

# Weekly Market Analysis #581 — 26 September 2025

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### This Week

On Wednesday Ethan Goldman at Chaikin Analytics wrote:

AI at Work Isn't What You'd Expect Right Now

I'm talking about an MIT report called "The GenAI Divide: State of AI in Business 2025." It covers the results of interviews, surveys, and analysis of more than 300 publicly disclosed AI initiatives. And a big takeaway from the report might sound surprising... Ninety-five percent of organizations that invested in GenAI ["generative AI"] tools made no returns on the investments.

...Overall, the report states that organizations have higher rates of successful use with LLMs than with GenAI tools. Users were enthusiastic about using GenAI programs for themselves at first. But these programs failed to deliver reliable, usable results. According to the report, these GenAI tools also had poor user experiences. And users often couldn't trust the product it spat out. Users were also unwilling to change their routines to add GenAI into their workflow.

...as investors, we need to be wary of every tech startup with a flashy AI product... There's a difference between rolling out an AI product that promises big results... and the product actually achieving those results. As we've said many times here at the Chaikin PowerFeed, it's a similar case with other booms in game-changing technology. Amid the big winners, there will also be plenty of losers.

We must pick our AI investments carefully. It's not as simple as expecting "easy money" from AI stocks.

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Ethan Goldman also mentioned, "The report also stated that every prompt also needed large amounts of context to create usable results."

My reaction to this statement is that an LLM is a tool, not a mind reader. Anyone who can't be bothered to write carefully worded prompts – complete with context – is cordially invited to go back to the using the 2022 version of Google (and let the grown-ups use the power tools).

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And Joel Litman from Altimetry cautioned:

AI is following the same dangerous pattern we've seen before... From the steam engine to semiconductors, almost every tech revolution follows a similar arc.

First comes the "installation phase." This is where massive investment floods into a new technology. Investors are giddy. They throw their cash at everything having to do with the latest tech. There's euphoria, overconfidence, and lots of speculative capital.

But most of these early bets are based on hype, not utility. And in the end, the market always crashes. We saw this during the dot-com boom. In 1999, Internet stocks were minting millionaires. Investors poured billions into anything with a ".com" in the name. The Nasdaq Composite Index doubled in a year. Just months later, most were wiped out. More than \$5 trillion in market value vanished.

A telecom company called Global Crossing climbed to a \$47 billion valuation by 2000... then it went bankrupt less than two years later. Another one called Chemdex.com reached a \$7 billion valuation... although it never booked more than \$3.5 million in annual revenue.

But this wasn't the end of the Internet... it was just the end of the mania. Thousands of so-called Internet companies went bust. But the Internet didn't die. Instead, it entered the next phase... the "deployment phase." It matured. And the winners – companies like Amazon (AMZN) and Cisco Systems (CSCO) – emerged stronger than ever.

Today, we're seeing the same signs with the next hot thing... AI.

## Market Barometers

Four indexes made all-time highs this week. IWM got close to making an all-time high on Monday but missed it by about 50 cents..



Week-over-week: DIA: -0.1%, SPX: -0.3%, VTI: -0.4%, COMPQ: -0.7%, IWM: -0.7%

Month-over-month: DIA: 1.2%, SPX: 2.2%, VTI: 2.2%, COMPQ: 3.6%, IWM: 2.2%

## A Closer Look

The SPX made an all-time high on Monday, lost ground for three days, then rose a little on Friday. The BPSPX and NYAD did worse than price. The SPXA50 fell to 50 on Thursday, but both the SPXA50 and the SPXA200 were more or less flat for the week.



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

[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](#)

← Use this link to get to the live summary table

[Dividend Universe](#)

← Use this link to get to the live summary table

The Relative Strength History table shows the sector with the highest slope at the top and the sector with the lowest slope at the bottom. The lower table shows the corresponding ETFs and their slopes for the current week.

Relative Strength History 03-Jul-2025 to 26-Sep-2025

03 Jul	11 Jul	18 Jul	25 Jul	01 Aug	08 Aug	15 Aug	22 Aug	29 Aug	05 Sep	12 Sep	19 Sep	26 Sep
DFEND	SEMIS	SEMIS	SEMIS	SEMIS	SEMIS	SEMIS	SEMIS	SEMIS	SEMIS	BLDRS	SEMIS	SEMIS
SEMIS	DFEND	DFEND	DFEND	DFEND	DFEND	DFEND	DFEND	DFEND	DFEND	SEMIS	BLDRS	TECHS
TECHS	TECHS	TECHS	TECHS	TECHS	TECHS	TECHS	TECHS	TECHS	BLDRS	DFEND	TECHS	DFEND
GOLD	GOLD	INFRA	INFRA	INFRA	INFRA	INFRA	INFRA	BLDRS	TECHS	TECHS	DFEND	BLDRS
INDUS	INDUS	INDUS	INDUS	INDUS	INDUS	INDUS	INDUS	SALES	INFRA	SALES	SALES	SALES
COMMS	INFRA	COMMS	COMMS	SP500	SP500	SALES	BLDRS	SALES	INFRA	COMMS	COMMS	COMMS
INFRA	COMMS	GOLD	SALES	SALES	SALES	SP500	INDUS	COMMS	COMMS	INFRA	BIOTC	BIOTC
SP500	SALES	SP500	SP500	COMMS	COMMS	COMMS	SP500	INDUS	BANKS	BIOTC	DISCR	GOLD
SALES	SP500	SALES	GOLD	BANKS	UTILS	UTILS	COMMS	SP500	DISCR	BANKS	GOLD	DISCR
FINAN	FINAN	BANKS	BANKS	GOLD	GOLD	BLDRS	UTILS	DISCR	SP500	DISCR	BANKS	BANKS
DISCR	BANKS	TRANS	TRANS	TRANS	BANKS	DISCR	DISCR	BANKS	INDUS	GOLD	INFRA	INFRA
UTILS	TRANS	FINAN	DISCR	DISCR	DISCR	GOLD	BANKS	UTILS	BIOTC	SP500	SP500	SP500
TRANS	DISCR	DISCR	FINAN	FINAN	TRANS	BANKS	GOLD	TRANS	GOLD	INDUS	INDUS	INDUS
MATER	MATER	MATER	MATER	UTILS	FINAN	TRANS	TRANS	BIOTC	UTILS	TRANS	TRANS	TRANS
BANKS	UTILS	UTILS	UTILS	MATER	MATER	FINAN	BIOTC	GOLD	TRANS	UTILS	FINAN	FINAN
INSUR	STAPL	ENRGY	BIOTC	BIOTC	BLDRS	BIOTC	FINAN	FINAN	FINAN	FINAN	MATER	ENRGY
STAPL	ENRGY	BIOTC	ENRGY	ENRGY	BIOTC	MATER	MATER	MATER	MATER	MATER	UTILS	UTILS
REALE	INSUR	REALE	REALE	REALE	REALE	STAPL	STAPL	STAPL	ENRGY	ENRGY	ENRGY	MATER
ENRGY	REALE	STAPL	STAPL	BLDRS	ENRGY	REALE	REALE	ENRGY	STAPL	INSUR	INSUR	INSUR
BIOTC	BIOTC	INSUR	INSUR	STAPL	STAPL	ENRGY	ENRGY	REALE	REALE	REALE	REALE	HLTHY
HLTHY	HLTHY	BLDRS	BLDRS	INSUR	INSUR	INSUR	INSUR	INSUR	INSUR	STAPL	HLTHY	REALE
BLDRS	BLDRS	HLTHY	HLTHY	HLTHY	HLTHY	HLTHY	HLTHY	HLTHY	HLTHY	HLTHY	STAPL	STAPL

Details

Symbol	Slope	Synonym	Sector Name	Symbol	Slope	Synonym	Sector Name
1. SMH	4.84	SEMIS	SEMICONDUCTORS	12. SPX	2.37	SP500	S&P 500
2. IGM	4.06	TECHS	TECHNOLOGY	13. XLI	1.59	INDUS	INDUSTRIALS
3. ITA	3.64	DFEND	AEROSPACE & DEFENSE	14. IYT	1.42	TRANS	TRANSPORTATION
4. ITB	3.59	BLDRS	HOMEBUILDERS	15. XLF	1.33	FINAN	FINANCIALS
5. XRT	3.48	SALES	RETAIL SALES	16. XLE	1.02	ENRGY	ENERGY
6. XLC	3.43	COMMS	COMMUNICATION SRVCS	17. XLU	0.98	UTILS	UTILITIES
7. XBI	3.37	BIOTC	BIOTECH	18. XLB	0.83	MATER	MATERIALS
8. GLD	3.30	GOLD	GOLD	19. KIE	0.17	INSUR	INSURANCE
9. XLY	2.81	DISCR	CONSUMER DISCR	20. XLV	0.11	HLTHY	HEALTH CARE
10. KBE	2.51	BANKS	BANKS	21. XLRE	0.09	REALE	REAL ESTATE
11. PAVE	2.42	INFRA	INFRASTRUCTURE	22. XLP	-0.61	STAPL	CONSUMER STAPLES

Semiconductors remained in first place. When two sectors switch places by one moving up one rank and the other moving down one rank, I usually count that as a minor change. By that standard, only Semiconductors remained the same this week, since Home Builders dropped from 2<sup>nd</sup> to 4<sup>th</sup>.

However, if we count paired moves of either one or two ranks as "switching places" then last week and this week are essentially the same, since no sectors moved more than two places this week. (In other words, there weren't any really big changes in sector ranks this week.)

## Sector Universe

← Use this link to get to the live summary table

The order of the sector ETF's and their synonyms in this SPX Sector Universe Summary table should always match the order of the synonyms in the rightmost column of the Relative Strength History Table above. This table provides a quick look at sector MTA status, Relative-Strength, Chaikin Money Flow, the number of weeks since price made a New High and New Low, and the MACD Histogram score.

SPX Sector Universe Summary for 26-Sep-2025								
Symbol	Synonym	Description	Instr	MTA 3	RelStr	CMF	NH/NL	MCHist
<a href="#">SMH</a>	SEMIS	SEMICONDUCTORS	ETF	UP	4.84:2.47	UP	999/0	1.1
<a href="#">IGM</a>	TECHS	EXPANDED TECH SECTOR	ETF	UP	4.06:2.47	<<UP>>	999/0	0.5
<a href="#">ITA</a>	DFEND	SPACE & DEFENSE	ETF	UP	3.64:2.47	<<up>>	999/0	0.6
<a href="#">ITB</a>	BLDRS	HOME CONSTRUCTION	ETF	UP	3.59:2.47	DN	0/6	-1.5
<a href="#">XRT</a>	SALES	RETAIL	ETF	UP	3.48:2.47	≡DN≡	0/2	-0.5
<a href="#">XLC</a>	COMMS	COMMUNICATION SRVCS	ETF	UP	3.43:2.47	up	0/1	-0.0
<a href="#">XBI</a>	BIOTC	BIOTECHNOLOGY	ETF	UP	3.37:2.47	<<UP>>	39/0	0.1
<a href="#">GLD</a>	GOLD	SPDR GOLD SHARES	ETF	UP	3.30:2.47	≡up≡	999/0	0.2
<a href="#">XLY</a>	DISCR	CONSUMER DISCR	ETF	UP	2.81:2.47	DN	0/1	-0.2
<a href="#">KBE</a>	BANKS	S&P BANK SECTOR	ETF	UP	2.51:2.47	DN	0/0	-0.4
<a href="#">PAVE</a>	INFRA	INFRASTRUCTURE	ETF	UP	2.42:2.47	up	1/0	-0.1
<a href="#">SPX</a>	SP500	CAP-WTD S&P 500 INDEX	INDEX	UP	2.37:2.47	<<UP>>	999/0	0.1
<a href="#">XLI</a>	INDUS	INDUSTRIALS	ETF	UP	1.59:2.47	=up=	0/0	0.1
<a href="#">IYT</a>	TRANS	TRANSPORT NDX	ETF	UP	1.42:2.47	≡up≡	3/0	0.1
<a href="#">XLF</a>	FINAN	FINANCIALS	ETF	UP	1.33:2.47	up	0/1	-0.1
<a href="#">XLE</a>	ENRGY	ENERGY	ETF	DN	1.02:2.47	<<up>>	24/2	-0.0
<a href="#">XLU</a>	UTILS	UTILITIES	ETF	UP	0.98:2.47	UP	7/0	0.3
<a href="#">XLB</a>	MATER	MATERIALS	ETF	DN	0.83:2.47	=DN=	0/6	-0.3
<a href="#">KIE</a>	INSUR	INSURANCE SECTOR	ETF	UP	0.17:2.47	-up-	1/0	-0.1
<a href="#">XLV</a>	HLTHY	HEALTH CARE	ETF	DN	0.11:2.47	<<up>>	0/5	-0.3
<a href="#">XLRE</a>	REALE	REAL ESTATE	ETF	DN	0.09:2.47	DN	0/5	-0.1
<a href="#">XLP</a>	STAPL	CONSUMER STAPLES	ETF	UP	-0.61:2.47	DN	0/23	-0.4

Only 4 sectors made all-time highs this week.

MoM price changes for the top 5 sectors: [SMH](#): 7.7%, [IGM](#): 5.5%, [ITA](#): 2.8%, [ITB](#): -3.4%, [XRT](#): 1.5%

MoM price changes for the Big 7 are: [AAPL](#): 9.8%, [AMZN](#): -5.1%, [GOOGL](#): 16.5%, [META](#): -1.0%, [MSFT](#): 0.4%, [NFLX](#): -1.7%, [TSLA](#): 27.3%

## This Week's Selections

Last week my sector choices were: ITA, IGM, PAVE, SMH, URA, XLC, XLY, and XRT.

### Top Sector ETFs By Slope

Symbol	MTA	ARI	SSlope	8% Stop	Close	Position
SMH	UP	Up	4.84%	\$296.40	\$321.82	Hold 10%
IGM	UP	Up	4.06%	\$117.46	\$125.43	Hold 10%
ITA	UP	Up	3.64%	\$189.67	\$205.70	Hold 10%
ITB	UP	Up	3.59%	\$98.47	\$106.93	<b>SOLD</b>
XRT	UP	Up	3.48%	\$81.41	\$86.56	Hold 10%
XLC	UP	Up	3.43%	\$109.86	\$118.17	Hold 10%
XBI	UP	Up	3.37%	\$90.11	\$97.95	No
GLD	UP	Up	3.30%	\$319.00	\$346.74	<b>BUY</b>
XLY	UP	Up	2.81%	\$222.81	\$239.71	Hold 10%
KBE	UP	Up	2.51%	\$57.03	\$60.35	No
PAVE	UP	Up	2.42%	\$43.37	\$47.07	<b>SELL</b>
SPX	UP	Up	2.37%	\$6158.25	\$6643.70	INDEX
URA	UP	Up	9.14%	\$46.37	\$48.41	Hold 10%

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

## Analysis

[SMH](#) made another all-time high and is reaching for \$325. [IGM](#) made an all-time high Monday, then declined but found support near \$125. [ITA](#) made an all-time high on Tuesday and ended the week just above \$205. [ITB](#) gapped down at the open and was down an hour after the open on Monday so I sold it.

[XRT](#) lost ground but found support near \$85 and ended just above the Keltner Band's 21-day average. [XLC](#) bounced back down from \$120 last week then bounced up off the KB 21-day average this week. [XBI](#) made a 39-week high but the conservative strategy says wait until it gets above \$100 to buy. [GLD](#) made a new all-time high and is knocking at the door of \$350. [XLY](#) fell, found support near \$235, and ended the week just below \$240.

[KBE](#) is struggling to stay above \$60. [PAVE](#) is edging its way upward but the basic charts are more flat than up. [SPX](#) made an all-time high on Monday but ended the week near last week's close. [URA](#) made an all-time high above \$50 on Monday but dropped back below \$50 on Wednesday and stayed there.

## Thoughts and Decisions

ITB was not up during the first hour on Monday so I sold it. This week GLD has pushed PAVE out

My sector choices this week are: GLD, ITA, IGM, SMH, URA, XLC, XLY, XRT, BIL (20%).

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## New Highs and New Lows

60 all-time highs again, but this time we've gone from 5 all-time lows to 8.

SECURITIES MAKING NEW HIGHS DURING THE WEEK OF 26-Sep-2025					
SYMBOL	COMPANY	INSTR	MTA	SLOPE	WEEKS
ABBV	ABBVIE INC	STOCK	UP	3.84	999
BMO	BANK OF MONTREAL (DS 1829)	STOCK	UP	5.56	999
CAT	CATERPILLAR	STOCK	UP	5.13	999
CM	CANADIAN IMPERIAL BANK (DS 1868)	STOCK	UP	4.62	999
COMPQ	NASDAQ COMPOSITE	INDEX	UP	3.39	999
CSQ	CALAMOS STRATEGIC	CEF	UP	2.26	999
DIA	DOW JONES INDUSTRIALS	ETF	UP	1.71	999
EMXC	EMERGING MARKETS x CHINA	ETF	UP	2.71	999
GDX	MARKET VECTORS GOLD MINERS	ETF	UP	10.08	999
GLD	SPDR GOLD SHARES	ETF	UP	3.30	999
GLDM	GOLD MINISHARES	ETF	UP	3.31	999
GS	GOLDMAN SACHS GROUP	STOCK	UP	5.41	999
IGM	EXPANDED TECH SECTOR	ETF	UP	4.06	999
IGV	SOFTWARE	ETF	UP	2.07	999
INFL	INFLATION BENEFICIARIES	ETF	UP	1.31	999
IONQ	IONQ INC.	STOCK	UP	14.58	999
ITA	SPACE & DEFENSE	ETF	UP	3.64	999
JPM	JPMORGAN CHASE	STOCK	UP	3.43	999
NVDA	NVIDIA	STOCK	UP	4.61	999
PSTG	PURE STORAGE	STOCK	UP	13.57	999
QLTY	GMO U.S. QUALITY	ETF	UP	2.17	999
QQQ	NASDAQ 100	ETF	UP	2.87	999
RY	ROYAL BANK OF CANADA (DS 1870)	STOCK	UP	4.10	999
SMH	SEMICONDUCTORS	ETF	UP	4.84	999
SOXX	PHLX SEMICONDUCTORS	ETF	UP	4.37	999
SPX	CAP-WTD S&P 500 INDEX	INDEX	UP	2.37	999
SPY	S&P 500 (LARGE-CAP)	ETF	UP	2.37	999
TSM	TAIWAN SEMICONDUCTOR	STOCK	UP	6.01	999
UBER	UBER TECHNOLOGIES	STOCK	UP	3.40	999
URA	URANIUM	ETF	UP	9.14	999
SECURITIES MAKING NEW LOWS DURING THE WEEK OF 26-Sep-2025					
CAG	CONAGRA FOODS	STOCK	DN	-4.67	999
CRB-PA	EQUAL-WEIGHT COMMODITY EX-AG	ETF	UP	-34.87	999
DEO	DIAGEO	STOCK	DN	-1.58	999
FLO	FLOWERS FOODS	STOCK	DN	-5.96	999
HRL	HORMEL FOODS (DK)	STOCK	DN	-4.49	999
KVUE	KENVUE	STOCK	DN	-4.99	999
STZ	CONSTELLATION BRANDS	STOCK	DN	-6.63	999
TGT	TARGET (DK)	STOCK	DN	-4.31	999
AMCR	AMCOR PLC (DK)	STOCK	DN	-3.91	275
KMB	KIMBERLY CLARK (DK)	STOCK	DN	-1.62	78