

Weekly Market Analysis #598 — 23 January 2026

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This Week

For a number of years, I've been trying various changes to the MACD. I've been trying different settings and even different averages to make it more useful. The generic MACD doesn't work very well anymore because there are too many people using it. Last year, Steve Blumenthal suggested switching time scales and using the MACD on weekly data. Some time later, JC Parets mentioned the same thing. Then Don Kaufman said it, too. With the same message coming from three people with significantly different approaches to the markets, I knew I had better look into it.

While I was researching it last fall, something unexpected happened. In November, the SPX's weekly MACD turned negative. I thought it was a fluke. But look at this chart.



In the second week of November the weekly MACD's main line dropped below the red trailer line, and despite the SPX turning back up, the black line remained below the red line. This is concerning, especially since the VTI (whole market fund) and the COMPQ index showed the same signal. Here's a link to [this chart](#).

The new charts will start to come up next week. I've been using Claude.AI to generate Python code to create the new charts. I wrote a 15-page design document describing the chart layouts and sent that to Claude. Claude converted the whole document into code in a matter of seconds.

I tried hard to get the first new charts up this week but the code had one formatting error that Claude just couldn't seem to get right. I sent the whole program to my long-time friend, Kiley, who has been studying Python for quite some time. It didn't take him long to figure out what the problem was and fix it.

AI is powerful, but it doesn't have judgment. If you give it a problem it can't solve, it will often give you strange answers. This is why you have to monitor what AI does, no matter what the task is.

Anyway, now I can start getting the new charts installed in the indicator software.

Market Barometers

The MTAs for all 5 major indexes are still green, but COMPQ is below the peak it made at the end of October. Also, the Industrials, the S&P 500, and the VTI are below their local highs. Only IWM is still going up.



Month-over-month: DJIA: 1.4%, SPX: 0.1%, VTI: 0.5%, COMPQ: -0.3%, IWM: 5.0%

[Link to SPX chart](#) (all the other indexes use the same format)

A Closer Look

In this 4-day week, the SPX got hit hard on Tuesday, then open and closed higher on Wednesday. On Thursday and Friday it put in lows below \$6900 and closed a little above \$6900, so both days were seesaw battles around \$6900 on heavy volume. This week BPSPX did worse than price, but ended the week at a positive 60. NYAD did better than price but lost a little ground on Friday. SPXA50R and SPXA200R largely mirrored price, finishing Friday on either side of 68.



[S&P Price](#) [Bullish Percent](#) [Advance-Dcline 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 31-Oct-2025 to 23-Jan-2026

| 31 Oct | 07 Nov | 14 Nov | 21 Nov | 28 Nov | 05 Dec | 12 Dec | 19 Dec | 26 Dec | 02 Jan | 09 Jan | 16 Jan | 23 Jan |
|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| SEMS | SEMS | BIOTC | BIOTC | BIOTC | BIOTC | BIOTC | BIOTC | BIOTC | BIOTC | BIOTC | BIOTC | BIOTC |
| BIOTC | BIOTC | SEMS | SEMS | SEMS | SEMS | SEMS | SEMS | GOLD | GOLD | SEMS | SEMS | SEMS |
| GOLD | GOLD | GOLD | GOLD | GOLD | GOLD | GOLD | GOLD | SEMS | SEMS | GOLD | GOLD | GOLD |
| TECHS | TECHS | TECHS | TECHS | HLTHY | HLTHY | HLTHY | HLTHY | HLTHY | HLTHY | HLTHY | DFEND | DFEND |
| DFEND | DFEND | DFEND | HLTHY | TECHS | TECHS | TECHS | TECHS | TECHS | TECHS | DFEND | HLTHY | HLTHY |
| UTILS | UTILS | SP500 | DFEND | DFEND | SP500 | SP500 | TRANS | TRANS | TRANS | TRANS | TRANS | TRANS |
| SP500 | SP500 | HLTHY | SP500 | SP500 | INFRA | TRANS | INFRA | BANKS | BANKS | BANKS | SALES | BANKS |
| INFRA | INFRA | UTILS | UTILS | UTILS | DFEND | INFRA | BANKS | INFRA | DFEND | TECHS | BANKS | SALES |
| COMMS | HLTHY | INFRA | INFRA | INFRA | TRANS | ENRGY | SP500 | SALES | SALES | SALES | INFRA | INFRA |
| DISCR | DISCR | DISCR | DISCR | ENRGY | ENRGY | DFEND | SALES | SP500 | INFRA | INFRA | TECHS | INDUS |
| HLTHY | COMMS | COMMS | COMMS | COMMS | COMMS | COMMS | DFEND | DFEND | SP500 | SP500 | INDUS | ENRGY |
| SALES | INDUS | INDUS | INDUS | DISCR | INDUS | BANKS | COMMS | COMMS | COMMS | FINAN | SP500 | TECHS |
| INDUS | TRANS | TRANS | ENRGY | TRANS | BANKS | SALES | ENRGY | INDUS | FINAN | COMMS | ENRGY | SP500 |
| TRANS | SALES | ENRGY | TRANS | INDUS | UTILS | INDUS | INDUS | FINAN | INDUS | INDUS | FINAN | COMMS |
| FINAN | ENRGY | SALES | FINAN | INSUR | INSUR | INSUR | INSUR | INSUR | ENRGY | ENRGY | COMMS | FINAN |
| ENRGY | FINAN | FINAN | SALES | FINAN | SALES | FINAN | FINAN | ENRGY | ENRGY | INSUR | INSUR | BLDRS |
| BLDRS | BANKS | BANKS | INSUR | BANKS | FINAN | REALE | STAPL | STAPL | STAPL | STAPL | BLDRS | INSUR |
| BANKS | REALE | REALE | BANKS | SALES | DISCR | BLDRS | BLDRS | BLDRS | REALE | BLDRS | STAPL | STAPL |
| REALE | BLDRS | INSUR | REALE | REALE | REALE | STAPL | REALE | REALE | BLDRS | REALE | REALE | REALE |
| MATER | MATER | MATER | MATER | MATER | BLDRS | UTILS | DISCR | DISCR | DISCR | DISCR | DISCR | MATER |
| INSUR | INSUR | BLDRS | STAPL | STAPL | STAPL | DISCR | UTILS | UTILS | UTILS | MATER | MATER | DISCR |
| STAPL | STAPL | STAPL | BLDRS | BLDRS | MATER | MATER | MATER | MATER | MATER | UTILS | UTILS | UTILS |

Details

| Symbol | Slope | Synonym | Sector Name | Symbol | Slope | Synonym | Sector Name |
|---------|-------|---------|---------------------|----------|--------|---------|---------------------|
| 1. XBI | 6.05 | BIOTC | BIOTECH | 12. IGM | 1.50 | TECHS | TECHNOLOGY |
| 2. SMH | 5.40 | SEMS | SEMICONDUCTORS | 13. SPX | 1.39 | SP500 | S&P 500 |
| 3. GLD | 5.31 | GOLD | GOLD | 14. XLC | 0.93 | COMMS | COMMUNICATION SRVCS |
| 4. ITA | 4.15 | DFEND | AEROSPACE & DEFENSE | 15. XLF | 0.91 | FINAN | FINANCIALS |
| 5. XLV | 2.68 | HLTHY | HEALTH CARE | 16. ITB | 0.53 | BLDRS | HOMEBUILDERS |
| 6. IYT | 2.40 | TRANS | TRANSPORTATION | 17. KIE | 0.33 | INSUR | INSURANCE |
| 7. KBE | 2.23 | BANKS | BANKS | 18. XLP | 0.33 | STAPL | CONSUMER STAPLES |
| 8. XRT | 2.21 | SALES | RETAIL SALES | 19. XLRE | -0.42 | REALE | REAL ESTATE |
| 9. PAVE | 2.18 | INFRA | INFRASTRUCTURE | 20. XLB | -13.74 | MATER | MATERIALS |
| 10. XLI | 1.95 | INDUS | INDUSTRIALS | 21. XLY | -13.82 | DISCR | CONSUMER DISCR |
| 11. XLE | 1.78 | ENRGY | ENERGY | 22. XLU | -14.94 | UTILS | UTILITIES |

The top 9 sectors remained largely the same except for some minor shuffling.

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 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 23-Jan-2026 | | | | | | | | |
|---|---------|-----------------------|-------|-------|-------------|--------|-------|--------|
| Symbol | Synonym | Description | Instr | MTA 3 | RelStr | CMF | NH/NL | MCHist |
| XBI | BIOTC | BIOTECHNOLOGY | ETF | UP | 6.05:1.43 | <<up>> | 212/0 | 0.1 |
| SMH | SEMIS | SEMICONDUCTORS | ETF | UP | 5.40:1.43 | DN | 999/0 | 0.5 |
| GLD | GOLD | SPDR GOLD SHARES | ETF | UP | 5.31:1.43 | ≡UP≡ | 999/1 | 0.8 |
| ITA | DFEND | SPACE & DEFENSE | ETF | UP | 4.15:1.43 | -up- | 992/2 | 0.6 |
| XLV | HLTHY | HEALTH CARE | ETF | UP | 2.68:1.43 | ≡UP≡ | 2/2 | -0.2 |
| IYT | TRANS | TRANSPORT NDX | ETF | UP | 2.40:1.43 | ≡up≡ | 0/2 | -0.1 |
| KBE | BANKS | S&P BANK SECTOR | ETF | UP | 2.23:1.43 | -DN- | 999/0 | 0.0 |
| XRT | SALES | RETAIL | ETF | UP | 2.21:1.43 | -up- | 0/2 | 0.0 |
| PAVE | INFRA | INFRASTRUCTURE | ETF | UP | 2.18:1.43 | ≡up≡ | 447/1 | 0.5 |
| XLI | INDUS | INDUSTRIALS | ETF | UP | 1.95:1.43 | -up- | 999/1 | 0.5 |
| XLE | ENRGY | ENERGY | ETF | UP | 1.78:1.43 | <<DN>> | 574/0 | 0.8 |
| IGM | TECHS | EXPANDED TECH SECTOR | ETF | UP | 1.50:1.43 | DN | 0/4 | -0.3 |
| SPX | SP500 | CAP-WTD S&P 500 INDEX | INDEX | UP | 1.39:1.43 | DN | 0/4 | -0.2 |
| XLC | COMMS | COMMUNICATION SRVCS | ETF | UP | 0.93:1.43 | -dn- | 2/7 | -0.6 |
| XLF | FINAN | FINANCIALS | ETF | UP | 0.91:1.43 | DN | 0/7 | -0.6 |
| ITB | BLDRS | HOME CONSTRUCTION | ETF | UP | 0.53:1.43 | ≡up≡ | 0/2 | 0.8 |
| XLP | STAPL | CONSUMER STAPLES | ETF | DN | 0.33:1.43 | UP | 21/0 | 0.8 |
| KIE | INSUR | INSURANCE SECTOR | ETF | DN | 0.33:1.43 | <<dn>> | 0/10 | -0.5 |
| XLRE | REALE | REAL ESTATE | ETF | DN | -0.42:1.43 | -up- | 11/1 | 0.3 |
| XLB | MATER | MATERIALS | ETF | DN | -13.74:1.43 | <<UP>> | 7/1 | 2.8 |
| XLY | DISCR | CONSUMER DISCR | ETF | DN | -13.82:1.43 | =UP= | 1/2 | 2.6 |
| XLU | UTILS | UTILITIES | ETF | DN | -14.94:1.43 | -DN- | 0/2 | 3.3 |

MoM price changes for the top 5 sectors: [XBI](#): 2.5%, [SMH](#): 10.2%, [GLD](#): 10.7%, [ITA](#): 7.0%, [XLV](#): 1.6%

MoM price changes for the Big 8 (the Mag 7 plus AVGO): [AAPL](#): -8.9%, [AMZN](#): 3.0%, [AVGO](#): -8.4%, [GOOGL](#): 4.3%, [META](#): -0.9%, [MSFT](#): -4.3%, [NFLX](#): -7.9%, [TSLA](#): -7.5%

This Week's Selections

Last week my sector choices were: GLD, ITA, IYT, PAVE, SMH, XBI, XLF, XLI, XLV, and BIL (10%).

Top Sector ETFs By Slope

| Symbol | MTA | ARI | SSlope | 8% Stop | Close | Position |
|--------|-----|-----|--------|-----------|-----------|---------------|
| XBI | UP | Up | 6.05% | \$121.04 | \$128.04 | Hold 10% |
| SMH | UP | Up | 5.40% | \$370.59 | \$400.09 | Hold 10% |
| GLD | UP | Up | 5.31% | \$421.36 | \$458.00 | Hold 10% |
| ITA | UP | Up | 4.15% | \$224.27 | \$235.07 | Hold 10% |
| XLV | UP | Up | 2.68% | \$146.89 | \$157.48 | Hold 10% |
| IYT | UP | Up | 2.40% | \$72.05 | \$76.87 | Hold 10% |
| KBE | UP | Up | 2.23% | \$59.64 | \$62.79 | no |
| XRT | UP | Up | 2.21% | \$83.61 | \$88.86 | no |
| PAVE | UP | Up | 2.18% | \$47.54 | \$51.10 | Hold 10% |
| XLI | UP | Up | 1.95% | \$153.55 | \$164.22 | Hold 10% |
| XLE | UP | Up | 1.78% | \$45.25 | \$49.19 | no |
| IGM | UP | Up | 1.50% | \$123.48 | \$129.63 | no |
| SPX | UP | Up | 1.39% | \$6419.09 | \$6915.61 | INDEX |
| XLC | UP | Up | 0.93% | \$109.86 | \$116.96 | no |
| XLF | UP | Up | 0.91% | \$51.89 | \$53.07 | Hold 10% |
| URA | UP | Up | 4.00% | \$52.44 | \$57.00 | WATCH+ |

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

Analysis

[XBI](#) made a 4-year high on Thursday, then fell back below \$130 on Friday. [SMH](#) made a new all-time high. [GLD](#) continues to climb and made an all-time high. [ITA](#) made a 992-week (19 year) high last Friday but declined this week. [XLV](#) got above \$157, but CMF increased.

[IYT](#) made another run at \$78 but ended the week at \$76.87. [KBE](#) made a new high and almost touched \$66 but fell back to \$62.79. Its CMF has been below zero for 5 weeks. [XRT](#) fell back below \$90 on Tuesday, got above it on Wednesday, then fell back again. [PAVE](#) made another new high on strong money flow. [XLI](#) got above \$165 but fell back near \$164.

[XLE](#) made a 574 week (11 year) new high as it tried to get above \$50. [IGM](#) is still in a \$127.5–\$132.5 range. [SPX](#) went down pretty hard on Tuesday, then managed a partial recovery by Friday. [XLC](#) broke its decline by getting back above its 50-day average. [XLF](#) declined for a third week. [URA](#) has powered up 24% this month and made a 14-week high. It's within about a dollar of making an all-time high.

Thoughts and Decisions

URA's slope actually puts it up between ITA and XLV. I watch it even though it's not exactly a sector. It invests primarily in uranium miners and SMRs (Small Modular Reactors). If it makes a new high, I will buy it.

My sector choices this week are still: GLD, ITA, IYT, PAVE, SMH, XBI, XLF, XLI, XLV, and BIL (10%).

New Highs and Lows

10 securities made all-time new highs this week.

| SECURITIES MAKING NEW HIGHS DURING THE WEEK OF 23-Jan-2026 | | | | | |
|--|-------------------------------|-------|-----|-------|-------|
| SYMBOL | COMPANY | INSTR | MTA | SLOPE | WEEKS |
| DJTA | DOW JONES TRANSPORTS | INDEX | UP | 4.26 | 999 |
| EEM | EMERGING MARKETS | ETF | UP | 2.52 | 999 |
| GLD | SPDR GOLD SHARES | ETF | UP | 5.31 | 999 |
| IWM | SMALL-CAP OVERVIEW | ETF | UP | 2.79 | 999 |
| JNJ | JOHNSON AND JOHNSON (DK) | STOCK | UP | 4.37 | 999 |
| KBE | S&P BANK SECTOR | ETF | UP | 2.23 | 999 |
| RSP | EQU-WTD S&P 500 INDEX | ETF | UP | 1.44 | 999 |
| SMH | SEMICONDUCTORS | ETF | UP | 5.40 | 999 |
| SOXX | PHLX SEMICONDUCTORS | ETF | UP | 5.83 | 999 |
| XLI | INDUSTRIALS | ETF | UP | 1.95 | 999 |
| SLV | SILVER TRUST | ETF | UP | 21.29 | 993 |
| ITA | SPACE & DEFENSE | ETF | UP | 4.15 | 992 |
| GDX | MARKET VECTORS GOLD MINERS | ETF | UP | 9.77 | 991 |
| XME | METALS AND MINING | ETF | UP | 9.24 | 986 |
| ACWX | ACWI INDEX MINUS U.S. | ETF | UP | 2.06 | 897 |
| COPX | GLOBAL X COPPER MINERS | ETF | UP | 11.09 | 794 |
| PSCI | SMALLCAP INDUSTRIALS | ETF | UP | 2.93 | 777 |
| IEMG | EMERGING MARKETS | ETF | UP | 2.27 | 667 |
| XLE | ENERGY | ETF | UP | 1.78 | 574 |
| VIG | DIVIDEND APPRECIATION | ETF | UP | 1.25 | 456 |
| IEFA | EUROPE/AUSTRALIA/FAR-EAST | ETF | UP | 1.67 | 452 |
| IQLT | GLOBAL QUALITY | ETF | UP | 1.70 | 452 |
| IWN | SMALL-CAP VALUE | ETF | UP | 2.95 | 452 |
| XAR | EQU-WTD SPACE & DEFENSE | ETF | UP | 5.57 | 448 |
| PAVE | INFRASTRUCTURE | ETF | UP | 2.18 | 447 |
| MOAT | MORNINGSTAR WIDE MOAT | ETF | UP | 2.00 | 430 |
| EMXC | EMERGING MARKETS x CHINA | ETF | UP | 3.40 | 428 |
| BNS | BANK OF NOVA SCOTIA (DS 1833) | STOCK | UP | 4.57 | 411 |
| BMO | BANK OF MONTREAL (DS 1829) | STOCK | UP | 2.83 | 410 |
| GLDM | GOLD MINISHARES | ETF | UP | 5.34 | 381 |
| | | | | | |
| SECURITIES MAKING NEW LOWS DURING THE WEEK OF 23-Jan-2026 | | | | | |
| VALUG | VALUELINE GEOMETRIC INDEX | INDEX | UP | -0.55 | 999 |
| KHC | KRAFT HEINZ COMPANY | STOCK | DN | -2.62 | 294 |
| TMUS | T-MOBILE US | STOCK | DN | -4.66 | 74 |

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