

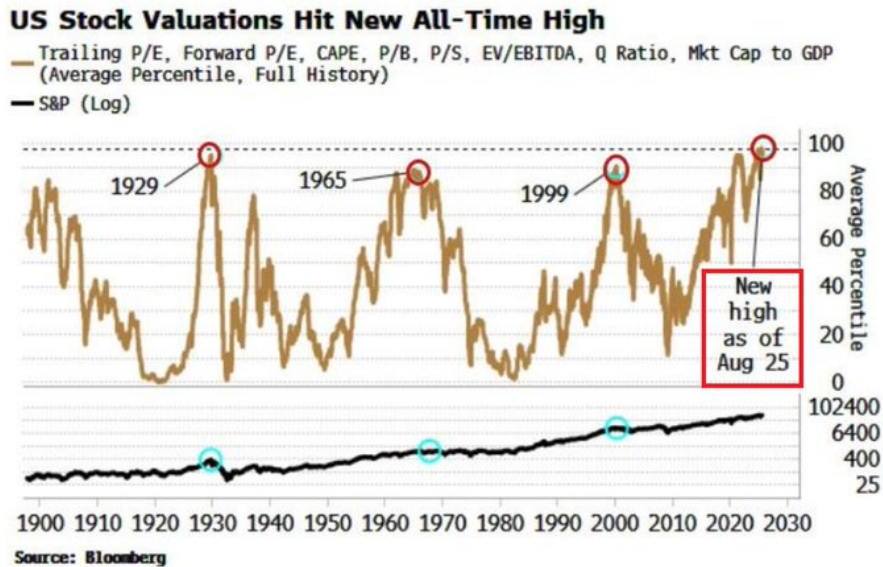
Weekly Market Analysis #577 — 29 August 2025

Richard "Doc" Ahrens

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This Week

On Monday JC Parets at TrendLabs wrote that the SPX had reached an all-time high "value".



This is a slightly tortured calculation, considering that the SPX didn't exist before 1957. However, the SPX did close at an all-time high price on August 28th so the "value" calculation made here turns out to be pretty accurate.

Many people, especially the excitement salesmen (reporters?) on broadcast media, use the terms "price" and "value" interchangeably. In some cases this isn't terribly important, but if you want to think carefully about investing, then it does make a difference. Howard Marks, co-founder of Oaktree Capital, explores this subject in his latest memo, "[The Calculus of Value](#)".

Professor Jeff Bierman pointed out some less-than-optimistic facts this week:

Warning Sign #1: The Seven-Year Car Loan Crisis

Cars are now so expensive that buyers need seven-year loans to afford them.

The average American can't afford basic transportation without extending payments to nearly a decade. That tells you everything about where real inflation stands.

Warning Sign #2: The Credit Quality Collapse

Here's a stat that should terrify you: US consumers with the highest credit scores are starting to fall behind on repayments for the first time since 2004.

We're talking about people with AmEx black cards missing payments. These aren't subprime borrowers. These are the most creditworthy people in America, and their repayment rates just hit a 20-year low.

Market Barometers

The DJIA, SPX, and VTI, made new all-time highs this week. All 5 index MTAs remain up. IWM continues to climb toward what looks like the inevitable short squeeze I described last week.



Week-over-week: **DIA: -0.1%**, **SPX: -0.1%**, **VTI: 0.0%**, **COMPQ: -0.2%**, **IWM: 0.1%**

Month-over-month: **DIA: 4.7%**, **SPX: 3.6%**, **VTI: 4.1%**, **COMPQ: 3.9%**, **IWM: 9.4%**

A Closer Look

Monday and Friday were down days. The net for the week was down \$6, but there was an all-time high on Thursday. The BPSPX was more-or-less flat. The NYAD declined more than price on Monday but finished the week up. The SPXA50, and the SPXA200 dropped on Monday, then went flat.



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

[Bullish Universe](#)

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[Bearish Universe](#)

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[Inflation Universe](#)

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[Auxiliary Universe](#)

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[Dividend Universe](#)

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I moved this table, Relative Strength History, up to page 4 because it is always important to start with the big picture and then look at the details on the Sector Universe Summary table. This table shows the high-level view of all the sectors and their relationship to each other through time.

Each column is one week, so this is 13-weeks (a quarter's worth) of sector motion. In each column the sectors are sorted by relative strength, so the sectors with the highest slopes end up at the top and the ones with the lowest slope gravitate toward the bottom.

The order of the sectors in the right-most column (29 Aug) will match the order of the sectors in the Sector Universe Summary table, which now appears on page 5. The Sector Universe Summary table provides a more detailed look at each of the sectors this week.

Relative Strength History 06-Jun-2025 to 29-Aug-2025

06 Jun	13 Jun	20 Jun	27 Jun	03 Jul	11 Jul	18 Jul	25 Jul	01 Aug	08 Aug	15 Aug	22 Aug	29 Aug
DFEND	DFEND	DFEND	DFEND	DFEND	SEMIS	SEMIS	SEMIS	SEMIS	SEMIS	SEMIS	SEMIS	SEMIS
GOLD	GOLD	GOLD	SEMIS	SEMIS	DFEND	DFEND	DFEND	DFEND	DFEND	DFEND	DFEND	DFEND
INDUS	SEMIS	SEMIS	GOLD	TECHS	TECHS	TECHS	TECHS	TECHS	TECHS	TECHS	TECHS	TECHS
TECHS	INDUS	TECHS	TECHS	GOLD	GOLD	INFRA	INFRA	INFRA	INFRA	INFRA	INFRA	BLDRS
SEMIS	TECHS	INDUS	INDUS	INDUS	INDUS	INDUS	INDUS	INDUS	INDUS	INDUS	SALES	INFRA
COMMS	COMMS	COMMS	COMMS	COMMS	INFRA	COMMS	COMMS	SP500	SP500	SALES	BLDRS	SALES
INFRA	INFRA	INFRA	INFRA	INFRA	COMMS	GOLD	SALES	SALES	SALES	SP500	INDUS	COMMS
UTILS	SALES	SALES	SALES	SALES	SALES	SP500	SP500	COMMS	COMMS	COMMS	SP500	INDUS
FINAN	UTILS	SP500	SP500	SP500	SP500	SALES	GOLD	BANKS	UTILS	UTILS	COMMS	SP500
DISCR	FINAN	UTILS	FINAN	FINAN	FINAN	BANKS	BANKS	GOLD	GOLD	BLDRS	UTILS	DISCR
SALES	SP500	FINAN	UTILS	DISCR	BANKS	TRANS	TRANS	TRANS	BANKS	DISCR	DISCR	BANKS
SP500	DISCR	DISCR	DISCR	UTILS	TRANS	FINAN	DISCR	DISCR	DISCR	GOLD	BANKS	UTILS
STAPL	STAPL	STAPL	MATER	MATER	DISCR	DISCR	FINAN	FINAN	TRANS	BANKS	GOLD	TRANS
INSUR	INSUR	MATER	INSUR	TRANS	MATER	MATER	MATER	UTILS	FINAN	TRANS	TRANS	BIOTC
REALE	MATER	INSUR	STAPL	BANKS	UTILS	UTILS	UTILS	MATER	MATER	FINAN	BIOTC	GOLD
MATER	REALE	REALE	TRANS	INSUR	STAPL	ENRGY	BIOTC	BIOTC	BLDRS	BIOTC	FINAN	FINAN
TRANS	TRANS	TRANS	REALE	STAPL	ENRGY	BIOTC	ENRGY	ENRGY	BIOTC	MATER	MATER	MATER
BANKS	BANKS	BANKS	BANKS	REALE	INSUR	REALE	REALE	REALE	REALE	STAPL	STAPL	STAPL
ENRGY	ENRGY	ENRGY	ENRGY	ENRGY	REALE	STAPL	STAPL	BLDRS	ENRGY	REALE	REALE	ENRGY
HLTHY	BIOTC	BIOTC	BIOTC	BIOTC	BIOTC	INSUR	INSUR	STAPL	STAPL	ENRGY	ENRGY	REALE
BIOTC	HLTHY	HLTHY	HLTHY	HLTHY	HLTHY	BLDRS	BLDRS	INSUR	INSUR	INSUR	INSUR	INSUR
BLDRS	BLDRS	BLDRS	BLDRS	BLDRS	BLDRS	HLTHY	HLTHY	HLTHY	HLTHY	HLTHY	HLTHY	HLTHY

Details

Symbol	Slope	Synonym	Sector Name	Symbol	Slope	Synonym	Sector Name
1. SMH	4.73	SEMIS	SEMICONDUCTORS	12. XLU	1.84	UTILS	UTILITIES
2. ITA	4.35	DFEND	AEROSPACE & DEFENSE	13. IYT	1.46	TRANS	TRANSPORTATION
3. IGM	3.52	TECHS	TECHNOLOGY	14. XBI	1.38	BIOTC	BIOTECH
4. ITB	3.42	BLDRS	HOMEBUILDERS	15. GLD	1.37	GOLD	GOLD
5. PAVE	3.06	INFRA	INFRASTRUCTURE	16. XLF	1.23	FINAN	FINANCIALS
6. XRT	2.94	SALES	RETAIL SALES	17. XLB	0.96	MATER	MATERIALS
7. XLC	2.29	COMMS	COMMUNICATION SRVCS	18. XLP	0.16	STAPL	CONSUMER STAPLES
8. XLI	2.25	INDUS	INDUSTRIALS	19. XLE	0.14	ENRGY	ENERGY
9. SPX	2.24	SP500	S&P 500	20. XLRE	0.06	REALE	REAL ESTATE
10. XLY	2.12	DISCR	CONSUMER DISCR	21. KIE	-0.17	INSUR	INSURANCE
11. KBE	1.92	BANKS	BANKS	22. XLV	-0.60	HLTHY	HEALTH CARE

[Sector Universe](#)

← Use this link to get to the live summary table

The order of the symbols in this SPX Sector Universe Summary table should match the order of the symbols in the Details table on the previous page. The entries in the Synonyms column of the Details table, in turn, match the entries in the rightmost column of the Relative Strength History Table above the Details table. The rows in the table on this page provide a quick look at MTA status, Relative-Strength, Chaikin Money Flow, weeks since price made a New High and New Low, and the MACD Histogram score for each ETF.

I will be modifying the columns in this table to make it easier to see the parallels between this and what's on Page 4.

SPX Sector Universe Summary for 29-Aug-2025							
Symbol	Description	Instr	MTA 3	RelStr	CMF	NH/NL	MCHist
SMH	SEMICONDUCTORS	ETF	UP	4.73:2.23	«up»	1/0	-0.3
ITA	SPACE & DEFENSE	ETF	UP	4.35:2.23	DN	999/0	-0.1
IGM	EXPANDED TECH SECTOR	ETF	UP	3.52:2.23	≡UP≡	2/0	-0.3
ITB	HOME CONSTRUCTION	ETF	DN	3.42:2.23	up	0/0	0.1
PAVE	INFRASTRUCTURE	ETF	UP	3.06:2.23	up	1/0	-0.0
XRT	RETAIL	ETF	UP	2.94:2.23	«up»	182/0	0.2
XLC	COMMUNICATION SRVCS	ETF	UP	2.29:2.23	UP	999/0	0.0
XLI	INDUSTRIALS	ETF	UP	2.25:2.23	«up»	4/0	0.0
SPX	CAP-WTD S&P 500 INDEX	INDEX	UP	2.24:2.23	≡UP≡	999/0	-0.1
XLY	CONSUMER DISCR	ETF	UP	2.12:2.23	«up»	33/0	0.2
KBE	S&P BANK SECTOR	ETF	UP	1.92:2.23	-up-	36/0	0.6
XLU	UTILITIES	ETF	UP	1.84:2.23	DN	0/4	-0.4
IYT	TRANSPORT NDX	ETF	UP	1.46:2.23	UP	0/0	0.3
XBI	BIOTECHNOLOGY	ETF	DN	1.38:2.23	-up-	0/2	0.1
GLD	SPDR GOLD SHARES	ETF	UP	1.37:2.23	UP	999/0	0.2
XLF	FINANCIALS	ETF	UP	1.23:2.23	UP	999/0	0.3
XLB	MATERIALS	ETF	DN	0.96:2.23	≡UP≡	4/0	0.3
XLP	CONSUMER STAPLES	ETF	UP	0.16:2.23	«dn»	0/3	-0.2
XLE	ENERGY	ETF	DN	0.14:2.23	UP	20/0	0.8
XLRE	REAL ESTATE	ETF	DN	0.06:2.23	«UP»	4/0	0.2
KIE	INSURANCE SECTOR	ETF	UP	-0.17:2.23	«up»	0/0	0.3
XLV	HEALTH CARE	ETF	DN	-0.60:2.23	«UP»	0/0	0.5

MoM price changes for the top 5 sectors: SMH: 2.2%, ITA: 1.3%, IGM: 3.4%, ITB: 10.7%, PAVE: 3.3%

MoM price changes for the Big 7 are: AAPL: 14.7%, AMZN: 6.6%, GOOGL: 12.6%, META: -1.5%, MSFT: -3.3%, NFLX: 4.3%, TSLA: 10.3%

This Week's Selections

My sector choices last week were: ITA, ITB, IGM, PAVE, SMH, URA, XLC, XLU, XLY, and XRT.

Top Sector ETFs By Slope

Symbol	MTA	ARI	SSlope	8% Stop	Close	Position
SMH	UP	Up	4.73%	\$277.77	\$290.29	Hold 10%
ITA	UP	Up	4.35%	\$184.11	\$198.42	Hold 10%
IGM	UP	Up	3.52%	\$109.50	\$117.25	Hold 10%
ITB	DN	Up	3.42%	\$103.89	\$110.70	Hold 10%
PAVE	UP	Up	3.06%	\$43.34	\$46.48	Hold 10%
XRT	UP	Up	2.94%	\$79.20	\$84.19	Hold 10%
XLC	UP	Up	2.29%	\$102.68	\$111.39	Hold 10%
XLI	UP	Up	2.25%	\$142.59	\$152.01	No
SPX	UP	Up	2.24%	\$5981.71	\$6460.26	INDEX
XLY	UP	Up	2.12%	\$215.42	\$231.74	Hold 10%
KBE	UP	Up	1.92%	\$56.38	\$61.06	No
XLU	UP	Up	1.84%	\$80.33	\$84.32	Hold 10%
URA	UP	Up	7.17%	\$37.70	\$40.67	Hold 10%

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

Analysis

[SMH](#) climbed every day this week, then got mugged on Friday. Even so, its money flow remains positive. [ITA](#) made all all-time high this week, and it too another run at \$200 and made high prices above it 4 times this week. [IGM](#) is running between \$116 and \$119, but it's above its 21-day average and its ARI. [ITB](#) gradually declined this week but remained above \$110. 5 out of 6 basic charts are up. [PAVE](#) has been running between \$45 and \$47, while most measures are slowly rising. [XRT](#) made a 3.5-year high on Thursday but, like lots of others, got knocked down a little on Friday. [XLC](#) closed above \$111 every day this week, and made an all-time high on Thursday.

[XLI](#) was higher than last week. I still want to see it above \$155 before I'll buy it. [SPX](#) made an all-time high at \$6501 on Thursday but slipped to \$6460 on Friday. [XLY](#) made a 33-week high and all basic charts are positive. [KBE](#) — I've been skipping KBE because it won't even start to get interesting until it gets above \$64. If I were going to buy a bank ETF, it would be [EUFN](#), which has been climbing since the beginning of 2024 and made an all-time high 2 weeks ago. [XLU](#) is not working out. It has been falling for 4 weeks. It just crossed below ARI (\$84.44) and if it crosses below the KB lower green line (\$84.02) I will probably sell it. [URA](#) closed above \$40 for 3 days this week. Last week I said I would use ARI as my new stop; however, a new 8% low stop is now higher than ARI, so I will use that as my exit stop.

Thoughts and Decisions

I'm going to keep an eye on XLU this week but other than that, things are pretty stable, so my sector choices this week remain: ITA, ITB, IGM, PAVE, SMH, URA, XLC, XLU, XLY, and XRT.

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New Highs and New Lows

There were 26 all-time highs this week, including the DJIA, SPX, VTI, and quite a number of sectors.

SECURITIES MAKING NEW HIGHS DURING THE WEEK OF 29-Aug-2025					
SYMBOL	COMPANY	INSTR	MTA	SLOPE	WEEKS
BBSI	BARRETT BUSINESS SERVICES	STOCK	UP	3.35	999
BYD	BOYD GAMING	STOCK	UP	3.79	999
CM	CANADIAN IMPERIAL BANK (DS 1868)	STOCK	UP	3.23	999
DIA	DOW JONES INDUSTRIALS	ETF	DN	1.39	999
GLD	SPDR GOLD SHARES	ETF	UP	1.37	999
GLDM	GOLD MINISHARES	ETF	UP	1.40	999
GOOGL	ALPHABET INC	STOCK	UP	4.83	999
GS	GOLDMAN SACHS GROUP	STOCK	UP	5.00	999
INFL	INFLATION BENEFICIARIES	ETF	UP	0.60	999
ITA	SPACE & DEFENSE	ETF	UP	4.35	999
JPM	JPMORGAN CHASE	STOCK	UP	3.09	999
KBWB	BIG BANKS	ETF	UP	3.15	999
OZK	BANK OZK	STOCK	UP	2.54	999
PSTG	PURE STORAGE	STOCK	DN	3.04	999
QLTY	GMO U.S. QUALITY	ETF	DN	1.58	999
RSPD	EQU-WTD CONSUMER DISCRET	ETF	UP	2.63	999
RY	ROYAL BANK OF CANADA (DS 1870)	STOCK	UP	2.74	999
SLV	SILVER TRUST	ETF	UP	3.10	999
SPX	CAP-WTD S&P 500 INDEX	INDEX	UP	2.24	999
SPY	S&P 500 (LARGE-CAP)	ETF	UP	2.25	999
VGT	INFORMATION TECHNOLOGY	ETF	UP	3.57	999
VIG	DIVIDEND APPRECIATION	ETF	DN	1.42	999
VTI	TOTAL STOCK MARKET	ETF	UP	2.23	999
VUG	LARGE CAP GROWTH	ETF	UP	3.04	999
XLC	COMMUNICATION SRVCS	ETF	UP	2.29	999
XLF	FINANCIALS	ETF	UP	1.23	999
XME	METALS AND MINING	ETF	UP	7.27	861
GDV	MARKET VECTORS GOLD MINERS	ETF	UP	5.91	694
CSQ	CALAMOS STRATEGIC	CEF	DN	1.72	182
XRT	RETAIL	ETF	UP	2.94	182
SECURITIES MAKING NEW LOWS DURING THE WEEK OF 29-Aug-2025					
CRB-PA	EQUAL-WEIGHT COMMODITY EX-AG	ETF	UP	-27.71	999
FLO	FLOWERS FOODS	STOCK	DN	-3.10	999
HRL	HORMEL FOODS (DK)	STOCK	DN	-1.76	999
GIS	GENERAL MILLS	STOCK	DN	-3.47	272
AMCR	AMCOR PLC (DK)	STOCK	DN	-1.85	268
STZ	CONSTELLATION BRANDS	STOCK	DN	-2.43	265
CLX	CLOROX (DK)	STOCK	DN	-3.41	91