Weekly Market Analysis #618 — 12 June 2026
Richard "Doc" Ahrens

This Week

In this week's Everybody's Wrong, JC Parets said:

> Ari Wald, Head of Technical Analysis at Oppenheimer, has found a way to measure the blame game in the stock market. He calls them "sector culprits." It's a simple idea. Every major market decline tends to have a group of stocks doing most of the damage.
>
> Markets don't usually wake up one morning and decide that every stock is going down together. There's always a culprit. Something breaks first. Something leads to the downside. Something drags everything else with it. Ari tends to look at this through the lens of sectors.
>
> ...Ari recently shared a study that looked at the best- and worst-performing sectors over the previous 12 months. The results were fascinating. Since 1991, whenever the top-performing sector gained more than 40% year over year, the S&P 500 went on to generate above-average returns over the following 12 months.
>
> Think about that for a minute. Conventional wisdom says extreme outperformance is dangerous. The data suggests the opposite. Strong leadership has historically been a feature of healthy bull markets, not a warning sign. But the more important statistic comes from the downside. When a sector declines 20% or more over a 12-month period, the S&P 500 has historically gone on to deliver below-average returns over the following year.

Right now, no sectors are down 20% year-over-year. In fact, none of them are even negative. Strong leadership and a lack of culprits say this market is still healthy.

– – – – – – –

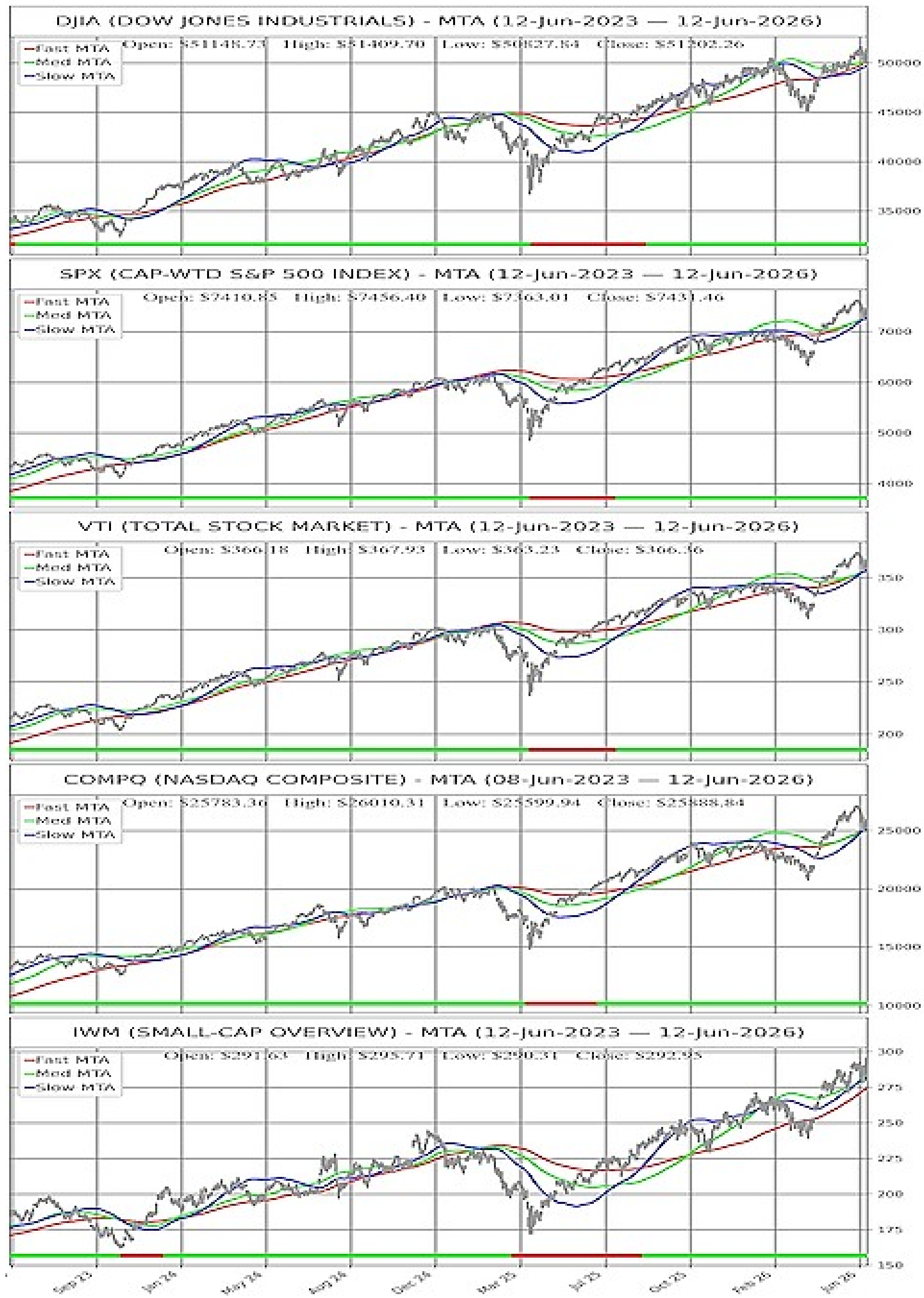
The IPO Process in a Nutshell

When a company wants to make an Initial Public Offering (IPO), they market their IPO to potential underwriters. The underwriters (major investment banks) agree to buy the new shares from the issuing company at a negotiated price. Underwriters take on the risk of distributing the shares to the market, and they are paid for this service. Before the IPO listing, they allocate much of that stock to favored clients (like mutual funds, hedge funds, pension funds) at a fixed price, somewhat below what the stock is expected to sell for on the open market. Once trading opens, those institutions sell their shares to retail investors, profiting from the difference between the discounted pre-IPO price they paid and the higher market price.

Once the hoopla of the opening is over (e.g., on Friday Space Exploration Technologies (SPCX) traded over half a billion shares), then market forces drive the price of the shares. No small number of stocks lose 90% or more of their IPO price within a few months. Buying IPO stocks may be exciting, but waiting 6 months to find out which way the wind blows is a lot less risky.

Market Barometers

Only IWM made a new high this week, but all 5 MTAs are still up. DJIA and IWM are up MoM. SPX and VTI are only down a little, but COMPQ is down -2.8%.



Month-over-Month: DJIA: 2.3%, SPX: -0.9%, VTI: -0.3%, COMPQ: -2.8%, IWM: 3.0%

A Closer Look

After dropping down to the May 5th close on Wednesday, the SPX climbed to finish at $7431 on Friday. The BPSPX bottomed on Tuesday then led price higher. The NYAD declined for two days, then raced ahead to a long-time high on Friday. The SPXA50R and SPXA200R bounced around some, but both ended the week near 61.

[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 20-Mar-2026 to 12-Jun-2026

20 Mar	27 Mar	02 Apr	10 Apr	17 Apr	24 Apr	01 May	08 May	15 May	22 May	29 May	05 Jun	12 Jun
ENRGY	ENRGY	ENRGY	ENRGY	ENRGY	SEMIS	SEMIS	SEMIS	SEMIS	SEMIS	SEMIS	SEMIS	SEMIS
GOLD	GOLD	GOLD	BIOTC	SEMIS	ENRGY	ENRGY	ENRGY	TECHS	TECHS	TECHS	TECHS	TECHS
SEMIS	SEMIS	BIOTC	SEMIS	BIOTC	BIOTC	BIOTC	BIOTC	BIOTC	ENRGY	ENRGY	ENRGY	ENRGY
DFEND	BIOTC	SEMIS	GOLD	MATER	MATER	INFRA	TECHS	ENRGY	BIOTC	BIOTC	SP500	SP500
MATER	DFEND	MATER	MATER	INFRA	INFRA	NUCLR	INFRA	INFRA	INFRA	INFRA	INFRA	TRANS
BIOTC	MATER	UTILS	UTILS	UTILS	NUCLR	MATER	NUCLR	NUCLR	SP500	SP500	TRANS	INFRA
INDUS	UTILS	DFEND	INFRA	GOLD	INDUS	TECHS	MATER	SP500	TRANS	TRANS	BIOTC	BIOTC
UTILS	INDUS	INDUS	INDUS	INDUS	TRANS	TRANS	TRANS	MATER	REALE	REALE	REALE	REALE
INFRA	INFRA	INFRA	DFEND	DFEND	UTILS	INDUS	INDUS	TRANS	MATER	INDUS	INDUS	INDUS
STAPL	STAPL	STAPL	STAPL	NUCLR	GOLD	REALE	SP500	INDUS	INDUS	MATER	MATER	EUROP
NUCLR	NUCLR	NUCLR	REALE	TRANS	TECHS	BANKS	REALE	REALE	NUCLR	EUROP	EUROP	BANKS
TRANS	TRANS	TRANS	TRANS	REALE	REALE	UTILS	BANKS	BANKS	EUROP	BANKS	BANKS	MATER
REALE	REALE	REALE	NUCLR	EUROP	EUROP	SP500	EUROP	EUROP	BANKS	NUCLR	STAPL	STAPL
EUROP	HLTHY	EUROP	EUROP	STAPL	BANKS	EUROP	UTILS	STAPL	STAPL	STAPL	DISCR	DFEND
HLTHY	EUROP	HLTHY	HLTHY	BANKS	SP500	GOLD	GOLD	UTILS	DISCR	DISCR	NUCLR	DISCR
COMMS	COMMS	COMMS	SP500	TECHS	DFEND	STAPL	STAPL	DISCR	COMMS	COMMS	DFEND	HLTHY
SP500	SP500	SP500	BANKS	SP500	STAPL	COMMS	DISCR	GOLD	UTILS	UTILS	COMMS	FINAN
BANKS	BANKS	BANKS	COMMS	COMMS	COMMS	SALES	COMMS	COMMS	GOLD	DFEND	UTILS	SALES
TECHS	TECHS	TECHS	TECHS	HLTHY	SALES	DFEND	SALES	SALES	INSUR	FINAN	FINAN	COMMS
SALES	SALES	SALES	SALES	SALES	DISCR	DISCR	DFEND	DFEND	FINAN	INSUR	HLTHY	INSUR
BLDRS	INSUR	INSUR	INSUR	INSUR	HLTHY	INSUR	FINAN	FINAN	DFEND	GOLD	SALES	UTILS
DISCR	DISCR	DISCR	FINAN	DISCR	INSUR	FINAN	INSUR	INSUR	SALES	SALES	INSUR	NUCLR
INSUR	FINAN	FINAN	DISCR	FINAN	FINAN	HLTHY	HLTHY	HLTHY	HLTHY	HLTHY	GOLD	GOLD
FINAN	BLDRS	BONDS	BONDS	BONDS	BLDRS	BLDRS	BLDRS	BONDS	BONDS	BONDS	BONDS	BLDRS
BONDS	BONDS	BLDRS	BLDRS	BLDRS	BONDS	BONDS	BONDS	BLDRS	BLDRS	BLDRS	BLDRS	BONDS

Details

Symbol	Slope	Synonym	Sector Name	Symbol	Slope	Synonym	Sector Name
1. SMH	12.26	SEMIS	SEMICONDUCTORS	14. ITA	0.22	DFEND	AEROSPACE & DEFENSE
2. IGM	6.52	TECHS	TECHNOLOGY	15. XLY	0.11	DISCR	CONSUMER DISCR
3. XLE	2.68	ENRGY	ENERGY	16. XLV	0.07	HLTHY	HEALTH CARE
4. SPX	2.46	SP500	S&P 500	17. XLF	-0.23	FINAN	FINANCIALS
5. IYT	2.41	TRANS	TRANSPORTATION	18. XRT	-0.40	SALES	RETAIL SALES
6. PAVE	2.36	INFRA	INFRASTRUCTURE	19. XLC	-0.55	COMMS	COMMUNICATION SRVCS
7. XBI	1.74	BIOTC	BIOTECH	20. KIE	-0.56	INSUR	INSURANCE
8. XLRE	1.47	REALE	REAL ESTATE	21. XLU	-0.64	UTILS	UTILITIES
9. XLI	1.24	INDUS	INDUSTRIALS	22. URA	-1.49	NUCLR	NUCLEAR ENERGY
10. VGK	1.04	EUROP	EUROPE	23. GLD	-1.57	GOLD	GOLD
11. KBE	0.97	BANKS	BANKS	24. ITB	-2.00	BLDRS	HOMEBUILDERS
12. XLB	0.96	MATER	MATERIALS	25. PTY	-2.03	BONDS	CASH EQUIVALENT
13. XLP	0.51	STAPL	CONSUMER STAPLES				

The top 9 sectors are largely the same as last week but Infrastrucure and Transportation switched places.

Sector Universe ← **Use this link to get to the live summary table**

The order of the sector ETFs 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 12-Jun-2026

Symbol	Synonym	Description	Instr	MTA 3	RelStr	CMF	NH/NL	MCHist
SMH	SEMIS	SEMICONDUCTORS	ETF	UP	12.26:2.45	-up-	1/0	4.8
IGM	TECHS	EXPANDED TECH SECTOR	ETF	UP	6.52:2.45	-up-	0/3	2.3
XLE	ENRGY	ENERGY	ETF	UP	2.68:2.45	DN	0/2	-1.2
SPX	SP500	CAP-WTD S&P 500 INDEX	INDEX	UP	2.46:2.45	«up»	1/5	0.7
IYT	TRANS	TRANSPORT NDX	ETF	UP	2.41:2.45	=up=	999/2	0.6
PAVE	INFRA	INFRASTRUCTURE	ETF	UP	2.36:2.45	up	5/2	0.1
XBI	BIOTC	BIOTECHNOLOGY	ETF	UP	1.74:2.45	«DN»	2/0	-2.4
XLRE	REALE	REAL ESTATE	ETF	UP	1.47:2.45	=DN=	192/0	0.5
XLI	INDUS	SPX INDUSTRIALS	ETF	UP	1.24:2.45	up	5/3	-0.3
VGK	EUROP	FTSE EUROPE	ETF	UP	1.04:2.45	«UP»	15/3	-0.0
KBE	BANKS	S&P BANK SECTOR	ETF	UP	0.97:2.45	«UP»	17/0	0.1
XLB	MATER	MATERIALS	ETF	UP	0.96:2.45	-UP-	5/3	-0.6
XLP	STAPL	CONSUMER STAPLES	ETF	UP	0.51:2.45	«dn»	3/0	-0.1
ITA	DFEND	SPACE & DEFENSE	ETF	UP	0.22:2.45	up	13/3	-1.1
XLY	DISCR	CONSUMER DISCR	ETF	DN	0.11:2.45	«dn»	1/8	0.2
XLV	HLTHY	HEALTH CARE	ETF	UP	0.07:2.45	DN	13/0	-0.1
XLF	FINAN	FINANCIALS	ETF	DN	-0.23:2.45	-UP-	17/0	0.3
XRT	SALES	RETAIL	ETF	UP	-0.40:2.45	-UP-	8/0	-0.2
XLC	COMMS	COMMUNICATION SRVCS	ETF	UP	-0.55:2.45	-dn-	1/10	-0.5
KIE	INSUR	INSURANCE SECTOR	ETF	DN	-0.56:2.45	«dn»	14/0	0.0
XLU	UTILS	UTILITIES	ETF	UP	-0.64:2.45	«dn»	2/1	-0.7
URA	NUCLR	NUCLEAR ENERGY	ETF	UP	-1.49:2.45	≡DN≡	0/27	-3.6
GLD	GOLD	SPDR GOLD SHARES	ETF	UP	-1.57:2.45	DN	0/27	-3.5
ITB	BLDRS	HOME CONSTRUCTION	ETF	UP	-2.00:2.45	«up»	6/0	-0.4
PTY	BONDS	PIMCO CORP & INCOME OPPTY	CEF	DN	-2.03:2.44	-dn-	0/3	-0.2

MoM price changes for the top 5 sectors: SMH: 7.2%, IGM: 1.7%, XLE: -0.9%, SPX: -0.9%, IYT: 7.9%, PAVE: 1.6%

MoM price changes for the Big 8 (the Mag 7 plus AVGO) are: AAPL: -2.4%, AMZN: -10.7%, AVGO: -13.1%, GOOGL: -10.3%, META: -8.3%, MSFT: -4.6%, NFLX: -7.6%, TSLA: -8.3%

This Week's Selections

Last week my sector choices were: IGM (10%), PAVE (10%), XBI (10%), and PTY (70%).

Top Sector ETFs By Slope

Symbol	MTA	ARI	SSlope	8% Stop	Close	Position
SMH	UP	Up	12.2628%	$586.87	$619.96	no
IGM	UP	Up	6.5204%	$157.31	$159.36	SELL
XLE	UP	Up	2.6804%	$56.39	$57.55	Watch —
SPX	UP	Up	2.4618%	$7001.00	$7431.46	INDEX
IYT	UP	Up	2.4060%	$79.59	$86.51	BUY
PAVE	UP	Up	2.3618%	$53.68	$57.76	Hold 10%
XBI	UP	Up	1.7423%	$127.58	$133.79	no
XLRE	UP	Up	1.4665%	$41.73	$45.36	no
XLI	UP	Up	1.2418%	$162.72	$176.18	no

Analysis

SMH's money flow is declining from its peak on May 15th and a 12% SSlope is really not maintainable. IGM opened on the 10th below its 8% stop at $154.65. At first it climbed, but then it closed even lower than it opened. I sold it at the open on the 11th. XLE made higher lows on May 7, May 29, and June 12, but all 6 basic charts are down. SPX made a 6-week low mid-week, then powered back up to beat the previous week's close. IYT made yet another all-time high and broke out above $85.

PAVE's OBV Oscillator has stabilized near 2 and CMF remains positive while price continues to swing between $55 and $58 since late April. XBI continues to chop sideways with a slight negative bias. XLRE is just above $45. If it breaks away from $45 it could become interesting. XLI — no change — 12-week MACD and OBV Oscillator continue to decline.

Thoughts and Decisions

I'm putting XLE on a "WATCH —" status because of the mixed signals I'm seeing. Even though IYT's SSlope is slightly lower than the SPX SSlope, making an all-time high and breaking above $85 confirm the KB long signal on May 20th and the 12-week MACD long signal on May 28th.

My sector choices for this week are: IYT (10%), PAVE (10%), XBI (10%), and PTY (70%).

New Highs and Lows

3 all-time highs this week and no all-time lows.

SECURITIES MAKING NEW HIGHS DURING THE WEEK OF 12-Jun-2026					
SYMBOL	COMPANY	INSTR	MTA	SLOPE	WEEKS
IWM	SMALL-CAP OVERVIEW	ETF	UP	3.12542	999
IYT	TRANSPORT NDX	ETF	UP	2.40604	999
RSP	EQU-WTD S&P 500 INDEX	ETF	UP	1.55105	999
PSCF	SMALLCAP FINANCIALS	ETF	UP	1.30196	797
PSCI	SMALLCAP INDUSTRIALS	ETF	UP	1.66395	797
KBWB	BIG BANKS	ETF	UP	1.64794	477
IWN	SMALL-CAP VALUE	ETF	UP	2.87336	472
BMO	BANK OF MONTREAL (DS 1829)	STOCK	UP	4.54971	430
BNS	BANK OF NOVA SCOTIA (DS 1833)	STOCK	UP	3.07726	430
NVEC	NVE CORP	STOCK	UP	12.39671	392
ASML	ADVANCED SEMICONDUCTOR MANU.	STOCK	UP	7.60164	368
KO	COCA COLA (DK)	STOCK	UP	2.09100	330
RY	ROYAL BANK OF CANADA (DS 1870)	STOCK	UP	4.20896	330
TD	TORONTO-DOMINION BANK (DS 1857)	STOCK	UP	5.01490	330
VTV	US LARGE CAP VALUE	ETF	UP	1.95278	330
VALUG	VALUELINE GEOMETRIC INDEX	INDEX	UP	0.48457	224
FRT	FEDERAL REALTY INVT (DK)	STOCK	UP	4.33129	209
XLRE	REAL ESTATE	ETF	UP	1.46654	192
UTF	C&S INFRASTRUCTURE	CEF	UP	1.37837	189
GUT	GABELLI UTILITY TRUST	CEF	UP	1.01313	136
ALAB	ASTERA LABS	STOCK	UP	27.70709	112
NNN	NATIONAL RETAIL PROPERTIES	STOCK	UP	1.35951	81
VNQ	U.S. REIT INDEX	ETF	UP	1.33185	77
PSA	PUBLIC STORAGE (DA)	STOCK	UP	2.12474	76
TGT	TARGET (DK)	STOCK	UP	3.92825	68
IIPR	INNOVATIVE INDUSTRIAL PROPERTIES	REIT	UP	4.79888	61
SJM	SMUCKER J M (DK)	STOCK	DN	1.14862	57
UNH	UNITEDHEALTH GROUP	STOCK	UP	8.61614	56
SECURITIES MAKING NEW LOWS DURING THE WEEK OF 12-Jun-2026					
INFY	INFOSYS	STOCK	DN	-5.66291	298
RWAY	RUNWAY GROWTH FINANCE	CEF	DN	-6.81073	232
T	A T & T (DA)	STOCK	DN	-3.15801	69
UBER	UBER TECHNOLOGIES	STOCK	DN	-2.97063	59