

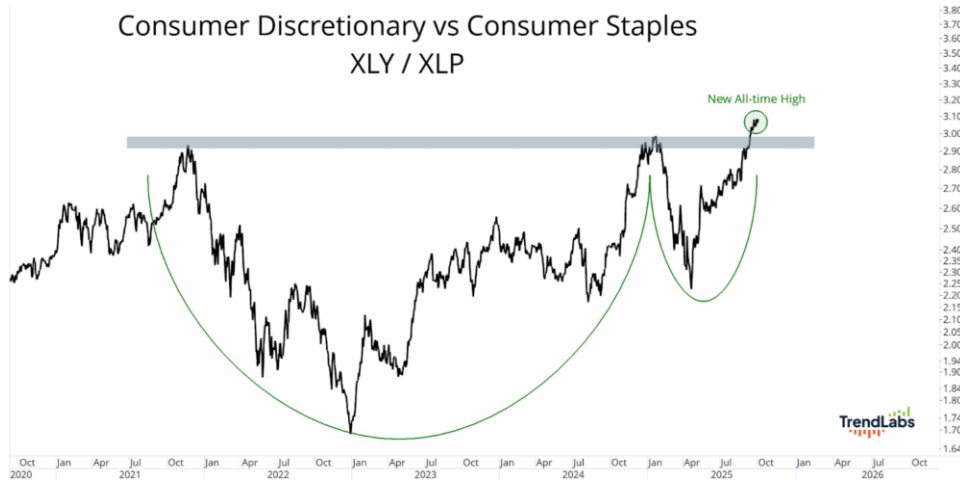
# Weekly Market Analysis #582 – 3 October 2025

## Richard "Doc" Ahrens

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### This Week

Tongue in cheek, JC Parets said, "If you're hunting for the bear case, it really starts (and ends) with this chart: Consumer Discretionary vs Consumer Staples...When the XLY/XLP ratio is breaking out to new highs, that tells us consumers aren't just surviving - they're thriving."



Jason Perz pointed out, "Frédéric Bastiat wrote in the mid-1800s that in economics, there is always what is seen and what is unseen. The "seen" is the immediate effect - the headline, the surface-level story. The "unseen" is the ripple effect - the costs, the dependencies, the second- and third-order consequences that actually drive outcomes.

In today's markets, the "seen" is obvious: artificial intelligence (AI). But the unseen is what it takes to power AI. Behind every ChatGPT response, every Nvidia data center, every robot training set, lies one unavoidable truth: Energy consumption is about to go vertical. And this is where Bastiat's lesson bites: The unseen story is where the real opportunity lies.



Jason goes on, "Coal is the fuel no one wants to talk about. Politicians denounce it, ESG funds avoid it, activists campaign against it. Yet coal still generates about 35% of the world's electricity (IEA, 2024)."

## Market Barometers

All five indexes made all-time highs this week.

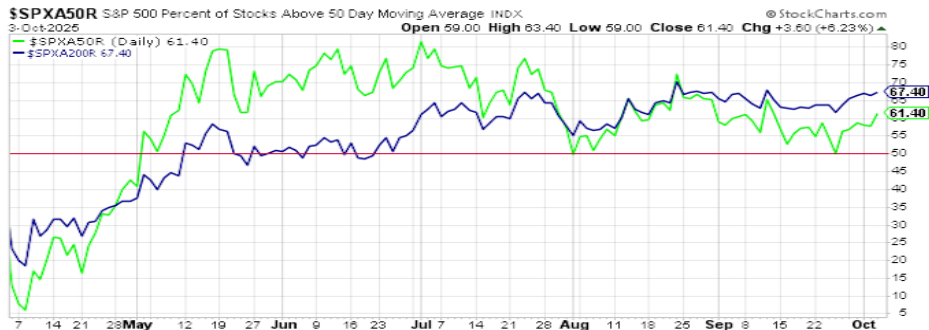


Week-over-week: **DIA: 1.1%, SPX: 1.1%, VTI: 0.9%, COMPQ: 1.3%, IWM: 1.9%**

Month-over-month: **DIA: 2.8%, SPX: 3.6%, VTI: 3.3%, COMPQ: 5.0%, IWM: 3.4%**

## A Closer Look

Even though Thursday and Friday closed lower than they opened, the SPX inched higher every day this week, AND made an all-time high. The BPSPX confirmed price and NYAD confirmed price on 4 days out of 5. The SPXA50 rose but the SPXA200 was 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 11-Jul-2025 to 03-Oct-2025

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

Details

Symbol	Slope	Synonym	Sector Name	Symbol	Slope	Synonym	Sector Name
1. SMH	5.54	SEMIS	SEMICONDUCTORS	12. KBE	2.18	BANKS	BANKS
2. IGM	4.27	TECHS	TECHNOLOGY	13. XLI	1.59	INDUS	INDUSTRIALS
3. XBI	4.03	BIOTC	BIOTECH	14. IYT	1.45	TRANS	TRANSPORTATION
4. GLD	3.90	GOLD	GOLD	15. XLF	1.25	FINAN	FINANCIALS
5. ITA	3.80	DFEND	AEROSPACE & DEFENSE	16. XLU	1.22	UTILS	UTILITIES
6. XLC	3.42	COMMS	COMMUNICATION SRVCS	17. XLE	1.11	ENRGY	ENERGY
7. XRT	3.28	SALES	RETAIL SALES	18. XLB	0.60	MATER	MATERIALS
8. ITB	3.00	BLDRS	HOMEBUILDERS	19. XLV	0.35	HLTHY	HEALTH CARE
9. XLY	2.81	DISCR	CONSUMER DISCR	20. KIE	0.21	INSUR	INSURANCE
10. PAVE	2.46	INFRA	INFRASTRUCTURE	21. XLRE	0.13	REALE	REAL ESTATE
11. SPX	2.44	SP500	S&P 500	22. XLP	-0.90	STAPL	CONSUMER STAPLES

The Semiconductor and Technology sectors led the way. Defense and Aerospace fell from 3<sup>rd</sup> to 5<sup>th</sup>. Gold jumped from 8<sup>th</sup> place to 4<sup>th</sup> while Home Builders dropped from 4<sup>th</sup> place to 8<sup>th</sup>. The bottom 10 sectors remained largely unchanged.

Biotech jumped from 7<sup>th</sup> to 3<sup>rd</sup>, which seemed a little odd at first. But Biotech has actually been rising for 13 weeks except for one small backward step on August 8<sup>th</sup>. The ability to track sector trends like this is exactly why I created the Relative Strength History table.

## 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 03-Oct-2025								
Symbol	Synonym	Description	Instr	MTA 3	RelStr	CMF	NH/NL	MCHist
<a href="#">SMH</a>	SEMIS	SEMICONDUCTORS	ETF	UP	5.54:2.52	<<up>>	999/0	0.8
<a href="#">IGM</a>	TECHS	EXPANDED TECH SECTOR	ETF	UP	4.27:2.52	=UP=	0/0	-0.1
<a href="#">XBI</a>	BIOTC	BIOTECHNOLOGY	ETF	UP	4.03:2.52	UP	44/0	0.4
<a href="#">GLD</a>	GOLD	SPDR GOLD SHARES	ETF	UP	3.90:2.52	<<UP>>	999/0	0.3
<a href="#">ITA</a>	DFEND	SPACE & DEFENSE	ETF	UP	3.80:2.52	<<up>>	999/0	0.6
<a href="#">XLC</a>	COMMS	COMMUNICATION SRVCS	ETF	UP	3.42:2.52	up	0/2	-0.6
<a href="#">XRT</a>	SALES	RETAIL	ETF	UP	3.28:2.52	<<DN>>	0/0	-0.6
<a href="#">ITB</a>	BLDRS	HOME CONSTRUCTION	ETF	UP	3.00:2.52	dn	1/0	-0.8
<a href="#">XLY</a>	DISCR	CONSUMER DISCR	ETF	UP	2.81:2.52	-DN-	1/0	-0.3
<a href="#">PAVE</a>	INFRA	INFRASTRUCTURE	ETF	UP	2.46:2.52	<<up>>	999/0	0.2
<a href="#">SPX</a>	SP500	CAP-WTD S&P 500 INDEX	INDEX	UP	2.44:2.52	<<up>>	999/0	-0.0
<a href="#">KBE</a>	BANKS	S&P BANK SECTOR	ETF	UP	2.18:2.52	=dn=	0/5	-0.5
<a href="#">XLI</a>	INDUS	INDUSTRIALS	ETF	UP	1.59:2.52	<<up>>	9/0	0.2
<a href="#">IYT</a>	TRANS	TRANSPORT NDX	ETF	UP	1.45:2.52	<<up>>	5/1	0.1
<a href="#">XLF</a>	FINAN	FINANCIALS	ETF	UP	1.25:2.52	-up-	1/2	-0.1
<a href="#">XLU</a>	UTILS	UTILITIES	ETF	UP	1.22:2.52	UP	999/0	0.5
<a href="#">XLE</a>	ENRGY	ENERGY	ETF	DN	1.11:2.52	-DN-	0/0	-0.1
<a href="#">XLB</a>	MATER	MATERIALS	ETF	DN	0.60:2.52	<<dn>>	0/0	-0.3
<a href="#">XLV</a>	HLTHY	HEALTH CARE	ETF	DN	0.35:2.52	≡UP≡	25/0	0.2
<a href="#">KIE</a>	INSUR	INSURANCE SECTOR	ETF	UP	0.21:2.52	<<UP>>	25/0	0.0
<a href="#">XLRE</a>	REALE	REAL ESTATE	ETF	DN	0.13:2.52	dn	2/0	-0.0
<a href="#">XLP</a>	STAPL	CONSUMER STAPLES	ETF	UP	-0.90:2.52	dn	0/0	-0.2

5 sectors made all-time highs this week.

MoM price changes for the top 5 sectors: **SMH: 14.8%**, **IGM: 6.4%**, **XBI: 8.5%**, **GLD: 8.0%**, **ITA: 5.8%**

MoM price changes for the Big 7 are: **AAPL: 7.6%**, **AMZN: -5.5%**, **GOOGL: 4.4%**, **META: -5.6%**, **MSFT: 4.5%**, **NFLX: -7.3%**, **TSLA: 22.5%**

Consider this — What if we wanted to add one more stock to the "Magnificent 7"? If it were up to me, I would put in Broadcom. Broadcom (AVGO) is a major supplier to both Nvidia and other AI-driven firms, offering indirect exposure to the AI boom without duplicating the core competencies of the Magnificent 7. It has strong cash flows, good dividend growth, and solid earnings. So it provides worthwhile defensive characteristics if you are heavily invested in mega-cap and hyper-growth stocks.

## This Week's Selections

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

### Top Sector ETFs By Slope

Symbol	MTA	ARI	SSlope	8% Stop	Close	Position
SMH	UP	Up	5.54%	\$311.18	\$336.68	Hold 10%
IGM	UP	Up	4.27%	\$117.46	\$127.08	Hold 10%
XBI	UP	Up	4.03%	\$95.31	\$103.60	<b>BUY</b>
GLD	UP	Up	3.90%	\$329.03	\$357.64	Hold 10%
ITA	UP	Up	3.80%	\$192.79	\$209.55	Hold 10%
XLC	UP	Up	3.42%	\$109.86	\$116.39	Hold 10%
XRT	UP	Up	3.28%	\$81.41	\$86.99	Hold 10%
ITB	UP	Up	3.00%	\$100.50	\$109.24	No
XLY	UP	Up	2.81%	\$222.81	\$237.86	Hold 10%
PAVE	UP	Up	2.46%	\$44.11	\$47.95	No
SPX	UP	Up	2.44%	\$6178.53	\$6715.79	INDEX
KBE	UP	Up	2.18%	\$57.03	\$59.28	No
URA	UP	Up	10.22%	\$46.37	\$49.60	Hold 10%

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

## Analysis

[SMH](#) made another all-time high and is above \$335. [IGM](#) advanced to \$127. [XBI](#) made a 44-week high and is above \$100. All basic charts are up. [GLD](#) made a new all-time high and closed above \$350 every day this week. [ITA](#) made an all-time high and ended the week just below \$210.

[XLC](#) has now penetrated the KB 21-day average and turned it down. Money flow turned down 2-3 weeks ago. [XRT](#) has been between \$86.0 and \$87.50 for about 4 weeks. KB is flat for 2 weeks. If [ITB](#) shows and open and a close above \$110 it will be worth looking at. [XLY](#) has been flat to down for 3 weeks and it is still below \$240.

[PAVE](#) broke out of a 7-week trading range and made an all-time high on positive money flow. [SPX](#) continues to chug upward and made an all-time high. [KBE](#) has declined for several weeks and is now below \$60. [URA](#) is taking a second run at \$50 and money flow is moderately positive.

## Thoughts and Decisions

XBI ended the week at \$103.60. On 8-Nov-24 it closed at a high of \$104.18. If it goes up another 59 cents, it will make a 3.7-year high. That will reduce historical resistance to almost nothing. All basic charts are up, so I'm going to buy XBI on the assumption that it has enough momentum to best historical resistance at \$104.18 and then psychological resistance at \$105.

So my sector choices this week are: GLD, ITA, IGM, SMH, URA, XBI, XLC, XLY, XRT, BIL (10%).

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## New Highs and New Lows

There were 42 all-time highs this week, and 4 all-time lows.

SECURITIES MAKING NEW HIGHS DURING THE WEEK OF 03-Oct-2025						
SYMBOL	COMPANY	INSTR	MTA	SLOPE	WEEKS	
ABBV	ABBVIE INC	STOCK	UP	4.42	999	
BYD	BOYD GAMING	STOCK	UP	2.75	999	
CAT	CATERPILLAR	STOCK	UP	5.85	999	
COMPQ	NASDAQ COMPOSITE	INDEX	UP	3.51	999	
DIA	DOW JONES INDUSTRIALS	ETF	UP	1.75	999	
EMXC	EMERGING MARKETS x CHINA	ETF	UP	2.92	999	
EUFN	EUROPEAN BANKS	ETF	UP	2.66	999	
GDX	MARKET VECTORS GOLD MINERS	ETF	UP	11.19	999	
GLD	SPDR GOLD SHARES	ETF	UP	3.90	999	
GLDM	GOLD MINISHARES	ETF	UP	3.92	999	
IEFA	EUROPE/AUSTRALIA/FAR-EAST	ETF	UP	1.99	999	
INFL	INFLATION BENEFICIARIES	ETF	UP	1.59	999	
IQLT	GLOBAL QUALITY	ETF	UP	1.35	999	
ITA	SPACE & DEFENSE	ETF	UP	3.80	999	
IVE	S&P 500 VALUE	ETF	DN	1.48	999	
IWM	SMALL-CAP OVERVIEW	ETF	UP	3.31	999	
JNJ	JOHNSON AND JOHNSON (DK)	STOCK	UP	3.34	999	
MOAT	MORNINGSTAR WIDE MOAT	ETF	UP	1.60	999	
NVDA	NVIDIA	STOCK	UP	4.84	999	
NVS	NOVARTIS	STOCK	UP	2.43	999	
PAVE	INFRASTRUCTURE	ETF	UP	2.46	999	
PLTR	PALANTIR	STOCK	UP	7.64	999	
QLTY	GMO U.S. QUALITY	ETF	UP	2.31	999	
QQQ	NASDAQ 100	ETF	UP	3.01	999	
RSP	EQU-WTD S&P 500 INDEX	ETF	DN	1.32	999	
SMH	SEMICONDUCTORS	ETF	UP	5.54	999	
SOXX	PHLX SEMICONDUCTORS	ETF	UP	4.97	999	
SPX	CAP-WTD S&P 500 INDEX	INDEX	UP	2.44	999	
SPY	S&P 500 (LARGE-CAP)	ETF	UP	2.44	999	
SPYV	S&P 500 (VALUE)	ETF	DN	1.48	999	
SECURITIES MAKING NEW LOWS DURING THE WEEK OF 03-Oct-2025						
CAG	CONAGRA FOODS	STOCK	DN	-4.45	999	
CRB-PA	EQUAL-WEIGHT COMMODITY EX-AG	ETF	UP	-35.99	999	
FLO	FLOWERS FOODS	STOCK	DN	-6.52	999	
KVUE	KENVUE	STOCK	DN	-6.30	999	