

Inside This Week's Bull Bear Report

- *Summer Weakness, And October Rallies*
- *How We Are Trading It*
- *Research Report - Fed's Soft Landing Hope Is Optimistic*
- *Youtube - Before The Bell*
- *Market Statistics*
- *Stock Screens*
- *Portfolio Trades This Week*

Market Update & Review

The market took a hit this week once again as the summer weakness continued. While many attributed the decline in stocks and rise in bond yields to the recent Fed projections of *"higher for longer,"* the action this week seemed more akin to end-of-the-quarter rebalancing for fund managers. Furthermore, September 30th marked the fiscal year-end for about 20% of fund managers who needed to make distributions and redemptions. Nonetheless, the market declined this week, with only minor support holding the market in place.

The market held support at the 150-DMA, which is acting as minor support. A violation of that level will see the markets quickly test the 200-DMA. If this market will maintain its bullish footing, it must hold support and begin to firm up next week.



As we stated last week:

"While there was much handwringing and teeth-gnashing over the decline, it was normal within any given year. [As we noted in June:](#) "Notably, in any given year, bullish or bearish, a 5-10% correction is entirely normal and healthy. Such corrective actions are opportunities to increase portfolio equity risk."

As we will discuss in today's commentary, the decline was expected and, so far, has remained confined to expectations. Given the reduction in asset prices, a drop in bullish sentiment, and technically oversold conditions, the summer weakness has set the markets up for a potential year-end rally.

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.



Need a plan to protect your hard earned savings from the next bear market?

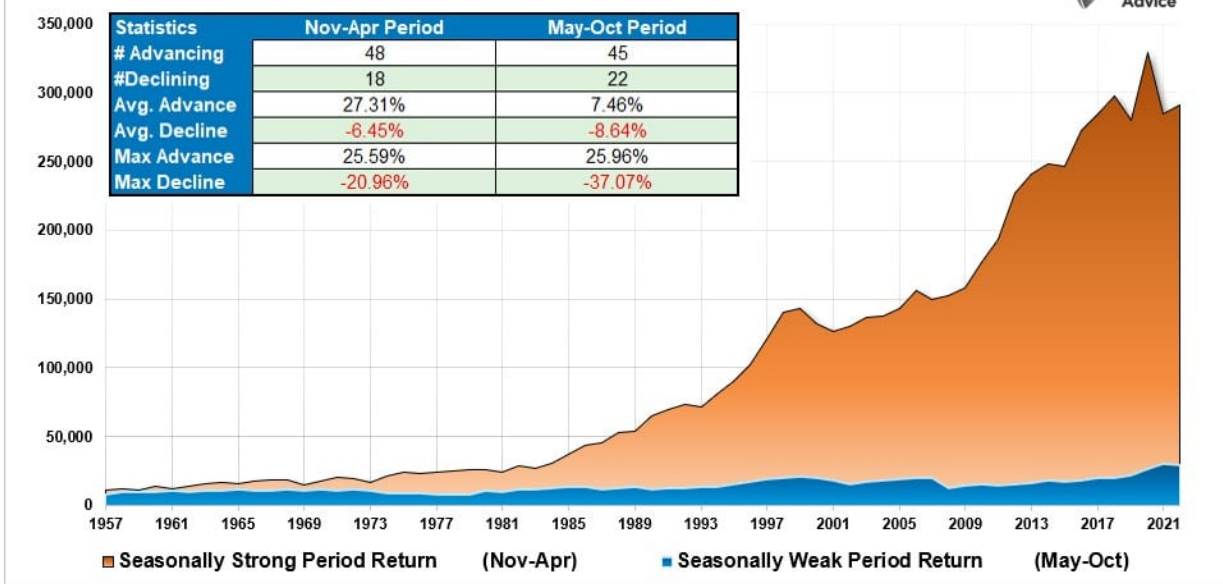
> Schedule your consultation today

Summer Weakness As Expected

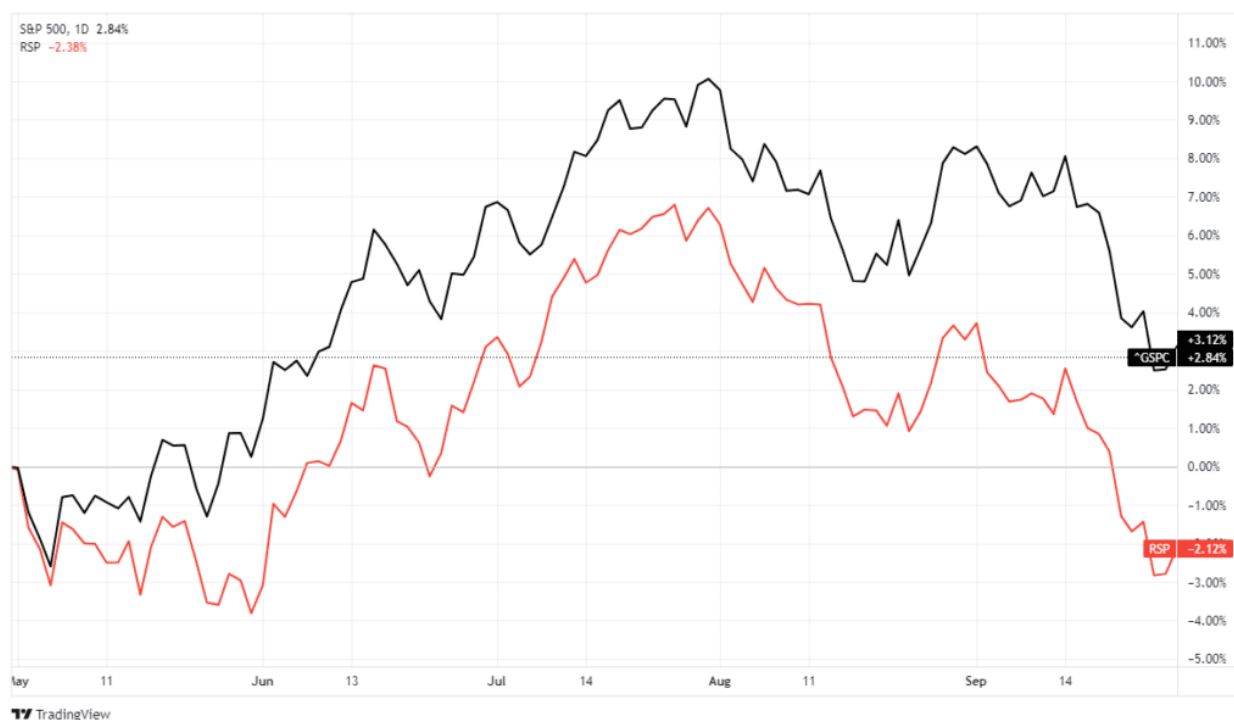
As noted above, September lived up to its history of summer weakness, one of the [weaker months of the year.](#)

"Just as a reminder, the historical analysis suggests summer months of the market tend to be the weakest of the year. The mathematical statistics prove this as \$10,000 invested in the market from November to April vastly outperformed the same amount invested from May through October. Interestingly, the max drawdowns are significantly larger during the 'Sell In May' periods. Previous important dates of major market declines occurred in October 1929, 1987, and 2008."

Growth Of \$10,000: Strong vs Weak Periods



So far this year, the summer weakness from May through September remains average, with a return of just 2.8%. However, once we remove the weighting bias of the "Top-7" mega-capitalization stocks from the calculation, the equal-weighted S&P index is down nearly 2.4% over the same period. Given that most portfolios own more than just seven stocks, the performance of most portfolios, mainly if they are diversified in any manner, is likely closer to zero than not.



As stated above, the summer weakness was mostly as expected. In [***"Bull Trap Or Bear Market,"***](#) we noted that a 5-10% correction should be expected. To wit:

"If we assume a correction started from the market high on June 14th, 2023, the retracement sequence provides mathematical levels of potential support during a retracement. A roughly 5% correction would reach the initial 23.6% retracement. At that level, it will likely intersect with the 50-day moving average. The next level of a

corrective process would require a 7% decline to the 38.2% retracement and a nearly 10% decline to the 50% retracement to the 200-day moving average.

Notably, in any given year, bullish or bearish, a 5-10% correction is entirely normal and healthy. Such corrective actions are opportunities to increase portfolio equity risk."

We were a bit early as the high for the market came in July. However, while the retracement levels differ, the correction has fallen within that historical range.



The good news is that the summer weakness sets the markets up for a more substantial year-end rally.

October Rallies Follow Summer Weakness

As shown in the table below, There were three occasions where October continued to sport weak market returns following a negative return in the previous two months. However, there was only one occasion following summer weakness in August and September, where the fourth quarter also yielded a negative return.

On average, when summer weakness prevailed in August and September, October tended to be higher by 4.5%, with the fourth quarter averaging a 7% return.

Down Big In August and September Isn't a Bad Thing

S&P 500 Performance When Down 1% Or More In Both August and September

S&P 500 Index Returns				
Year	August	September	October	Q4
1952	-1.5%	-2.0%	-0.1%	8.3%
1956	-3.8%	-4.5%	0.5%	2.9%
1957	-5.6%	-6.2%	-3.2%	-5.7%
1959	-1.5%	-4.6%	1.1%	5.3%
1974	-9.0%	-11.9%	16.3%	7.9%
1975	-2.1%	-3.5%	6.2%	7.5%
1981	-6.2%	-5.4%	4.9%	5.5%
1985	-1.2%	-3.5%	4.3%	16.0%
1990	-9.4%	-5.1%	-0.7%	7.9%
2001	-6.4%	-8.2%	1.8%	10.3%
2011	-5.7%	-7.2%	10.8%	11.2%
2015	-6.3%	-2.6%	8.3%	6.5%
2022	-4.2%	-9.3%	8.0%	7.1%
2023	-1.8%	-4.2%	?	?
Average			4.5%	7.0%
Median			4.3%	7.5%
% Higher			76.9%	92.3%

Source: Carson Investment Research, FactSet 09/24/2023
@ryandstrick

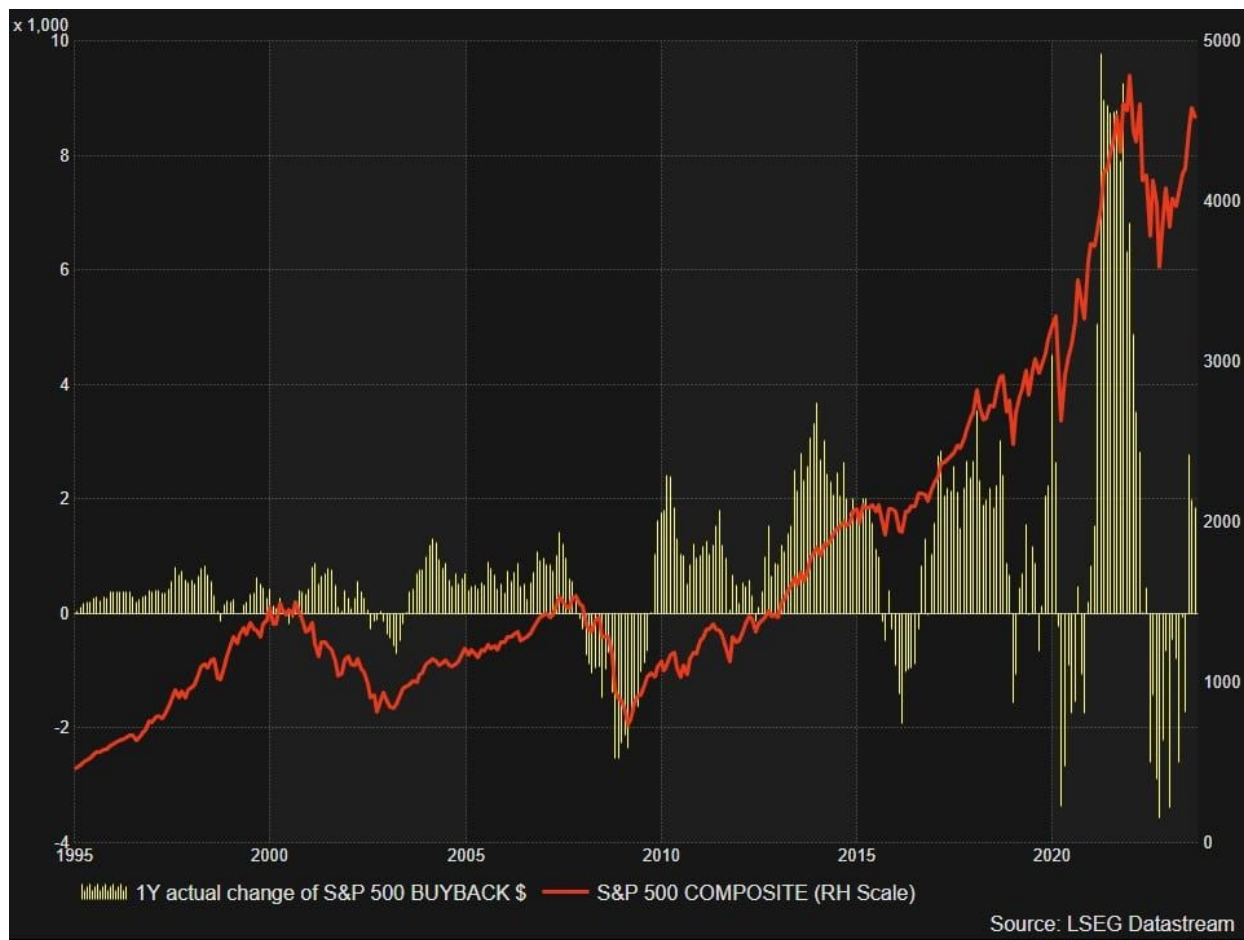


While there is much concern about the Federal Reserve hiking rates, potentially weaker economic growth, and inflationary pressures, there is no sign of a recession yet. Those immediate concerns will likely fade as October gets underway, which will kick off the Q3 earnings season. Since analysts have lowered the bar quite dramatically for the third quarter, the market should have a reasonably high "beat rate" of earnings to rally off of.

Analysts Estimates For Q3 - 2023 Over Time



Then, just as earnings season winds down, the "*blackout period*" for corporate share buybacks will end. As noted by Goldman Sachs, there could be as much as \$5 billion a day in repurchases through the end of the year. Historically, those buybacks have provided a solid tailwind for stock prices, particularly in the large-capitalization companies that execute the most significant transactions.

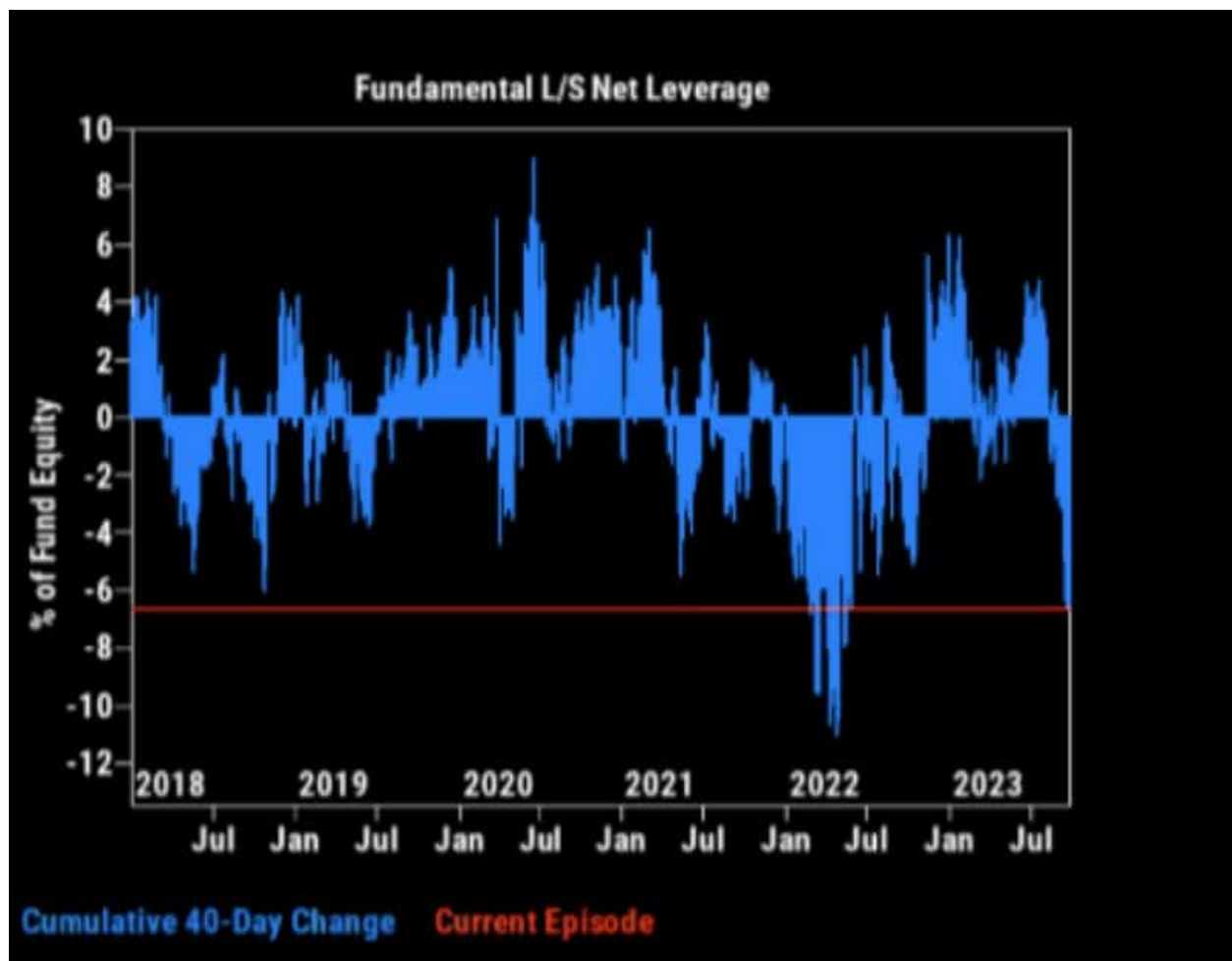


Lastly, as we head into year-end, the summer weakness provided much-needed relief to the exuberant bull market run from the beginning of the year. The previously overly optimistic, over-bought, and over-allocated measures of the market have been essentially reversed. From a contrarian point of view, this is precisely the kind of technical backdrop that provides the "buying power" to the markets in the short term.

The Technical Setup For A Year-End Rally

As a contrarian investor, excesses get built when everyone is on the same side of the trade.

With that said, everyone is so bearish the markets could respond in a manner no one expects. As shown below, portfolio managers are extremely short on equities.



Furthermore, speculators are also at a record net short on Treasury debt.



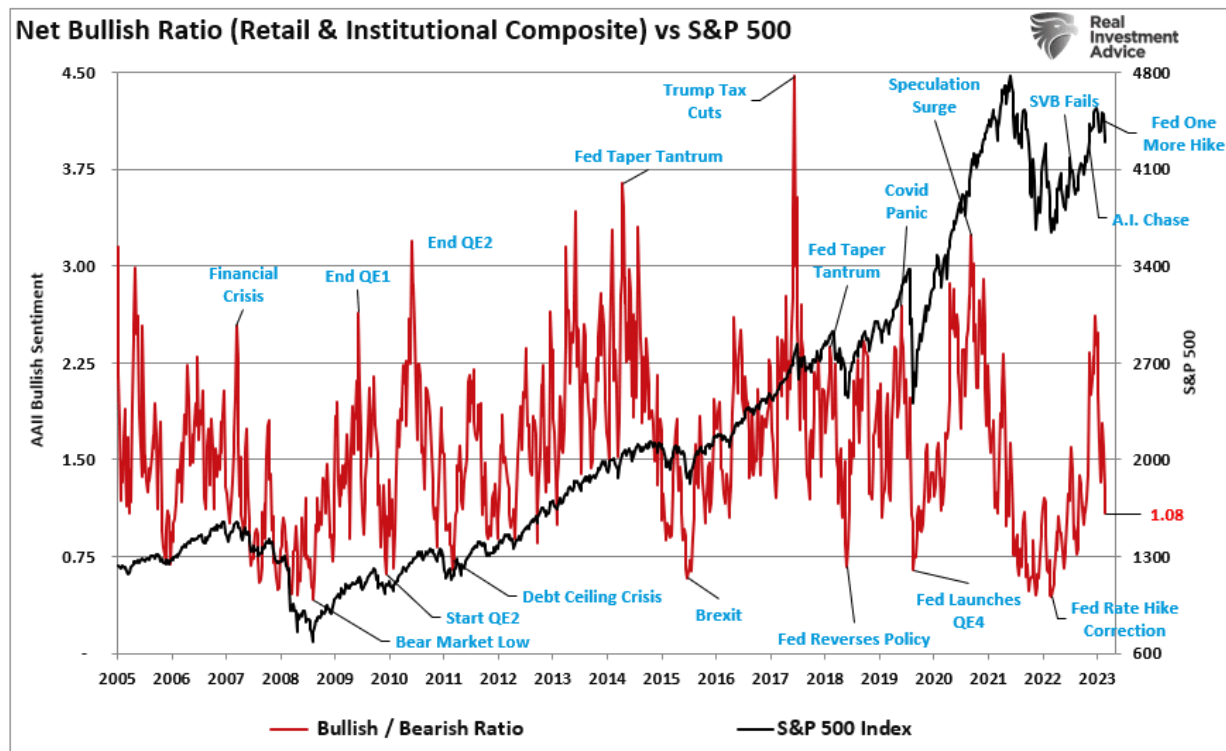
While many believe this time is different, it is unlikely that such is the case.

"The odds favor an eventual unwind of the overly bearish 10-year note trade. The massive amount of short-covering could easily push yields back into the 2% handle." - Carley Garner, Real Money

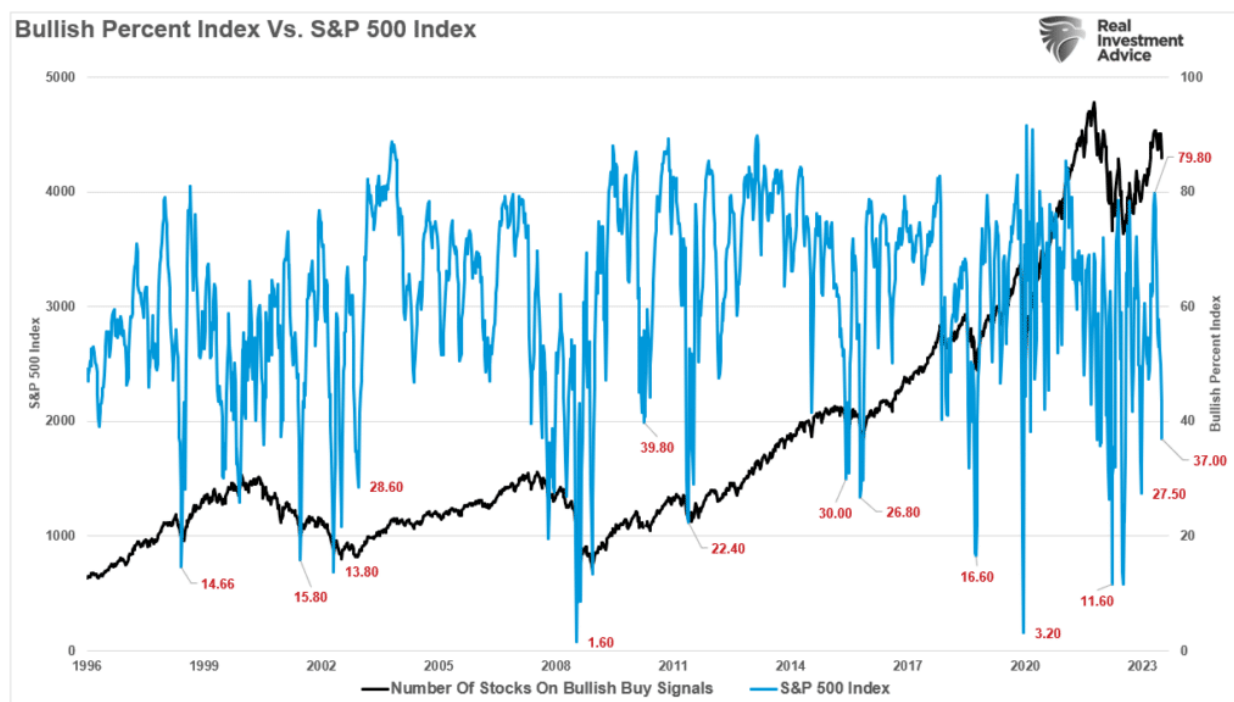
However, it isn't just the leveraged backdrop of record short equity and bond exposures. That is just the eventual "fuel" for the rally when it begins. There is currently very negative sentiment and

technical support, which suggest that a reflexive rally could begin sooner rather than later.

The chart below shows the relatively sharp decline from the more exuberant bullish sentiment we saw in June and July. Historically, when the combined readings of retail and professional sentiment reached current levels, such formed the basis for a reflexive rally.

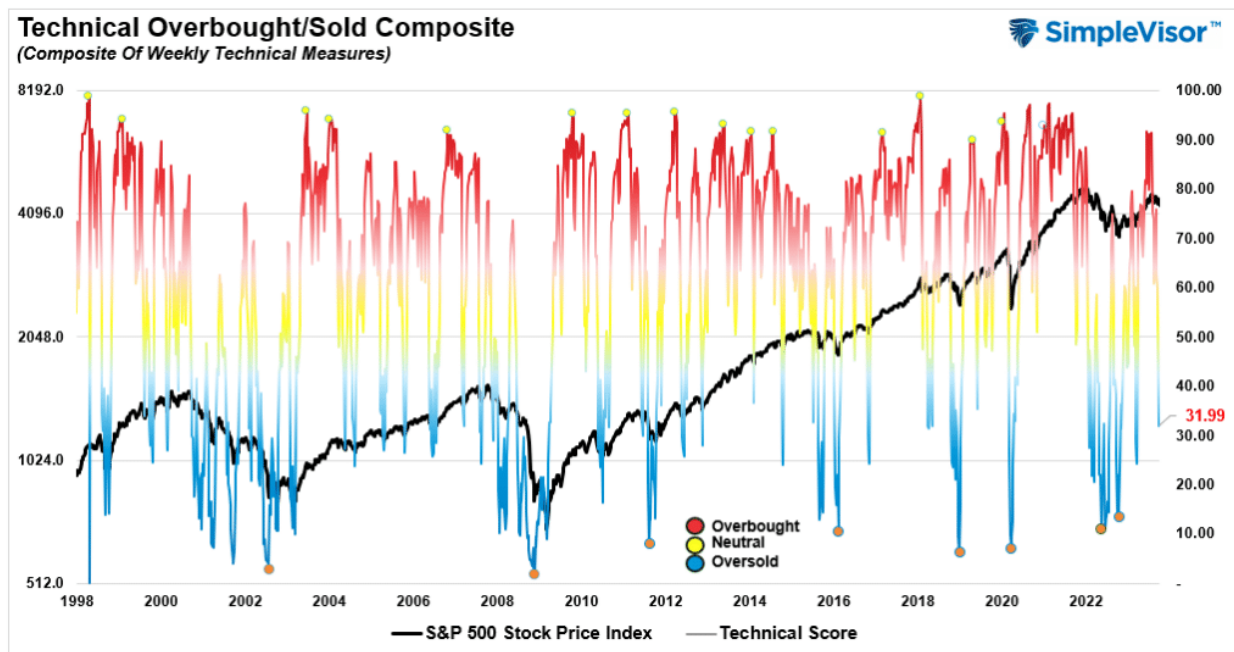


The same holds for the number of stocks on "bullish buy signals." During more bullish markets, readings below 40 have coincided with near-term market bottoms.



Furthermore, our technical gauge, comprised of weekly readings of the Williams %R, RSI, MACD, and other measures, is reaching more deeply oversold levels. Again, when combined with a high level of leverage and negative sentiment, such is usually the point where markets do the opposite

of what everyone expects.



At the moment, it is clear that interest rates are driving the ship. However, that ship is likely on the cusp of making a significant turn. While we could see a short-term rally in equities along with bonds at the end of the year, we suspect that next year maybe when bonds drastically outperform equities.

But such is what you would expect with the onset of a recession.

Being A Contrarian

As we have often discussed, one of the investors' most significant challenges is going "*against*" the prevailing market "*herd bias*." However, historically speaking, contrarian investing often proves to provide an advantage. One of the most famous contrarian investors is Howard Marks, who once stated:

*?Resisting ? and thereby achieving success as a contrarian ? isn?t easy. Things combine to make it difficult; **including natural herd tendencies and the pain imposed by being out of step, particularly when momentum invariably makes pro-cyclical actions look correct for a while.***

*Given the uncertain nature of the future, and thus the difficulty of being confident your position is the right one ? especially as price moves against you ? **it?s challenging to be a lonely contrarian.***

However, if the most fundamental premise of investing is to "*buy when everyone is fearful*," investors may again be missing the contrarian opportunity.

As Bob Farrell's Rule Number-9 states:

?When all the experts and forecasts agree ? something else is going to happen.

So, what do you think most likely happens after the summer weakness?

How We Are Trading It

There are plenty of reasons to be very concerned about the market over the next few months. Given the market leads the economy, we must respect the market's action today for potentially what it is telling us about tomorrow. Therefore, there are some actions we can take to navigate whatever path the market chooses.

1. **Move slowly.** *There is no rush to make dramatic changes. Doing anything in a moment of "panic" tends to be the wrong thing.*
2. **If you are overweight equities, DO NOT try to fully adjust your portfolio to your target allocation in one move.** *Again, after significant declines, individuals feel like they "must" do something. Think logically about where you want to be and use the rally to adjust to that level.*
3. **Begin by selling laggards and losers.** *These positions were dragging on performance as the market rose, and they led on the way down.*
4. **Add to sectors or positions performing with or outperforming the broader market if you need risk exposure.**
5. **Move "stop-loss" levels up to recent lows for each position.** *Managing a portfolio without "stop-loss" levels is like driving with your eyes closed.*
6. **Be prepared to sell into the rally and reduce overall portfolio risk.** *You will sell many positions at a loss simply because you overpaid for them. Selling at a loss DOES NOT make you a loser. It just means you made a mistake.*
7. **If none of this makes sense, please consider hiring someone to manage your portfolio.** *It will be worth the additional expense over the long term.*

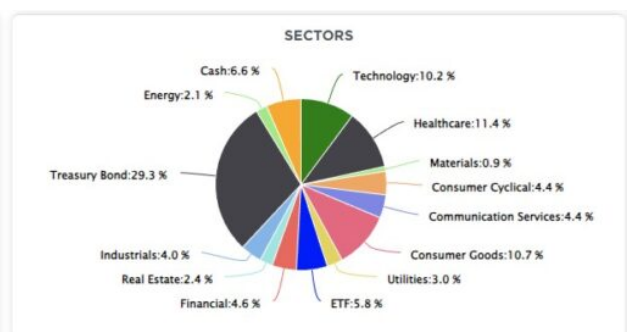
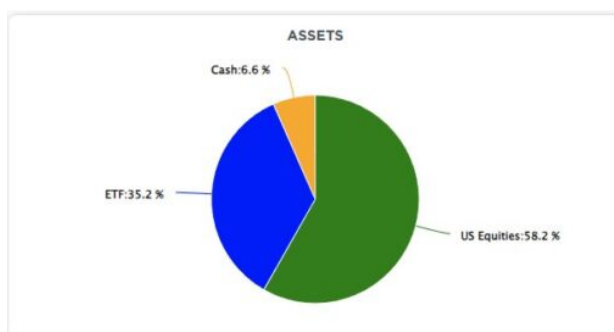
Just remember:

*?In good times, **skepticism means recognizing the things that are too good to be true**; that?s something everyone knows. But in bad times, it requires sensing when things are too bad to be true. People have a hard time doing that.*

The things that terrify other people will probably terrify you too, but to be successful, an investor has to be a stalwart. After all, most of the time the world doesn?t end, and if you invest when everyone else thinks it will, you?re apt to get some bargains.?
- Howard Marks

Follow your process.

This past week, I took advantage of the jump in interest rates to add to my long position in TLT. It is now my largest holding by far heading into year-end. My colleague, Michael Lebowitz, CFA, also similarly added to his long-call options on TLT. Our conviction to our view on bonds has a long window of 18-36 months. But the economics don't support rates at current levels for long.



See you next week.

Research Report

Real Investment Daily



"Soft Landing" Hope By The Fed Is Likely Optimistic

Written by Lance Roberts | Sep 29, 2023 | **Economics**

The Fed's "soft landing" hopes are likely overly optimistic. Such was the context of the recent #Bu...

[> Read More](#)

Subscribe To *"Before The Bell"* For Daily Trading Updates

We have set up a separate channel JUST for our short daily market updates. **Please subscribe to THIS CHANNEL** to receive daily notifications before the market opens.

[Click Here And Then Click The SUBSCRIBE Button](#)

<https://www.youtube.com/watch?v=6Ej2gT3uvR8>

[Subscribe To Our YouTube Channel](#) To Get Notified Of All Our Videos

Bull Bear Report Market Statistics & Screens

SimpleVisor™

Don't invest alone.
Tap into the power of SimpleVisor.

[> Sign up now](#)

SimpleVisor Top & Bottom Performers By Sector

Healthcare

WBA	ILMN	PFE	MRNA	OGN
6.41%	3.72%	3.37%	3.01%	1.64%
BIO	TMO	BAX	VTRS	DHR
0.65%	0.63%	0.53%	0.51%	0.37%
MCK	MOH	HUM	DVA	HCA
-1.63%	-1.63%	-1.75%	-1.84%	-1.86%
ABBV	DXCM	GEHC	ELV	PODD
-2.1%	-2.26%	-2.49%	-2.65%	-2.67%

Industrials

AXON	JBHT	LHX	ODFL	ALK
1.48%	1.15%	1.03%	0.76%	0.68%
BA	CSX	J	MMM	UPS
0.66%	0.59%	0.43%	0.39%	0.24%
HON	WM	CARR	RSG	PAYX
-1.27%	-1.3%	-1.32%	-1.34%	-1.53%
GE	MAS	VRSK	FAST	DE
-1.59%	-1.6%	-1.79%	-1.81%	-1.91%

Technology

MU	TRMB	MPWR	ACN	DXC
4.34%	2.77%	2.23%	2.11%	1.76%
INTC	ADBE	NOW	NVDA	TER
1.05%	1.04%	0.98%	0.95%	0.78%
IBM	SEDG	FIS	BR	GOOG
-0.9%	-0.94%	-0.99%	-1.08%	-1.1%
ON	FLT	HPE	EPAM	FICO
-1.17%	-1.23%	-1.47%	-1.6%	-2.06%

Consumer Cyclical

NKE	VFC	BALL	KMX	TPR
6.68%	6.51%	3.34%	2.49%	2.1%
BBWI	TSLA	ETSY	WYNN	SEE
1.78%	1.56%	1.3%	1.14%	1.05%
WRK	F	DHI	MAR	NVR
-1.08%	-1.11%	-1.33%	-1.5%	-1.63%
LEN	RCL	HLT	NCLH	CCL
-1.73%	-2.11%	-2.27%	-2.72%	-4.99%

Financial

ZION	KEY	MKTX	HBAN	USB
2.77%	2.28%	2.01%	1.86%	1.82%
CMA	CFG	TFC	FITB	RF
1.81%	1.71%	1.35%	1.2%	0.94%
AON	MMC	MSCI	HIG	JPM
-1.57%	-1.6%	-1.61%	-1.68%	-1.74%
BRK-B	CB	ACGL	WRB	TRV
-1.89%	-1.93%	-2.36%	-2.41%	-2.57%

Consumer Goods

CLX	EL	TAP	MKC	TSN
1.9%	1.83%	1.57%	1.33%	1.12%
BF-B	TGT	K	DG	KDP
1.05%	0.92%	0.52%	0.41%	0.35%
PM	KMB	COST	SYN	KR
-0.51%	-0.62%	-0.65%	-0.71%	-0.75%
ADM	HSY	SJM	WMT	BG
-0.82%	-0.87%	-1.36%	-1.61%	-2.13%

Utilities

AES	ES	D	WEC	LNT
2.15%	1.38%	1.2%	0.84%	0.81%
CMS	PPL	AEP	DTE	NRG
0.78%	0.77%	0.74%	0.66%	0.63%
AWK	ED	ATO	CEG	EXC
0.2%	0.05%	0.02%	-0.22%	-0.24%
DUK	EIX	SO	PCG	FE
-0.47%	-0.47%	-0.54%	-0.92%	-1.13%

Materials

FMC	DOW	STLD	CTVA	LYB
1.61%	1.24%	1.2%	0.49%	0.17%
ECL	DD	IFF	FCX	NEM
0.08%	0.07%	-0.01%	-0.11%	-0.22%
LIN	SHW	PPG	APD	MOS
-0.31%	-0.45%	-0.58%	-0.6%	-0.67%
CE	NUE	MLM	ALB	VMC
-0.69%	-0.89%	-0.97%	-1.37%	-1.47%

Real Estate

DLR	WELL	PEAK	AMT	O
2.09%	1.81%	1.66%	1.31%	1.17%
VTR	SBAC	ARE	CBRE	EQIX
0.91%	0.86%	0.8%	0.76%	0.73%
INVH	KIM	PSA	FRT	IRM
-0.22%	-0.23%	-0.29%	-0.6%	-0.7%
SPG	REG	VICI	COR	HST
-0.74%	-1.11%	-1.26%	-1.58%	-2.13%

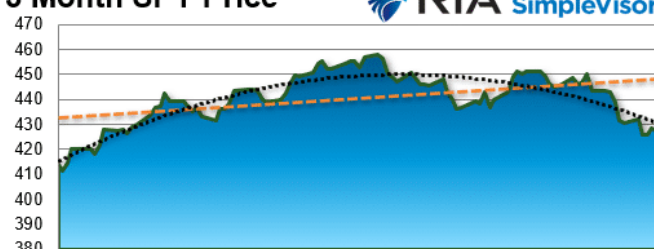
Energy

EQT	FI	KMI	CVX	FANG
0.35%	-0.52%	-0.54%	-1.15%	-1.44%
OXY	XOM	CTRA	TRGP	PXD
-1.52%	-1.58%	-1.74%	-1.97%	-1.98%
DVN	HES	COP	MRO	PSX
-2.27%	-2.32%	-2.38%	-2.41%	-2.62%
APA	HAL	BKR	VLO	SLB
-2.68%	-3.09%	-3.47%	-3.72%	-4.33%

Communication Services

WBD	DIS	EA	PARA	OMC
1.59%	1.15%	1.02%	0.62%	0.58%
NWS	NWSA	NFLX	TMUS	FOXA
0.43%	0.4%	0.33%	0.25%	0.19%
ATVI	FOX	T	VZ	LYV
0.1%	0.07%	0.07%	-0.43%	-0.78%
GOOG	IPG	CHTR	CMCSA	META
-0.96%	-1%	-1.05%	-1.16%	-1.23%

S&P 500 Weekly Tear Sheet

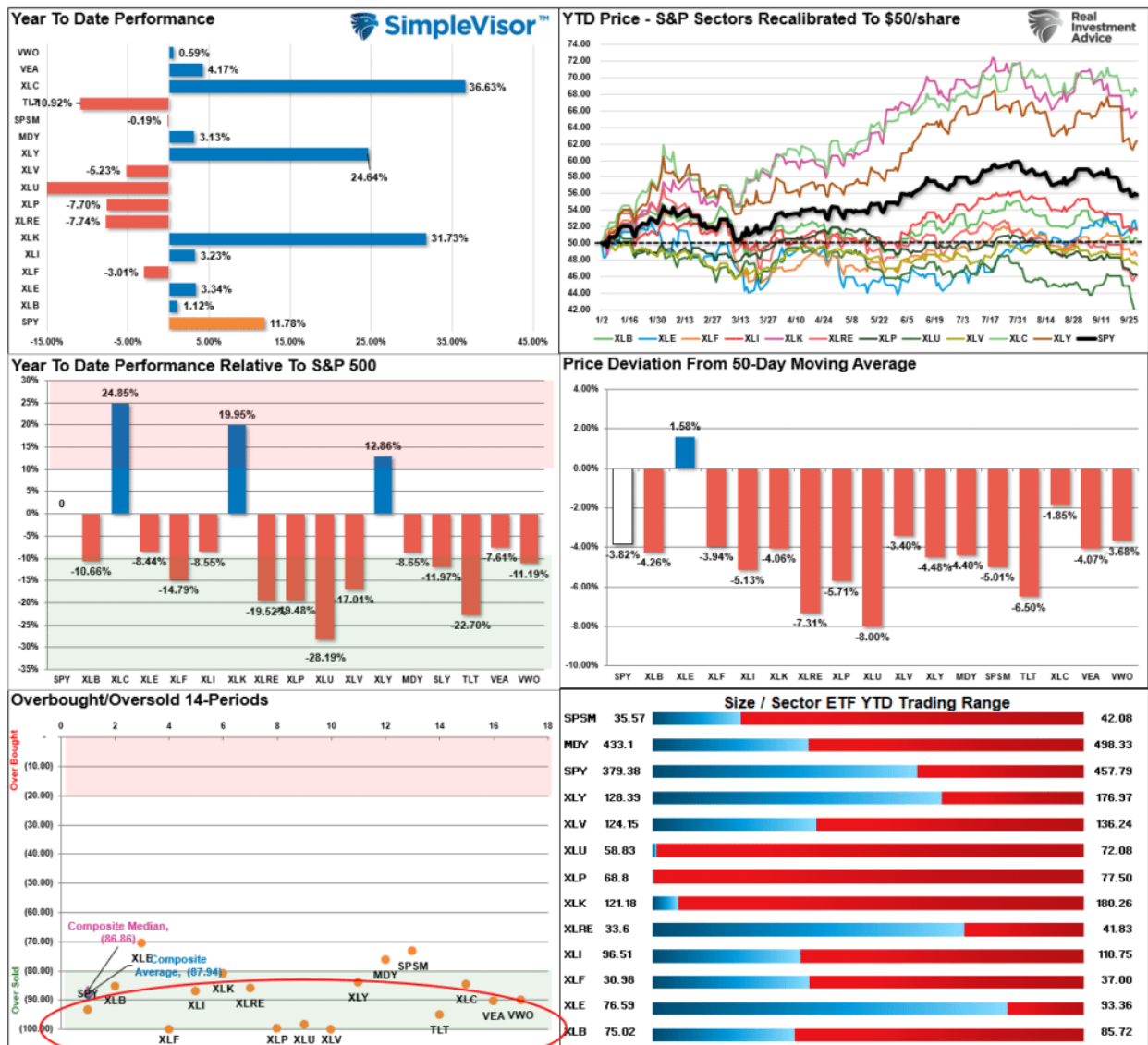
3 Month SPY Price								SPY RISK INFO							
								Item	T 2-Yr	T 1-Yr.	YTD	% Diff YTD/T1-YR			
								Price Return	(1.60%)	17.83%	11.78%	(33.94%)			
								Max Drawdown	(27.47%)	(9.00%)	(9.00%)	0.00%			
								Sharpe	(0.01)	0.84	0.95	0.14			
								Sortino	(0.01)	1.43	1.59	0.11			
								Volatility	19.64	17.19	13.41	(0.22)			
								Daily VaR-5%	(29.62)	(9.44)	(4.07)	(0.57)			
								Mnthly VaR-5%	(28.76)	(12.70)	10.78	(1.85)			
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	1.20%	1.51%	1.49%	(1.24%)	2.14%	1.20%	(30.33%)	24.29%	Shares	3,731.5	3,624.0	(2.88%)			
P/E Ratio	24.95	16.82	20.52	18.06%	2754%	1605%	(25.5%)	27.84%	Sales	106,111	112,082	5.63%			
P/S Ratio	4.98	3.67	3.67	(0.07%)	4.98	3.23	(26.34%)	13.54%	SPS	28.4	30.9	8.76%			
P/B Ratio	6.76	5.58	5.59	0.19%	6.76	4.30	(17.33%)	29.89%	Earnings	19,677	17,895	(9.05%)			
ROE	26.62%	28.28%	25.37%	(11.47%)	29.58%	19.25%	(14.22%)	31.81%	EPS TTM	5.7	5.5	(3.22%)			
ROA	6.00%	6.50%	5.95%	(9.12%)	6.72%	4.48%	(11.44%)	32.88%	Dividend	1.6	1.7	5.80%			
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	23.25%	4.83%	1.42	9.91	93.64	(357.54)	(89.4%)	23.6%	2.8%	9.91%	7.08	11.57			
Materials	16.20%	2.44%	1.16	16.41	26.87	11.36	(38.9%)	13.0%	2.1%	6.03%	5.07	17.85			
Industrials	18.16%	8.34%	1.15	19.92	54.65	14.96	(63.5%)	23.2%	1.8%	4.96%	7.11	18.44			
Discretionary	10.40%	10.55%	1.42	29.89	71.63	22.39	(58.3%)	14.1%	0.8%	3.32%	4.97	25.83			
Staples	(2.15%)	6.56%	0.59	19.39	22.79	17.34	(14.9%)	30.8%	2.7%	5.12%	4.67	19.56			
Health Care	4.79%	13.44%	0.67	18.10	19.74	14.84	(8.3%)	29.2%	1.7%	5.47%	8.08	17.53			
Financials	12.32%	12.87%	1.14	14.78	21.47	12.76	(31.1%)	12.2%	1.9%	6.67%	7.34	13.82			
Technology	38.54%	27.25%	1.18	31.59	34.46	15.43	(8.3%)	66.1%	0.9%	3.14%	6.58	28.26			
Telecom	34.26%	8.86%	0.97	22.77	28.39	15.54	(19.8%)	21.7%	0.5%	4.33%	5.65	17.94			
Utilities	(11.30%)	2.47%	0.66	16.99	21.24	15.58	(20.0%)	10.6%	3.7%	5.84%	3.36	15.95			
Real Estate	(3.68%)	2.35%	1.00	15.87	26.21	16.73	(39.5%)	7.4%	3.8%	6.23%	4.76	16.90			
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	427.48	(5.46%)	444.31	12	(3.79%)	420.18	137	1.74%	5.74%	(6.96%)	22.80%	Buy			
Mid Cap	456.64	(7.53%)	477.33	23	(4.33%)	466.31	86	(2.07%)	2.36%	(8.81%)	14.70%	Buy			
Small Cap	36.90	(8.19%)	38.82	21	(4.94%)	38.36	12	(3.80%)	1.20%	(12.68%)	9.40%	Buy			

Relative Performance Analysis

Last week, we noted that most markets and sectors were oversold after the sell-off.

"Furthermore, the deviations of many of those markets and sectors below the 50-DMA suggest a decent counter-trend rally is likely starting this week. While we are likely not clear of the seasonally weak period as of yet, the downside from current levels is likely very limited. Look to use current weaknesses to add exposure to portfolios accordingly."

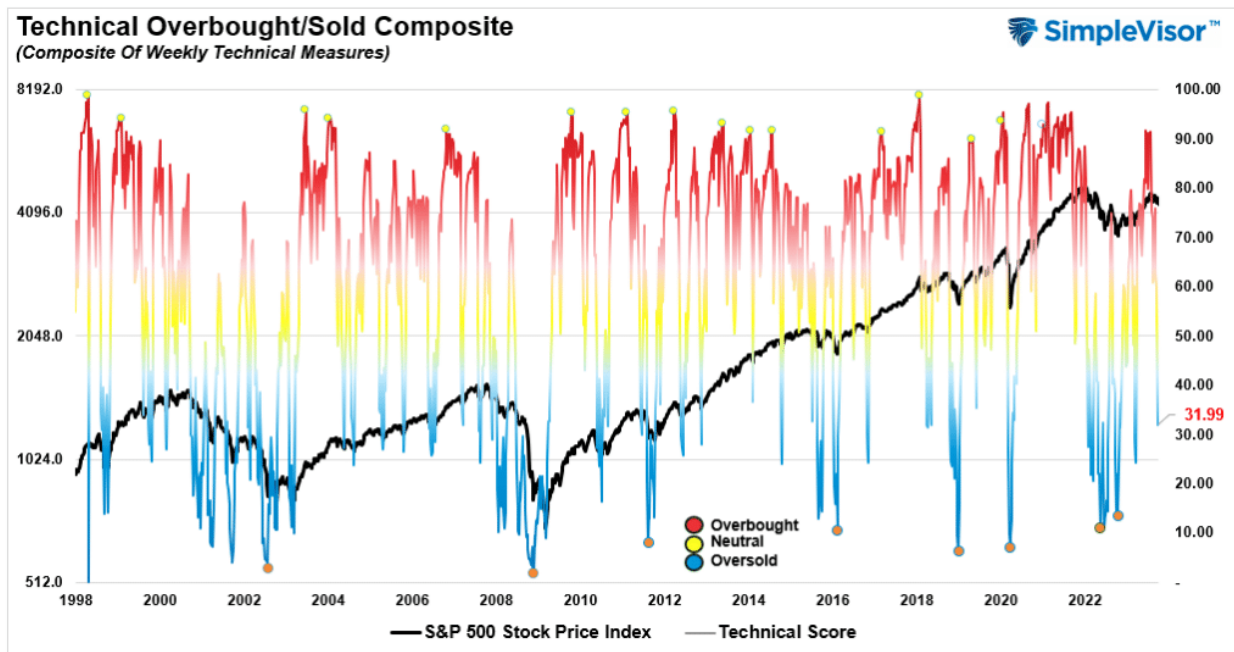
The rally did not manifest this week, but a counter-trend bounce is highly likely with most markets and sectors in oversold territory and the beginning of the new quarter ahead. This analysis is confirmed by the risk/reward ranges shown below.



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.**

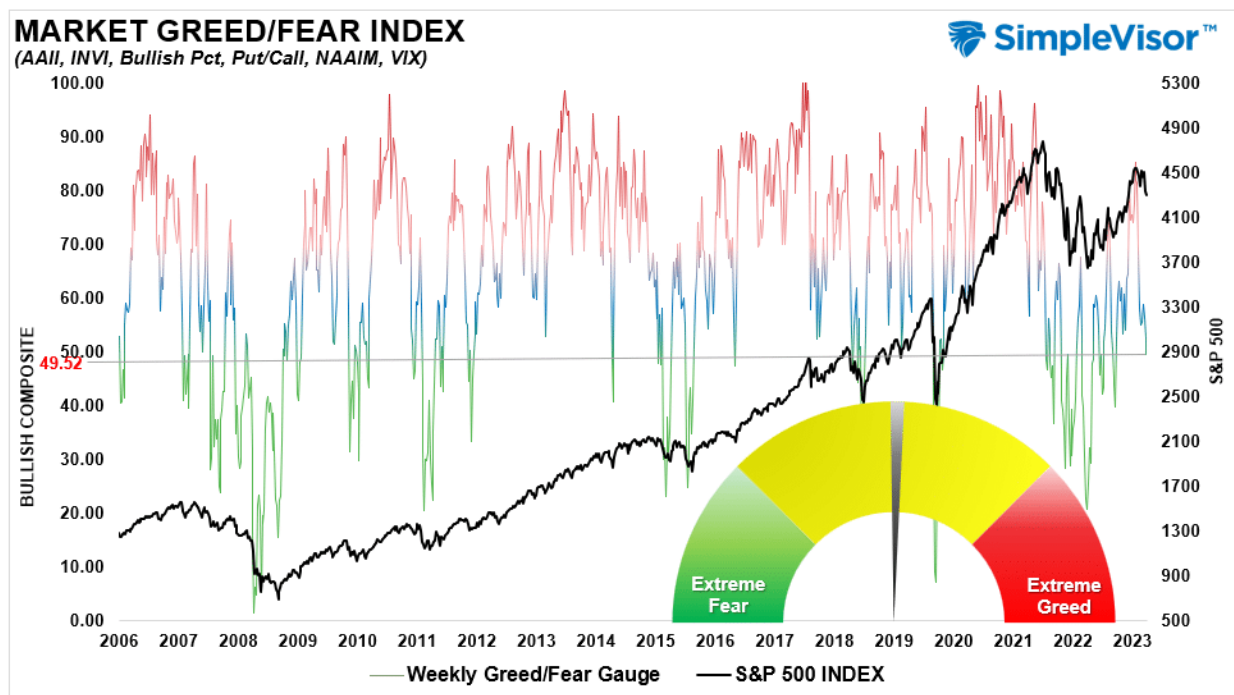
The current reading is 31.99 out of a possible 100.



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 49.52 out of a possible 100.



Relative Sector Analysis

Relative Analysis of Sectors against SPY

(click sector symbol for sector details including a relative analysis of its top ten holdings)

Utilities (XLU) -0.63 »	Real Estate (XLRE) -0.61 »	Transportation (XTN) -0.22 »	Consumer Staples (XLP) -0.21 »	Industrials (XLI) -0.20 »	Materials (XLB) -0.05 »
Health Care (XLV) -0.03 »	Financial (XLF) -0.03 »	Consumer Discretionary (XLY) -0.01 »	Technology (XLK) 0.03 »	Energy (XLE) 0.36 »	Communication Services (XLC) 0.53 »

Overbought - could be a good time to reduce holdings. **Oversold** - could be a good time to increase holdings

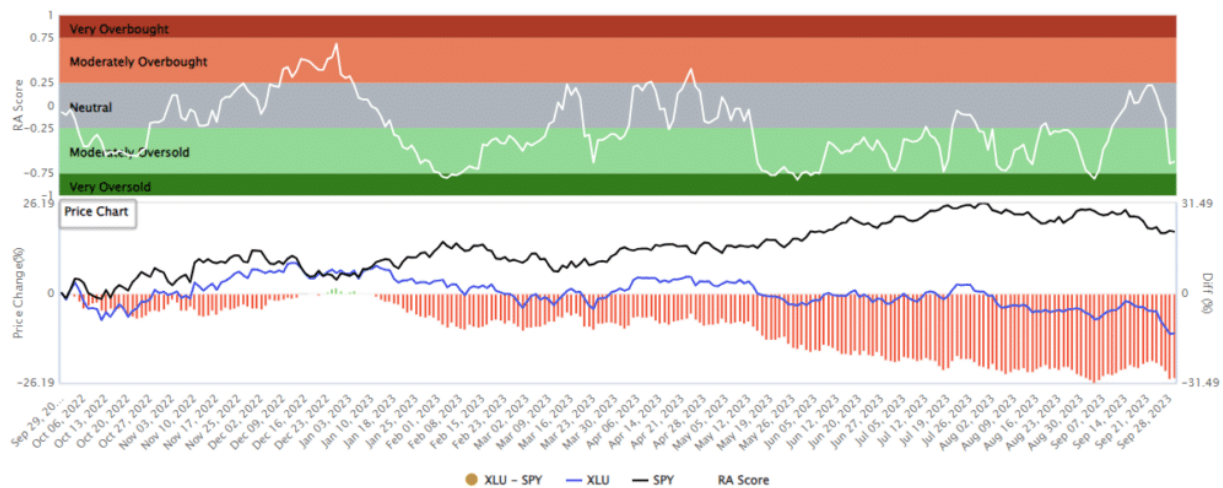
About Relative Analysis

This analysis uses the price ratio of two securities to establish a relative technical score. 13 technical measures are applied to the ratio to determine the score. The score tells us how one stock compares to another stock. We like to compare sector ETFs to the S&P 500 to help assess relative strength or weakness of the sectors.

Quite often scores of +.75 or greater are good times to reduce holdings and -.75 are good times to buy. However, scores can stay extremely overbought or sold for a few weeks so at times patience is required.

Most Oversold Sector Analysis

XLU (Utilities) / SPY - Analysis



Description

In seeking to track the performance of the index, the fund employs a replication strategy. It generally invests substantially all, but at least 95%, of its total assets in the securities comprising the index. The index includes securities of companies from the following industries: electric utilities; water utilities; multi-utilities; independent power and renewable electricity producers; and gas utilities. The fund is non-diversified.

Latest Price (Jan 20, 2023, 9:06:57 AM)

\$58.93 ▲ (\$0.10) (0.17%)

Last Close

\$58.83

Open

\$59.34

Volume

22,829,042

Annual Div.

\$1.95

52 Week Range

\$58.61

\$73.79

Day Range

\$58.61

Avg. Volume (3m)

N/A

Div. Yield

3.31%

Symbol	Name	Holdings	AEP/	CEG/	ED/	EXC/	XEL/	DUK/	D/	SRE/	NEE/	SO/	XLU/	
NEE	NextEra Energy Inc	14.77%	0.00	0.71	0.13	-0.07	0.46	0.26	-0.52	0.15	-0.84	0.03	-0.28	AEP
SO	Southern Co	8.07%	-0.71	0.00	-0.73	-0.80	-0.41	-0.72	-0.74	-0.72	-0.85	-0.74	-0.74	CEG
DUK	Duke Energy Corp	7.48%	-0.13	0.73	0.00	-0.19	0.29	0.24	-0.41	-0.02	-0.88	-0.13	-0.61	ED
SRE	Sempra Energy	4.83%	0.07	0.80	0.19	0.00	0.29	0.43	-0.25	0.19	-0.82	0.18	-0.21	EXC
D	Dominion Energy Inc	4.43%	-0.46	0.41	-0.29	-0.29	0.00	-0.18	-0.82	-0.27	-0.72	-0.21	-0.43	XEL
AEP	American Electric Power Co Inc	4.41%	-0.26	0.72	-0.24	-0.43	0.18	0.00	-0.50	-0.35	-0.84	-0.39	-0.68	DUK
EXC	Exelon Corp	4.36%	0.52	0.74	0.41	0.25	0.82	0.50	0.00	0.39	-0.46	0.29	0.13	D
CEG	Constellation Energy Corp	3.69%	-0.15	0.72	0.02	-0.19	0.27	0.35	-0.39	0.00	-0.81	-0.05	-0.50	SRE
XEL	Xcel Energy Inc	3.44%	0.84	0.85	0.88	0.82	0.72	0.84	0.46	0.81	0.00	0.88	0.85	NEE
ED	Consolidated Edison Inc	3.37%	-0.03	0.74	0.13	-0.18	0.21	0.39	-0.29	0.05	-0.88	0.00	-0.45	SO
			0.28	0.74	0.61	0.21	0.43	0.68	-0.13	0.50	-0.85	0.45	0.00	XLU

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.

The sell-off this past week pushed many sectors and markets well below their normal monthly trading ranges. These more oversold conditions will likely precede a reflexive rally starting this week. In particular, Technology, Real Estate, Staples, Industrials, Materials, Utilities, Healthcare, Discretionary, and Transports are the highlighted sectors for leadership. Small and Mid-capitalization stocks and Bonds are the major markets to watch for a rally.

RELATIVE PERFORMANCE		Current	PERFORMANCE RELATIVE TO S&P 500 INDEX					SHORT		MONTH END	REL S&P	RISK RANGE		% DEV -	% DEV -	MA XVER
Ticker	ETF NAME	Price	1 Week	4 Week	12 Weeks	24 Weeks	52 Weeks	WMA	LONG WMA	PRICE	BETA	HIGH	LOW	Short M/A	Long M/A	SIGNAL
IVV	ISHARS-SP500	429.43	(1.12)	(5.34)	(2.58)	3.66	19.74	447.38	426.90	452.69	1.00	464.01	441.37	-4%	1%	BULLISH
XLB	SPDR-MATLS SELS	78.55	1.35	(0.95)	(0.73)	(6.61)	(4.24)	82.17	80.69	82.89	1.08	85.86	79.92	-4%	-3%	BULLISH
XLK	SPDR-COMM SV 5S	65.57	1.05	3.06	3.38	7.04	17.18	66.68	61.77	67.73	1.03	70.12	65.34	-2%	6%	BULLISH
XLE	SPDR-EGY SELS	90.39	2.33	4.95	14.46	(0.04)	5.77	87.46	84.27	88.92	1.37	92.36	85.48	3%	7%	BULLISH
XLFI	SPDR-FINL SELS	33.17	(0.33)	0.96	1.33	(2.78)	(10.48)	34.47	33.71	34.38	1.07	35.61	33.15	-4%	-2%	BULLISH
XLK	SPDR-TECH SELS	163.93	0.83	(1.62)	(1.67)	6.61	18.28	171.71	159.23	175.66	1.12	182.03	169.29	-5%	3%	BULLISH
XLJ	SPDR-INDU SELS	101.38	0.72	(1.48)	(1.96)	(2.11)	2.05	107.16	103.12	108.23	1.12	112.15	104.31	-6%	-2%	BULLISH
XLPI	SPDR-CONS STPL	68.81	(0.77)	0.72	(3.75)	(12.14)	(16.62)	73.25	73.81	72.76	0.59	75.01	70.51	-6%	-7%	BEARISH
XLRE	SPDR-RE SELS	34.07	(0.33)	(2.58)	(7.26)	(10.58)	(25.12)	37.08	37.20	37.02	0.85	38.26	35.78	-8%	-8%	BEARISH
XLU	SPDR-UTIL SELS	58.93	(5.77)	(0.58)	(7.30)	(18.12)	(29.78)	64.52	66.07	62.96	0.53	64.87	61.05	-9%	-11%	BEARISH
XLV	SPDR-HLTH CR	128.74	0.04	1.72	2.38	(8.00)	(13.43)	132.82	131.46	133.21	0.69	137.46	128.96	-3%	-2%	BULLISH
XLTY	SPDR-CONS DISCR	160.98	1.15	0.22	(2.37)	5.92	(6.73)	169.43	157.56	170.71	1.19	177.01	164.41	-5%	2%	BULLISH
XTN	SPDR-SP TRANSPT	74.92	1.58	(2.08)	(8.91)	0.90	(1.95)	81.72	77.27	80.44	1.36	83.55	77.33	-9%	-3%	BULLISH
SDY	SPDR-SP DIV ETF	115.01	(0.01)	(0.74)	(1.90)	(10.36)	(16.59)	122.08	122.70	122.25	0.86	126.36	118.14	-6%	-5%	BEARISH
RSP	INVS-SP5 EQ ETF	141.69	0.42	(0.54)	(2.02)	(5.71)	(8.41)	149.40	146.46	149.92	1.06	155.26	144.58	-5%	-3%	BULLISH
SPSM	SPDR-PRT SC	36.90	1.01	(1.74)	(1.15)	(4.47)	(11.40)	38.96	38.28	39.28	1.15	40.71	37.85	-5%	-4%	BULLISH
MDY	SPDR-SP MC 400	456.64	1.43	(1.17)	(1.33)	(3.17)	(6.05)	479.37	466.90	483.57	1.13	501.14	466.00	-5%	-2%	BULLISH
EEM	ISHARS-EMG MKT	37.95	(0.23)	1.10	(1.08)	(8.12)	(10.93)	39.60	39.37	39.17	0.76	40.45	37.89	-4%	-4%	BULLISH
EFA	ISHARS-EAFE	68.92	(0.28)	1.74	(0.21)	(9.54)	3.31	71.65	71.59	71.53	0.87	73.94	69.12	-4%	-4%	BULLISH
IAU	ISHARS-GOLD TR	34.99	(2.91)	0.52	(1.45)	(11.61)	(8.76)	36.50	36.69	36.75	0.15	37.72	35.78	-4%	-5%	BEARISH
GDX	VANECK-GOLD MNR	26.91	(5.67)	(2.16)	(6.05)	(26.98)	(8.17)	29.49	30.62	29.26	0.79	30.22	28.30	-9%	-12%	BEARISH
UUP	INVS-DB US BU	29.73	1.80	7.61	7.89	3.74	(21.13)	28.70	28.33	28.89	(0.16)	29.57	28.21	4%	0%	BULLISH
BOND	PIMCO-ACTV BOND	87.90	0.19	3.24	0.17	(8.76)	(21.76)	90.03	91.33	90.57	0.17	92.99	88.15	-2%	-4%	BEARISH
TLT	ISHARS-20+YTB	88.69	(1.88)	(1.16)	(7.91)	(19.26)	(33.17)	96.19	100.84	96.64	0.06	99.11	94.17	-8%	-12%	BEARISH
BNX	VANGD-TTL INT B	47.83	0.44	3.82	1.75	(5.15)	(19.53)	48.41	48.53	48.76	0.13	50.04	47.48	-1%	-1%	BEARISH
HYG	ISHARS-BX HYCB	73.72	0.74	3.54	2.40	(5.74)	(16.47)	74.67	74.56	75.28	0.43	77.48	73.08	-1%	-1%	BULLISH



RISK RANGE REPORT



Weekly SimpleVisor Stock Screens

We provide three stock screens each week from [SimpleVisor](https://www.simplevisor.com).

This week, we are searching for the Top 20:

- Relative Strength Stocks
- Momentum Stocks
- Fundamental & Technical Strength

(Click Images To Enlarge)

R.S.I. Screen

Scan Result: 20 Item(s) found													
Tables													
Overview Technicals Fundamentals Performance Performance Chart													
Symbol ↑↓ ∇	Sector ↑↓	Trend ↑↓	Last ↑↓	FairValue ↑↓	RSI ↑↓	20 SMA ② ↑↓	50 SMA ② ↑↓	100 SMA ② ↑↓	Mohanram ② ↑↓	Piotroski ② ↑↓	SV Rank ② ↑↓	Yield% ↑↓	
ADBE	Technology	10/10	\$509.90	\$482.34(-5.71%)	41.81	\$531.41(-4.05%)	\$517.29(-1.43%)	\$455.50(11.94%)	6	7	3		
AKAM	Technology	10/10	\$106.54	\$104.23(-2.22%)	66.63	\$104.64(1.82%)	\$97.40(9.38%)	\$91.88(15.96%)	1	6	3	%	
BX	Financial	10/10	\$107.14		74.03	\$104.20(2.82%)	\$102.33(4.70%)	\$94.16(13.79%)	3	5	3	3.27%	
CARR	Industrials	10/10	\$55.20	\$30.60(-80.39%)	57.38	\$54.63(1.04%)	\$52.25(5.65%)	\$48.04(14.90%)	6	7	3	1.31%	
CEG	Utilities	10/10	\$109.08		66.01	\$107.25(1.71%)	\$97.09(12.35%)	\$87.27(24.99%)	—	—	—	1.04%	
ETN	Industrials	10/10	\$213.28	\$74.30(-187.05%)	51.67	\$220.60(-3.32%)	\$203.70(4.70%)	\$185.98(14.68%)	7	8	3	1.55%	
LLY	Healthcare	10/10	\$537.13	\$162.37(-230.81%)	48.55	\$560.01(-4.09%)	\$516.17(4.06%)	\$478.38(12.28%)	—	5	3	0.84%	
META	Communication Services	10/10	\$300.21	\$262.52(-14.36%)	53.83	\$300.90(-0.23%)	\$301.12(-0.30%)	\$286.68(4.72%)	—	—	—	%	
NVDA	Technology	10/10	\$434.99	\$143.84(-202.41%)	31.40	\$459.54(-5.34%)	\$453.96(-4.18%)	\$411.00(5.84%)	0	6	2	0.03%	
ODFL	Industrials	10/10	\$409.14	\$371.41(-10.16%)	52.37	\$411.91(-0.67%)	\$378.60(8.07%)	\$358.51(14.12%)	6	7	3	0.35%	
SNPS	Technology	10/10	\$458.97	\$272.29(-68.56%)	57.36	\$452.42(1.45%)	\$446.23(2.86%)	\$416.07(10.31%)	1	9	2	%	
TSLA	Consumer Cyclical	10/10	\$250.22	\$303.16(17.46%)	45.47	\$257.36(-2.77%)	\$251.48(-0.50%)	\$241.54(3.59%)	4	7	1	%	
AVGO	Technology	9/10	\$830.58	\$1,040.43(20.17%)	42.77	\$859.85(-3.40%)	\$869.47(-4.47%)	\$804.93(3.19%)	3	8	2	2.28%	
BKR	Energy	9/10	\$35.32		58.65	\$36.13(-2.24%)	\$35.07(0.71%)	\$31.99(10.41%)	1	7	3	2.26%	
VRSK	Industrials	9/10	\$236.24	\$73.08(-223.26%)	55.22	\$239.77(-1.47%)	\$233.41(1.21%)	\$215.22(9.77%)	5	6	3	0.54%	
FICO	Technology	8/10	\$868.53	\$302.24(-187.36%)	52.53	\$893.65(-2.81%)	\$865.46(0.35%)	\$822.14(5.64%)	—	7	3	%	
FLT	Technology	8/10	\$255.34	\$281.08(9.16%)	44.78	\$267.81(-4.66%)	\$253.95(0.55%)	\$234.65(8.82%)	6	7	3	%	
GE	Industrials	8/10	\$110.55	\$124.39(11.13%)	49.41	\$113.45(-2.56%)	\$111.66(-0.99%)	\$105.30(4.99%)	1	5	5	0.28%	
GOOG	Communication Services	8/10	\$131.85		42.05	\$135.86(-2.95%)	\$131.27(0.44%)	\$125.58(4.99%)	6	8	3	%	
NOW	Technology	8/10	\$558.96	\$481.17(-16.17%)	40.80	\$569.32(-1.82%)	\$567.65(-1.53%)	\$518.07(7.89%)	7	5	3	%	

Momentum Screen

Scan Result: 20 Item(s) found													
Tables													
Overview Technicals Fundamentals Performance Performance Chart													
Symbol ↑↓ ∇	Sector ↑↓	Trend ↑↓	Last ↑↓	FairValue ↑↓	RSI ↑↓	20 SMA ② ↑↓	50 SMA ② ↑↓	100 SMA ② ↑↓	Mohanram ② ↑↓	Piotroski ② ↑↓	SV Rank ② ↑↓	Yield% ↑↓	
BX	Financial	10/10	\$107.14		74.03	\$104.20(2.82%)	\$102.33(4.70%)	\$94.16(13.79%)	3	5	3	3.27%	
CHTR	Communication Services	10/10	\$439.82	\$596.52(26.27%)	61.84	\$432.68(1.65%)	\$396.71(10.87%)	\$369.90(18.90%)	3	7	3	%	
MPC	Energy	10/10	\$151.34		69.60	\$146.19(3.52%)	\$128.19(18.06%)	\$123.76(22.29%)	—	9	1	2.10%	
SNPS	Technology	10/10	\$458.97	\$272.29(-68.56%)	57.36	\$452.42(1.45%)	\$446.23(2.86%)	\$416.07(10.31%)	1	9	2	%	
VLO	Energy	10/10	\$141.71		70.19	\$136.94(3.48%)	\$124.89(13.47%)	\$120.76(17.35%)	—	8	1	2.83%	
CAT	Industrials	9/10	\$273.00	\$261.18(-4.53%)	58.70	\$277.34(-1.56%)	\$257.21(6.14%)	\$236.73(15.32%)	1	7	3	%	
CDW	Technology	9/10	\$201.76	\$214.24(5.83%)	65.66	\$204.68(-1.43%)	\$188.62(6.97%)	\$189.57(6.43%)	5	4	2	1.15%	
AMGN	Healthcare	8/10	\$268.76	\$220.16(-22.07%)	69.40	\$259.83(3.44%)	\$240.28(11.85%)	\$237.75(13.04%)	1	4	3	3.27%	
CE	Materials	8/10	\$125.52		57.94	\$122.53(2.44%)	\$118.98(5.50%)	\$112.85(11.23%)	0	6	3	2.17%	
FDX	Industrials	8/10	\$264.92	\$229.75(-15.31%)	58.87	\$258.58(2.45%)	\$261.24(1.41%)	\$245.29(8.00%)	6	7	3	1.88%	
MCK	Healthcare	8/10	\$434.85	\$566.10(23.18%)	62.71	\$427.34(1.76%)	\$420.28(3.47%)	\$393.48(10.51%)	1	7	2	0.59%	
MOH	Healthcare	8/10	\$327.89	\$310.07(-5.75%)	68.45	\$320.90(2.18%)	\$306.40(7.01%)	\$294.15(11.47%)	1	6	2	%	
BRK-B	Financial	7/10	\$350.30	\$363.28(3.57%)	58.65	\$359.53(-2.57%)	\$349.54(0.22%)	\$337.51(3.79%)	—	—	—	%	
COST	Consumer Goods	7/10	\$564.96	\$330.94(-70.71%)	61.37	\$554.43(1.90%)	\$551.86(2.37%)	\$529.39(6.72%)	5	8	3	0.75%	
PKG	Consumer Cyclical	7/10	\$153.55	\$175.13(12.32%)	63.25	\$148.35(3.51%)	\$143.11(7.30%)	\$138.62(10.77%)	—	8	1	3.32%	
CB	Financial	6/10	\$208.18		69.72	\$203.80(2.15%)	\$198.33(4.97%)	\$200.18(4.00%)	5	9	2	1.71%	
CI	Healthcare	6/10	\$286.07		58.98	\$282.55(1.25%)	\$284.50(0.55%)	\$271.33(5.43%)	5	6	3	1.69%	
CRM	Technology	6/10	\$202.78	\$194.47(-4.27%)	47.86	\$213.48(-5.01%)	\$217.52(-6.78%)	\$211.30(-4.03%)	6	—	3	%	
FDS	Financial	6/10	\$437.26	\$329.26(-32.80%)	61.89	\$431.79(1.27%)	\$429.94(1.70%)	\$413.88(5.65%)	—	5	2	0.88%	
GWW	Industrials	5/10	\$691.84	\$637.82(-8.47%)	47.60	\$697.62(-0.83%)	\$716.97(-3.51%)	\$695.12(-0.47%)	5	6	2	1.09%	

Fundamental & Technical Strength

Scan Result: 11 Item(s) found													
Tables													
Overview Technicals Fundamentals Performance Performance Chart													
Symbol ↑↓	Sector ↑↓	Trend ↑↓	Last ↑↓	FairValue ↑↓	RSI ↑↓	20 SMA ↑↓	50 SMA ↑↓	100 SMA ↑↓	Mohanram ↑↓	Plotroski ↑↓	SV Rank ↑↓	Yield% ↑↓	
AKAM	Technology	10/10	\$106.54	\$104.23(-2.22%)	66.63	\$104.64(1.82%)	\$97.40(9.38%)	\$91.88(15.96%)	1	6	3		
CEG	Utilities	10/10	\$109.08		66.01	\$107.25(1.71%)	\$97.09(12.35%)	\$87.27(24.99%)	—	—	—	1.04%	
CHTR	Communication Services	10/10	\$439.82	\$596.52(26.27%)	61.84	\$432.68(1.65%)	\$396.71(10.87%)	\$369.90(18.90%)	3	7	3		
AMGN	Healthcare	8/10	\$268.76	\$220.16(-22.07%)	69.40	\$259.83(3.44%)	\$240.28(11.85%)	\$237.75(13.04%)	1	4	3	3.27%	
CBOE	Financial	8/10	\$156.21	\$168.19(7.12%)	64.47	\$152.63(2.35%)	\$144.16(8.36%)	\$139.19(12.23%)	5	7	2	1.43%	
FANG	Energy	8/10	\$154.88		64.78	\$152.47(1.58%)	\$146.17(5.96%)	\$138.21(12.06%)	4	8	3	4.53%	
TRGP	Energy	8/10	\$85.72		61.61	\$84.21(1.79%)	\$77.58(10.49%)	\$75.47(13.58%)	4	7	3	2.34%	
PGR	Financial	6/10	\$139.30	\$152.27(8.52%)	60.70	\$138.14(0.84%)	\$132.19(5.38%)	\$132.82(4.88%)	—	5	3	0.29%	
REGN	Healthcare	6/10	\$822.96		59.23	\$814.98(0.98%)	\$765.01(7.58%)	\$775.00(6.19%)	4	6	3		
AZO	Consumer Cyclical	4/10	\$2,539.99		54.73	\$2,520.22(0.78%)	\$2,488.22(2.08%)	\$2,518.98(0.83%)	5	7	3		
EPAM	Technology	3/10	\$255.69	\$300.99(15.05%)	62.12	\$251.06(1.84%)	\$243.23(5.12%)	\$242.69(5.36%)	1	6	3		

SimpleVisor Portfolio Changes

We post all of our portfolio changes as they occur at [SimpleVisor](#):

No Trades This Week



Looking for the 401k Plan Manager?

Find it in the Retirement section of our website.

[> Learn more](#)

Lance Roberts, C.I.O.

Have a great week!