After last week's sharp decline, stocks bounced a bit this week, and the talking heads on TV could hardly contain themselves. **Unfortunately, this week's bounce does absolutely nothing to negate the major technical breakdown that occurred last week.**•According to the chart below, the S&P 500 is still below its uptrend line, which means that the breakdown is still intact. The uptrend line is now an overhead resistance level.•All of the movement that occurs between this line and the 2,550 to 2,600 support zone (the early-2018 lows) is basically randomness or ?noise,? not ?signal.? The S&P 500 would need to break back above its former uptrend line in a convincing manner in order to negate the breakdown. As I?ve been saying, the S&P 500 is likely to continue testing its•2,550 to 2,600 support zone before it's able to stage a decent bounce. If the index closes below this zone, it would likely signal further declines ahead.

The Nasdaq Composite index is still below its uptrend line that it broke last week, which means that the breakdown is still intact:

I don?t expect much of a rebound until U.S. stock indices test their early-2018 lows, which means that the markets are likely to go even lower in the short-term.**Even if/when we get a bounce, it?s not much to get excited about because it is likely to only be a short-term technical bounce or relief rally rather than a sustainable phase of the bull market.**•I have been warning that we are in a•dangerous stock market bubble (please watch•my presentation•to learn more), so the breakdown of the past few weeks is very concerning. Please review our Chief Investment Strategist Lance Roberts? most recent•newsletter•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.**•