	CLOROX (DK)	STOCK	DN	-3.76	79

Notations in parentheses after the company name indicate their dividend status:

"(DK)" means "Dividend King" — a company or fund which has increased its dividend every year for 50 or more years.

"(DS <year>)" means "Dividend Since" — a company or fund which has paid a dividend since the year shown. For example, the Toronto-Dominion Bank has paid a dividend since 1857.