

Weekly Market Analysis #600 — 6 February 2026

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This Week

We have charts!

Now we have 11 charts for each security. We still have some work to do (colors, dots, and so on) but the charts themselves are there. It turned out that copying the MTA format file and making the necessary changes was a lot more involved than I expected.

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There was a sharp, sentiment driven sell-off in big technology and growth stocks. This was largely caused by fears about massive AI-related spending, questions about when the investment in AI is going to start generating returns. Amplified by less-than-stellar economic data and weak labor reports, worries about business aspects of AI spread through the rest of the market.

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Steve Blumenthal's February 6, 2026 "On My Radar" entitled "[The SaaS-ageddon Attack](#)" discusses the disruption triggered by Anthropic's Claude AI advancements, which analysts blame for tanking SaaS stocks and rattling tech markets. Blumenthal says Claude's industry-specific AI tools — like legal services agents — threaten to automate complex tasks traditionally handled by SaaS platforms such as Salesforce, Adobe, Workday, and Intuit. This led to big losses for SaaS names (e.g., Salesforce -11.3%, Intuit -13.5%) and a 2.6% decline in the SPX as a whole.

Steve points to tech's massive 35% weighting in the S&P 500 (up from about 15% in 2010), and the risks this poses since market prices are near to record highs like the Shiller PE peaks of 2000 and 1929.

His report emphasizes Anthropic's leap ahead of rivals like ChatGPT via reality-focused, business-oriented AI and the shift away, as he says, from " 'Grow fast, lose money, raise again' to 'Grow reasonably, generate cash, prove durability.' "

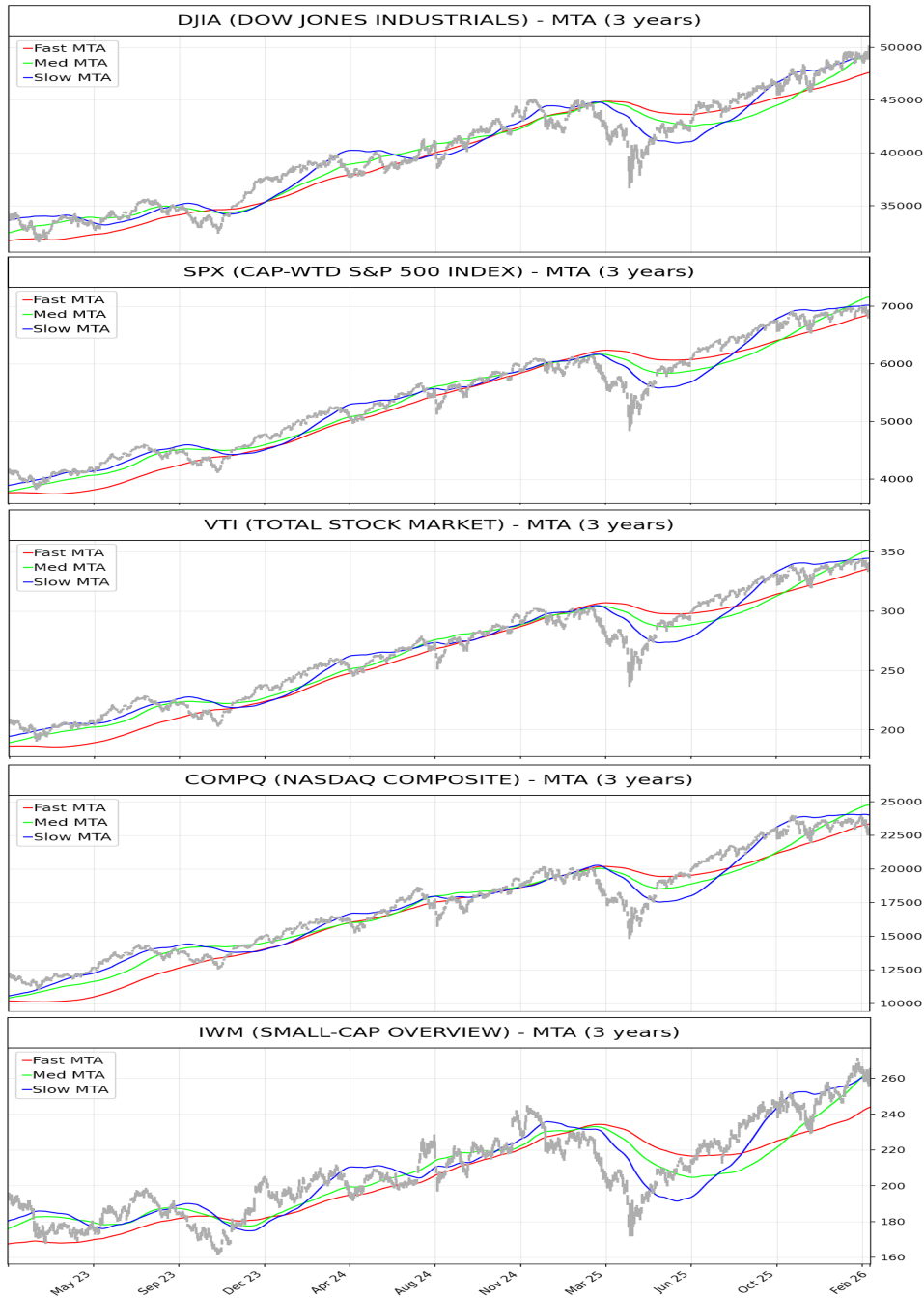
Steve warns about potential S&P 500 earnings pressure since tech drives 35-40% of U.S. equity cap. And he includes several charts (e.g., NDR Median PE pointing to a 33% disconnect from fair value near \$4,635). He views this as the end of "easy SaaS" rather than the end of the sector.

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On January 30th Trump announced his intention to nominate Kevin Warsh as the Next Chair of the Federal Reserve. The price of KBE, the bank ETF, started rising on January 30th. Coincidence? Doesn't seem likely...

Market Barometers

The MTAs for all 5 major indexes are still green. All 5 are up month over month except COMPQ.



Month-over-month: **DDJIA: 1.7%**, **SPX: 0.2%**, **VTI: 0.2%**, **COMPQ: -1.9%**, **IWM: 2.6%**

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

A Closer Look

A big rise on Friday wasn't enough to make up for the SPX declining from Tuesday to Thursday. BPSPX ended the week more-or-less flat, but still positive. NYAD did much better than price. SPXA50R and SPXA200R ended higher, but not as much as the Advance-Decline line.



[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													14-Nov-2025 to 06-Feb-2026	
14 Nov	21 Nov	28 Nov	05 Dec	12 Dec	19 Dec	26 Dec	02 Jan	09 Jan	16 Jan	23 Jan	30 Jan	06 Feb		
BIOTC	BIOTC	BIOTC	BIOTC	BIOTC	BIOTC	BIOTC	BIOTC	BIOTC	BIOTC	BIOTC	GOLD	GOLD		
SEMIS	SEMIS	SEMIS	SEMIS	SEMIS	SEMIS	GOLD	GOLD	SEMIS	SEMIS	SEMIS	SEMIS	SEMIS		
GOLD	GOLD	GOLD	GOLD	GOLD	GOLD	SEMIS	SEMIS	GOLD	GOLD	GOLD	BIOTC	BIOTC		
TECHS	TECHS	HLTHY	HLTHY	HLTHY	HLTHY	HLTHY	HLTHY	HLTHY	DFEND	DFEND	DFEND	DFEND		
DFEND	HLTHY	TECHS	TECHS	TECHS	TECHS	TECHS	TECHS	DFEND	HLTHY	HLTHY	ENRGY	ENRGY		
HLTHY	DFEND	DFEND	SP500	SP500	TRANS	TRANS	TRANS	TRANS	TRANS	TRANS	HLTHY	INFRA		
SP500	SP500	SP500	INFRA	TRANS	INFRA	BANKS	BANKS	BANKS	SALES	BANKS	INFRA	TRANS		
UTILS	UTILS	UTILS	DFEND	INFRA	BANKS	INFRA	DFEND	TECHS	BANKS	SALES	TRANS	BANKS		
INFRA	INFRA	INFRA	TRANS	ENRGY	SP500	SALES	SALES	SALES	INFRA	INFRA	BANKS	INDUS		
DISCR	DISCR	ENRGY	ENRGY	DFEND	SALES	SP500	INFRA	INFRA	TECHS	INDUS	INDUS	HLTHY		
COMMS	COMMS	COMMS	COMMS	COMMS	DFEND	DFEND	SP500	SP500	INDUS	ENRGY	SALES	SALES		
INDUS	INDUS	DISCR	INDUS	BANKS	COMMS	COMMS	COMMS	FINAN	SP500	TECHS	TECHS	STAPL		
TRANS	ENRGY	TRANS	BANKS	SALES	ENRGY	INDUS	FINAN	COMMS	ENRGY	SP500	SP500	SP500		
ENRGY	TRANS	INDUS	UTILS	INDUS	INDUS	FINAN	INDUS	INDUS	FINAN	COMMS	COMMS	BLDRS		
SALES	FINAN	INSUR	INSUR	INSUR	INSUR	INSUR	INSUR	ENRGY	COMMS	FINAN	STAPL	TECHS		
FINAN	SALES	FINAN	SALES	FINAN	FINAN	ENRGY	ENRGY	INSUR	INSUR	BLDRS	BLDRS	COMMS		
BANKS	INSUR	BANKS	FINAN	REALE	STAPL	STAPL	STAPL	STAPL	BLDRS	INSUR	FINAN	FINAN		
REALE	BANKS	SALES	DISCR	BLDRS	BLDRS	BLDRS	REALE	BLDRS	STAPL	STAPL	INSUR	REALE		
INSUR	REALE	REALE	REALE	STAPL	REALE	REALE	BLDRS	REALE	REALE	REALE	REALE	INSUR		
MATER	MATER	MATER	BLDRS	UTILS	DISCR	DISCR	DISCR	DISCR	DISCR	MATER	MATER	UTILS		
BLDRS	STAPL	STAPL	STAPL	DISCR	UTILS	UTILS	UTILS	MATER	MATER	DISCR	DISCR	MATER		
STAPL	BLDRS	BLDRS	MATER	MATER	MATER	MATER	MATER	UTILS	UTILS	UTILS	UTILS	DISCR		

Details

Symbol	Slope	Synonym	Sector Name	Symbol	Slope	Synonym	Sector Name
1. GLD	6.56	GOLD	GOLD	12. XLP	1.45	STAPL	CONSUMER STAPLES
2. SMH	5.75	SEMIS	SEMICONDUCTORS	13. SPX	1.24	SP500	S&P 500
3. XBI	5.28	BIOTC	BIOTECH	14. ITB	1.01	BLDRS	HOMEBUILDERS
4. ITA	4.11	DFEND	AEROSPACE & DEFENSE	15. IGM	0.98	TECHS	TECHNOLOGY
5. XLE	3.53	ENRGY	ENERGY	16. XLC	0.90	COMMS	COMMUNICATION SRVCS
6. PAVE	2.61	INFRA	INFRASTRUCTURE	17. XLF	0.29	FINAN	FINANCIALS
7. IYT	2.52	TRANS	TRANSPORTATION	18. XLRE	-0.14	REALE	REAL ESTATE
8. KBE	2.44	BANKS	BANKS	19. KIE	-0.15	INSUR	INSURANCE
9. XLI	2.44	INDUS	INDUSTRIALS	20. XLU	-0.27	UTILS	UTILITIES
10. XLV	2.17	HLTHY	HEALTH CARE	21. XLB	-11.93	MATER	MATERIALS
11. XRT	1.78	SALES	RETAIL SALES	22. XLY	-12.97	DISCR	CONSUMER DISCR

The top five sectors remained the same. Healthcare dropped from 6th to 10th.

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 06-Feb-2026								
Symbol	Synonym	Description	Instr	MTA 3	RelStr	CMF	NH/NL	MCHist
GLD	GOLD	SPDR GOLD SHARES	ETF	UP	6.56:1.27	up	1/2	3.5
SMH	SEMIS	SEMICONDUCTORS	ETF	UP	5.75:1.27	«UP»	0/4	1.0
XBI	BIOTC	BIOTECHNOLOGY	ETF	UP	5.28:1.27	-DN-	1/4	-0.1
ITA	DFEND	SPACE & DEFENSE	ETF	UP	4.11:1.27	«UP»	1/5	1.1
XLE	ENRGY	ENERGY	ETF	UP	3.53:1.27	≡UP≡	999/0	1.8
PAVE	INFRA	INFRASTRUCTURE	ETF	UP	2.61:1.27	UP	449/0	0.9
IYT	TRANS	TRANSPORT NDX	ETF	UP	2.52:1.27	UP	999/0	1.1
XLI	INDUS	INDUSTRIALS	ETF	UP	2.44:1.27	UP	999/0	0.9
KBE	BANKS	S&P BANK SECTOR	ETF	UP	2.44:1.27	≡UP≡	999/0	0.8
XLV	HLTHY	HEALTH CARE	ETF	UP	2.17:1.27	«up»	2/0	0.2
XRT	SALES	RETAIL	ETF	UP	1.78:1.27	«UP»	2/0	0.2
XLP	STAPL	CONSUMER STAPLES	ETF	DN	1.45:1.27	-up-	999/0	0.7
SPX	SP500	CAP-WTD S&P 500 INDEX	INDEX	UP	1.24:1.27	UP	0/2	-0.8
ITB	BLDRS	HOME CONSTRUCTION	ETF	UP	1.01:1.27	«UP»	3/0	0.3
IGM	TECHS	EXPANDED TECH SECTOR	ETF	UP	0.98:1.27	=DN=	0/21	-2.0
XLC	COMMS	COMMUNICATION SRVCS	ETF	UP	0.90:1.27	-UP-	0/2	-0.5
XLF	FINAN	FINANCIALS	ETF	UP	0.29:1.27	«UP»	3/1	-0.3
XLRE	REALE	REAL ESTATE	ETF	DN	-0.14:1.27	«UP»	3/3	0.1
KIE	INSUR	INSURANCE SECTOR	ETF	DN	-0.15:1.27	-DN-	4/0	-0.1
XLU	UTILS	UTILITIES	ETF	UP	-0.27:1.27	=DN=	2/1	-0.8
XLB	MATER	MATERIALS	ETF	DN	-11.93:1.27	-up-	8/0	-6.0
XLY	DISCR	CONSUMER DISCR	ETF	DN	-12.97:1.27	«UP»	0/288	-7.9

MoM price changes for the top 5 sectors: **GLD: 10.7%**, **SMH: 6.0%**, **XBI: 1.5%**, **ITA: 2.9%**, **XLE: 14.4%**

MoM price changes for the Big 8 (the Mag 7 plus AVGO): **AAPL: 7.4%**, **AMZN: -14.6%**, **AVGO: 0.1%**, **GOOGL: -0.8%**, **META: 2.4%**, **MSFT: -16.1%**, **NFLX: -9.2%**, **TSLA: -5.7%**

Thoughts and Decisions

The "BUY" and "WATCH" entries in the last column of the table reflect the analysis, but not the actions that I will be taking. I wanted everyone to see how the ETFs were rated before we talked about the final decisions.

This is an interesting situation. There are three BUYs (XLE, KBE, and XLP) and three ETFs showing signs of weakness (ITA, XLV, and XLF). In the DAA documentation, there's a rule about new up-and-comers pushing weaker ETFs out of the list of holdings. The rule says a stronger ETF can push out an existing ETF if it has a higher smoothed slope and a higher overall rating. Neither XLE nor KBE have a higher smoothed slope than ITA so they can't push ITA out. But XLE and KBE are stronger than XLV and XLF.

So I'm going to sell XLV and XLF, and buy XLE and KBE. So my sector choices this week are: ITA, IYT, KBE, PAVE, SMH, XBI, XLE, XLI, and BIL (20%).

New Highs and Lows

5 securities made all-time highs, including consumer staples.

SECURITIES MAKING NEW HIGHS DURING THE WEEK OF 06-Feb-2026					
SYMBOL	COMPANY	INSTR	MTA	SLOPE	WEEKS
IYT	TRANSPORT NDX	ETF	UP	2.52	999
KBE	S&P BANK SECTOR	ETF	UP	2.44	999
XLE	ENERGY	ETF	UP	3.53	999
XLI	INDUSTRIALS	ETF	UP	2.44	999
XLP	CONSUMER STAPLES	ETF	DN	1.45	999
ACWX	ACWI INDEX MINUS U.S.	ETF	UP	2.55	504
DJIA	DOW JONES INDUSTRIALS	INDEX	UP	1.67	504
DJTA	DOW JONES TRANSPORTS	INDEX	UP	4.62	504
JNJ	JOHNSON AND JOHNSON (DK)	STOCK	UP	5.43	504
PSCI	SMALL-CAP INDUSTRIALS	ETF	UP	3.53	504
RSP	EQU-WTD S&P 500 INDEX	ETF	UP	1.56	504
USMV	USA MIN VOLATILITY	ETF	UP	0.19	504
WMT	WALMART STORES	STOCK	UP	3.87	504
GOOGL	ALPHABET INC	STOCK	UP	7.43	503
KBWB	BIG BANKS	ETF	UP	3.24	460
VIG	DIVIDEND APPRECIATION	ETF	UP	1.25	459
IVE	S&P 500 VALUE	ETF	UP	1.57	457
IEFA	EUROPE/AUSTRALIA/FAR-EAST	ETF	UP	2.15	454
IWN	SMALL-CAP VALUE	ETF	UP	3.22	454
PAVE	INFRASTRUCTURE	ETF	UP	2.61	449
EPD	ENTERPRISE PRODUCTS PRITNRS	STOCK	UP	1.47	446
BMO	BANK OF MONTREAL (DS 1829)	STOCK	UP	3.27	412
AZN	ASTRAZENECA	STOCK	UP	13.82	351
GSK	GLAXOSMITHKLINE PLC	STOCK	UP	5.02	351
NVS	NOVARTIS	STOCK	UP	4.56	351
TSM	TAIWAN SEMICONDUCTOR	STOCK	UP	5.93	330
AMCR	AMCOR PLC (DK)	STOCK	UP	100.74	314
CM	CANADIAN IMPERIAL BANK (DS 1868)	STOCK	UP	3.69	313
KO	COCA COLA (DK)	STOCK	UP	1.55	313
SPYV	S&P 500 (VALUE)	ETF	UP	1.54	313
SECURITIES MAKING NEW LOWS DURING THE WEEK OF 06-Feb-2026					
CCI	CROWN CASTLE INTL	STOCK	DN	-2.76	308
XLY	CONSUMER DISCR	ETF	DN	-12.97	288
ARCC	ARES CAP (ID 2009)	CEF	DN	-1.13	114
IGV	SOFTWARE	ETF	DN	-4.09	75
NFLX	NETFLIX	STOCK	DN	-7.18	62

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