Weekly Market Analysis #634 — 2 October 2026
Richard "Doc" Ahrens
© All Rights Reserved

This Week

What Are "Dividend Aristocrats"?

A Dividend Aristocrat is a member of the Standard & Poor's 500 Index that has raised its dividend every year for at least 25 consecutive years. The index also requires a minimum market value of $3 billion and steady volume. Today, 69 companies qualify.

Increasing a company's dividend every year for 25 years is impressive. It is an indication that the company is stable, profitable, and – importantly – their management team plans ahead. Once a company earns the Dividend Aristocrat rating, they have a vested interest in maintaining it. If they miss a dividend, or even lower a dividend, it's going to take 25 years to get that Aristocrat rating back again.

A lot of people hear about the Dividend Aristocrats and immediately want to move all their money into them. There's actually an ETF for that. It's ticker is NOBL. But before you reach for your wallet, there's a problem there. NOBL pays a return of about 2% a year, which is close to the average yield of the 69 Dividend Aristocrats. But 2% a year, even in a tax-free trading account, is a losing proposition.

The problem here is inflation. The average inflation rate (CPI-U) from 1950 to 2020 has been around 3%. So if you're getting a dividend of 2%, you're actually losing 1% a year to inflation. Even if you bypassed NOBL's expense ratio by directly purchasing an equal share of each of the 69 Dividend Aristocrats, you'd only make about 2.5% a year, and you'd still be losing 0.5% a year to inflation. Oops.

The First Test

The first thing I check when looking at a potential dividend investment is whether the annual yield is at least 3.5%. Under some rare circumstances, I might consider a candidate with a yield of 3.3% or 3.4%, but there would have to be a compelling reason to seriously consider anything less than 3.5%.

Most of the Dividend Aristocrats don't pass this test. Only 17 of the 69 yield 3.5% or better. The other three quarters of the group fall short. Here are the 17 whose yields (as of mid-September) made the cut:

- 5% or more: Amcor 5.9, Hormel 5.7, Realty Income 5.5, Kimberly-Clark 5.2, Clorox 5.1
- 4% to 5%: Kenvue 4.7, Eversource 4.6, T. Rowe Price 4.3, PepsiCo 4.3, Chevron 4.1, Federal Realty 4.1
- 3.5% to 4%: Essex 3.8, Franklin Resources 3.8, Stanley Black & Decker 3.8, J.M. Smucker 3.7, McCormick 3.7, Brown-Forman 3.6

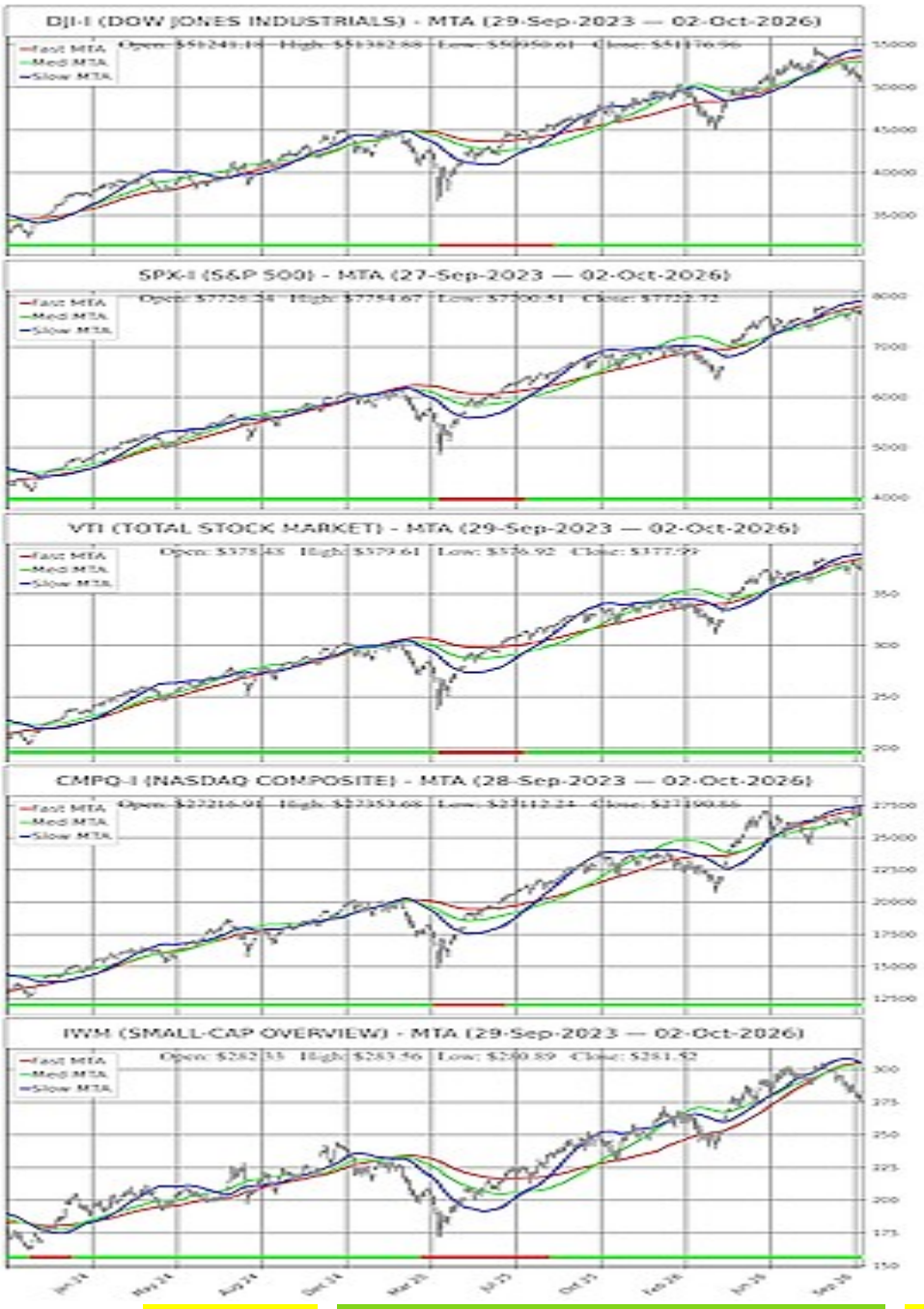
These 17 securities all have outstanding histories of steady dividend increases, **and** they pass the 3.5% minimum yield test"...but I still might not buy them. There are still those conditions I mentioned last week. Are they companies that: 1) make products people need; 2) with visionary management; 3) good growth potential; and 4) not too much debt?

We'll look at those questions and others next week. Also, important things like:

Is this company still going to be around when I retire?

Market Barometers

All 5 MTAs are green but DJI-I and IWM are down month-over-month.



Month-over-Month: DJI-I: -3.0%, SPX-I: 1.2%, VTI: 0.8%, CMPQ-I: 4.2%, IWM: -3.1%

DJI-I made a 15-week low and IWM made an 18-week low. SPX, VTI, and COMPQ made 1 or 2 week highs.

A Closer Look

The SPX ended the week a little lower than the previous week. The BPSPX went down more than price. The other three indicators are low but they did roughly the same thing as price.



[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 10-Jul-2026 to 02-Oct-2026

10 Jul	17 Jul	24 Jul	31 Jul	07 Aug	14 Aug	21 Aug	28 Aug	04 Sep	11 Sep	18 Sep	25 Sep	02 Oct
SEMIS	SEMIS	SEMIS	BIOTC	BIOTC	BIOTC	BIOTC	BIOTC	BIOTC	BIOTC	ENRGY	ENRGY	ENRGY
BIOTC	BIOTC	BIOTC	SEMIS	SEMIS	SEMIS	HLTHY	HLTHY	ENRGY	ENRGY	BIOTC	BIOTC	BIOTC
TECHS	TECHS	TECHS	INSUR	INSUR	INSUR	ENRGY	ENRGY	HLTHY	HLTHY	HLTHY	HLTHY	TECHS
TRANS	TRANS	TRANS	BANKS	BANKS	BANKS	INSUR	FINAN	FINAN	TECHS	TECHS	TECHS	SEMIS
BANKS	BANKS	BANKS	TRANS	TECHS	TECHS	SEMIS	INSUR	TECHS	FINAN	FINAN	SEMIS	HLTHY
INFRA	INSUR	INSUR	TECHS	FINAN	FINAN	BANKS	TECHS	INSUR	INSUR	INSUR	SP500	SP500
INDUS	INDUS	HLTHY	HLTHY	TRANS	HLTHY	TECHS	SEMIS	BANKS	SEMIS	SP500	FINAN	FINAN
SP500	HLTHY	FINAN	FINAN	HLTHY	TRANS	FINAN	BANKS	SEMIS	SP500	SEMIS	INSUR	INSUR
INSUR	INFRA	INDUS	INDUS	INDUS	ENRGY	TRANS	SP500	SP500	BANKS	BANKS	EUROP	EUROP
HLTHY	SP500	INFRA	SP500	SP500	INDUS	SP500	TRANS	EUROP	EUROP	EUROP	BANKS	COMMS
DFEND	FINAN	SP500	REALE	DFEND	DFEND	DFEND	EUROP	MATER	MATER	MATER	MATER	BANKS
FINAN	DFEND	REALE	INFRA	ENRGY	SP500	INDUS	INDUS	TRANS	TRANS	STAPL	COMMS	MATER
REALE	REALE	DFEND	ENRGY	INFRA	INFRA	EUROP	DFEND	INDUS	STAPL	TRANS	STAPL	STAPL
MATER	EUROP	ENRGY	DFEND	REALE	EUROP	INFRA	MATER	STAPL	INDUS	REALE	GOLD	SALES
EUROP	BLDRS	EUROP	EUROP	EUROP	REALE	REALE	INFRA	REALE	REALE	GOLD	TRANS	GOLD
BLDRS	MATER	MATER	STAPL	MATER	MATER	MATER	REALE	SALES	SALES	SALES	SALES	TRANS
STAPL	STAPL	BLDRS	MATER	STAPL	SALES	SALES	STAPL	DFEND	INFRA	COMMS	REALE	INDUS
ENRGY	ENRGY	STAPL	BLDRS	SALES	STAPL	STAPL	SALES	INFRA	GOLD	INDUS	INDUS	REALE
UTILS	UTILS	UTILS	UTILS	BLDRS	BLDRS	BLDRS	BLDRS	DISCR	DFEND	DISCR	DISCR	INFRA
DISCR	DISCR	SALES	SALES	UTILS	DISCR	DISCR	DISCR	GOLD	DISCR	INFRA	INFRA	DISCR
SALES	SALES	DISCR	DISCR	DISCR	UTILS	UTILS	GOLD	BLDRS	COMMS	BONDS	BONDS	BONDS
BONDS	BONDS	BONDS	BONDS	BONDS	COMMS	COMMS	COMMS	COMMS	BLDRS	DFEND	DFEND	BLDRS
COMMS	COMMS	COMMS	COMMS	COMMS	BONDS	BONDS	UTILS	BONDS	BONDS	BLDRS	BLDRS	DFEND
GOLD	GOLD	GOLD	GOLD	GOLD	GOLD	GOLD	BONDS	UTILS	UTILS	UTILS	UTILS	UTILS
NUCLR	NUCLR	NUCLR	NUCLR	NUCLR	NUCLR	NUCLR	NUCLR	NUCLR	NUCLR	NUCLR	NUCLR	NUCLR

Details

Symbol	Slope	Synonym	Sector Name
1. XLE	2.86	ENRGY	ENERGY
2. XBI	2.67	BIOTC	BIOTECH
3. IGM	2.62	TECHS	TECHNOLOGY
4. SMH	2.26	SEMIS	SEMICONDUCTORS
5. XLV	2.14	HLTHY	HEALTH CARE
6. SPX-I	1.13	SP500	S&P 500
7. XLF	0.46	FINAN	FINANCIALS
8. KIE	0.25	INSUR	INSURANCE
9. VGK	-0.06	EUROP	EUROPE
10. XLC	-0.23	COMMS	COMMUNICATION SRVCS
11. KBE	-0.29	BANKS	BANKS
12. XLB	-0.52	MATER	MATERIALS
13. XLP	-0.56	STAPL	CONSUMER STAPLES

Symbol	Slope	Synonym	Sector Name
14. RTH	-0.88	SALES	RETAIL SALES
15. GLD	-1.02	GOLD	GOLD
16. IYT	-1.08	TRANS	TRANSPORTATION
17. XLI	-1.14	INDUS	INDUSTRIALS
18. XLRE	-1.19	REALE	REAL ESTATE
19. PAVE	-1.43	INFRA	INFRASTRUCTURE
20. XLY	-1.44	DISCR	CONSUMER DISCR
21. PTY	-2.11	BONDS	CASH EQUIVALENT
22. ITB	-2.46	BLDRS	HOMEBUILDERS
23. ITA	-2.70	DFEND	AEROSPACE & DEFENSE
24. XLU	-2.81	UTILS	UTILITIES
25. URA	-3.05	NUCLR	NUCLEAR ENERGY

Energy and Biotech remained #1 and #2. Techs and Semis both moved up 1 as HealthCare dropped to #5. SPX, Finances, Insurance, and Europe remained #6 through #9.

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 02-Oct-2026

Symbol	Synonym	Description	Instr	MTA 3	RelStr	CMF	NH/NL	MCHist
XLE	ENRGY	ENERGY	ETF	UP	2.86:1.01	-dn-	2/7	0.3
XBI	BIOTC	BIOTECHNOLOGY	ETF	UP	2.67:1.01	-DN-	1/2	-1.3
IGM	TECHS	EXPANDED TECH SECTOR	ETF	UP	2.62:1.01	=up=	999/1	-0.3
SMH	SEMIS	SEMICONDUCTORS	ETF	UP	2.26:1.01	≡up≡	13/1	-2.3
XLV	HLTHY	HEALTH CARE	ETF	UP	2.14:1.01	=DN=	3/3	0.4
SPX-I	SP500	S&P 500	INDEX	UP	1.13:1.02	=DN=	1/2	-0.4
XLF	FINAN	FINANCIALS	ETF	UP	0.46:1.01	-dn-	0/15	-0.5
KIE	INSUR	INSURANCE SECTOR	ETF	UP	0.25:1.01	-dn-	0/14	-0.6
VGK	EUROP	FTSE EUROPE	ETF	UP	-0.06:1.01	=DN=	0/21	-0.8
XLC	COMMS	COMMUNICATION SRVCS	ETF	DN	-0.23:1.01	-DN-	0/9	0.2
KBE	BANKS	S&P BANK SECTOR	ETF	UP	-0.29:1.01	-dn-	0/16	-1.2
XLB	MATER	MATERIALS	ETF	UP	-0.52:1.01	-dn-	0/26	-1.3
XLP	STAPL	CONSUMER STAPLES	ETF	UP	-0.56:1.01	dn	0/36	-0.5
RTH	SALES	RETAIL	ETF	UP	-0.88:1.01	«UP»	0/25	-0.5
GLD	GOLD	SPDR GOLD SHARES	ETF	DN	-1.02:1.01	dn	0/8	0.1
IYT	TRANS	TRANSPORT NDX	ETF	UP	-1.08:1.01	-dn-	2/21	-1.7
XLI	INDUS	SPX INDUSTRIALS	ETF	UP	-1.14:1.01	-dn-	1/24	-1.5
XLRE	REALE	REAL ESTATE	ETF	UP	-1.19:1.01	«DN»	0/26	-0.9
PAVE	INFRA	INFRASTRUCTURE	ETF	UP	-1.43:1.01	-UP-	3/24	-2.1
XLY	DISCR	CONSUMER DISCR	ETF	DN	-1.44:1.01	≡dn≡	1/10	-0.5
PTY	BONDS	PIMCO CORP & INCOME OPPTY	CEF	DN	-2.11:1.01	≡UP≡	2/0	-1.0
ITB	BLDRS	HOME CONSTRUCTION	ETF	DN	-2.46:1.01	-dn-	0/19	-0.8
ITA	DFEND	SPACE & DEFENSE	ETF	DN	-2.70:1.01	«DN»	0/39	-1.7
XLU	UTILS	UTILITIES	ETF	DN	-2.81:1.01	-dn-	2/72	-1.9
URA	NUCLR	NUCLEAR ENERGY	ETF	DN	-3.05:1.01	«DN»	0/9	-0.6

MoM price changes for the top 5 sectors: XLE: -3.0%, XBI: -5.5%, IGM: 8.4%, SMH: 15.7%, XLV: -3.2%

MoM price changes for the Big 8 (the Mag 7 plus AVGO): AAPL: 2.6%, AMZN: -1.3%, AVGO: -3.9%, GOOGL: 2.5%, META: 25.8%, MSFT: 3.3%, NFLX: -17.0%, TSLA: 4.1%

This Week's Selections

Last week my sector choices were: XLE (10%), XLV (10%), and PTY (80%).

Top Sector ETFs By Slope

Symbol	MTA	ARI	SSlope	8% Stop	Close	Position
XLE	UP	Up	2.8558%	$60.66	$62.82	WATCH –
XBI	UP	Up	2.6739%	Off	$154.43	no
IGM	UP	Up	2.6223%	$158.27	$172.03	**BUY**
SMH	UP	Up	2.2594%	$580.15	$630.60	**WATCH +**
XLV	UP	Up	2.1353%	$161.63	$166.18	WATCH –
SPX-I	UP	Up	1.1287%	$7175.07	$7722.72	INDEX
XLF	UP	Up	0.4617%	Off	$53.49	no
KIE	UP	Up	0.2489%	Off	$59.24	no

Analysis

XLE's CMF was overbought near Aug 16th as price approached $65. At that point a lot of traders took profits, turning down CMF and the OBV Osc (whose smoothing causes some lag), even though price had one more rally left in it. In late September price descended close to $62, and now it appears to be mounting a second rally. XBI is gradually declining. IGM made an all-time high and put in a full candle above $170.

SMH broke away from the $600 level on Thursday then gapped up on Friday, but it has historical resistance in June and July. XLV dropped rapidly away from the $170 level on Wednesday through Friday. SPX-I has been between $7600 and $7800 since early August. XLF continued down through its 8% stop and all basic charts remain down. KIE – All basic charts are still down.

Thoughts and Decisions

Add IGM, so sector choices for this week are: IGM (10%), XLE (10%), XLV (10%), and PTY (70%).

New Highs and Lows

4 all-time highs and 1 all-time low this week.

SECURITIES MAKING NEW HIGHS DURING THE WEEK OF 02-Oct-2026					
SYMBOL	COMPANY	INSTR	MTA	SLOPE	WEEKS
IGM	EXPANDED TECH SECTOR	ETF	UP	2.62226	999
QQQ	NASDAQ 100	ETF	UP	1.56380	999
TNX	10-YEAR US TREASURY RATE	INDEX	UP	3.68372	999
VGT	INFORMATION TECHNOLOGY	ETF	UP	3.01925	999
VUG	LARGE CAP GROWTH	ETF	UP	1.45832	496
ABBV	ABBVIE INC	STOCK	UP	3.08758	362
AMD	ADVANCED MICRO DEVICES	STOCK	UP	8.58506	362
BIIB	BIOGEN IDEC	STOCK	UP	3.54938	111
UUP	DB US DOLLAR INDEX	ETF	UP	0.60110	80
DXY	US DOLLAR INDEX	INDEX	DN	0.29330	75
SECURITIES MAKING NEW LOWS DURING THE WEEK OF 02-Oct-2026					
TLT	U.S. 20+ YEAR T-BOND	ETF	DN	-1.67360	999
MUB	MUNICIPAL BONDS	ETF	DN	-1.19703	778
TLH	10-20 YEAR T-BOND INDEX	ETF	DN	-1.44876	465
LEG	LEGGETT AND PLATT (DK)	STOCK	DN	-31.49747	460
BCE	BCE INC	STOCK	DN	-1.82772	346
CLX	CLOROX (DK)	STOCK	DN	-4.21523	346
CCI	CROWN CASTLE INTL	STOCK	DN	-4.17730	341
GIS	GENERAL MILLS	STOCK	UP	-1.17352	341
FLO	FLOWERS FOODS	STOCK	DN	-8.88952	333
DUAVF	DASSAULT AVIATION	STOCK	DN	-3.94250	328
PEP	PEPSICO (DK)	STOCK	DN	-2.74286	327
STZ	CONSTELLATION BRANDS	STOCK	DN	-4.49542	323
VICI	VICI PROPERTIES	ETF	DN	-3.74978	299
UTHY	US 30-Year Bond	ETF	DN	-1.68437	176
LQD	INVESTMENT GRADE CORP BOND	ETF	DN	-1.18676	146
VMO	MUNICIPAL OPPTY TRUST	CEF	DN	-2.40595	146
BND	TOTAL BOND MARKET	ETF	UP	-0.88800	145
IEI	3-7 YEAR TREASURY BOND	ETF	DN	-0.83091	145
USIG	USD INVESTMENT GRADE CORPORATE BOND	ETF	UP	-0.96407	145
PSF	SELECT PREFERRED & INCOME	CEF	DN	-1.79765	144
TIP	TIPS BOND	ETF	DN	-1.07973	144
FPF	Inter. Duration Pref/Income	CEF	DN	-2.47550	142
TSN	TYSON FOODS	STOCK	DN	-3.96908	141
TMUS	T-MOBILE US	STOCK	DN	-3.04081	123
NPFD	VARIABLE RATE PREFERRED	CEF	DN	-1.66930	121
CALM	CAL-MAINE	STOCK	DN	-3.93579	110
NFLX	NETFLIX	STOCK	DN	-3.48734	104

@2026 Trendline Dynamics ("TLD") is not a registered investment advisor. The purpose of this educational newsletter is to impart technical analysis and trading skills by showing how they are used in real time and on real securities. The contents of this newsletter are only my opinions and descriptions of how I trade. No mention of a particular security, index, derivative, or other instrument in the newsletter constitutes a recommendation to buy, sell, or hold that or any other security, nor does it constitute an opinion on the suitability of any security, index, or derivative for anyone other than myself. TLD hereby expressly disclaims any and all representations and warranties that: (a) the content of its newsletters is correct, accurate, complete, or reliable; (b) any of its newsletters will be available at any particular time or place, or in any particular medium; and (c) that any omission or error in any of its newsletters will be corrected. TLD's newsletter is published and distributed in accordance with applicable United States and foreign copyright and other laws. Without the prior written consent of TLD, no person or entity, directly or indirectly, may copy, reproduce, recompile, decompile, disassemble, reverse engineer, distribute, publish, display, perform, modify, upload to create derivative works from, transmit, or in any way exploit all or any part of TLD's website, its newsletter, or any other material belonging to TLD. At any given time TLD's principals may or may not have a financial interest in any or all of the securities, funds, bonds, and/or commodities mentioned.