



As seen on Forbes by RealInvestmentAdvice.com's Jesse Colombo: [?Is A Long-Term Top Forming In The Market"](#):

Back in February, during the last market correction, I wrote a [blog post](#) called "3 Ways This Market Correction May Play Out" in which I showed three technical chart patterns that I believed the market may have tried to follow after the sharp sell-off. I also showed historic examples of these patterns. In that piece, I was not making any definite predictions, but just showing these potential scenarios as a helpful framework to better anticipate and understand the next phase of market action.

After the summer surge to record highs and October's plunge, the market pattern that it appears we are following most closely is "Scenario #2: A Topping Pattern Forms" (more specifically, a [head and shoulders pattern](#)). If we are indeed following this pattern, the left shoulder was the late-2017 surge and early-2018 plunge, the head was the summer surge and October plunge, and a final "dead cat bounce" would be ahead as the right shoulder forms. Since early-2016, the S&P 500 has followed an uptrend line higher until last week's close below it, which represents a notable and worrisome change of trend. The neckline support level formed at the early-2018 lows and is the key price target that I believe the S&P 500 is going to gun for during the course of this sell-off.



Read the [full article](#) on Forbes. Please review our Chief Investment Strategist Lance Roberts?

[newsletter](#) from this weekend to learn how we are positioning in this market. **We at Clarity Financial LLC, a registered investment advisory firm, specialize in preserving and growing investor wealth in times like these. If you are concerned about your financial future, [click here](#) to ask me a question and find out more.**