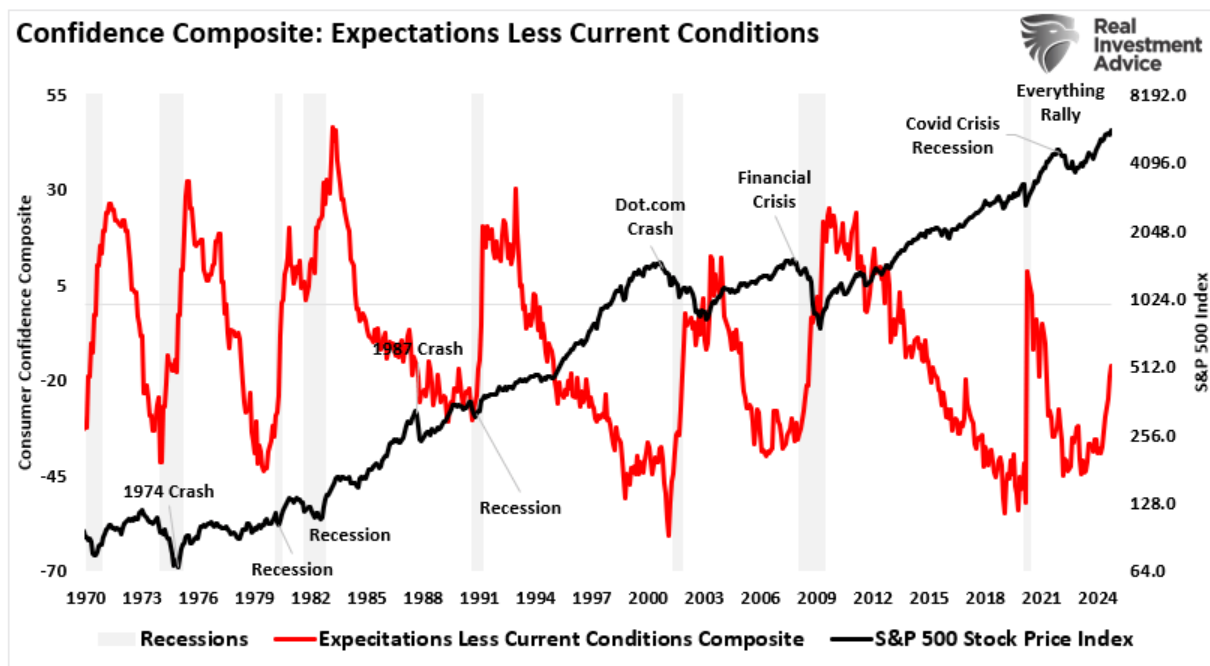


Inside This Week's Bull Bear Report

- *Technical Analysis Of The Market*
- *How We Are Trading It*
- *Research Report Election Opportunities For Investors*
- *Youtube - Before The Bell*
- *Market Statistics*
- *Stock Screens*
- *Portfolio Trades This Week*

Employment Report Stronger Than Expected

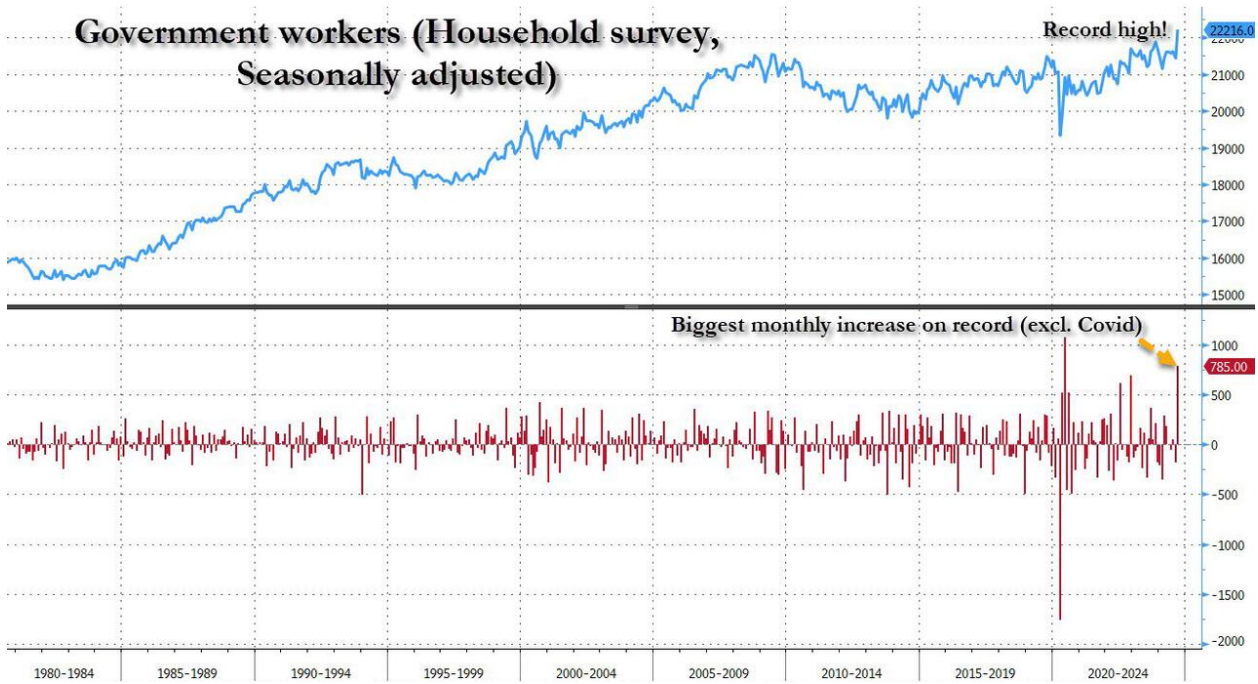
[Last week](#), we discussed the decline in consumer confidence as economic growth continues to slow. As we showed, whenever the spread between present and future expectations surges, such has historically coincided with the onset of a recession.



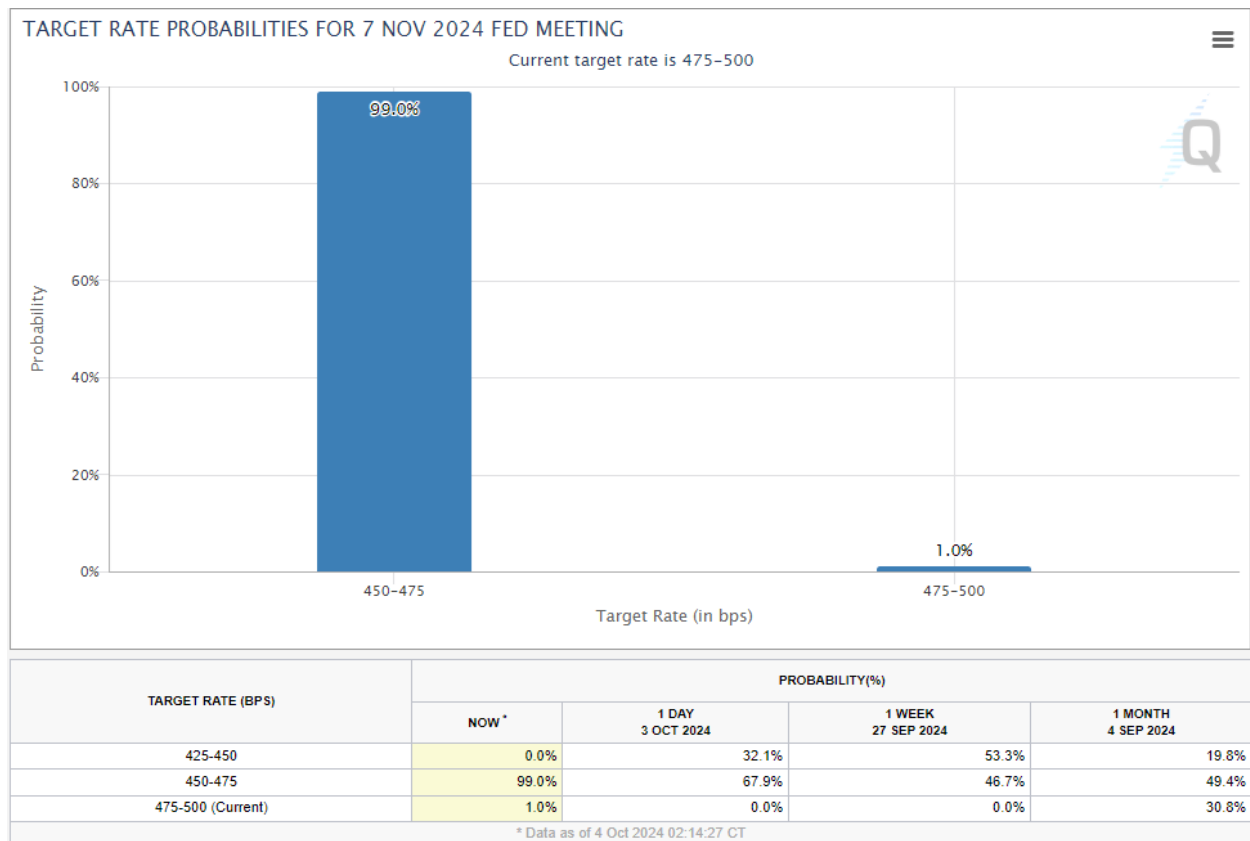
However, on Friday, the latest employment report from the Bureau of Labor Statistics (BLS) quelled any concerns of a near-term recession. While overall employment printed an astonishing 245,000 jobs, a massive chunk of those jobs were from Government hiring and seasonal adjustments.

"In September, the number of government workers as tracked by the Household Survey soared by 785K, from 21.421 million to 22.216 million, both seasonally adjusted (source: [Table A8 from the jobs report](#)). This was the biggest monthly surge

in government workers on record (excluding the outlier print in June 2020, which was a reversal of the record plunge from the previous Covid collapse)." - Zerohedge



Nonetheless, the increase in employment suggests the economy continues to grow, and the risk of a recessionary downturn remains muted. Unfortunately, it also eliminates the possibility of another 50-bps rate cut by the Federal Reserve next month. The current probability for a 25-bps cut is now 99%.



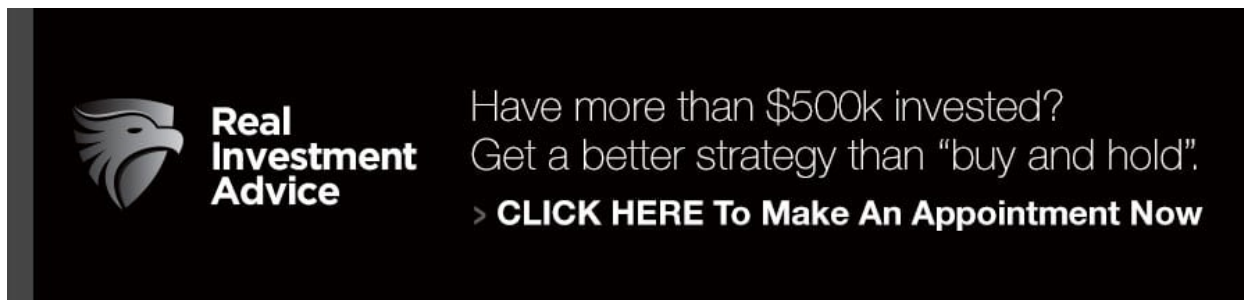
While the markets have recently risen in anticipation of a more aggressive rate-cutting cycle, recent data may start to reverse some of that optimism. Such could already be in process, as the market struggled after setting new highs last week.


Notably, with the "Dockworkers" strike at least temporarily behind us, such allows traders to begin focusing their attention on the upcoming Presidential election, not to mention earnings season starting next week.

Let's review the technical analysis behind the current market environment.

Need Help With Your Investing Strategy?

Are you looking for complete financial, insurance, and estate planning? Need a risk-managed portfolio management strategy to grow and protect your savings? Whatever your needs are, we are here to help.

A black banner with white text and a logo. On the left is a stylized eagle head logo. To its right, the text reads "Real Investment Advice". Further right, the text says "Have more than \$500k invested? Get a better strategy than 'buy and hold'." Below this, a call to action reads "> **CLICK HERE To Make An Appointment Now**".

 **Real Investment Advice**

Have more than \$500k invested?
Get a better strategy than "buy and hold".
> **CLICK HERE To Make An Appointment Now**

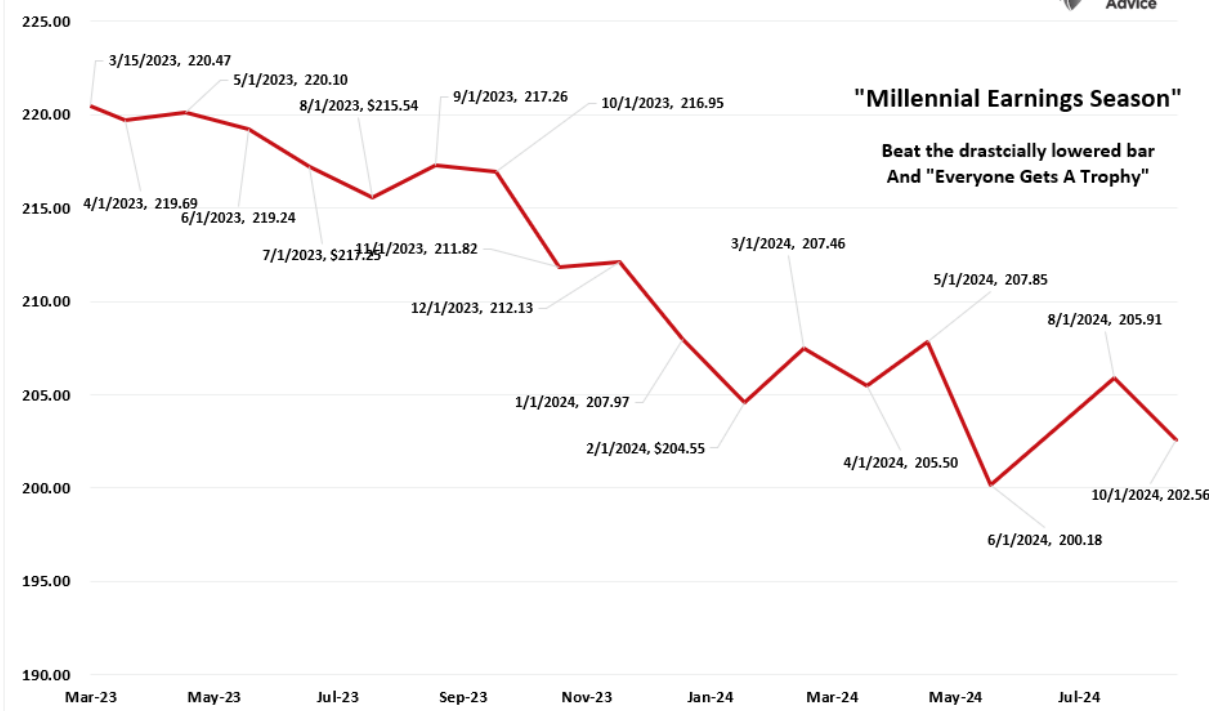
Millennial Earnings Season Begins

Before we discuss the bullish and bearish cases for the S&P 500 based solely on technical analysis, I would be remiss not to mention that ["Millennial Earnings Season"](#) will be a significant market driver over the next month.

"As we have discussed, it will be unsurprising that we will see a high percentage of companies 'beat' Wall Street estimates. Of course, the high beat rate is always the case due to the sharp downward revisions in analysts' estimates as the reporting period begins."

The chart below shows the changes for the Q3 earnings period from when analysts provided their first estimates in March 2023. Analysts have slashed estimates over the last 30 days, dropping estimates by roughly \$3.40/share, but nearly \$18 lower than their initial estimate.

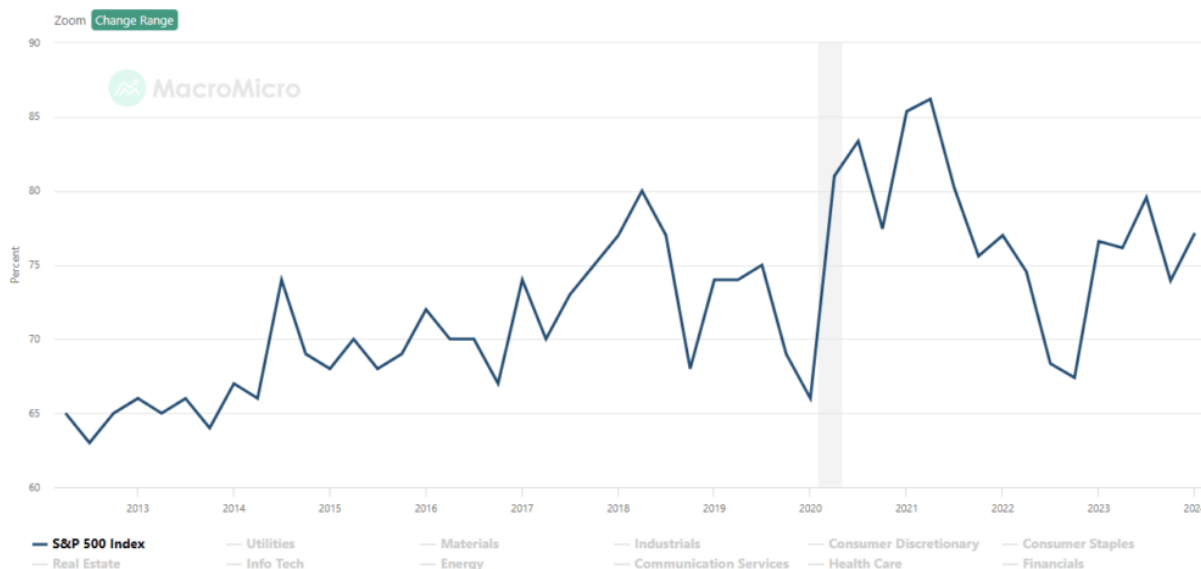
Analysts Estimates For Q3 - 2024 Over Time



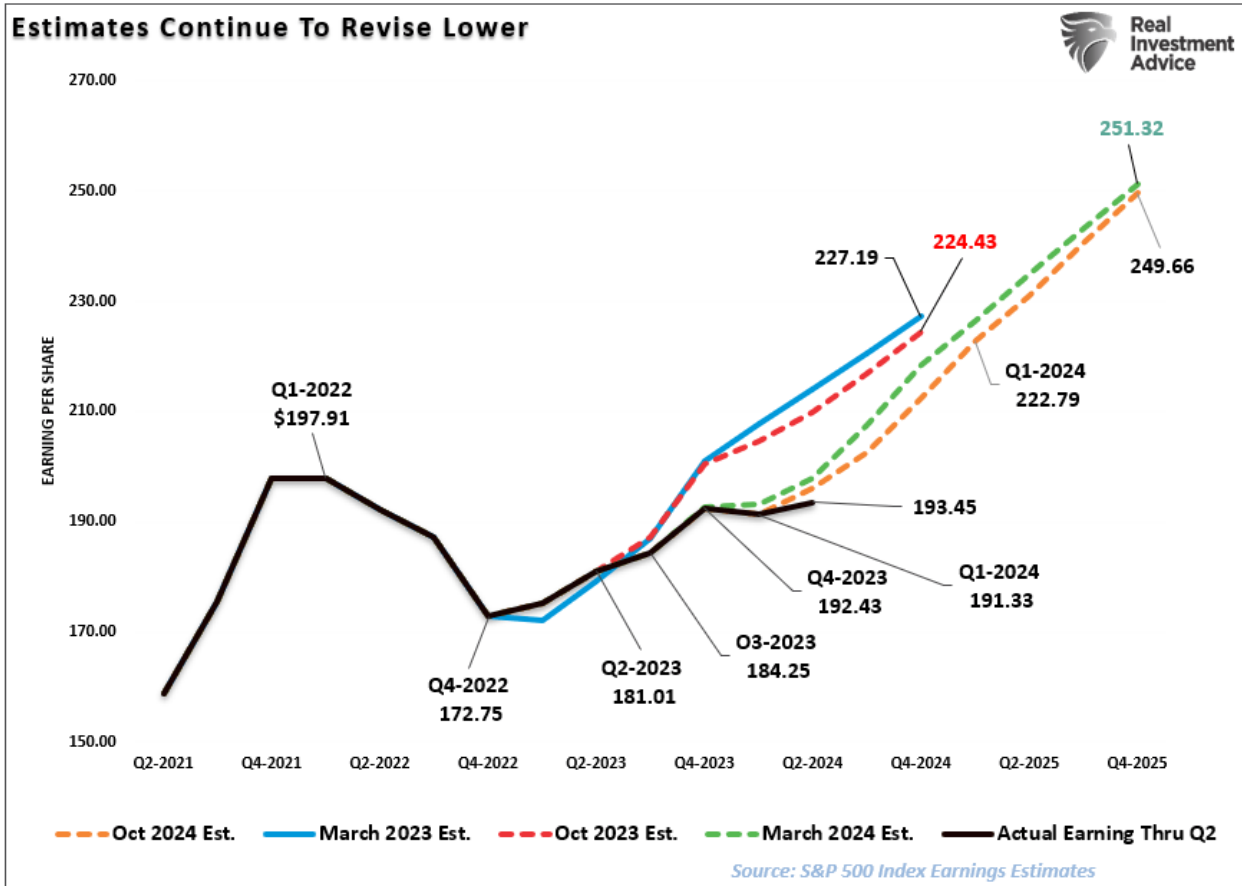
That is why we call it **?Millennial Earnings Season.?** Wall Street continuously lowers estimates as the reporting period approaches so *?everyone gets a trophy.?* An easy way to see this is the number of companies beating estimates each quarter, regardless of economic and financial conditions. Since 2000, roughly 70% of companies regularly beat estimates by 5%, but since 2017, that average has risen to approximately 75%. Again, that *?beat rate?* would be substantially lower if investors held analysts to their original estimates.

US - Percentage of S&P 500 Companies Whose Earnings Beat Forecast

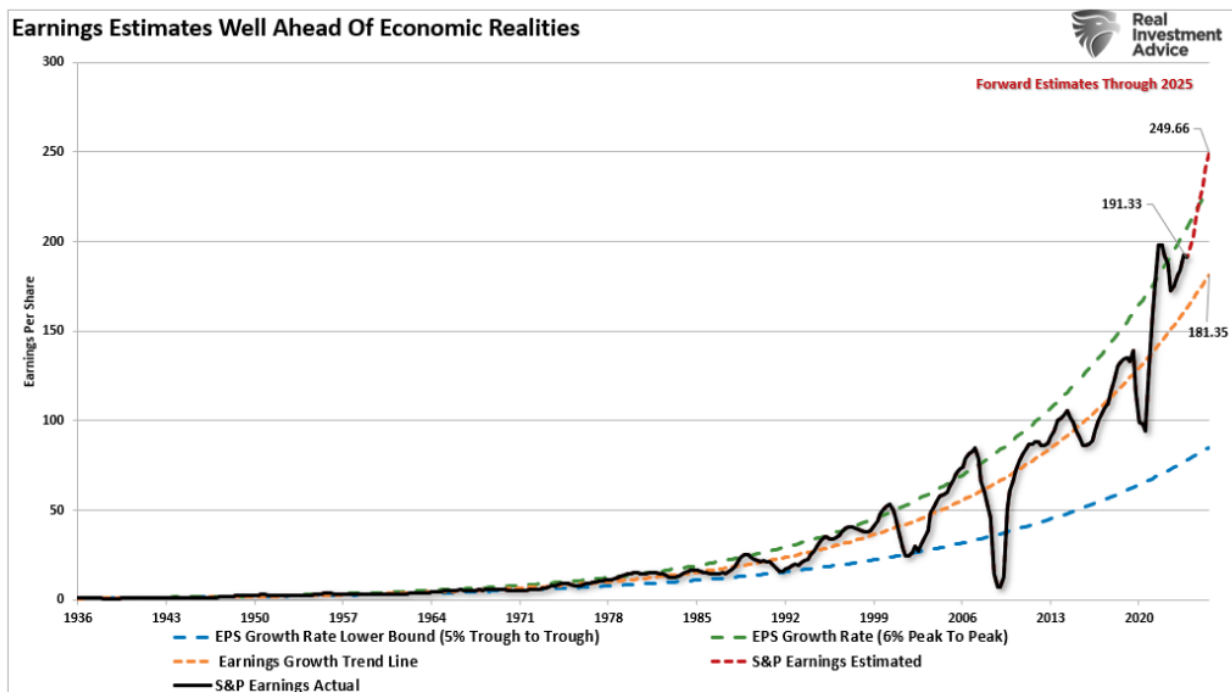
MacroMicro.me | MacroMicro



While stock markets are hitting all-time highs, and analysts are very optimistic about earnings into 2025, actual earnings have fallen well short of previous estimates. In other words, investors have overpaid for promised earnings growth that was not delivered.



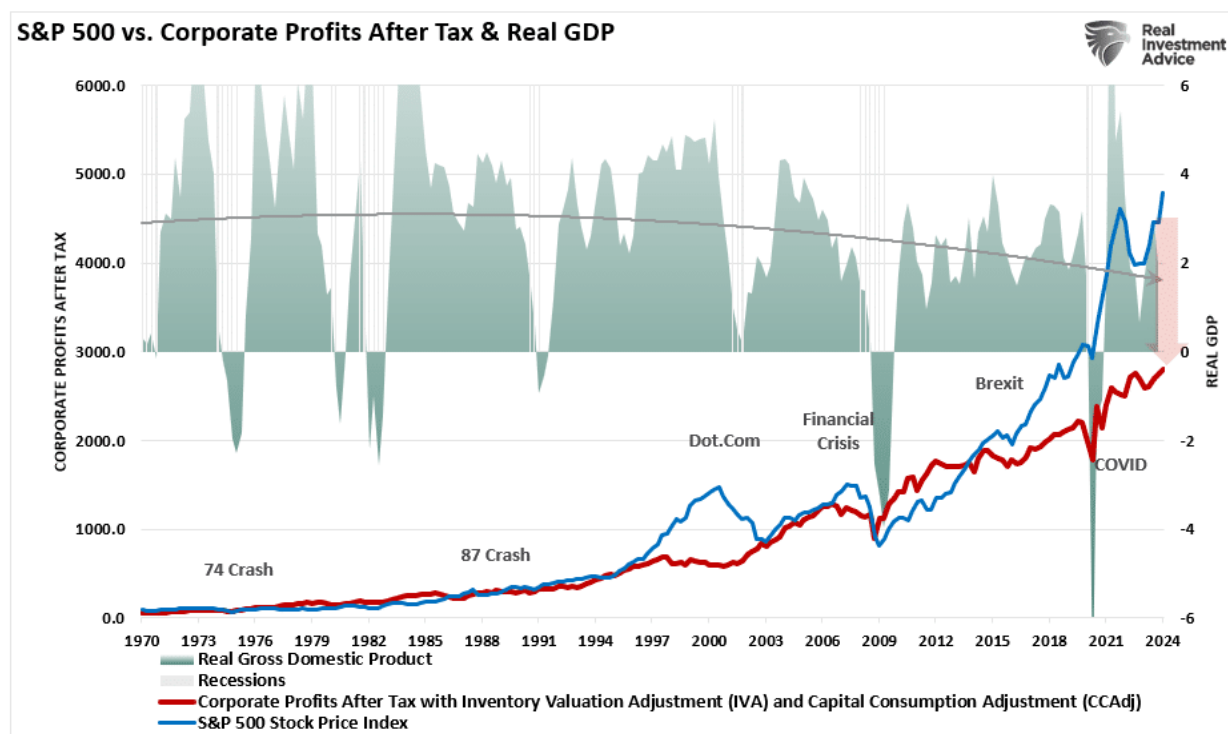
However, even with the earnings bar lowered going forward, earnings estimates remain detached from the long-term growth trend.



As discussed previously, economic growth, from which companies derive revenue and earnings, must also strongly grow for earnings to grow at such an expected pace.

Since 1947, earnings per share have grown at 7.72%, while the economy has expanded by 6.35% annually. **That close relationship in growth rates is logical, given the significant role that consumer spending has in the GDP equation.** However, while nominal stock prices have

averaged 9.35% (including dividends), reversions to underlying economic growth will eventually occur. **Such is because corporate earnings are a function of consumptive spending, corporate investments, imports, and exports.** The same goes for corporate profits, where stock prices have significantly deviated.



Such is essential to investors due to the coming impact on *valuations*?

Given current economic assessments from Wall Street to the Federal Reserve, strong growth rates are unlikely. The data also suggest a reversion to the mean is entirely possible.

Which is where technical analysis is worth reviewing.

Technical Analysis Of The S&P 500

As we enter the final quarter of 2024, the S&P 500 recently touched a new all-time high of 5760. While this surge has many investors feeling optimistic, technical analysis shows some risks to the rally. This week, we will explore three technical bullish indicators that suggest further upward momentum and three bearish patterns that could signal potential downside risks before year-end. As always, this analysis is rooted purely in the charts, without any fundamental biases, and is intended to help you make more informed, short-term investment decisions.

Note: We are fundamental investors looking for long-term investment opportunities at RIA Advisors. Therefore, we use very simplistic technical analysis to manage short-term market risks in our portfolios. We have found through experience that the more complicated we make the technical analysis, the worse decisions we make due to "analysis paralysis." As is always the case, everyone approaches investing differently. This is just how we do it.

The Bullish Case for the S&P 500

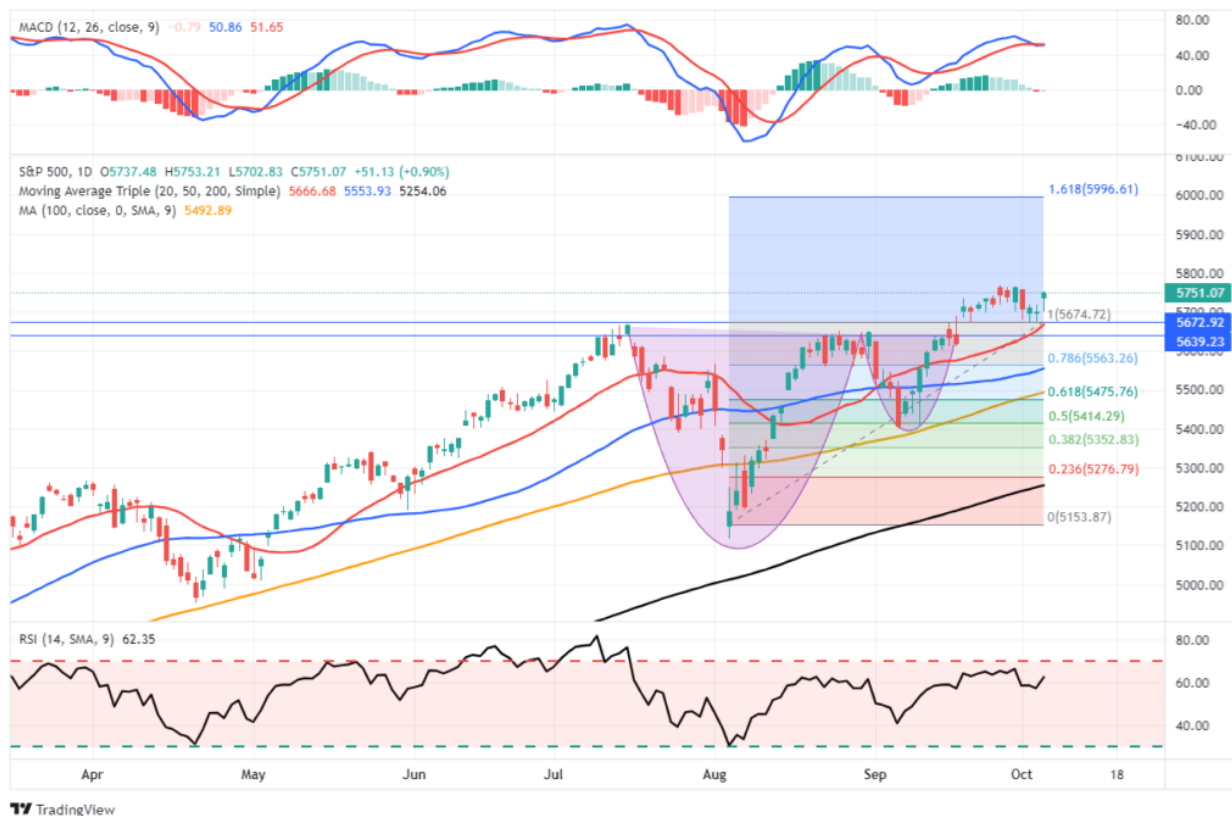
1. Breakout Above Key Resistance Level

The most compelling bullish argument lies in the recent breakout above the 5700-5750 resistance zone. This region has historically been a psychological barrier for the market, and breaking through this level is a sign of strong buying momentum. When resistance levels are breached, it often signals further upside, as previous sellers give way to new buyers stepping in. According to technical theory, a breakout at such high levels often triggers a "buy the breakout" mentality, drawing more capital into the market and driving prices higher. A pullback to retest that previous breakout level is needed to confirm the breakout's validity. The current correction is working through that process, and with recent support holding, a move to new record highs will confirm the breakout.



Furthermore, as discussed last week, the breakout to new highs also completed a short-term technical "cup and handle" pattern, which suggests further upside with a year-end target of 6000. To wit:

"That pattern seems quite evident in the following chart of the S&P 500 index. With the breakout of the ?cup and handle? formation in place, a further rally into year-end seems to be the logical next step. Such suggests that any near-term correction to relieve overbought conditions should remain confined to the bullish trend. In other words, investors should consider buying any near-term declines."



That formation tends to be bullish, and given the continued increase in investor sentiment, further highs are likely.

2. Ascending Triangle Pattern

An ascending triangle is forming on the daily charts, another bullish pattern that typically signals further upward movement. In this case, we've seen a series of higher lows in recent weeks, indicating buyers are stepping in earlier during each pullback. The flatter upper trendline from the previous to the recent all-time high indicates an ongoing increase in buying pressure.



In the current environment, pullbacks should be confined to the rising trend line from the previous lows, with the 20-DMA and the August rally highs acting as key support levels for any pullback. However, there is a bearish side to this pattern as well, where a break below that rising trendline would suggest a deeper pullback is underway. More on that in a moment.

3. Positive Divergence on RSI and MACD

Lastly, another important bullish signal comes from momentum indicators, specifically the Relative Strength Index (RSI) and Moving Average Convergence Divergence (MACD). Over the past few weeks, the S&P 500 has seen positive divergence on both indicators. While price action has continued to grind higher, the RSI and MACD have been making higher lows, suggesting that underlying strength is building despite some minor pullbacks in the index.



This positive divergence is typically an early signal of continued upward momentum. When momentum indicators show strength while the market consolidates or pulls back slightly, it often precedes a larger move higher. If this divergence holds, it should support a post-election rally towards our year-end price target of 6000.

That is the bullish case. Let's now review the bearish case.

The Bearish Case for the S&P 500

1. Negative Divergence On The Weekly RSI

While momentum and relative strength indicators show a positive divergence using daily technical analysis, the RSI (*Relative Strength Index*) also signals some caution with a negative weekly divergence. While the market has risen, weekly relative strength measures have declined, suggesting an underlying deterioration. Historically, such negative divergences precede short- to intermediate-term corrections.



[In June, we discussed](#) this same concern just before the August decline.

*"As discussed, these negative divergences have often preceded short to intermediate-term corrective market actions. At this point, investors tend to make two mistakes. **The first is overreacting to these technical signals, thinking a more severe correction is coming. The second is taking action too soon.***

Yes, these signals often precede corrections, but there are also periods of consolidation when the market trades sideways. Secondly, reversals of overbought conditions tend to be shallow in a momentum-driven bullish market. These corrections often find support at the 20 and 50-day moving averages (DMA), but the 100 and 200-DMA are not outside regular corrective periods."

As noted above, there are two important lessons about technical analysis. While negative divergences often precede corrections, they are short-lived before markets resume their upward trend. Therefore, using weekly technical analysis, such a pullback would likely be contained, as it has been, to the 20-week moving average, which currently resides at 5600, or the 50-week moving average, which resides at 5200.

2. Bearish Divergence in Volume

While volume confirmed the initial breakout above resistance, recent price action has been accompanied by declining volume—a classic bearish divergence signal. In technical analysis, when price moves higher but volume trends lower, it suggests that fewer participants are pushing the market upward. This type of divergence often precedes reversals, as the lack of volume suggests a weakening in buyer conviction.



As we discussed last week in the ["Everything Market:"](#)

*"The stock market is always a function of buyers and sellers, each negotiating to make a transaction. While there is a **buyer for every seller**, the question is always **at ?what price??***

*In the current bull market, few people are willing to sell, so buyers must keep bidding up prices to attract a seller to make a transaction. **As long as this remains the case and exuberance exceeds logic, buyers will continue to pay higher prices to get into the positions they want to own.***

Such is the very definition of the ?greater fool? theory."

In other words, **?Sellers live higher. Buyers live lower. ?**

If volume continues to decline, it could signal that the current rally is running out of steam. In this case, we could see a *?bull trap,?* where prices temporarily spike higher before reversing sharply. Traders and investors should closely watch volume trends over the next few weeks for confirmation of this potential bearish setup.

3. MACD Closing In On A Sell Signal

In the short term, the Moving Average Convergence Divergence (MACD) is close to triggering a sell signal. Such is unsurprising given the bearish divergence concerning volume as buyers become exhausted. While the sell signal does not mean a major correction is at hand, it does suggest a pick-up in volatility is likely, and a retracement to previous support levels is likely.



If the market breaks down, there is a risk that the S&P 500 will retreat to test its previous support at 5500, where the 100-DMA currently resides. A pullback of that magnitude will reset the current overbought conditions and provide the backdrop for a year-end rally.

Navigating the Market Between Now and Year-End

The S&P 500's previous all-time high of 5760 presents opportunity and risk. On the bullish side, the market has broken through significant resistance, is forming a strong ascending triangle pattern, and is supported by positive momentum divergence. On the bearish side, weekly negative RSI and bearish volume divergence suggest possible downside risks.

These mixed signals suggest that caution is warranted for investors and traders. While there may be further upside potential, the technical signs of an impending correction should not be ignored. One potential strategy could be trailing stops on long positions, ensuring that gains are locked in while allowing for upside participation. Additionally, hedging strategies or reducing exposure may be prudent for those concerned about a market pullback.

At this juncture, the market is at a critical crossroads. Will the bulls continue to drive the S&P 500 to new heights, or will the bears finally take control as overbought conditions catch up with the market? Only time and the charts will tell.

If you are long equities in the current market, rebalancing risk is manageable.

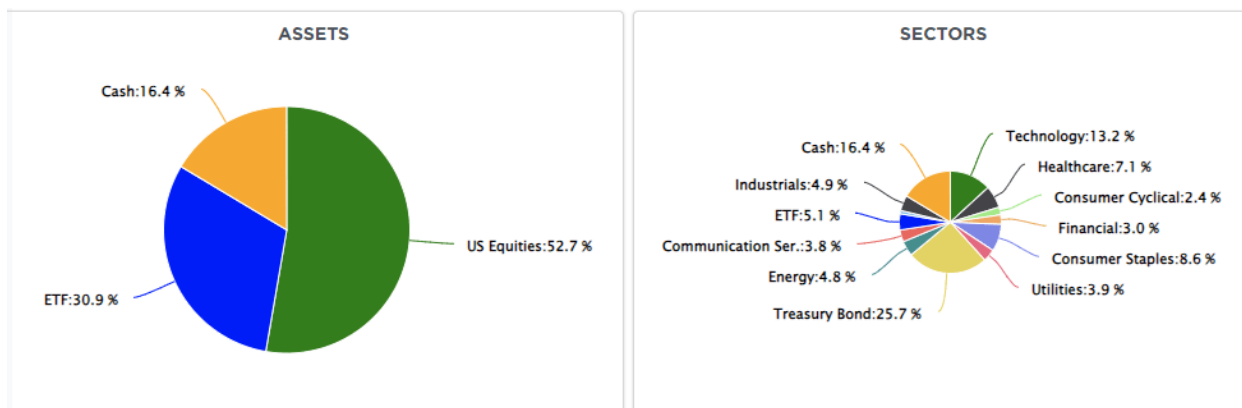
1. **Tighten up stop-loss levels** to current support levels for each position.
2. **Hedge portfolios** against major market declines.
3. **Take profits** in positions that have been big winners
4. **Sell laggards** and losers

5. **Raise cash** and rebalance portfolios to target weightings.

Notice, nothing in there says ?sell everything and go to cash.?

Remember, our job as investors is pretty simple ? protect our investment capital from short-term destruction so we can play the long-term investment game.

Feel free to reach out if you want to navigate these uncertain waters with expert guidance. Our team specializes in helping clients make informed decisions in today's volatile markets.



Have a great week.

Research Report

Real Investment Daily



Election Outcome Presents Opportunity For Investors

Written by Lance Roberts | Oct 4, 2024 | Investing

As the November 2024 election draws near, the election outcome will profoundly affect the financial...

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Bull Bear Report Market Statistics & Screens

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Today's Top & Bottom Performer by Sector (Click on a Symbol to see details below)

Healthcare					Technology					Consumer Cyclical					Financial				
DXCM	BAX	CVS	GEN	ALGN	AMD	DELL	CPAY	NOW	CRWD	DECK	NCLH	CCL	TSLA	ABNB	DFS	COF	AIG	SYF	MTB
3.7%	3.53%	2.65%	1.93%	1.85%	4.94%	4.11%	3.78%	3.04%	2.99%	6.39%	4.89%	3.92%	3.91%	3.64%	6.25%	5.67%	5.13%	4.64%	3.71%
GEHC	CAH	VTRS	HOLX	IQV	AVGO	CRM	ORCL	PLTR	PANW	RCL	LULU	EXPE	AMZN	ULTA	WFC	JPM	PRU	MET	EG
1.71%	1.48%	1.4%	1.29%	1.07%	2.76%	2.43%	2.4%	1.96%	1.91%	3.63%	2.98%	2.64%	2.5%	2.44%	3.6%	3.55%	3.44%	3.42%	3.41%
WAT	ABBV	HUM	MTD	STE	JNPR	MSFT	WDC	TYL	SMCI	ROST	LOW	AZO	NVR	KMX	CBOE	CME	WTW	MKTX	BLK
-0.53%	-0.59%	-0.72%	-0.72%	-0.79%	-0.08%	-0.12%	-0.35%	-0.36%	-0.77%	-0.82%	-0.91%	-1.09%	-1.26%	-1.48%	0.13%	0.07%	0.03%	-0.11%	-0.24%
COO	IDXX	ELV	MRNA	RMD	JKHY	ENPH	FICO	STX	FSLR	POOL	PHM	LEN	MHK	DHI	ICE	FDS	SPGI	NDQA	MCO
-0.98%	-1.21%	-1.24%	-1.42%	-1.87%	-0.78%	-0.79%	-1.17%	-1.43%	-1.7%	-2.03%	-2.47%	-2.49%	-2.56%	-2.93%	-0.31%	-0.46%	-0.47%	-1.1%	-1.52%
Consumer Staples					Industrials					Utilities					Materials				
DG	DLTR	TGT	BG	ADM	UAL	DAL	BA	PWR	LUV	VST	GEV	CEG	NRG	PCG	ALB	CE	LYB	FCX	DOW
2.97%	2.63%	2.19%	1.55%	1.3%	6.47%	3.83%	2.98%	2.45%	2.43%	4.5%	4.28%	2.94%	1.38%	1.13%	8.25%	2.07%	1.98%	1.57%	1.54%
MNST	STZ	KHC	TAP	COST	IR	PCAR	ETN	GE	EMR	CNP	PEG	ATO	D	CMS	EMN	CF	PPG	MLM	STLD
1.27%	1.24%	1.23%	0.97%	0.85%	2.22%	2.13%	1.86%	1.73%	1.65%	0.73%	0.47%	0.45%	0.26%	0.11%	0.99%	0.96%	0.57%	0.55%	0.53%
SYY	CHD	PEP	MKC	KVUE	ROP	UNP	FAST	MAS	NDSN	ED	WEC	XEL	AEP	AES	CTVA	NEM	VMC	ECL	NUE
-0.29%	-0.3%	-0.33%	-0.35%	-0.49%	-0.74%	-0.74%	-0.75%	-0.95%	-1.3%	-0.84%	-0.86%	-1.04%	-1.08%	-1.15%	0.41%	0.26%	0.14%	0.1%	0.1%
BF-B	KO	KDP	PG	CL	JBHT	EXPD	BLDR	VRSK	EFX	EXC	NEE	AWK	DUK	PNW	APD	FMC	IFF	LIN	SHW
-0.5%	-0.5%	-0.68%	-0.73%	-0.93%	-1.33%	-1.74%	-1.83%	-1.85%	-3.37%	-1.4%	-1.41%	-1.46%	-1.48%	-1.73%	-0.03%	-0.05%	-0.16%	-0.33%	-0.48%
Real Estate					Energy					Communication Ser.									
HST	BXP	INVH	SPG	KIM	FANG	WMB	COP	XOM	EOG	TTWO	META	NFLX	LYV	DIS					
2.76%	1.15%	1.14%	0.73%	0.31%	3.35%	2.95%	1.89%	1.84%	1.78%	2.73%	2.26%	1.83%	1.66%	1.62%					
PLD	CSGP	EQR	AVB	EQIX	OXY	TRGP	MRO	DVN	APA	EA	CHTR	CMCSA	GOOG	PARA					
0.31%	0.27%	0.26%	0.14%	0.08%	1.77%	1.62%	1.58%	1.51%	1.36%	1.43%	1.22%	0.93%	0.81%	0.67%					
DOC	VICI	O	WELL	CBRE	FI	BKR	CTRA	OKE	PSX	NWS	OMC	WBD	NWSA	FOX					
-0.45%	-0.46%	-0.63%	-0.71%	-1.37%	1.12%	1.01%	0.61%	0.55%	-0.22%	0.55%	0.52%	0.52%	0.46%	0.13%					
SBAC	PSA	AMT	CCI	EXR	CVX	HES	VLO	MPC	EGT	TMUS	IPG	FOXA	T	VZ					
-1.89%	-2.15%	-2.45%	-2.46%	-3.87%	-0.34%	-0.38%	-1.12%	-1.64%	-1.94%	0.12%	-0.1%	-0.21%	-0.63%	-0.76%					

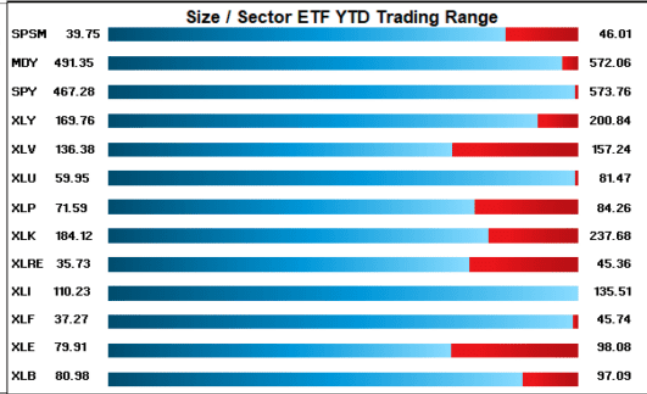
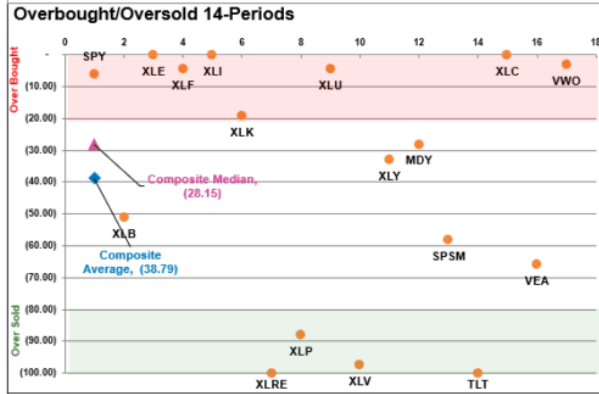
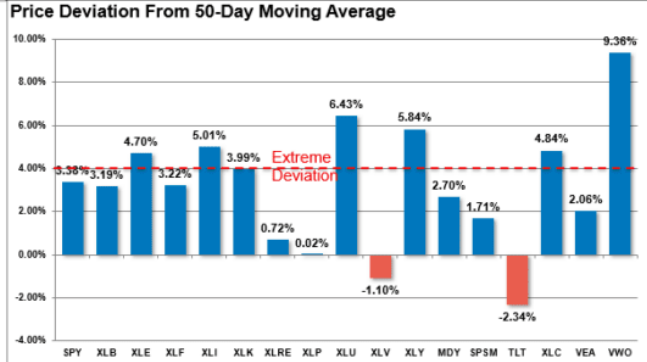
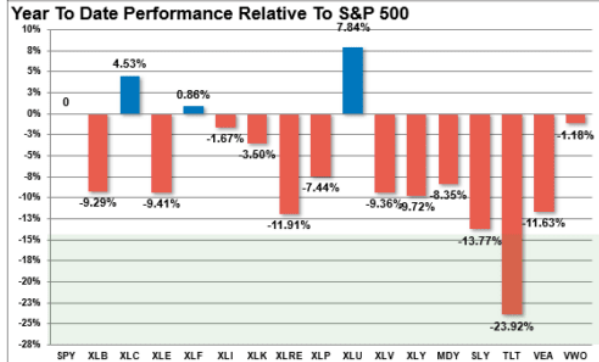
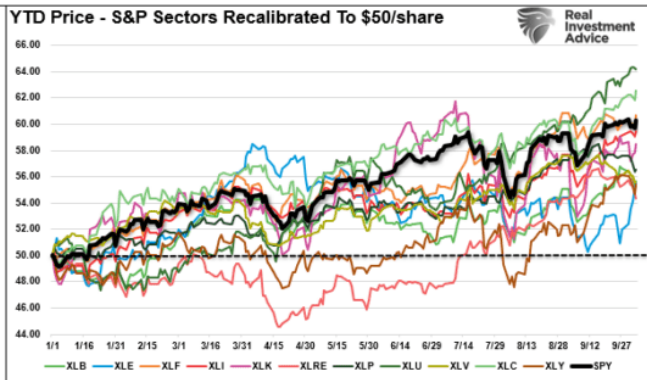
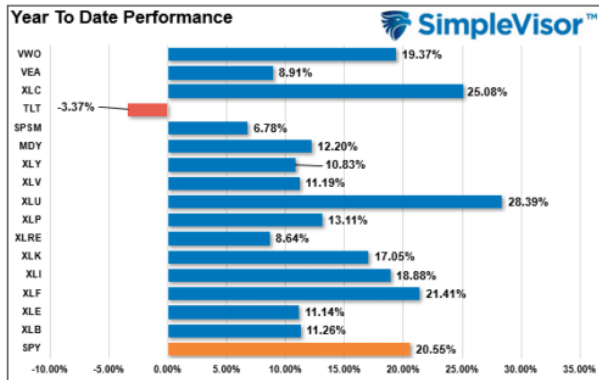
S&P 500 Weekly Tear Sheet

3 Month SPY Price										SPY RISK INFO				
										Item	T 2-Yr	T 1-Yr.	YTD	% Diff YTD/T1-YR
										Price Return	51.59%	34.93%	20.55%	(41.17%)
										Max Drawdown	(10.93%)	(9.71%)	(9.71%)	0.00%
										Sharpe	1.45	2.52	1.91	(0.24)
										Sortino	2.23	3.56	2.55	(0.28)
										Volatility	14.65	12.40	12.57	0.01
										Daily VaR-5%	2.16	17.35	8.81	(0.49)
										Mnthly VaR-5%	6.84	17.17	14.95	(0.13)
S&P 500 Market Cap Analysis														
Item	2 years ago	1 year ago	Current	1 Yr % Change	5 Year High	5 year Low	% From High	% From Low	Item	12-M Ago	Current	% Chg		
Dividend Yield	1.51%	1.40%	1.23%	(13.36%)	2.14%	1.19%	(42.29%)	3.37%	Shares	5,067.8	5,011.9	(1.10%)		
P/E Ratio	17.57	20.57	25.45	19.18%	28.99	16.62	(12.2%)	53.08%	Sales	111,832	122,085	9.17%		
P/S Ratio	4.62	4.90	5.65	13.37%	6.17	3.96	(8.42%)	42.83%	SPS	22.1	24.4	10.38%		
P/B Ratio	7.42	7.90	8.74	9.58%	8.96	5.61	(2.47%)	55.59%	Earnings	16,892	21,761	28.82%		
ROE	28.43%	25.37%	29.36%	13.58%	29.64%	19.36%	(0.95%)	51.69%	EPS TTM	5.0	5.4	8.67%		
ROA	6.67%	6.06%	7.50%	19.28%	7.50%	4.58%	0.00%	63.74%	Dividend	1.5	1.7	11.03%		
S&P 500 Asset Allocation														
Sector	1 Year Price Return	Weight	Beta	P/E	P/E High-5yr (Mo.)	P/E Low-5Yr (Mo.)	P/E % From Peak	ROE	DIV. YIELD	TTM Earnings Yield	Current Forward Earnings	Forward PE		
Energy	7.26%	3.46%	1.26	13.15	98.88	(293.59)	(86.7%)	15.8%	3.0%	7.62%	6.76	11.98		
Materials	19.18%	2.24%	1.11	23.75	26.99	11.37	(12.0%)	11.2%	1.7%	4.20%	5.05	20.17		
Industrials	33.57%	8.53%	1.12	25.33	48.53	16.99	(47.8%)	23.1%	1.4%	3.94%	6.97	21.81		
Discretionary	27.31%	10.07%	1.41	30.20	72.60	25.42	(58.4%)	21.8%	0.7%	3.32%	5.72	24.67		
Staples	21.88%	5.87%	0.61	23.18	23.30	18.47	(0.5%)	27.4%	2.4%	4.34%	4.16	21.71		
Health Care	19.37%	11.64%	0.69	23.92	24.77	14.82	(3.4%)	21.2%	1.6%	4.18%	8.50	19.83		
Financials	41.09%	12.99%	1.14	18.02	21.51	12.80	(16.2%)	11.9%	1.5%	5.59%	8.26	16.37		
Technology	49.51%	31.27%	1.32	39.18	38.92	20.28	0.7%	68.5%	0.6%	2.55%	5.62	30.78		
Telecom	35.62%	8.95%	0.97	23.74	28.38	15.42	(16.3%)	27.1%	0.8%	4.22%	7.00	18.46		
Utilities	44.87%	2.58%	0.69	21.28	21.42	15.58	(0.7%)	11.2%	2.8%	4.73%	3.70	17.65		
Real Estate	28.85%	2.34%	1.09	19.83	26.21	15.47	(24.4%)	6.8%	3.2%	5.04%	4.81	19.38		
Momentum Analysis														
Item	Price	ROC 50-Days	50-DMA	# Days Since Cross	% Dev 50-Day	200-DMA	# Days Since Cross	% Dev 200-Day	% Dev 50-200 DMA	% From 52-W High	% From 52-W Low	Buy/Sell		
Large Cap	572.98	5.24%	554.45	18	3.34%	525.88	242	8.96%	5.43%	(0.30%)	40.02%	Buy		
Mid Cap	569.27	1.35%	554.15	16	2.73%	536.28	231	6.15%	3.33%	(0.87%)	34.19%	Buy		
Small Cap	45.04	(1.62%)	44.25	16	1.78%	42.38	221	6.28%	4.43%	(4.09%)	31.81%	Buy		

Relative Performance Analysis

We noted last week that "With the market up 20% year-to-date, I would not be surprised to see some consolidation or a small correction between today and the election."

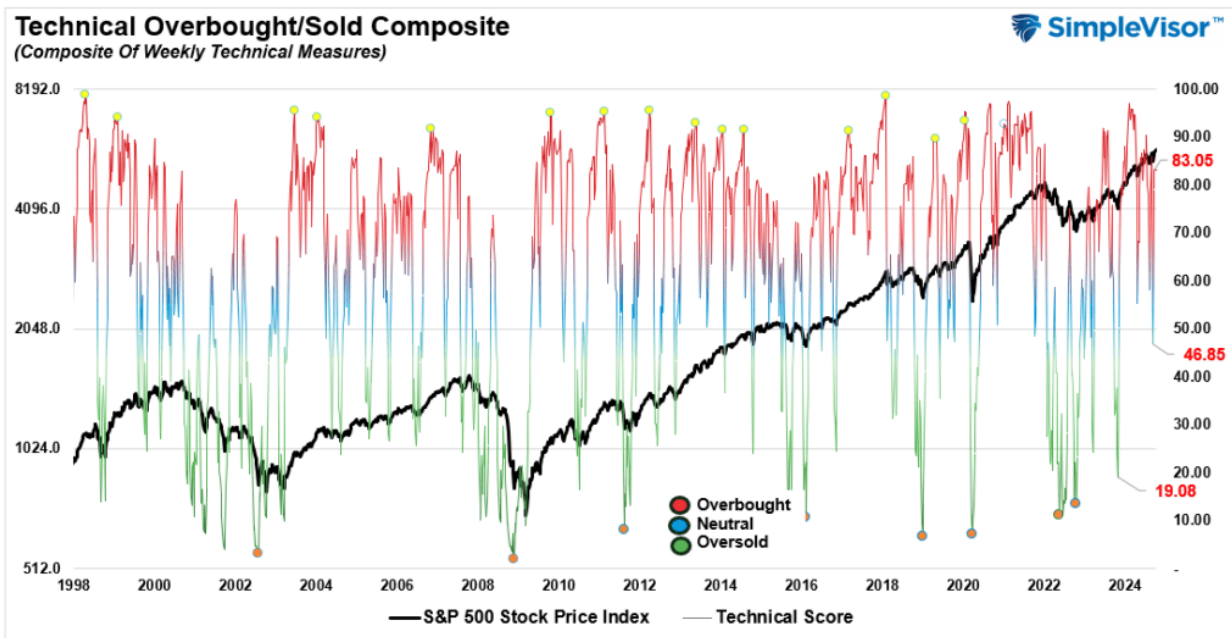
This past week saw a small pullback heading into the employment report on Friday, where the market bounced off the previous "breakout" levels. As noted in the technical analysis above, that confirmed breakout suggests the bullish trend remains intact. However, with many sectors in more overbought territory, we should expect to see a rotation back into bonds, staples, real estate, and healthcare, given those oversold conditions.



Technical Composite

The technical overbought/sold gauge comprises several price indicators (R.S.I., Williams %R, etc.), measured using "weekly" closing price data. Readings above "80" are considered overbought, and below "20" are oversold. The market peaks when those readings are 80 or above, suggesting prudent profit-taking and risk management. **The best buying opportunities exist when those readings are 20 or below.**

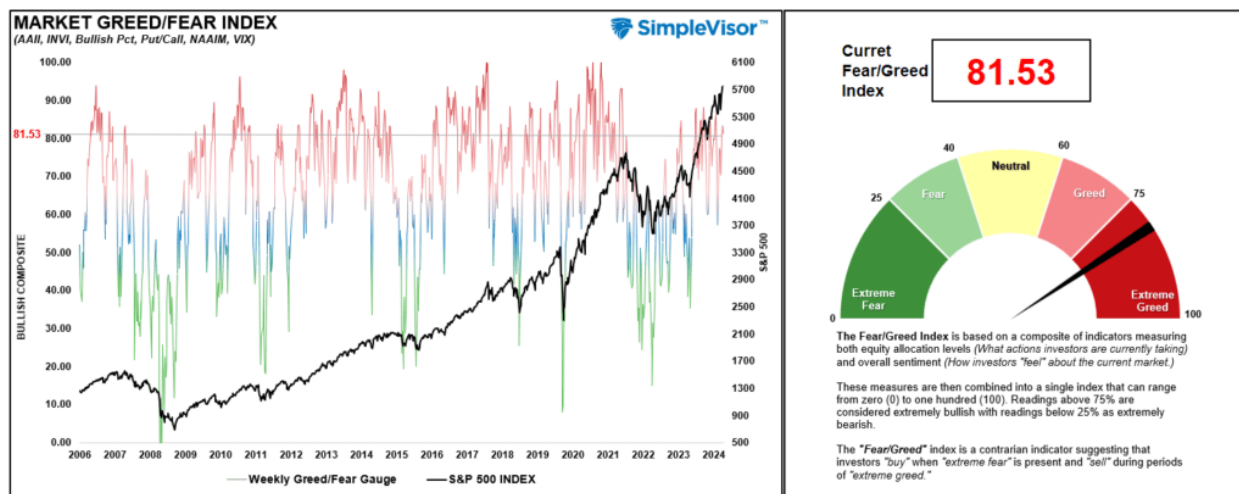
The current reading is 83.05 out of a possible 100.



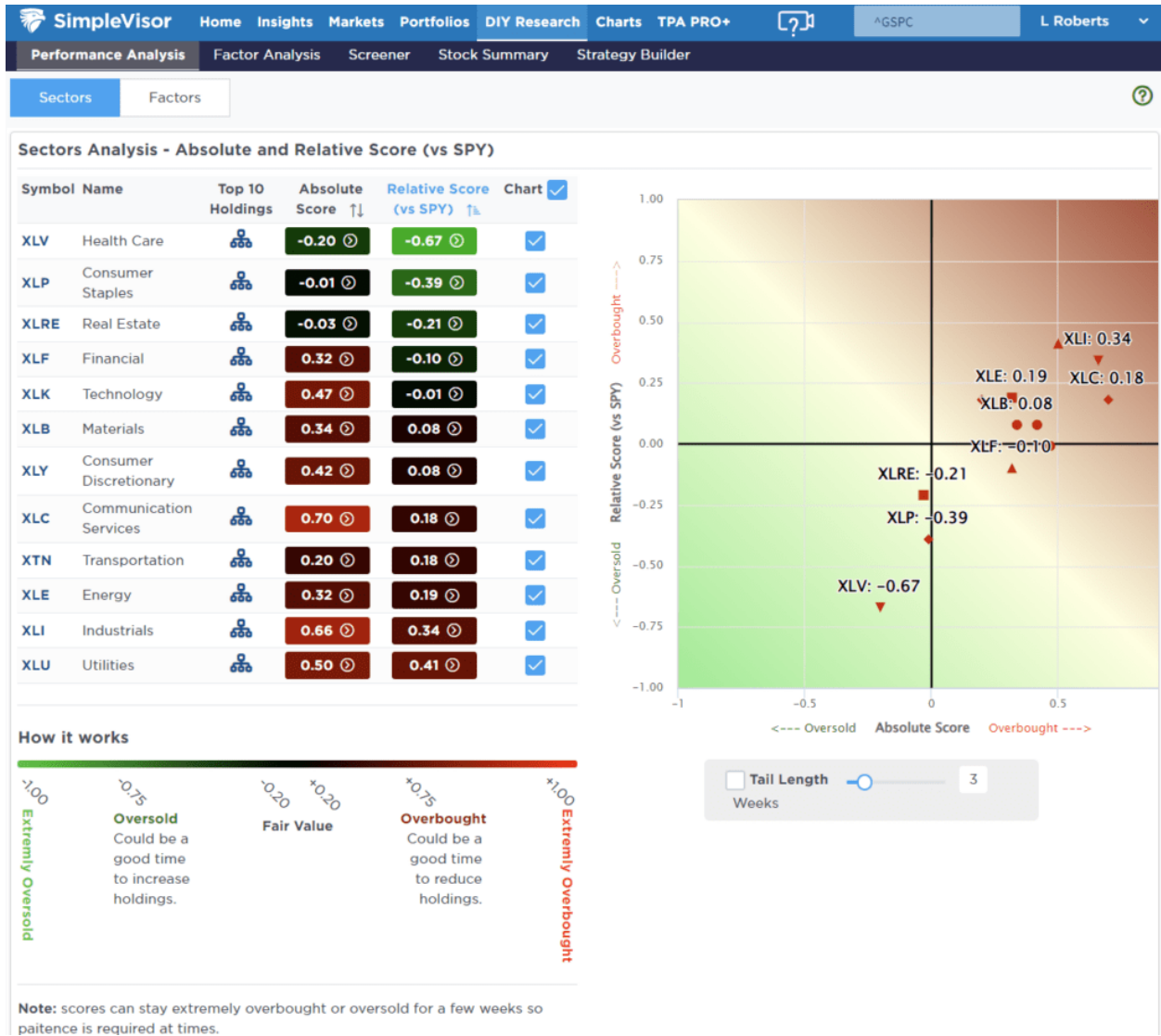
Portfolio Positioning "Fear / Greed" Gauge

The "Fear/Greed" gauge is how individual and professional investors are "positioning" themselves in the market based on their equity exposure. From a contrarian position, the higher the allocation to equities, the more likely the market is closer to a correction than not. The gauge uses weekly closing data.

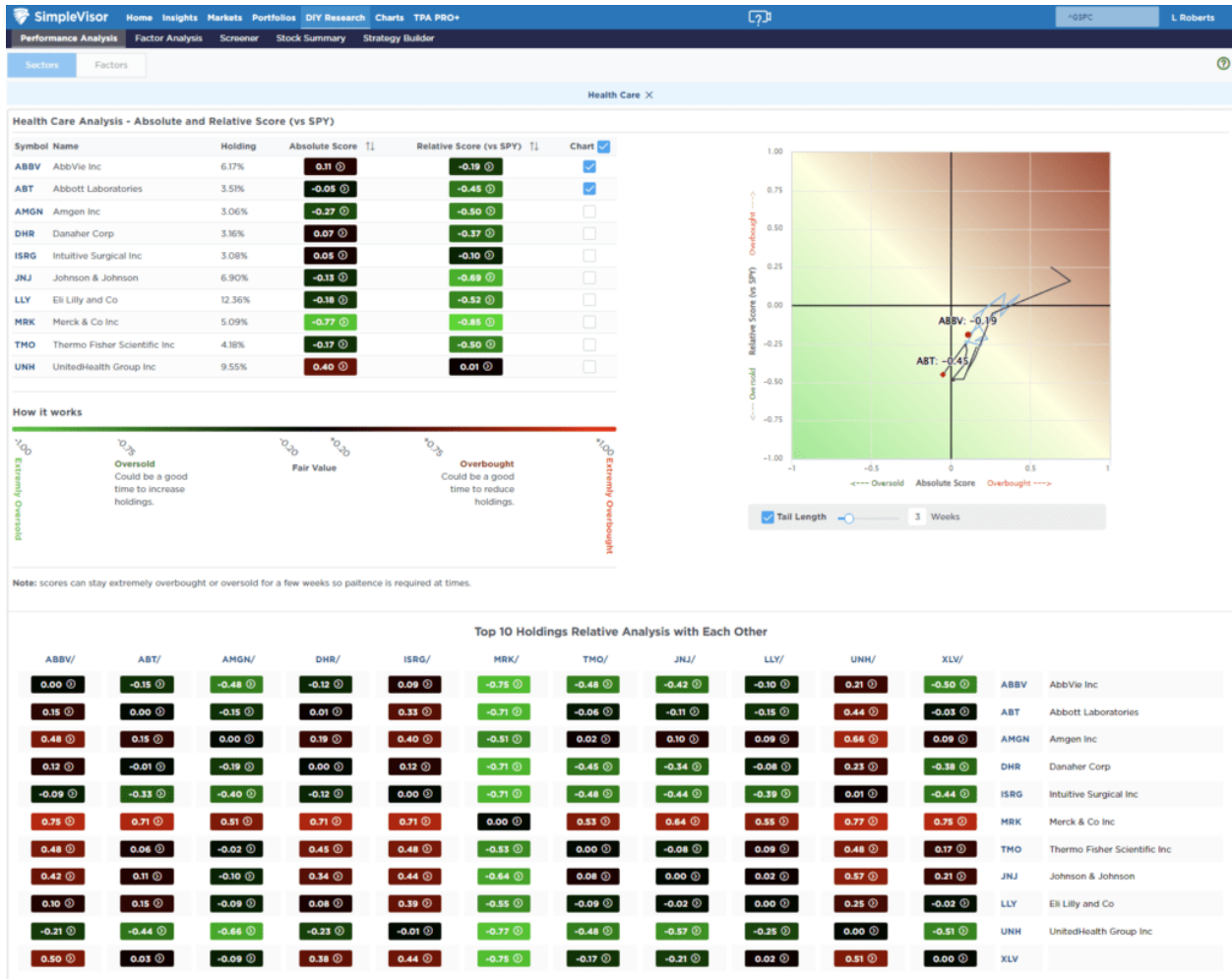
NOTE: The Fear/Greed Index measures risk from 0 to 100. It is a rarity that it reaches levels above 90. The current reading is 81.53 out of a possible 100.



Relative Sector Analysis



Most Oversold Sector Analysis



Sector Model Analysis & Risk Ranges

How To Read This Table

- The table compares the relative performance of each sector and market to the S&P 500 index.
- "MA XVER" (Moving Average Crossover) is determined by the short-term weekly moving average crossing positively or negatively with the long-term weekly moving average.
- The risk range is a function of the month-end closing price and the "beta" of the sector or market. (Ranges reset on the 1st of each month)
- The table shows the price deviation above and below the weekly moving averages.

As noted last week, "Utilities, Real Estate, Gold, and Gold Miners are overbought, pushing double-digit deviations. Take profits in these sectors and rebalance accordingly, as they will pull back. On the other hand, Energy is extremely oversold, and we are likely near a tradeable opportunity in that space."

That turned out to be sage advice. The same remains true this week. While some previously overbought conditions remain, bonds and energy are becoming more attractive for trading opportunities. With almost all sectors on bullish crossovers, the bias is to the upside, so maintain equity exposure relative to your risk tolerance.

RELATIVE PERFORMANCE		Current	PERFORMANCE RELATIVE TO S&P 500 INDEX					SHORT WMA		LONG WMA		MONTH END PRICE	REL S&P BETA	RISK RANGE		% DEV - Short M/A	% DEV - Long M/A	M/A XVER SIGNAL
Ticker	ETF NAME	Price	1 Week	4 Week	12 Weeks	24 Weeks	52 Weeks						HIGH	LOW				
IVV	ISHARS-SP500	575.69	0.28	5.95	2.25	15.71	33.46	557.35	536.27	578.82	1.00	591.24	562.40	3%	7%	BULLISH		
XLB	SPDR-MATLS SELS	95.17	(2.09)	(0.07)	2.91	(8.73)	(11.43)	91.75	90.44	96.38	1.06	99.81	92.95	4%	5%	BULLISH		
XLC	SPDR-COMM SV SS	90.88	0.68	2.54	3.05	(1.35)	2.37	86.48	83.58	90.40	1.03	93.59	87.21	5%	9%	BULLISH		
XLE	SPDR-EGY SELS	93.18	6.59	2.39	0.69	(17.59)	(24.77)	89.46	90.69	87.80	1.20	91.04	84.56	4%	3%	BEARISH		
XLF	SPDR-FINL SELS	45.65	0.83	(2.88)	5.47	(2.66)	4.71	43.90	42.09	45.32	1.05	46.93	43.71	4%	5%	BULLISH		
XLK	SPDR-TECH SELS	225.29	(0.20)	4.53	(5.89)	1.31	0.47	219.06	213.77	225.76	1.13	233.96	217.56	3%	5%	BULLISH		
XLI	SPDR-INDU SELS	135.51	0.22	1.69	6.88	(3.23)	1.01	128.04	124.66	135.44	1.07	140.27	130.61	6%	9%	BULLISH		
XLP	SPDR-CONS STPL	81.47	(2.15)	(7.78)	2.94	(6.27)	(11.26)	80.64	77.69	83.00	0.58	85.56	80.44	1%	5%	BULLISH		
XLRE	SPDR-RE SELS	43.52	(2.02)	(6.20)	6.58	5.58	(3.78)	42.51	39.80	44.67	0.98	46.22	43.12	2%	9%	BULLISH		
XLU	SPDR-UTIL SELS	81.31	0.82	1.17	11.86	8.56	8.57	75.04	69.90	80.78	0.59	83.27	78.29	8%	16%	BULLISH		
XLV	SPDR-HLTH CR	151.64	(1.18)	(7.45)	0.03	(6.58)	(16.82)	152.16	147.32	154.02	0.68	158.91	149.13	0%	3%	BULLISH		
XLY	SPDR-CONS DISCR	198.17	(1.61)	2.70	1.24	1.03	(10.07)	187.63	182.47	200.37	1.20	207.78	192.96	6%	9%	BULLISH		
XTN	SPDR-SP TRANSP	80.86	(1.82)	1.04	0.11	(12.24)	(24.45)	78.38	79.16	82.44	1.32	85.59	79.29	3%	2%	BEARISH		
SDY	SPDR-SP DIV ETF	140.86	(0.87)	(3.67)	5.85	(4.61)	(8.89)	136.23	131.18	142.04	0.86	146.81	137.27	3%	7%	BULLISH		
RSP	INVS-SP5 EQ ETF	178.57	(0.48)	(1.18)	3.71	(3.97)	(5.91)	171.80	167.13	179.16	1.05	185.52	172.80	4%	7%	BULLISH		
SPSM	SPDR-PRT SC	45.04	(0.92)	(1.06)	1.82	(3.64)	(8.52)	44.17	42.64	45.51	1.11	47.15	43.87	2%	5%	BULLISH		
MDY	SPDR-SP MC 400	569.27	(0.27)	(0.13)	0.84	(5.87)	(6.56)	553.32	542.42	569.66	1.11	590.20	549.12	3%	5%	BULLISH		
EEM	ISHARS-EMG MKT	46.97	0.49	6.47	3.28	2.57	(9.30)	43.34	42.24	45.86	0.73	47.34	44.38	9%	11%	BULLISH		
EFA	ISHARS-EAFE	82.55	(1.91)	(2.50)	(1.06)	(7.25)	(12.98)	80.71	79.55	83.63	0.88	86.46	80.80	2%	4%	BULLISH		
IAU	ISHARS-GOLD TR	50.08	(0.30)	0.27	7.55	(4.77)	11.12	47.17	44.45	49.70	0.20	51.04	48.36	0%	13%	BULLISH		
GDX	VAINECK-GOLD MNR	39.55	(2.29)	2.95	1.37	8.37	13.62	38.19	34.60	39.82	0.97	41.20	38.44	4%	14%	BULLISH		
UUP	INVS-OB US5 BU	28.67	1.86	(4.21)	(2.32)	(16.51)	(37.05)	28.43	28.49	28.18	(0.22)	28.82	27.54	1%	1%	BEARISH		
BOND	PIMCO-ACTV BOND	93.44	(1.80)	(7.00)	(0.81)	(11.23)	(26.43)	93.55	91.82	94.61	0.26	97.22	92.00	0%	2%	BULLISH		
TLT	ISHARS-20-YTB	95.55	(3.35)	(9.98)	(0.53)	(8.53)	(20.77)	96.79	93.87	98.10	0.27	100.82	95.38	-1%	2%	BULLISH		
BNDX	VANGD-TTL INT B	50.04	(0.80)	(5.87)	(0.10)	(12.73)	(28.09)	49.75	49.13	50.28	0.19	51.63	48.93	1%	2%	BULLISH		
HYG	ISHARS-IBX HYCB	79.60	(1.23)	(5.37)	(0.17)	(10.95)	(23.95)	78.84	77.73	80.30	0.45	82.67	77.93	1%	2%	BULLISH		



RISK RANGE REPORT



Weekly SimpleVisor Stock Screens

We provide three stock screens each week from [SimpleVisor](#).

This week, we are searching for the Top 20:

- Relative Strength Stocks
- Momentum Stocks
- Fundamental & Technical Strength W/ Dividends

(Click Images To Enlarge)

RSI Screen

Symbol	Sector	Trend	Last	FairValue	RSI	20 SMA	50 SMA	100 SMA	Mohanram	Piotroski	SV Rank	Yield%
AFL	Financial	10/10	\$115.26	\$70.41(-63.70%)	69.33	\$109.85(4.92%)	\$105.51(9.24%)	\$97.22(18.56%)	—	6	3	2.33%
ANET	Technology	10/10	\$395.97	\$341.63(-15.91%)	67.33	\$367.01(7.89%)	\$349.23(13.38%)	\$339.39(16.67%)	1	6	1	%
CARR	Industrials	10/10	\$80.80	\$46.73(-72.91%)	66.30	\$77.65(4.06%)	\$71.66(12.75%)	\$68.07(18.70%)	6	7	3	1.32%
CEG	Utilities	10/10	\$285.52	()	81.48	\$226.07(26.30%)	\$201.34(41.81%)	\$206.20(38.47%)	—	—	—	0.79%
CHRW	Industrials	10/10	\$106.73	\$48.24(-121.25%)	54.18	\$104.31(2.32%)	\$100.93(5.75%)	\$93.65(13.97%)	—	5	3	3.33%
ERIE	Financial	10/10	\$542.86	\$187.86(-188.97%)	63.22	\$527.06(3.00%)	\$488.42(11.15%)	\$429.75(26.32%)	4	6	3	1.47%
FICO	Technology	10/10	\$1,913.38	\$333.46(-188.97%)	65.42	\$1,888.38(1.32%)	\$1,771.87(7.99%)	\$1,607.99(18.99%)	—	7	3	%
GEV	Utilities	10/10	\$265.59	()	74.45	\$236.32(12.39%)	\$202.62(31.08%)	\$186.77(42.20%)	—	—	—	%
GL	Financial	8/10	\$106.52	()	52.76	\$105.30(1.16%)	\$99.92(6.61%)	\$91.82(16.01%)	4	5	3	0.92%
GLW	Technology	10/10	\$44.88	\$11.81(-180.02%)	60.07	\$43.57(3.01%)	\$41.77(7.45%)	\$40.54(10.71%)	1	8	3	3.45%
HWM	Industrials	10/10	\$102.03	\$27.05(-127.19%)	67.66	\$97.03(5.15%)	\$94.62(7.83%)	\$87.92(16.05%)	1	7	3	0.26%
IRM	Real Estate	10/10	\$118.28	\$16.44(-199.46%)	59.57	\$116.28(1.72%)	\$111.46(6.12%)	\$99.65(18.70%)	6	7	3	2.44%
K	Consumer Staples	10/10	\$80.61	\$33.59(-139.98%)	72.99	\$80.52(0.11%)	\$76.51(5.36%)	\$67.66(19.14%)	6	7	3	2.83%
MMM	Industrials	10/10	\$135.27	\$88.63(-166.62%)	55.63	\$134.15(0.83%)	\$129.61(4.37%)	\$115.28(17.34%)	—	7	3	5.69%
PLTR	Technology	10/10	\$40.01	\$11.51(-199.46%)	73.75	\$36.23(10.43%)	\$32.13(24.53%)	\$28.31(41.33%)	—	1	3	%
TSLA	Consumer Cyclical	10/10	\$250.08	\$157.71(-158.57%)	51.81	\$239.54(4.40%)	\$223.52(11.88%)	\$212.85(17.49%)	4	7	1	%
TYL	Technology	8/10	\$579.45	\$221.50(-161.60%)	51.78	\$582.67(-0.55%)	\$579.61(-0.03%)	\$537.53(7.80%)	1	4	3	%
VST	Utilities	10/10	\$138.41	\$102.62(-34.88%)	83.49	\$100.82(37.28%)	\$87.25(58.64%)	\$88.44(56.50%)	—	3	3	1.26%
VTR	Real Estate	10/10	\$62.53	\$17.12(-166.25%)	49.38	\$63.92(-2.17%)	\$60.60(3.18%)	\$55.51(21.65%)	1	5	3	2.77%
WELL	Real Estate	10/10	\$125.56	\$28.08(-134.15%)	54.79	\$127.56(-1.57%)	\$120.86(3.89%)	\$112.27(11.84%)	1	4	4	2.07%

Momentum Screen

Symbol	Sector	Trend	Last	FairValue	RSI	20 SMA	50 SMA	100 SMA	Mohanram	Piotroski	SV Rank	Yield%
AXON	Industrials	10/10	\$421.80	\$174.17(-142.18%)	78.98	\$386.42(9.16%)	\$362.35(16.41%)	\$328.15(28.54%)	6	4	4	%
CEG	Utilities	10/10	\$285.52	0	81.48	\$226.07(26.30%)	\$201.34(41.81%)	\$206.20(38.47%)	—	—	—	0.79%
LMT	Industrials	10/10	\$605.13	\$325.46(-85.93%)	77.00	\$577.97(4.70%)	\$562.98(7.49%)	\$514.79(17.55%)	5	7	3	2.77%
META	Communication Ser.	10/10	\$595.94	\$451.16(-32.09%)	75.59	\$546.64(9.02%)	\$522.76(14.00%)	\$507.24(17.49%)	—	—	—	0.41%
VST	Utilities	10/10	\$138.41	\$102.62(-34.88%)	83.49	\$100.82(37.28%)	\$87.25(58.64%)	\$88.44(56.50%)	—	3	3	1.26%
WYNN	Consumer Cyclical	10/10	\$105.45	0	84.25	\$84.73(24.45%)	\$80.06(31.71%)	\$84.92(24.18%)	1	4	3	1.27%
BLK	Financial	9/10	\$949.19	\$453.17(-109.46%)	66.23	\$917.79(3.42%)	\$886.50(7.07%)	\$840.84(12.89%)	2	6	3	2.42%
CAT	Industrials	9/10	\$397.09	\$516.10(23.06%)	70.25	\$365.12(8.76%)	\$350.35(13.34%)	\$343.65(15.55%)	1	7	3	1.42%
CVI	Industrials	9/10	\$331.74	0	66.75	\$310.34(6.90%)	\$302.91(9.52%)	\$291.51(13.80%)	5	7	4	2.41%
HD	Consumer Cyclical	9/10	\$408.36	\$262.94(-35.31%)	80.29	\$388.68(5.06%)	\$370.90(10.10%)	\$355.63(14.83%)	—	4	3	2.37%
ACN	Technology	8/10	\$362.24	\$256.69(-41.12%)	66.57	\$346.12(4.66%)	\$335.72(7.90%)	\$319.20(13.48%)	6	8	2	1.48%
AMP	Financial	8/10	\$486.94	\$563.58(13.60%)	76.40	\$455.63(6.87%)	\$437.82(11.22%)	\$434.70(12.02%)	3	7	2	1.24%
BKNG	Consumer Cyclical	8/10	\$4,187.70	0	58.40	\$4,032.03(3.86%)	\$3,808.99(9.94%)	\$3,843.83(8.95%)	2	6	3	0.96%
MDCI	Financial	8/10	\$589.72	\$400.56(-47.22%)	65.46	\$565.48(4.29%)	\$558.66(5.56%)	\$526.44(12.02%)	1	6	—	1.12%
TSGI	Industrials	8/10	\$1,355.46	\$622.16(-117.86%)	61.44	\$1,383.17(-2.00%)	\$1,321.60(2.56%)	\$1,309.46(3.51%)	5	8	3	%
UNH	Healthcare	8/10	\$591.20	\$680.31(13.10%)	60.27	\$584.53(1.14%)	\$581.03(1.75%)	\$544.20(8.64%)	1	5	3	1.43%
MTD	Healthcare	7/10	\$1,452.82	\$614.74(-136.33%)	54.96	\$1,425.24(1.94%)	\$1,424.67(1.98%)	\$1,423.56(2.06%)	1	7	2	%
ORLY	Consumer Cyclical	7/10	\$1154.90	\$986.38(-17.08%)	56.68	\$1,133.13(1.92%)	\$1,127.82(2.40%)	\$1,072.39(7.69%)	5	8	3	%
TSCO	Consumer Cyclical	7/10	\$294.97	\$227.37(-29.73%)	65.06	\$281.00(4.97%)	\$270.77(8.94%)	\$272.39(8.29%)	1	5	2	1.55%
WAT	Healthcare	7/10	\$352.51	\$136.44(-158.36%)	63.05	\$339.70(3.77%)	\$336.86(4.65%)	\$323.27(9.05%)	5	8	3	%

Fundamental & Technical Screen

Symbol	Sector	Trend	Last	FairValue	RSI	20 SMA	50 SMA	100 SMA	Mohanram	Piotroski	SV Rank	Yield%
CARR	Industrials	10/10	\$80.80	\$46.73(-72.91%)	66.30	\$77.65(4.06%)	\$71.66(12.75%)	\$68.07(18.70%)	6	7	3	1.32%
ERIE	Financial	10/10	\$542.86	\$187.86(-188.97%)	63.22	\$527.06(3.00%)	\$488.42(11.15%)	\$429.75(26.32%)	4	6	3	1.47%
FFIV	Technology	10/10	\$219.91	\$164.79(-33.45%)	62.39	\$213.90(2.81%)	\$201.92(8.91%)	\$186.61(17.84%)	8	5	5	%
IBM	Technology	10/10	\$226.00	\$128.32(-76.12%)	71.91	\$215.68(4.78%)	\$202.37(11.68%)	\$187.20(20.73%)	5	7	4	3.11%
IRM	Real Estate	10/10	\$118.28	\$16.44(-119.46%)	59.57	\$116.28(1.72%)	\$111.46(6.12%)	\$99.65(18.70%)	8	7	3	2.44%
LMT	Industrials	10/10	\$605.13	\$325.46(-85.93%)	77.00	\$577.97(4.70%)	\$562.98(7.49%)	\$514.79(17.55%)	5	7	3	2.77%
META	Communication Ser.	10/10	\$595.94	\$451.16(-32.09%)	75.59	\$546.64(9.02%)	\$522.76(14.00%)	\$507.24(17.49%)	—	—	—	0.41%
NVR	Consumer Cyclical	10/10	\$9,515.00	\$8,037.11(-18.39%)	58.62	\$9,485.49(0.31%)	\$9,041.85(5.23%)	\$8,381.02(13.53%)	1	7	2	%
ORCL	Technology	10/10	\$170.86	\$120.16(-42.19%)	64.80	\$163.15(4.73%)	\$147.15(16.11%)	\$140.12(21.94%)	5	3	4	0.99%
PYPL	Financial	10/10	\$79.36	\$98.67(19.57%)	61.92	\$74.44(6.61%)	\$69.96(13.44%)	\$65.72(20.75%)	5	6	5	%
TRGP	Energy	10/10	\$158.02	\$113.87(-38.77%)	62.96	\$150.12(5.26%)	\$143.76(9.92%)	\$134.13(17.81%)	4	7	3	2.02%
TSLA	Consumer Cyclical	10/10	\$250.08	\$157.71(-58.57%)	51.81	\$239.54(4.40%)	\$223.52(11.88%)	\$212.85(17.49%)	4	7	1	%
TT	Industrials	10/10	\$388.36	\$199.41(-94.75%)	67.30	\$373.63(3.94%)	\$353.09(9.99%)	\$342.36(13.44%)	5	8	3	1.12%
VST	Utilities	10/10	\$138.41	\$102.62(-34.88%)	83.49	\$100.82(37.28%)	\$87.25(58.64%)	\$88.44(56.50%)	—	3	3	1.26%
CAT	Industrials	9/10	\$397.09	\$516.10(23.06%)	70.25	\$365.12(8.76%)	\$350.35(13.34%)	\$343.65(15.55%)	1	7	3	1.42%
CVI	Industrials	9/10	\$331.74	0	66.75	\$310.34(6.90%)	\$302.91(9.52%)	\$291.51(13.80%)	5	7	4	2.41%
CTAS	Industrials	9/10	\$204.91	\$281.40(27.18%)	55.40	\$204.13(0.38%)	\$197.08(3.97%)	\$185.80(10.29%)	6	7	3	0.79%
HD	Consumer Cyclical	9/10	\$408.36	\$262.94(-35.31%)	80.29	\$388.68(5.06%)	\$370.90(10.10%)	\$355.63(14.83%)	—	4	3	2.37%
PNR	Financial	9/10	\$255.36	0	54.30	\$253.92(0.57%)	\$240.11(6.35%)	\$225.22(13.38%)	—	5	3	0.16%
PNR	Industrials	9/10	\$95.88	\$52.13(-83.92%)	61.93	\$93.41(2.64%)	\$88.52(8.31%)	\$84.03(14.10%)	6	7	3	1.08%
RCL	Consumer Cyclical	9/10	\$179.44	0	54.68	\$170.70(5.12%)	\$162.18(10.64%)	\$158.71(13.06%)	1	—	4	%
RL	Consumer Cyclical	9/10	\$196.17	\$257.37(23.78%)	66.47	\$184.83(6.14%)	\$174.45(12.45%)	\$175.03(12.08%)	3	8	1	1.85%
URI	Industrials	9/10	\$789.52	\$833.19(5.24%)	59.78	\$765.77(3.10%)	\$735.41(7.36%)	\$700.03(12.78%)	5	8	3	0.90%

SimpleVisor Portfolio Changes

We post all of our portfolio changes as they occur at [SimpleVisor](https://www.simplevisor.com):

Oct 1st

"In August, we sold Phillip Morris (PM) due to its incredible run this year to take profits. However, PM and its sister company, Altria (MO), have made decent corrections since that sale and worked off much of that previous overbought condition. At the same time, one of the underperforming companies with a lower dividend yield also rose with the recent market rampage, allowing us to swap a 2.11% yield for a 7.9% yield in the portfolio with MO."

Dividend Equity Model

- Sell 100% of Fastnel (FAST)
- Buy 1.5% of the portfolio in Altria (MO)

Oct 3rd

"As we discussed this morning during the [ReallInvestmentShow Podcast](#), Utilities, and Real Estate have become very overbought following the runup to the first Fed rate cut. As such, our positions have become overweight relative to our target allocations. We are going to take the opportunity to rebalance the portfolio a bit and reduce Duke Energy and the SPDR Utility ETF back to the target weight.

We are also adding to our position in Annaly (NLY), which fell in price following its recent dividend distribution. We are adding to the iShares Mortgage Real Estate ETF (REM) in the ETF Model. With the Fed cutting rates and mortgage refinancing gaining some traction, the distribution decline allows us to increase our position to a target weight of 2% of the portfolio."

Equity Model

- Reduce DUK to 3.5% of the portfolio.
- Increase NLY to 2% of the portfolio.

ETF Model

- Reduce the SPDR Utility ETF (XLU) to 3% of the portfolio.
- Increase REM To 2% of the portfolio.

Lance Roberts, C.I.O.

Have a great week!