

Market review from a Technical Perspective

**Retest of former high 4448
still with potential double top**

**Sector rotation displays
outperformance of Growth versus Value and
support further rise**

**US \$ Index resuming downtrend
Gold spike at 1900
US 10 year near top of range**

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MFTA : Master in Financial Technical Analysis of IFTA (International Federation of Technical Analysts.)

Note disclaimer at end of report

Conclusions July 3, 2023 . Retest of previous high near 4450 leaves open options

.US equity : S&P500 rebounded from 4330 toward former high 4448 and made a marginal higher high 4458 as a potential double top .

Thus failure to hold above 4450 opens again a pulback toward 4330, then 4250 as next target .

While a second close above 4455 allows further extension toward 4550 **along Sector rotation favouring Growth stocks.**

Medium term : Unclear how S&P500 parabolic rise will evolve in coming week .

As parabolic rises do not correct sideways, expect in case of pullbacks to 4350, a further decline to 4250 or lower.

SECTOR ROTATION displays a rebound of Growth versus Value as Relative Strength (RS) of Discretionary is rising and RS of Industrials is rebounding , while RS of Technology, Semiconductors and Communication are pausing flat.

RS of Materials is rebounding strongly , while RS of Financials , Energy are about flat.

But RS of Defensive sectors are flat for staples & Utilities or slightly down for Healthcare.

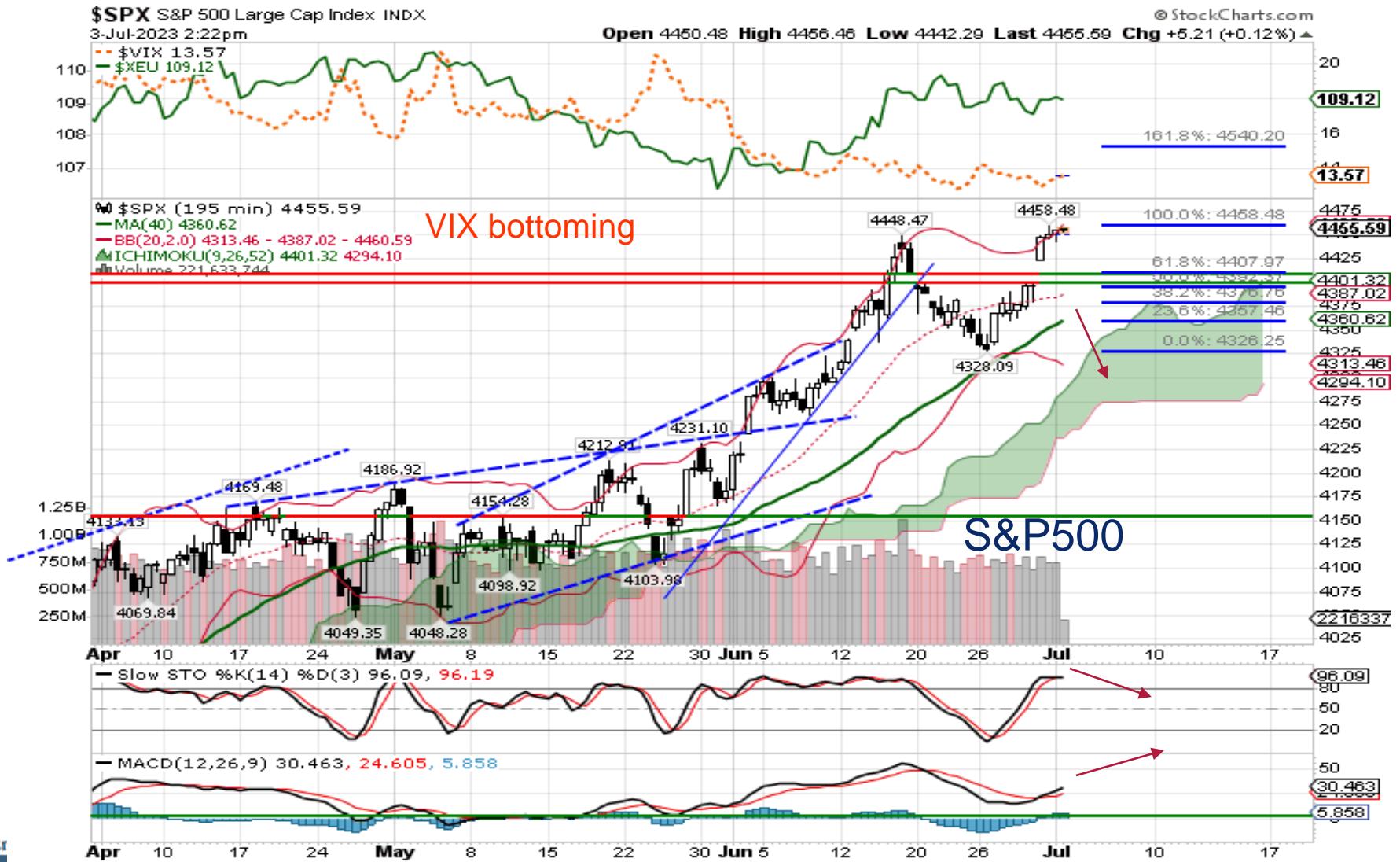
US 10 year Yield (3.86) testing top of Range 3.85-3.57

Gold (1929) Leaving a spike low at 1900 and rebounding .

US Dollar Index 102.59 –Reversal down below 103.25 in range 103.40-101.50 .

S&P500: July 3, 2023 Four-hourly. 4455 . Range 4458-4328

Rebound rose above previous high 4448 along rising MACD but overbought STO .
Beware decline below 4442-4407 would create an island reversal



S&P500: July 3, 2023 Daily 4450 Marginal higher high at 4458 ...but range

Rebound and marginal higher high (potential island via the gap up) along overbought STO & re-crossing up MACD may still call for range 4458- 4330 . Below 4315 , down drift toward 4238 or 4215 . Only above 4458, rise toward 4550. VIX remains rather flat near 13.80%



S&P500: July 3, 2023 Weekly 4455 Green path is declining

Reversal from 4448 toward 4348 along crossing down STO, despite rising MACD, may open either a wide range 4215-4400 along the green path or a decline along the red path. Then Green path may decline toward 4100 and possibly declining in the fall to 4000. RS of Small caps remains flat. RS of Emerging down, while RS of NASDAQ is about flat.



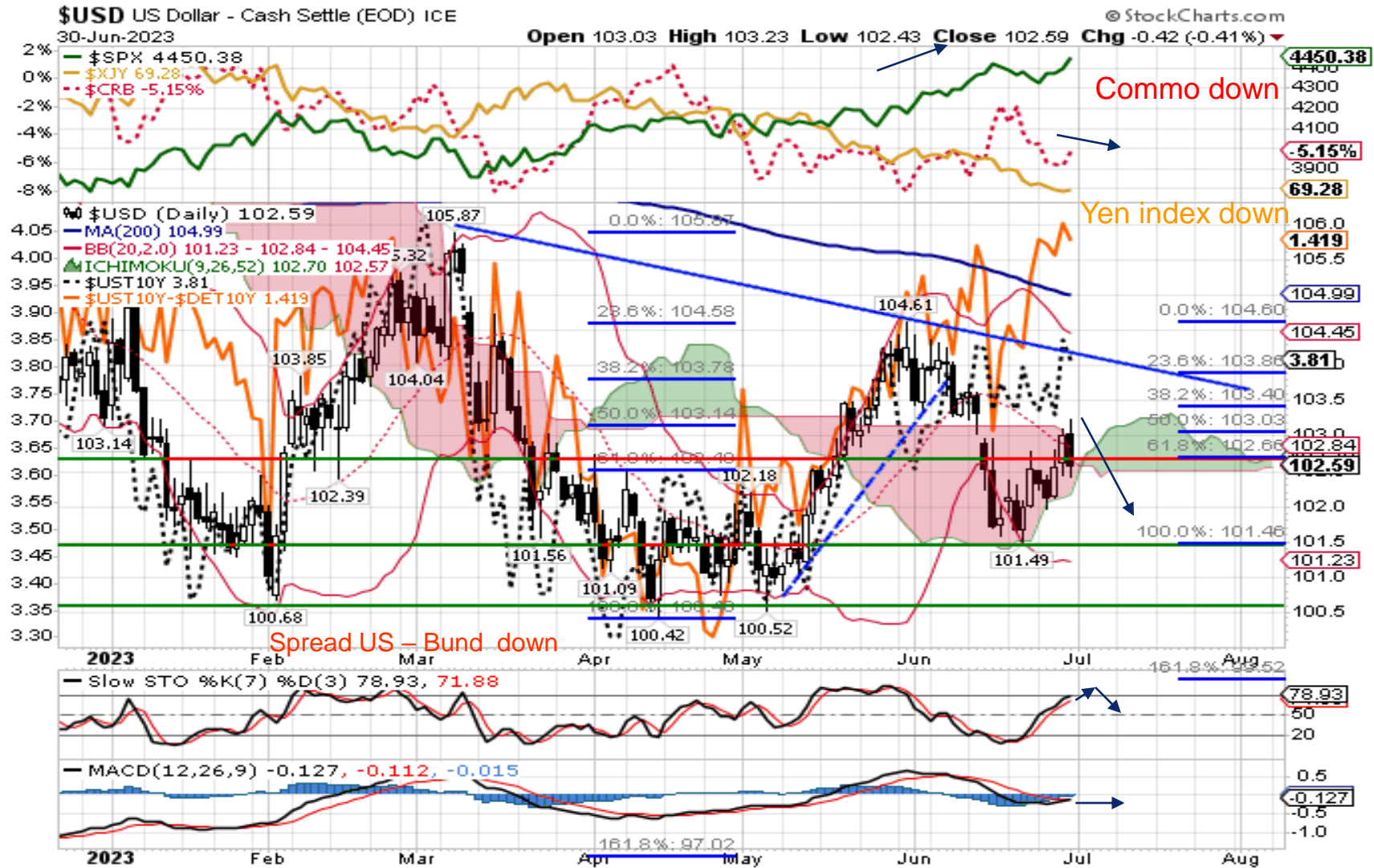
USD index Weekly 102.59 June 30, 2023: Range 104.60-100.42.

\$ index is rebounding a tad despite declining STO & negative MACD. MA40wk (104.55) is declining. Below 101.60, decline toward 100.40 . Only above 102.90, rebound toward 104.60, then 105.50.



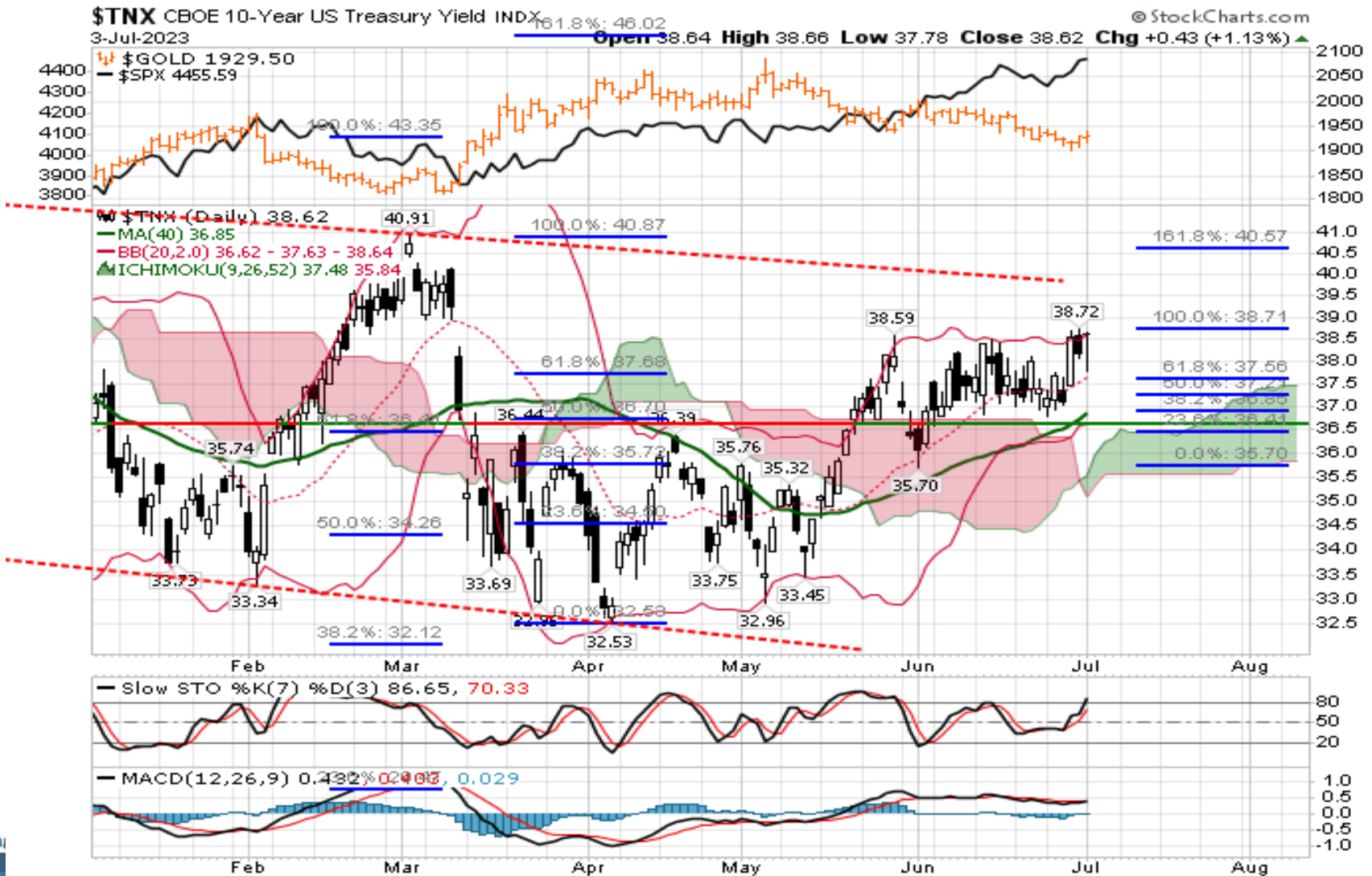
USD index Daily 102.59 June 30, 2023: Reversal down below 103.25

Reversal near the top of the cloud (103.30) along overbought STO & flat MACD. Below 102.40, drift toward 101.50, then 100.50, then 99.05-98.10. Only above 103.25, rebound toward 104.60.



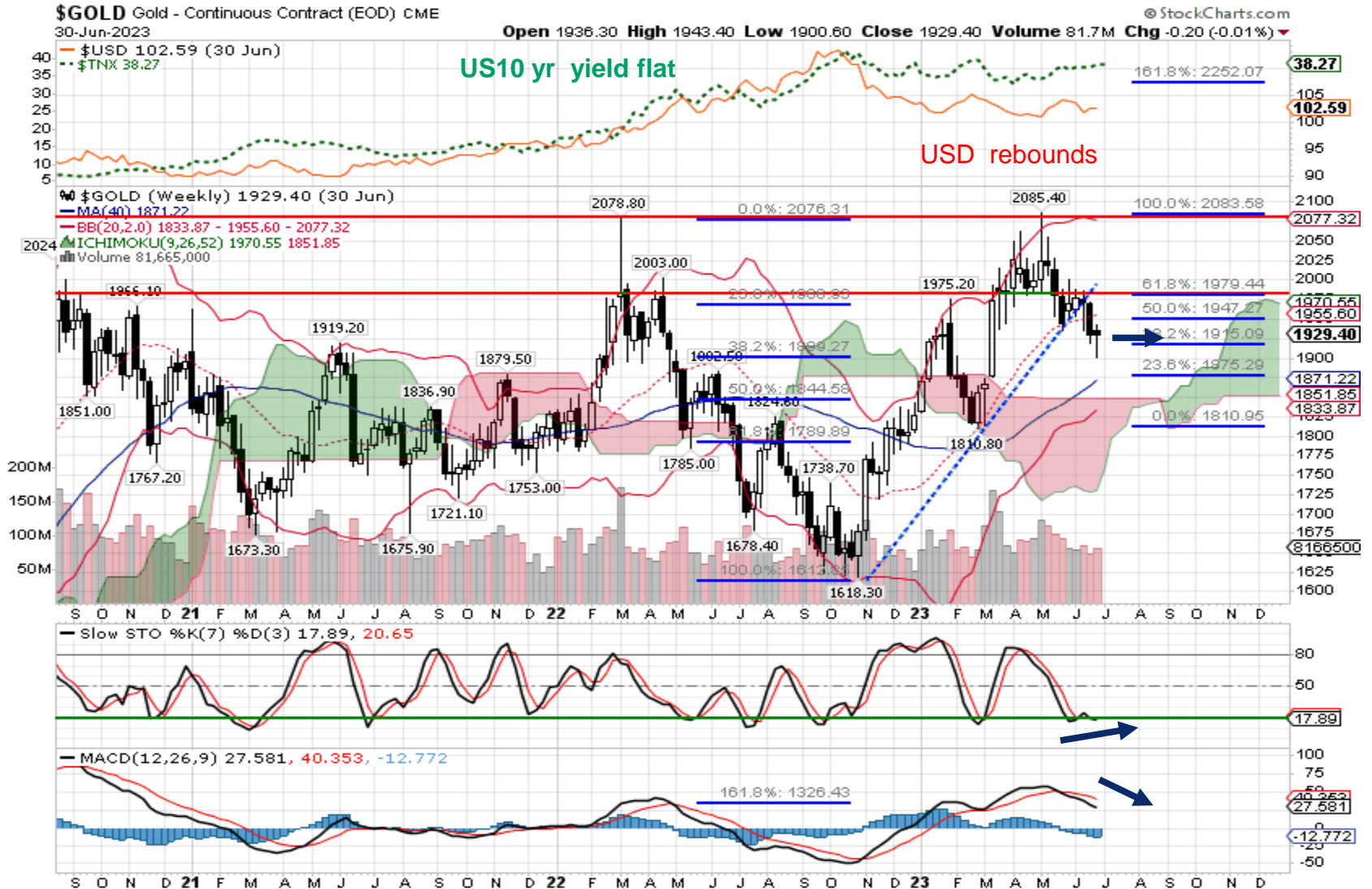
July 3, 2023 US10yr yield 3.86% Daily testing top of Range 3.85-3.57

US 10 yr yield is rising toward top of range 3.85-3.57 along rising STO & crossing up positive MACD. Above 3.85, rise toward 3.95-4.10%. Below 3.75, down drift toward 3.65 % and 3.45 .



Gold \$ per oz: 1929 Weekly June 30, 2023. Spike low at 1900 ?

Gold left a spike low at 1900 and rebounded along oversold STO, but still declining MACD. Above 1947, see rise toward 1980, then 2085 area. Below 1900, down drift toward 1875, then 1820 area.



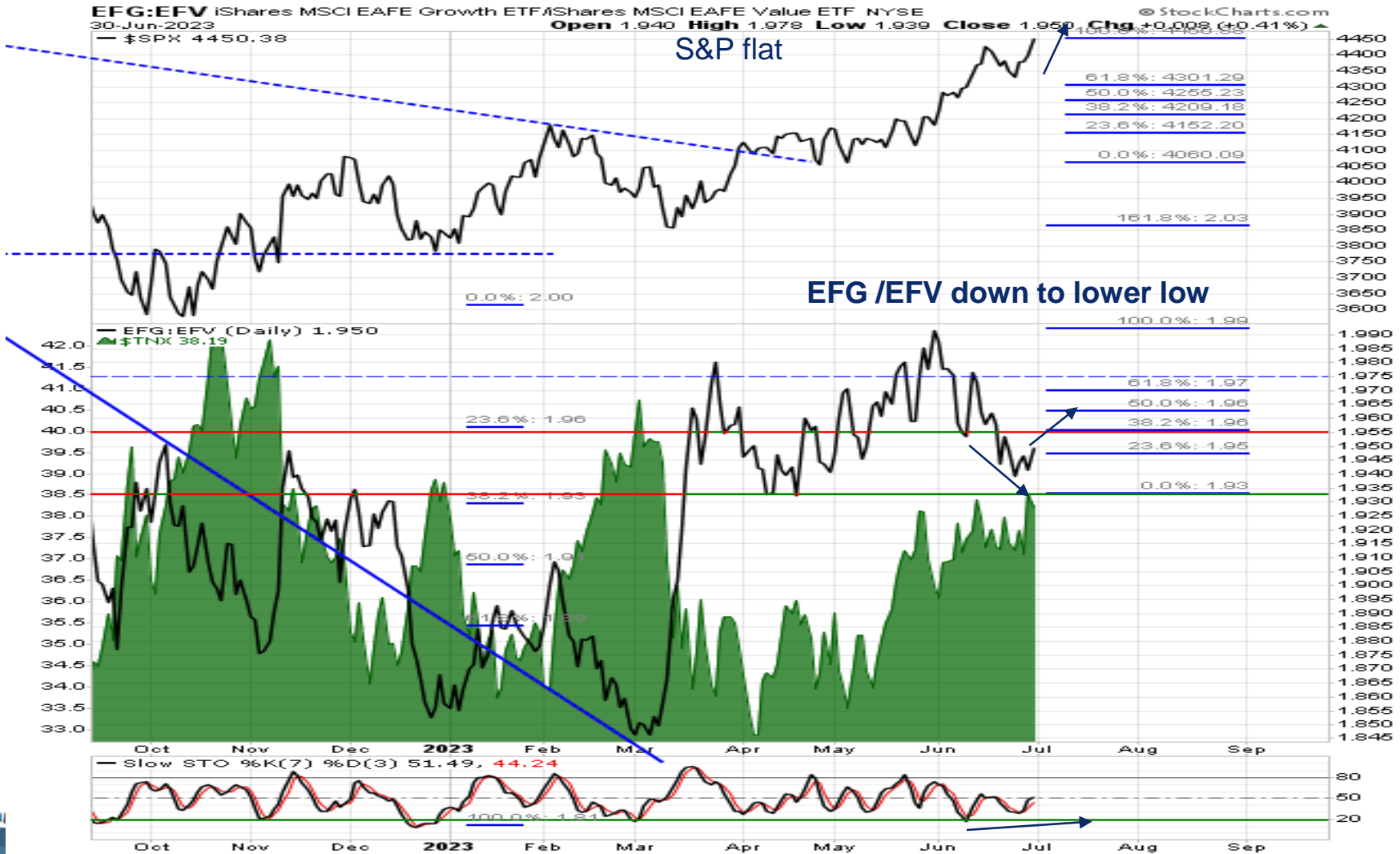
Gold \$ per oz: 1929 Daily July 3, 2023. Spike near 1919 ?

Gold left a spike near 1900 and rebounded along crossing up STO & soon crossing up MACD. Above 1939, rebound toward 1952, then 1980, then 2010. Below 1910, down drift toward 1900, then 1810.

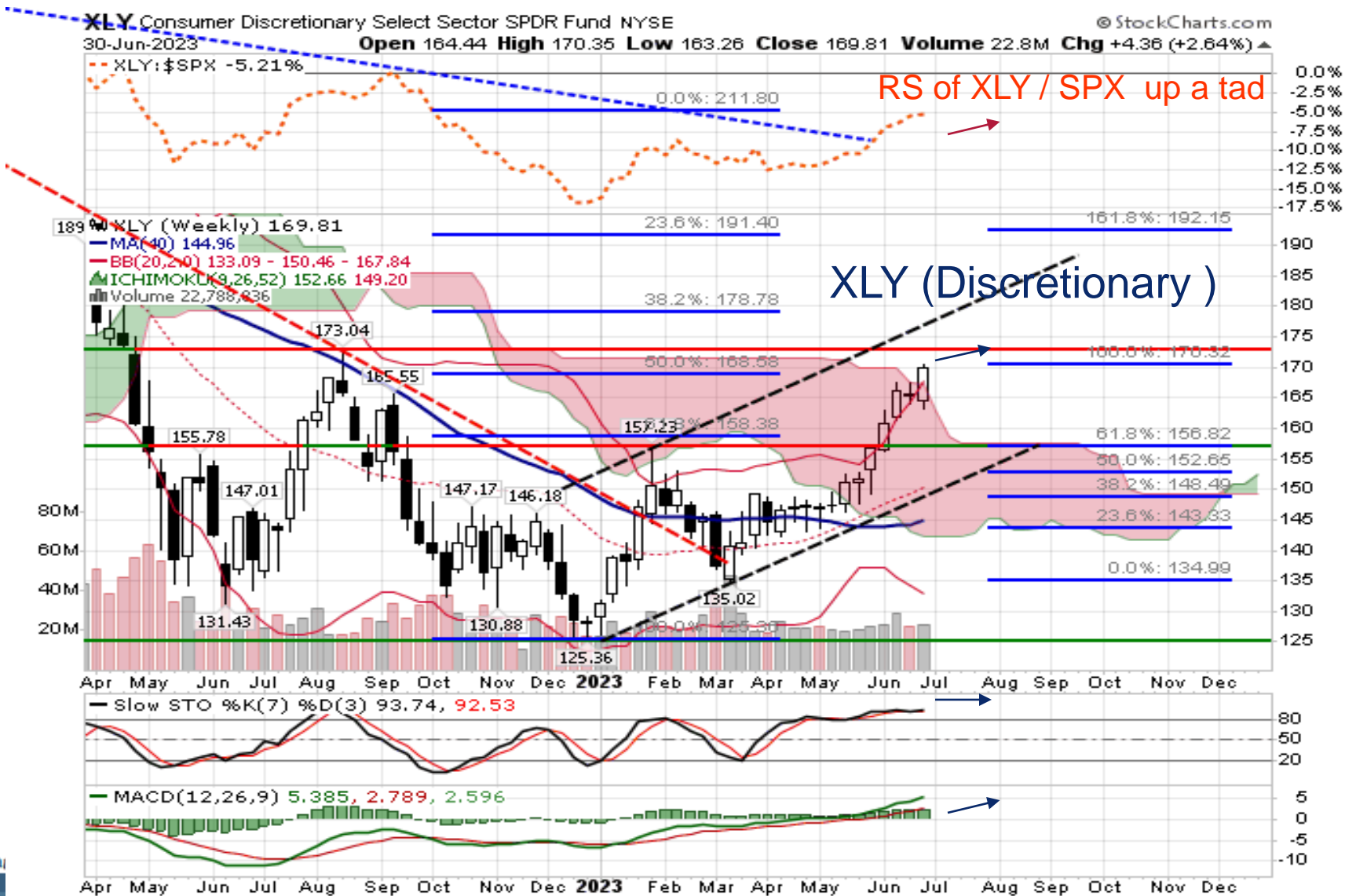


Ratio EAFE Growth /Value: June 30, 2023 Daily 1.950 Rebound .

Ratio of Growth versus Value is rebounding along bull divergence on STO, while US 10 yr yield rebounds a tad above 3.75% . The rebound of the ratio is taking place as S&P500 is closing at higher high, i.e. in uptrend .



XLY Discretionary: June 30, 2023 Weekly 169.81 Bull above 167.80 with RS rising
 RS versus S&P500 is rising slowly. XLY broke above the cloud (167.80) along rising overbought STO & rising MACD. Above 170.35, rise toward 173.05. Below 165.00, down drift toward 156.80 .

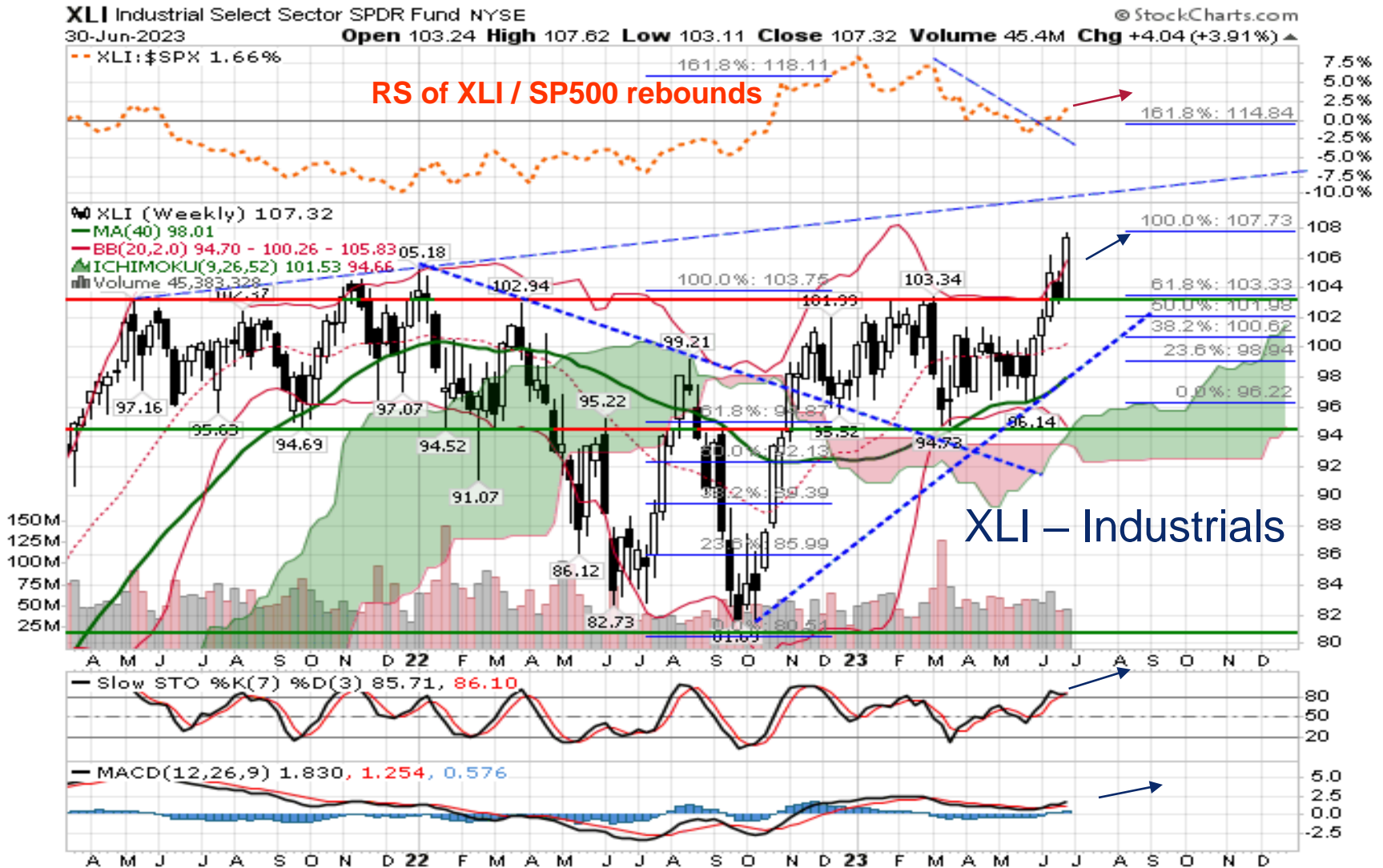


XLY Discretionary: July 3, 2023 Daily 171.73 Range 167.64-164.00 with rising RS

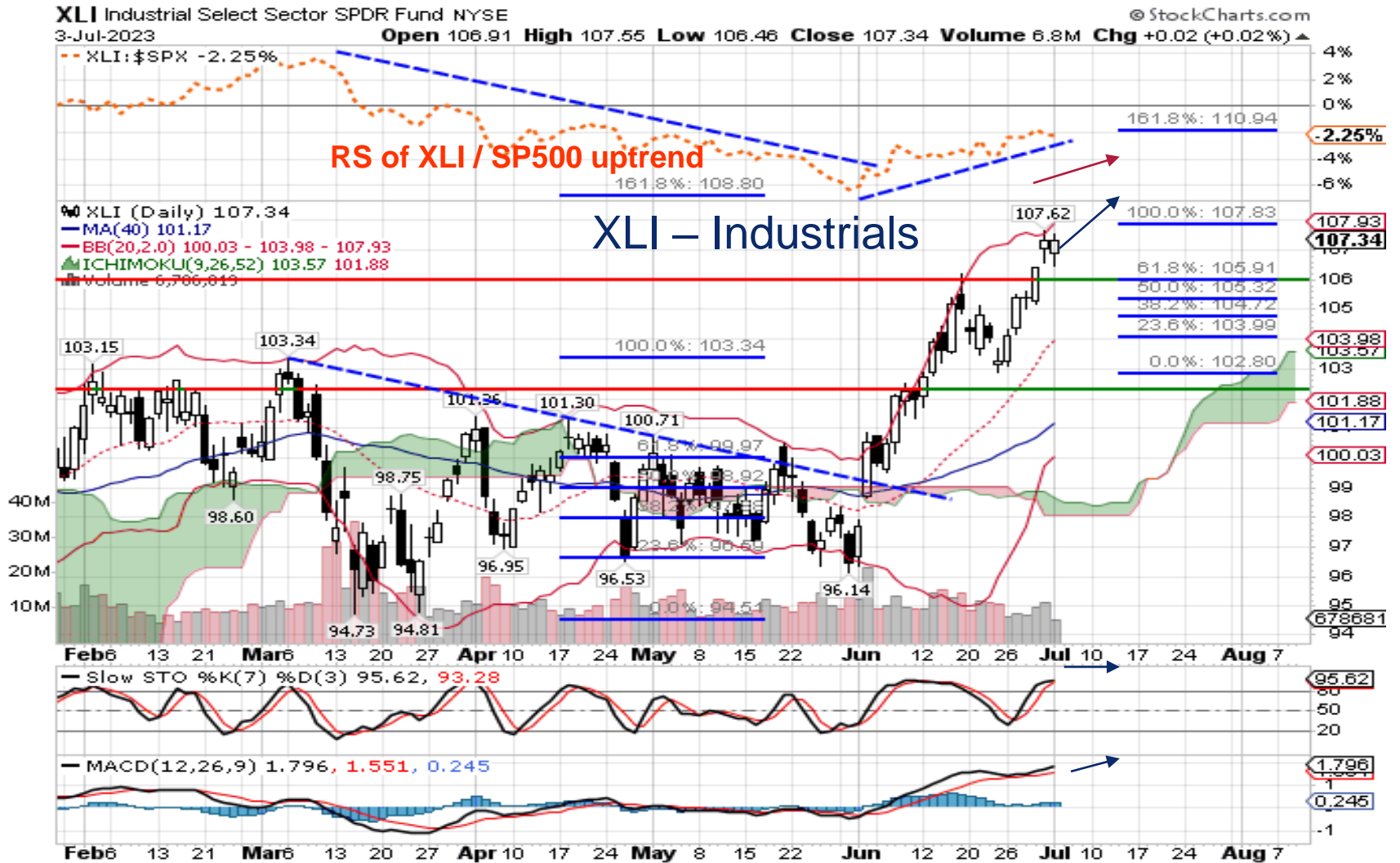
RS versus S&P500 is rising again. XLY is gapping up (170.50-171.50) again along rising STO & flat MACD. Above 172.80, rise toward 188. Below 170.00, risk of reversal toward 163.20 then 157.30.



XLI Industrials: June 30, 2023 Weekly 107.32 Bull bias above 105.80 with RS rebounding
RS versus S&P500 is rebounding. XLI is rising to higher high 107.62 along re-crossing up STO & rising MACD.
 Above 107.70, rise toward 108.50. Below 105.80, down drift toward 103.33, then 100.62.



XLI Industrials: July 3, 2023 Daily 107.34 bull above 105.90 with **RS in uptrend**. RS versus S&P500 is pausing after a rise. XLI reached higher high at 107.60 along rising STO & MACD. Above 107.60, rise toward 108.80, then 110.90. Below 105.90, down drift toward 104.7, then 102.80.



XLK Techno: June 30, 2023 Weekly 173.86 Retest top near 175.93 with RS pausing flat
 See also ETF IYW. RS of XLK versus S&P500 is ranging flat XLK retested former high 175.93 along overbought divergent STO and rising MACD. MA40wk(140.45) is rising further. Above 176.00, rise toward 200. Below 167.50, down drift toward 164.00, then 159.85 then 155.02.



XLK Techno: July 3, 2023 Daily 173.49 Range 175.95-166.85 with RS about flat

See also ETF IYW. RS of XLK versus S&P500 is about flat. XLK is rebounding toward top of range along rising STO & re-crossing up MACD. Usually parabolic rise is retraced sharply. Below 167.30, down drift toward 163.20. Above 176.00, rise toward 181.50.

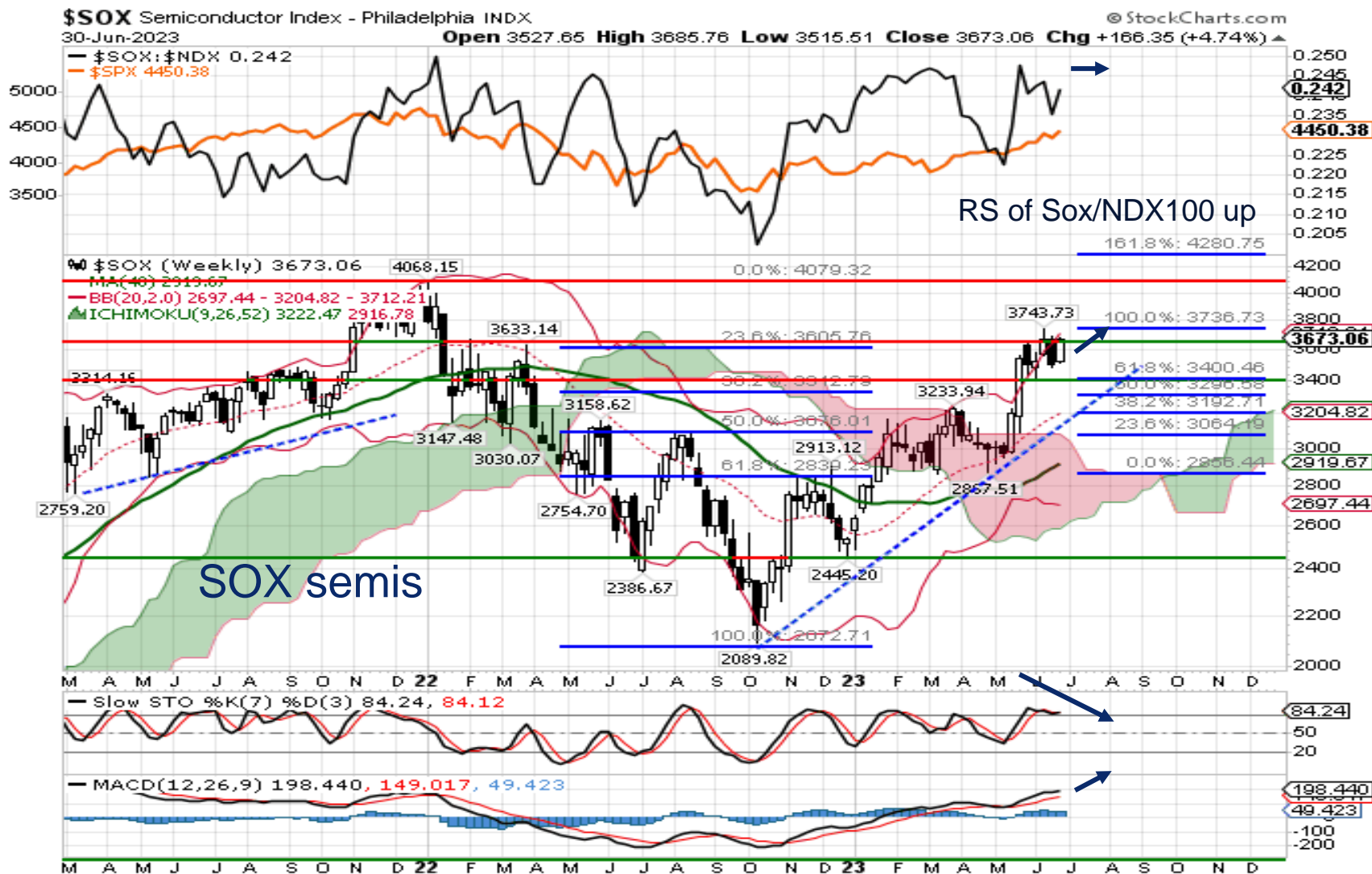


XLK Techno



\$ Sox semis : June 30, 2023 Weekly 3673 rebound to 3743 with RS rebounding

RS of Sox versus Nasdaq100 is rebounding after a pullback. \$Sox is retesting toward former high 3743 along overbought STO & rising MACD. Above 3745, rise toward 4070 area. Below 3400, down drift toward 3338, then 3154.

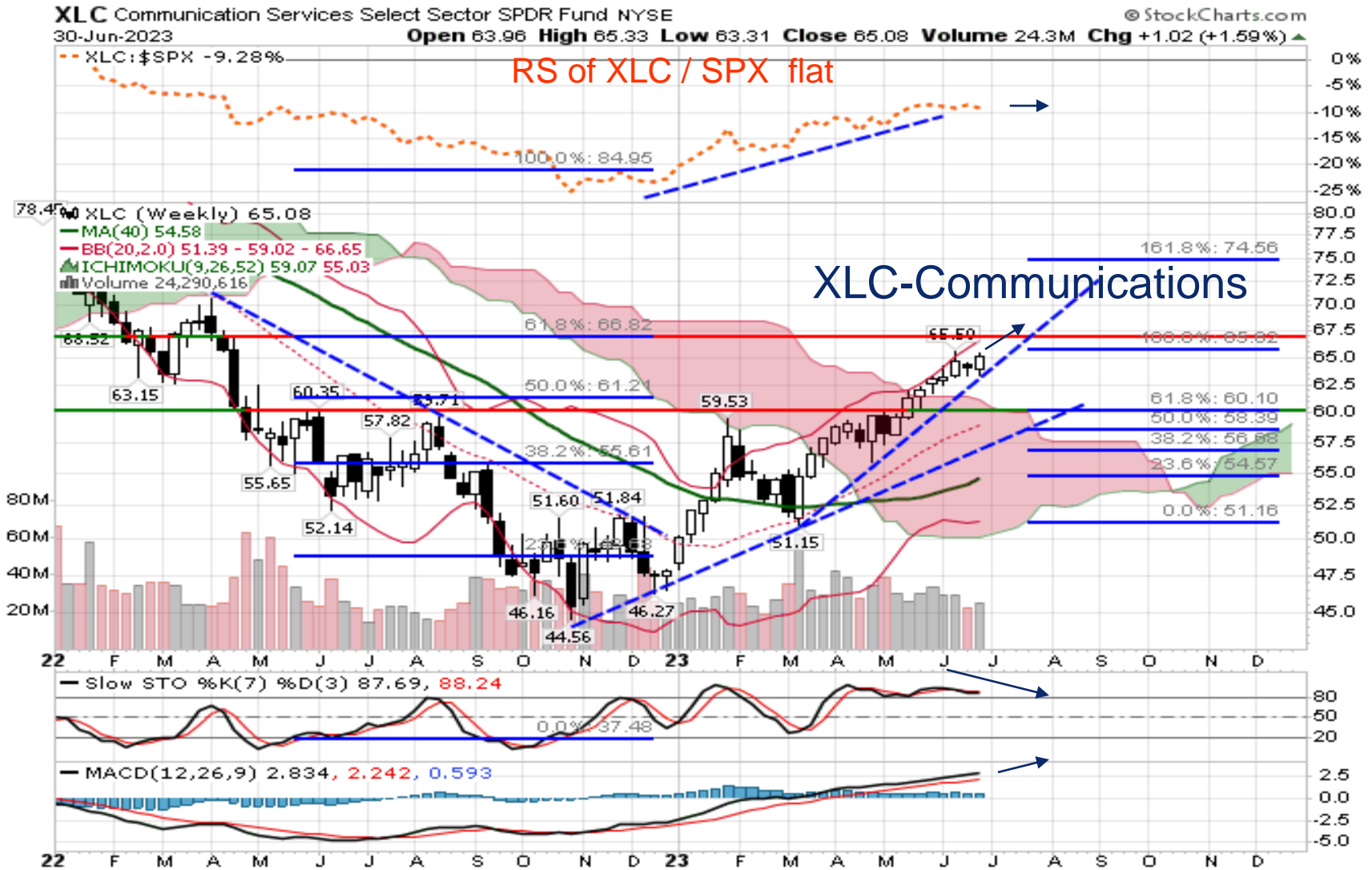


\$ Sox semis: July 3, 2023 Daily 3703 Range 3743-3490 with RS about flat

RS of Sox versus S&P500 is about flat . \$Sox rebounded toward top of range along rising STO & re-crossing up MACD. Above 3743, rise toward 3905 area. Below 3644, down drift toward 3484, then 3417 then 3233.



XLC communications: June 30, 2023 Weekly 65.08 rebound to 65.50 with RS flat
 RS versus S&P500 is still flat. XLC rebounded toward former high 65.50 along rising MACD & despite divergent overbought STO. Above 65.50, rise toward 68.80. Below 62.50, pull back toward 60.10, then 56.80.



XLC communications: July 3, 2023 Daily 65.30 Range 65.50-60.50 with RS flat
 RS versus S&P500 is about flat. XLC is rebounding to top of range along rising STO & crossing up MACD.
 Above 65.50, rise toward 66.90-67.80. Below 64.50, pull back toward 63.30, then 62.30, then 60 area.



XLF Financials: June 30, 2023 Weekly 33.71 Range 33.70-31.15 with **RS bottoming**
RS versus S&P500 is bottoming. XLF is stalling again below 33.70 along overbought STO & flat MACD.
 Above 33.70, rebound toward 34.30, then 36.75. Below 33.00, drift toward 31.80, then 30 then 29 area.



XLF FINANCIALS

XLF / SPX bottoming a tad



XL Financials: July 3, 2023 Daily 33.90 Bull bias above 33.41 with RS flat

RS versus S&P500 is about flat, rebounding a tad. XLF rose above 33.68 former high along rising STO & crossing up MACD. Above 33.40, rise toward 34.85-35.25. Below 33.10, drift toward 32.50, 31.35 then 30.30.



XLE Energy: June 30, 2023 Weekly 81.17 Range 82.00-76.70 with RS flat
RS versus S&P500 is bottoming as OIL WTI is ranging flat. XLE rebounded to top of cloud (82.00) along rising STO & crossing up MACD. Above 82.00, rise toward 87.00. Below 76.70, down drift again to 73, then 69 area .



XLE Energy: July 3, 2023 Daily 81.36 range 76.72-81.80 with RS flat
 RS versus S&P500 is about flat as OIL WTI is ranging flat. XLE broke back above cloud (80.50) along rising overbought STO & crossing up MACD. Above 81.80, rise toward 85.50. Below 80.10, down drift toward 79.00, then 77 area .



XLB Materials: June 30, 2023 Weekly 82.87 Bull above 82.00 with RS rebounding
RS versus S&P500 is rebounding. XLB broke above 82.00, former high along rising STO & flat MACD.
 Above 83.10, rebound to 83.87, then 85.11. Below 82.00, drift toward 79.80, then 77.70, then 74 area.

XLB Materials Select Sector SPDR Fund NYSE

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30-Jun-2023

Open 79.89 High 83.08 Low 79.70 Close 82.87 Volume 28.3M Chg +3.20 (+4.02%) ▲



XLB Materials



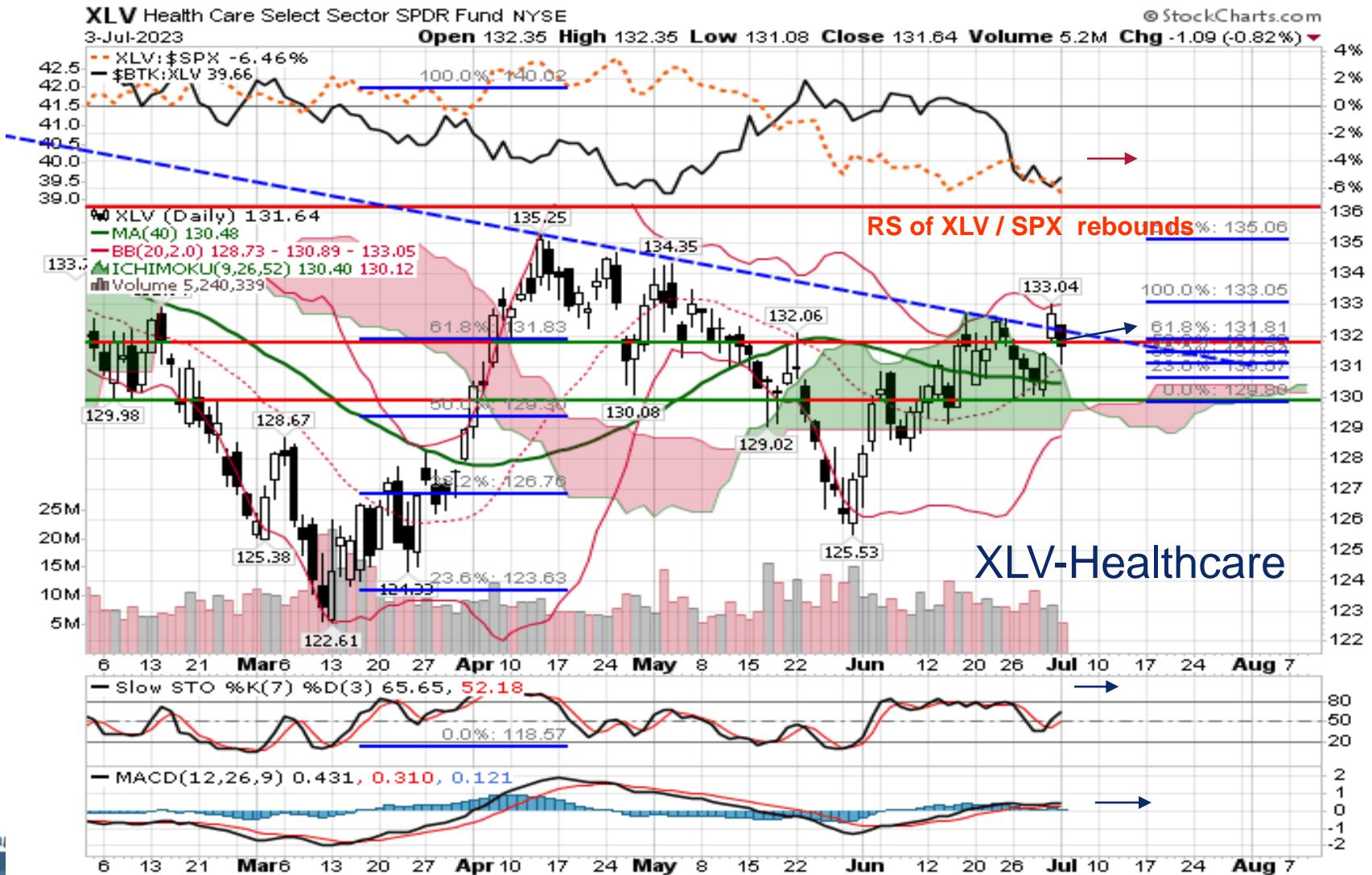
XLB Materials: July 3, 2023 Daily 83.18 Bull bias above 81.73 with RS up slightly
RS versus S&P500 is rebounding slowly. XLB rose to higher high near former high 83.87 along overbought STO & rising MACD. Above 83.80, rise toward 85.05-86.40 area. Below 81.70, drift toward 80.62, then 78.80.



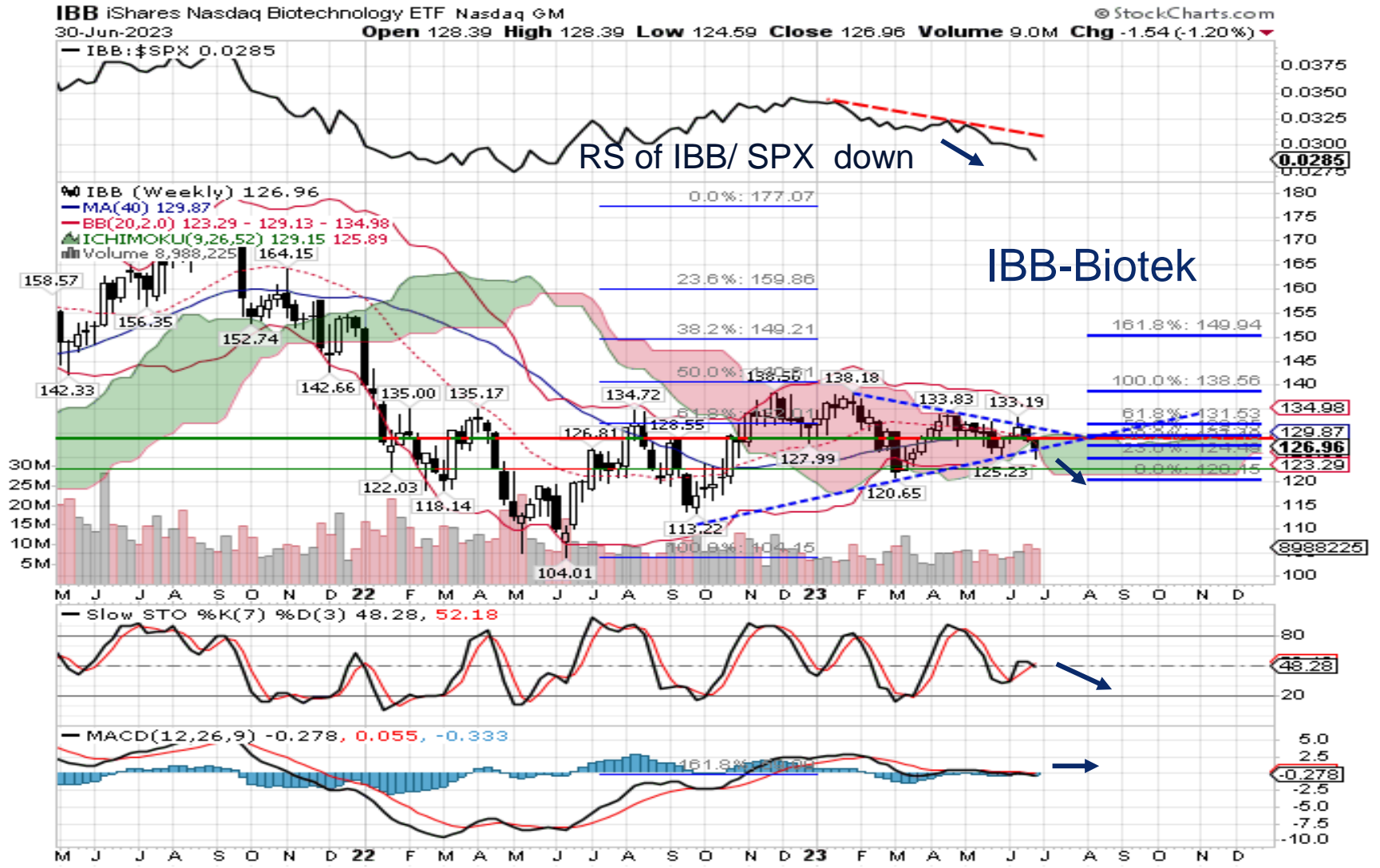
XLV Healthcare: June 30, 2023 Weekly 132.73 Range 130.00-133.00 with RS flat
 RS versus S&P500 is down a tad. XLV rebounded above the cloud (132.00) along rising STO & flat MACD.
 Above 133.10, rise toward 135.25, then 138.-140 . Below 130.00, down drift toward 128., then 125.60 .



XLV Healthcare: July 3, 2023 Daily 131.64 Range 130.00-133.00 with RS down
 RS versus S&P500 is declining again while RS of Biotech(BTK) versus XLV is bottoming. XLV broke above cloud (131.00) along re-crossing up STO & positive MACD. Above 133.05, rise to 134.25, then 135 area .
 Below 131.00, down drift toward 129.00 then 126.00 area .



IBB (ETF Bio-Tech) : June 30, 2023 Weekly 126.95 Range 133.20-125.50 with RS down
 RS of IBB versus S&P500 is declining. IBB is testing lower trend support of triangle along crossing down ,
 neutral STO & flat MACD. Above 133.20, rise toward 138.20. Below 125.50, down drift toward 123.40, then
 120.60.



IBB (ETF Bio-Tek): July 3, 2023 Daily 126.81 Range 128.20-125.20 with RS down
RS of IBB versus S&P500 is declining slowly. IBB broke below the cloud (127.00-131.00) and rebounded along declining MACD & rebounding STO . Above 128.20, rebound toward 129.85, then 132.45, then 138.45. Below 125.20, down drift toward 123.20, then 120.65 .



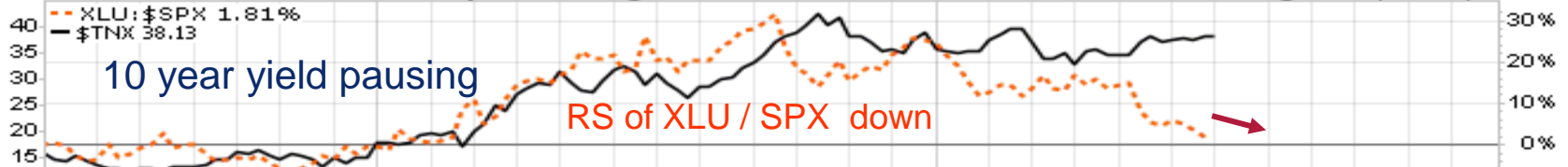
XLU Utilities: June 30, 2023 Weekly 65.44 Range 64.00-67.30 with RS down
 RS versus S&P500 is declining as US 10year yield is ranging flat. XLU is retesting trend support near 64.00 along neutral STO & flat MACD. Above 67.30, rise toward 69.70. Below 64.00, drift toward 62.50, then 59.50

XLU Utilities Select Sector SPDR Fund NYSE

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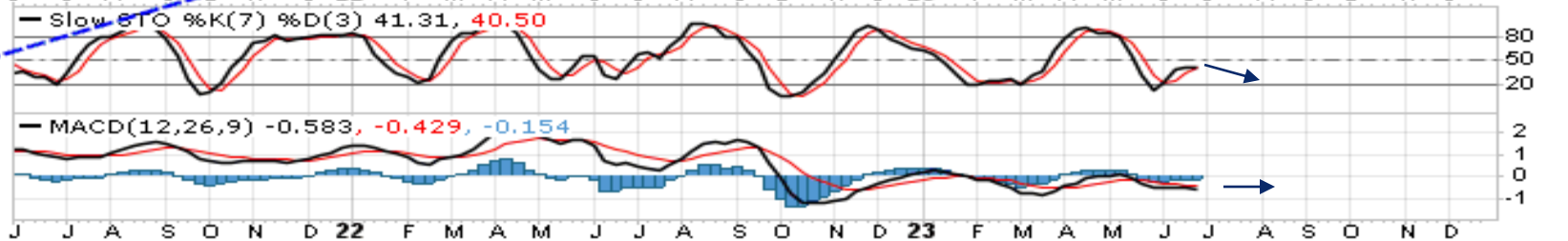
30-Jun-2023

Open 65.14 High 65.92 Low 64.07 Close 65.44 Volume 62.1M Chg +0.41 (+0.63%) ▲



% XLU (Weekly) 65.44
 MA(40) 66.73
 BB(20,2,0) 63.05 - 66.47 - 69.88
 ICHIMOKU(9,26,52) 66.61 67.42
 Volume 62,085,020

XLU Utilities



XLU Utilities: July 3, 2023 Daily 65.93 Range 67.40-65.05 with RS flat

RS versus S&P500 is pausing flat as US 10year yield is a tad up in range. XLU rebounded on 64.07 along crossing up STO & MACD. Above 66.10, rebound toward 67.30. Below 64.80, drift toward 64.10, then 63.40, then 59.40 .



XLP Staples: June 30, 2023 Weekly 74.17 Range 77.00-71.70 with RS down
RS of XLP versus S&P500 is down again. XLP rebounded slowly on cloud (71.75) along crossing up STO & flat MACD. Below 73.00, pull back toward 70.00 , then 65 area . Above 74.60, rebound toward 75.85.



XLP Staples: July 3, 2023 Daily 74.75 Range 73.10-74.50 with **RS bottoming**
RS of XLP versus S&P500 is bottoming. XLP rose to top of cloud (73.50-75.00) along re-crossing up STO & rising MACD. Above 74.50, rebound toward 76.40-77 area. Below 73.10, down drift to 71.70, then 70 area.



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