



Asbury Research

Market Signals: What Are They Telling Me?

Prepared for Fidelity Investments

July 29th, 2021



About Asbury Research

Who We Are

John Kosar, CMT, Chief Market Strategist

John has 40 years of experience and insight in analyzing and forecasting global financial markets. John spent the first half of his career on the trading floor of the Chicago futures exchanges, where he had the opportunity to learn how the US financial markets work from the inside out. This practical experience, early in his career, became the foundation for his unique analytical approach, is, understanding of intermarket relationships, and global perspective. John incorporates a comprehensive blend of technical and quantitative metrics, plus Asbury Research's own proprietary models, which collectively tend to be more intuitive and forward-looking than the typical Wall Street approach.

John is a contributor to **Forbes** and is frequently quoted in the financial press, in both the US and abroad, including **The Wall Street Journal**, **MarketWatch.com**, **Barron's**, **Yahoo! Finance**, **CNBC.com**, and **Reuters**. He can regularly be seen on U.S. financial television including **CNBC**, **Fox Business**, and **Bloomberg**, and is a frequent speaker at financial seminars and events across the country presented by national organizations including the **Chartered Financial Analyst (CFA) Society**, the **National Association of Active Investment Managers (NAAIM)**, the **CMT (Chartered Market Technician) Association**, and the **American Association of Individual Investors (AAII)**.

John has throughout his career been consistently recognized as a top U.S. financial market analyst and was awarded the **Chartered Market Technician (CMT)** designation in 1999. He served as Vice President of the CMT Association from 2004 to 2006 and was a member of its Board of Directors from 2002-2006. During his career he has been a trader, analyst, and strategist for **Shearson American Express**, **NatWest Markets**, **Greenwich Capital Markets**, and **Deutsche Bank**.

About Asbury Research

What We Do

We utilize decades of investment experience and our own **proprietary models** to provide clients and subscribers with **forward-looking, actionable market intelligence and investment ideas**.

Our approach is purely data driven and focused on finding patterns and signals contained in our own very large and broad database of market information. These signals, hidden behind the daily talking points we hear about in the financial media, typically lead important changes in the direction of financial asset prices.

Our metrics and methodology help our subscribers become more successful investors by identifying:

- **when it's time to be aggressive and fully invested (Risk On),**
- **when it's time to be defensive and protecting capital (Risk Off),**
- **where the opportunities in global stock markets exist,**
- **what parts of the US financial landscape are performing best,**
- **which sectors, industry groups, and individual stocks to buy, and**
- **where the best opportunities exist in a broad array of ETFs.**

About Asbury Research

How We Do It

The Metrics We Use To Forecast Financial Asset Prices

- Price, trend, and chart patterns
- Our **Correction Protection Model (CPM)**
- **Global intermarket relationships**
- Our **Asbury Momentum & Asbury Value** stock/ETF selection models
- Our **Asbury 6** key market internals
- **Market volatility**
- **Investor sentiment**
- Seasonality
- Relative performance
- **Investor asset flows**
- Sector rotation
- Size (Small, Mid, or Large Cap) & Style (Growth or Value)
- **Industry group selection**

A Review Of Our January 20th 2021 Webinar for Fidelity Investments

- **U.S. Stock Market:** Both our Tactical models (**Asbury 6, Correction Protection Model**) still retain their **early November Risk On / Positive status** while recent strength in **Energy** and **Financial** stocks, and long term seasonal trends, suggest **the potential for more near term strength.**

The benchmark S&P 500 (SPX) subsequently rose by another 10% into the May 7th high, driven by Energy and Financials. Meanwhile, Energy rose by an additional 24% by March 11th while outperforming SPX by 21%. Financials rose by an additional 45% by June 3rd while outperforming SPX by 22% .

- **Technology:** The Technology Sector SPDR ETF's Nov 23rd breakout from indecision **targets an additional 9% rise to 138.50.** Tech leadership is key to more market strength.

XLK met our 138.50 upside target on February 12th.

- **Gold:** A major **bearish reversal** now threatens gold's 2019 major uptrend.

The SPDR Gold Shares ETF (GLD) subsequently declined 10% by March 8th.

Market Signals: What Are They Telling Me?

1) Executive Summary: July 29th, 2021

- **U.S. Stock Market:** The benchmark **S&P 500 (SPX)** is in the midst of a November 2020 Tactical uptrend that will remain valid above 4268 to 4238 (3% to 4% below the market) while our Tactical models (**Correction Protection Model, Asbury 6**) are on a Risk On / Positive status. However, market leadership has been thin at best and sometimes non-existent, which makes the overall market particularly vulnerable to a corrective decline – especially considering its current over-extended condition. We are paying particular attention to the **Technology** space right now, which is where the sparse market leadership has been coming from. Without continued leadership from Tech, and/or new leadership from Semiconductors or Small Cap, **the next broad market correction (which is well overdue) could be particularly large and sharp.**
- **Size: Large Cap** has been outperforming Small and Mid Cap, as well as the S&P 1500, on a Strategic basis since April-May.
- **Style:** The S&P 500 **Growth** ETF (SPYG) remains in the midst of a Jun 10th trend of Strategic relative outperformance versus the S&P 500 ETF (SPY).

Market Signals: What Are They Telling Me?

2) Executive Summary: July 29th, 2021

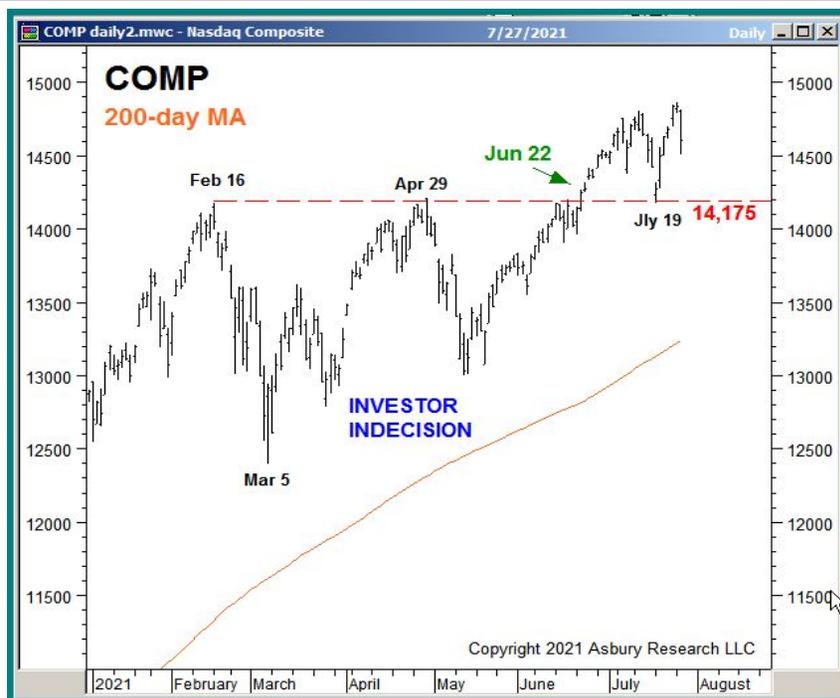
- **Cross Asset:** The **US Market** has been outperforming both Emerging and Developed Markets on a Strategic basis since March and June, respectively. **Low Volatility** stocks are in the midst of a mid-June trend of Strategic relative outperformance versus High Beta. **Corporate bonds** have been outperforming Government and High Yield bonds on a Strategic basis since May.
- **Global Relative Performance:** The **US S&P 500** has been outperforming the rest of the world on a Strategic relative basis for the past 5 weeks.
- **Sector & Industry Group Performance:** The latest data in multiple time frames show a continued trend of asset inflows into **Technology** and **Health Care**.
- **US Interest Rates:** The yield of the benchmark **10-Year Treasury Note** is at a generational inflection point situated at **1.55% to 1.37%**. The next major move in benchmark long term US interest rates, up or down, is likely to begin from this area. Tactical metrics are currently leaning toward even lower yields.
- **Gold:** Prices are turning lower from major overhead resistance levels amid contracting investor assets.

US Stock Market

Price & Trend (1): Major Uptrend In Tech Has Resumed, But Semis Failing



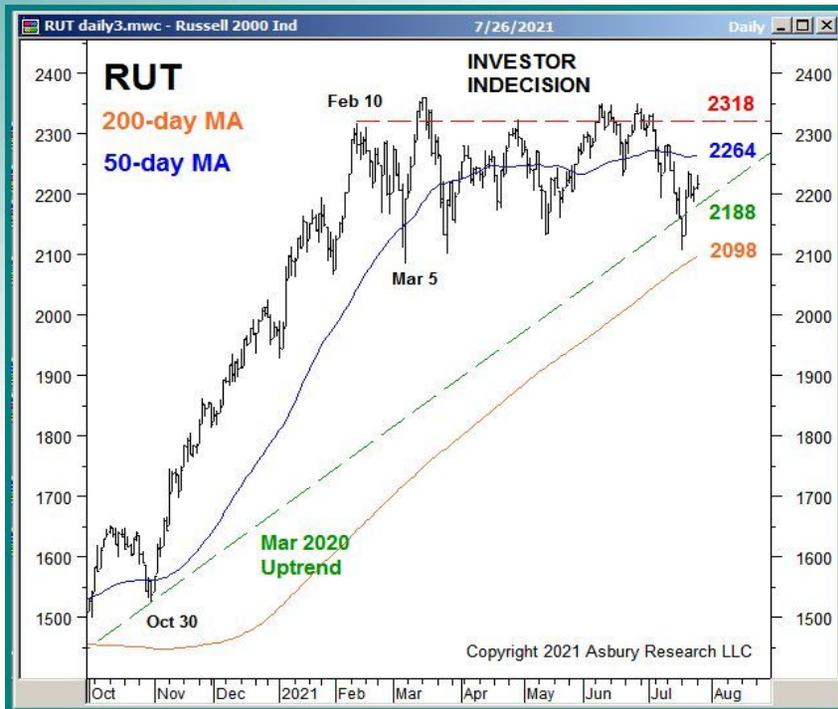
The failed late June breakout higher in this Technology-leading PHLX Semiconductor Index ETF warns of an emerging Strategic (quarterly) top.



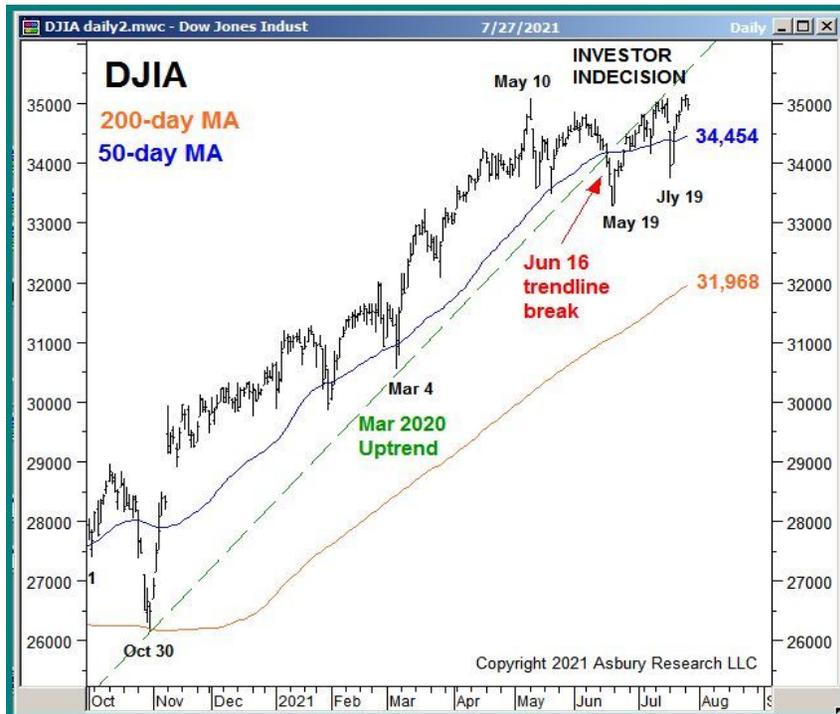
The market-leading NASDAQ Composite resumed its April 2020 Strategic uptrend on Jun 22nd following months of investor indecision. Bullish above 14,175.

US Stock Market

Price & Trend (2): 2020 Advances in Small Cap, Blue Chips Have Stalled



The March 2020 uptrend in the Small Cap Russell 2000, another market leader, stalled in February and is now being tested after months of sideways trade.



The defensive Blue Chip Dow 30 has been drifting sideways since May and broke its March 2020 uptrend line in mid June. More investor indecision.

US Stock Market

Price & Trend (3): S&P 500's Well-Worn Tactical Uptrend Remains Intact



The benchmark S&P 500 has tested and held its 50-day MA 7 times since January due to the aggressive “buy the dip” mentality this year. The Tactical (monthly) uptrend will remain valid above 4268 to 4238, which is 3% to 4% below the market.

US Stock Market

Relative Performance (1): Semis Weakening, But Tech Continues To Lead



The PHLX Semiconductor Index has for the past 6 months been trying to exceed its Feb 16th peak amid weakening relative performance versus SPX. *Negative.*



Tech bellwether NASDAQ 100 resumed its April 2020 Strategic uptrend in June amid quarterly relative outperformance versus the S&P 500. *Positive.*

US Stock Market

Relative Performance (2): Small Cap, Blue Chips Weakening, Underperforming



Like Semis, the Small Cap iShares Russell 2000 ETF has failed multiple attempts to exceed its February peak amid weakening relative performance versus SPX. *Negative.*



Meanwhile, the defensive NYSE Composite Index is breaking its minor uptrend amid June Strategic underperformance versus SPX. *Negative.*

US Stock Market

Influential Stocks: AAPL, AMZN Struggling to Maintain Recent Breakouts



Apple, #1 in market cap, is struggling to maintain its Jly 13th breakout to new all-time highs. Beware of a decline below \$145.09.



Meanwhile, 3rd largest stock Amazon is struggling to maintain its Jly 6th breakout to new all-time highs. Beware of a decline below \$3552.

Asbury's Correction Protection Model (CPM)

Wealth Preservation: When To Be Invested

Purpose & Key Features

- **Defensive** model designed for wealth preservation
- Keeps drawdowns very low to **protect against significant market declines**
- **Reduces market exposure** by reducing actual time invested
- **Remains close to the S&P 500** in performance under various market conditions.

Performance Highlights Since 2011

- CPM has a **beta of 0.43** vs. 1.0 for SPX.
- CPM has averaged **5 signals per year**.
- CPM has only been **in the market 66% of the time**, significantly reducing risk.
- CPM has had a **maximum drawdown of 15.0%** compared to 33.7% for SPX.
- CPM **performance can be significantly enhanced** by using a blend of ETFs.

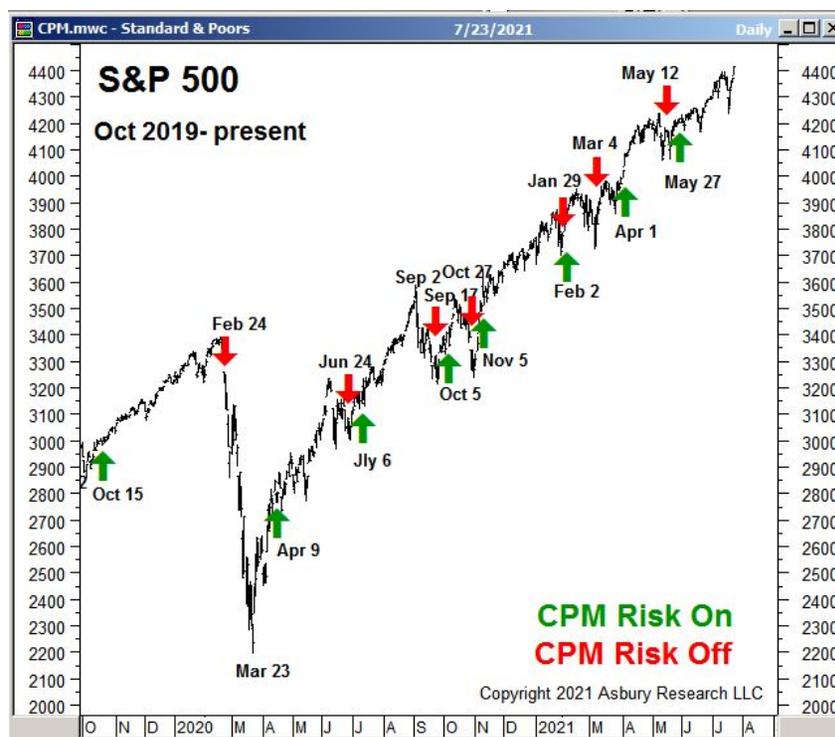
Asbury's Correction Protection Model (CPM)

Wealth Preservation: "Risk On" As Of May 27th

About CPM

- The Correction Protection Model (CPM) is our own **proprietary defensive model** for the S&P 500. It is **quantitative, objective, and data driven**.
- **CPM is binary: it is either Risk On or Risk Off.**
- **CPM is not a returns-driven model, but rather a wealth preservation tool.** It was designed to protect investor assets during potentially dangerous market conditions while also taking advantage of the market's historical upward bias.
- We use CPM as a key indication of **when to increase market exposure (Risk On) and when to be risk-averse (Risk Off).**

CPM Since Q4 2019



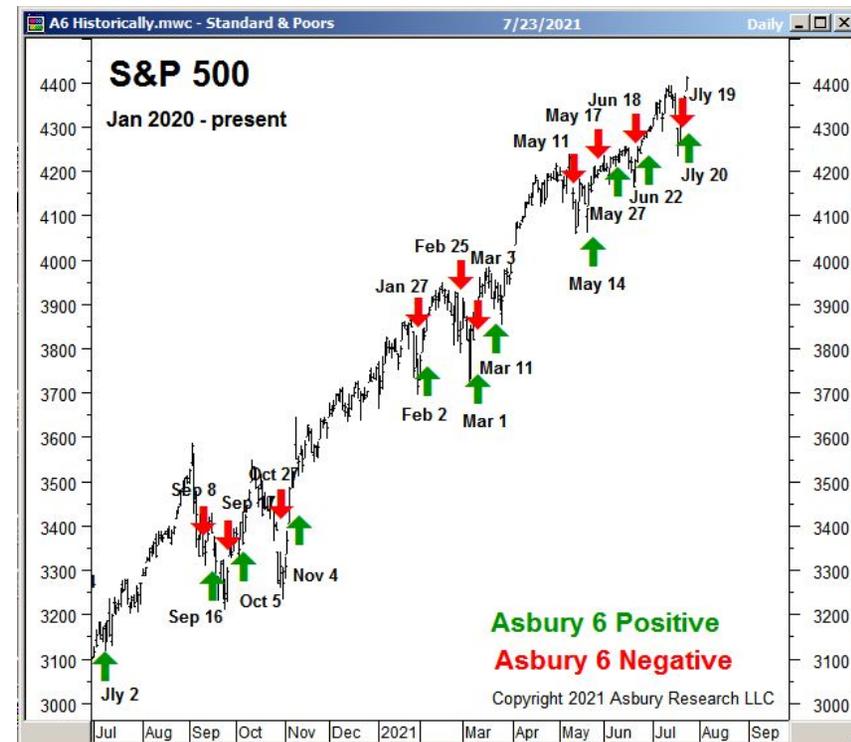
The Asbury 6 Key Market Internals

Risk Management: When To Be Invested

The Asbury 6:

- the monthly rate of change in the S&P 500
- the relative performance of equity prices versus high yield bond prices,
 - investor asset flows
- corporate bond spreads
 - trading volume
 - market breadth

“A6” Signals Since July 2020



The Asbury 6 Key Market Internals

Risk Management: Positive Since July 20th

| "ASBURY 6" INTERNAL MARKET METRICS through 7/27/2021 | | |
|---|------------------------|------------------------|
| METRIC | POSITIVE AS OF: | NEGATIVE AS OF: |
| Rate Of Change: SPX | 6/9/2021 | |
| Rel Performance: Stocks v HiYld Bonds | 7/20/2021 | |
| Investor Asset Flows: SPY | 7/20/2021 | |
| Corporate Bond Spreads | | 7/14/2021 |
| Trading Volume: SPX | 6/25/2021 | |
| Market Breadth: NYSE | | 7/13/2021 |

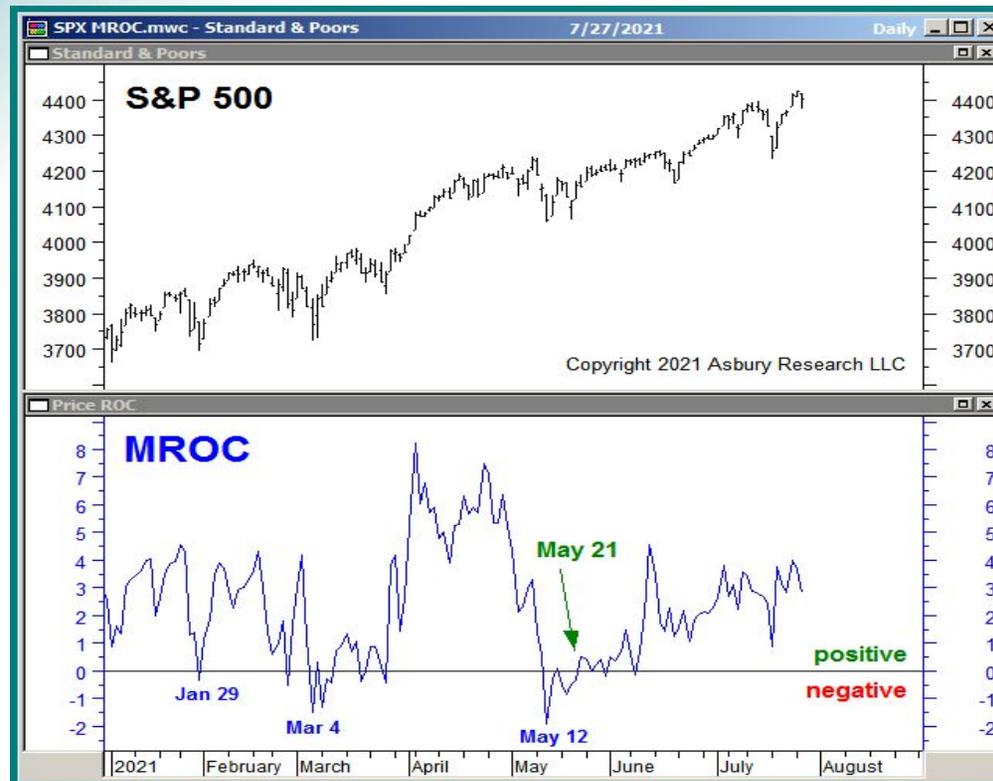
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Four or more metrics in one direction, either Positive (green) or Negative (red), indicate a tactical bias.

When all Asbury 6 are positive, market internals are the most conducive to adding risk to portfolios. Each negative reading adds an additional element of risk to participating in existing or new investment ideas.

The Asbury 6 Key Market Internals

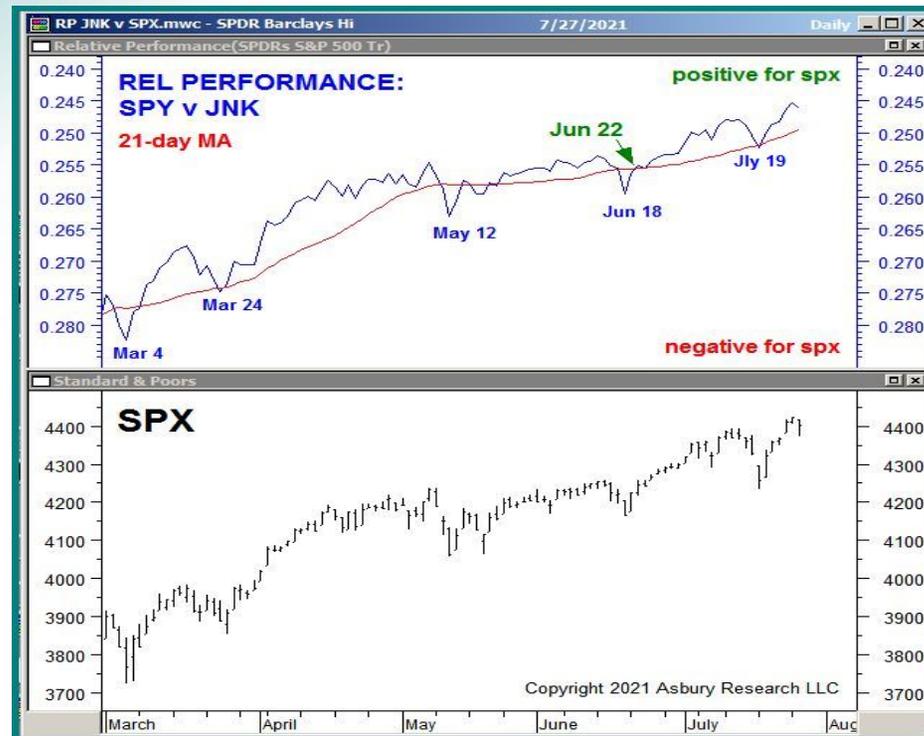
Momentum: Near Term Positive



SPX's 1-month rate of change (MROC) has been in positive territory *essentially* since late May.

The Asbury 6 Key Market Internals

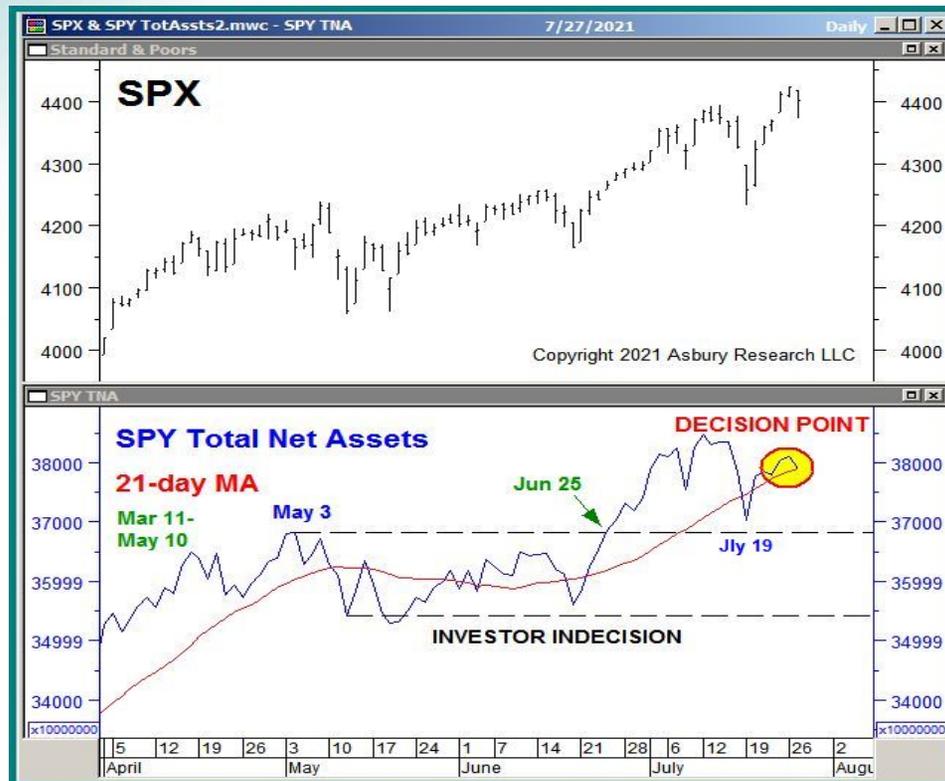
Relative Performance: Near Term Positive



The S&P 500 (SPY) moved back to a trend of *monthly relative outperformance* versus the SPDR Bloomberg Barclays High Yield Bond ETF (JNK) on Jun 22nd. With few exceptions, this trend has been in effect since March. Monthly outperformance by SPY is characteristic of Tactical US stock market advances.

The Asbury 6 Key Market Internals

ETF Asset Flows: Near Term Positive



The total net assets invested in the SPDR S&P 500 ETF have been in a trend of *monthly expansion* since Jly 20th but that trend is currently being tested. Monthly expansion in these assets is characteristic of Tactical broad market advances. *Tactical decision point*.

The Asbury 6 Key Market Internals

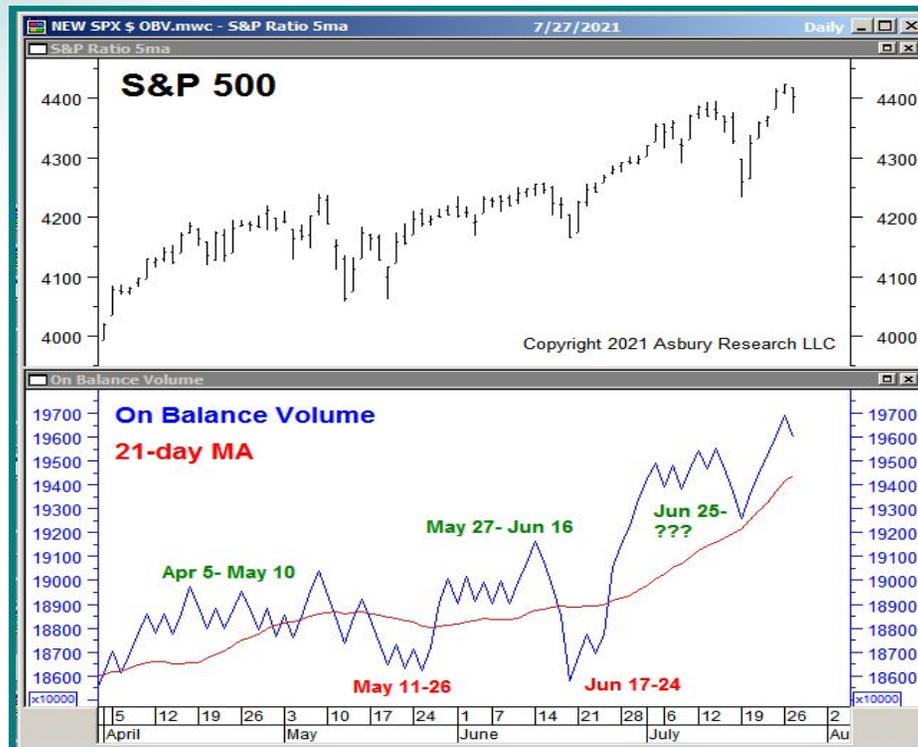
Corporate Bond Spreads: Near Term Negative



High yield corporate bonds have been in a trend of *monthly expansion* since Jly 8th, following monthly contraction since late March. This indicates *near term bond market apprehension* that has historically coincided with Tactical stock market declines.

The Asbury 6 Key Market Internals

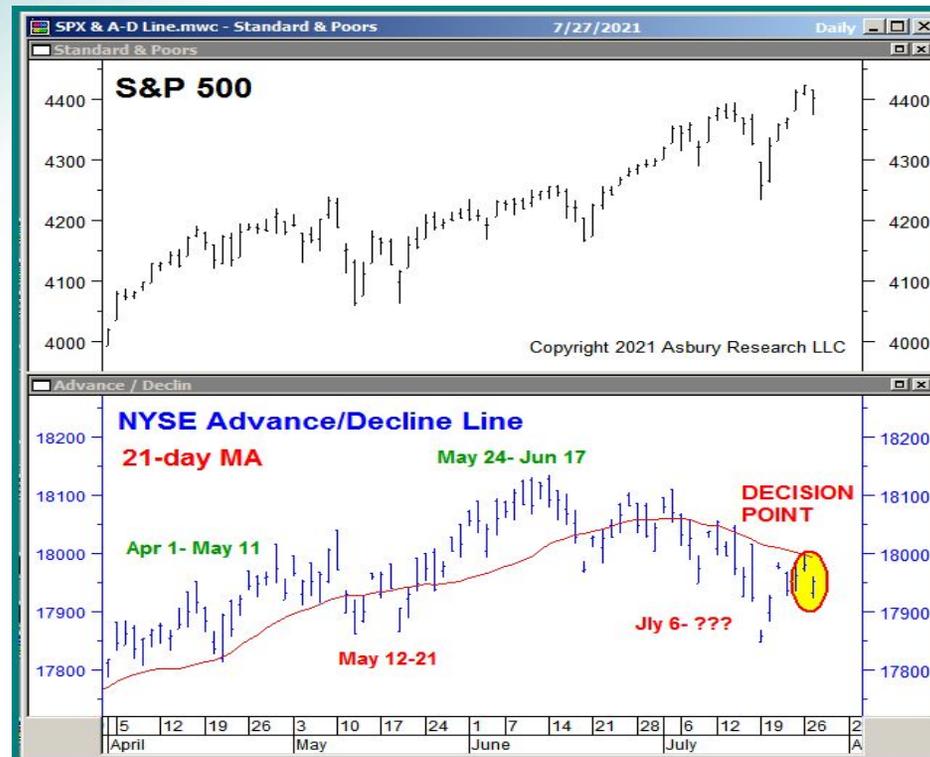
Volume: Near Term Positive



On Balance Volume (OBV) moved back above its 21-day moving on June 25th. *Monthly expansion* in OBV is characteristic of Tactical broad market advances.

The Asbury 6 Key Market Internals

Market Breadth: Near Term Negative



The NYSE Composite's A/D line has essentially remained below its 21-day MA since Jly 6th to indicate a monthly trend of deteriorating market breadth. However, this trend is currently being tested. *Tactical decision point.*

Asbury Research Stock & ETFs Ideas

Quantitative Stock Selection

Asbury Research uses a quantitative, repeatable, multi-step process to identify trending stocks with favorable market internals, low initial risk, and exceptional risk/reward ratios.

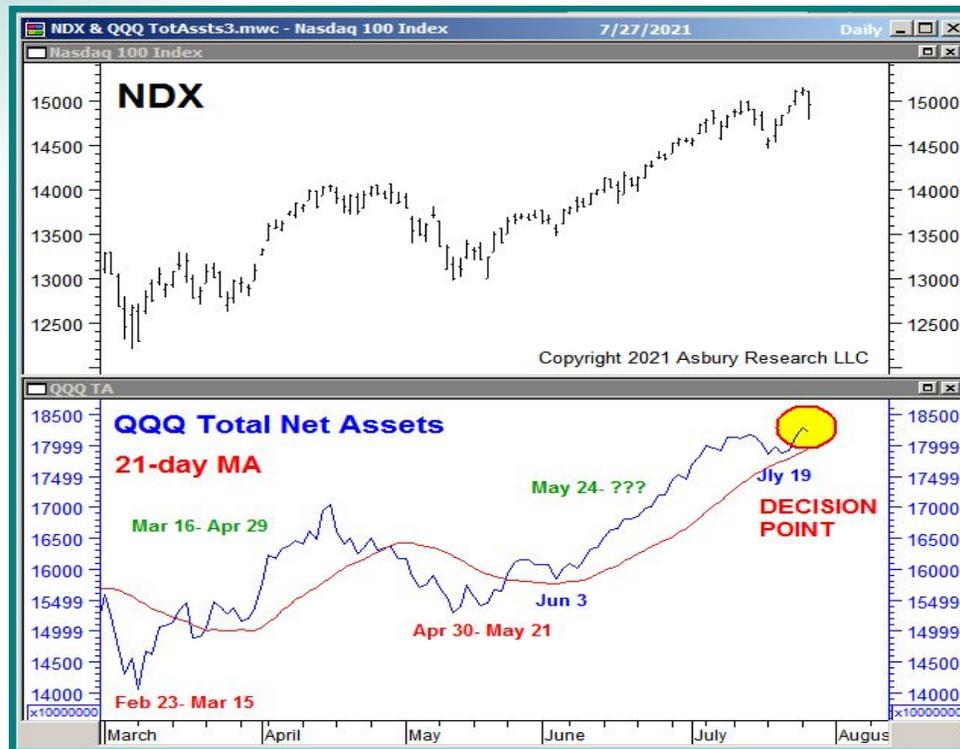
We use our own proprietary models, **Asbury Momentum** which buys strength and **Asbury Value** which buys weakness, to scan over 6,000 US stocks and about 200 ETFs every business day. Of those identified as trade candidates, we only consider those:

- **with a market capitalization greater than \$2 billion**
- **with an initial risk of 5% or less**
- **with a risk/reward ratio of 1:3 or greater** (the reward must be 3 times the risk)
- that show **the potential for relative outperformance** versus the S&P 500

We then adjust the protective stop throughout the trade to either further mitigate risk or to lock in open trade profits. Protective stops are only moved in the direction of the trade.

US Stock Market

Asset Flows: Near Term Positive



The daily total net assets invested in the Invesco QQQ ETF, which tracks the NASDAQ 100 (NDX), have been in a trend of *monthly expansion* since May 24th. This is characteristic of Tactical advances in NDX, but this trend is currently being tested.

Tactical decision point.

US Stock Market

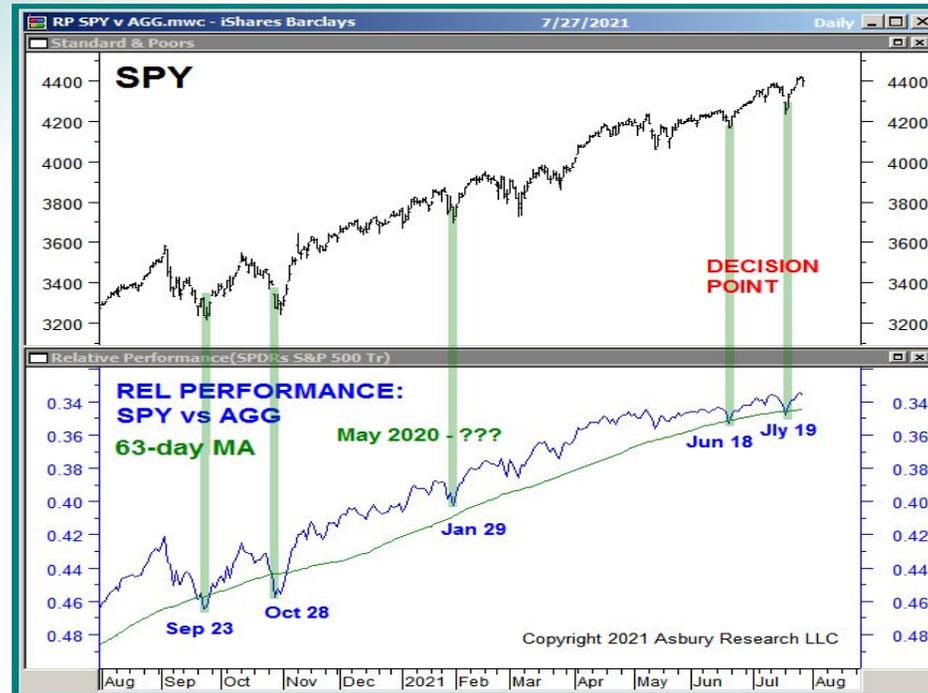
Volatility: Near Term Negative



The CBOE Volatility Index (VIX) has been above its 21-day MA on July 8th, indicating a *potential* emerging trend of increasing volatility that is characteristic of Tactical US broad market declines. *Tactical decision point.*

US Stock Market

Stocks vs Bonds: Intermediate Term Positive



The SPDR S&P 500 ETF (SPY) has been in a trend of quarterly *relative outperformance* versus the iShares Core U.S. Aggregate Bond ETF (AGG) since October 2020. Relative outperformance by stocks versus bonds has historically been positive for US equities.

Note that each test of the 63-day MA flagged a buying opportunity in SPY.

Strategic decision point.

US Stock Market

Strategic Momentum: Intermediate Term Negative



SPX is currently 13% above its 200-day MA and near 20-year highs of around 14%. This indicates the US broad market is Strategically overextended and warns that the next corrective decline could be atypically large and volatile.

US Stock Market

Overbought/Oversold: Near Term , Intermediate Term Negative



The S&P 500 has reached *monthly* overbought extremes that are characteristic of *Tactical* US broad market declines.



Meanwhile, SPX is also hovering at *quarterly* overbought extremes that are characteristic of *Strategic* US broad market declines.

US Stock Market

Market Breadth: Near Term Positive, Intermediate Term Negative



The percentage of NYSE stocks trading above their 40-day MA is expanding from a weak extreme that previously coincided with 6 Tactical bottoms since late 2018.



The percentage of NYSE stocks trading above their 200-day MA is contracting from a December strong extreme that is characteristic of Strategic market tops.

US Stock Market

Investor Sentiment: Near Term, Intermediate Term Negative



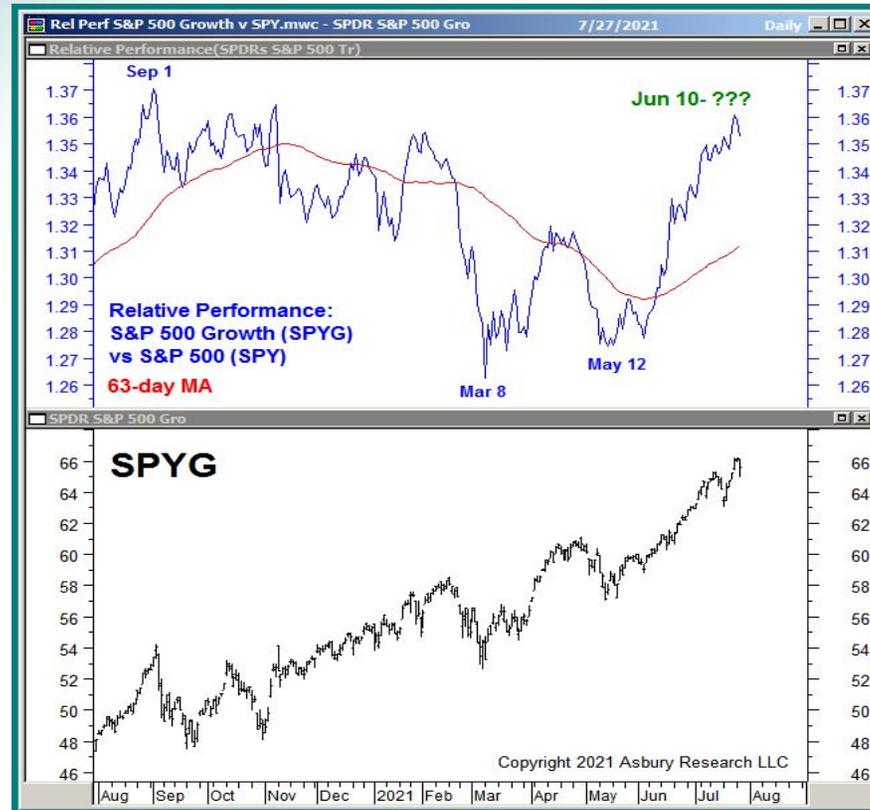
A survey of near to intermediate term oriented retail futures traders is retracting from a *most bullish* extreme that is characteristic of *Tactical* market peaks.



A survey of intermediate to long term oriented individual investors is also retracting from a *most bullish* extreme that is characteristic of *Strategic* market peaks.

US Stock Market

Style: Growth A Strategic Relative Outperformer Since Early June



The S&P 500 Growth (SPYG) ETF began a Strategic trend of relative outperformance versus the S&P 500 ETF (SPY) on June 10th. SPYG has outperformed SPY by 5% since then.

US Stock Market

Size (1): Large Cap A Strategic Relative Outperformer Since April



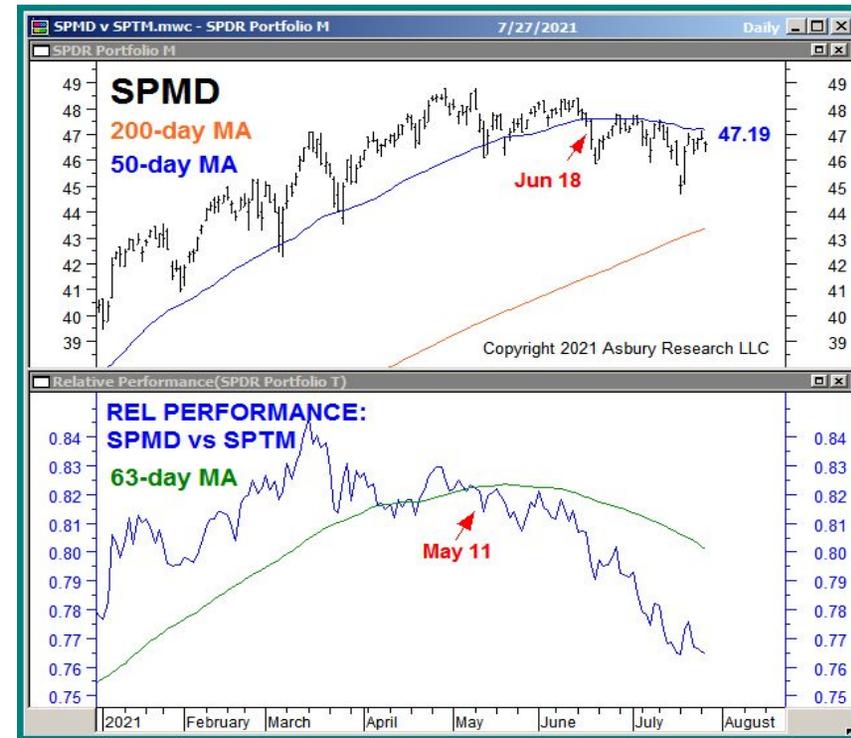
The SPDR Portfolio S&P 500 ETF (SPLG, Large Cap) has been outperforming the SPDR Portfolio S&P 1500 Composite Stock Market ETF (SPTM) on a Strategic basis since April 9th.

US Stock Market

Size (2): Small & Mid Cap Strategic Underperformers Since April-May



The SPDR Portfolio S&P 600 Small Cap ETF (SPSM) has been underperforming SPTM on a Strategic basis since Apr 7th.



The SPDR Portfolio S&P 400 Mid Cap ETF (SPMD) has been underperforming SPTM on a Strategic basis since May 11th.

Cross Asset Investing

The CARP (Cross Asset Relative Performance) Model

| CROSS ASSET RELATIVE PERFORMANCE (CARP): WHAT IS OUTPERFORMING? thru July 23rd 2021 | | | | | | | |
|---|--------------|--------------------|-------|--------------------|-------|-----------------------|-------|
| Asset Comparison | Tickers | Trading (weekly) | Since | Tactical (monthly) | Since | Strategic (quarterly) | Since |
| Equities | | | | | | | |
| US Stocks or Bonds | SPY vs AGG | STOCKS | 7/21 | STOCKS | 7/21 | STOCKS | 7/20 |
| High Beta or Low Volatility Stocks | SPHB vs SPLV | HIGH BETA | 7/21 | LOW VOL | 6/17 | LOW VOL | 7/6 |
| Large Cap or Small Cap | SPY vs IWM | LARGE CAP | 7/22 | LARGE CAP | 6/28 | LARGE CAP | 6/29 |
| S&P 500 (Broad Market) or Dow 30 (Blue Chips) | SPY vs DIA | S&P 500 | 7/19 | S&P 500 | 7/19 | S&P 500 | 5/20 |
| S&P 500 (Broad Market) or NASDAQ 100 (Tech) | SPY vs QQQ | NASDAQ 100 | 7/19 | NASDAQ 100 | 5/25 | NASDAQ 100 | 6/10 |
| Growth or Value Stocks (Russell 1000) | IWF vs IWD | GROWTH | 7/19 | GROWTH | 6/4 | GROWTH | 6/10 |
| US or Developed Markets | SPY vs VEA | US | 7/15 | US | 6/17 | US | 6/21 |
| US or Emerging Markets | SPY vs VWO | US | 7/20 | US | 6/30 | US | 6/21 |
| Fixed Income | | | | | | | |
| Govt or Corporate Bond Prices | GOVT v LQD | CORPORATE | 7/21 | CORPORATE | 7/22 | CORPORATE | 5/14 |
| High Yld or Corporate Bond Prices | HYG vs LQD | HIGH YIELD | 7/21 | CORPORATE | 6/28 | CORPORATE | 5/20 |
| Short Term or Long Term Bond Prices | SCHO vs TLT | SHORT TERM | 7/21 | LONG TERM | 5/25 | LONG TERM | 5/25 |
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The table above highlights which segments of the US financial market are outperforming in both equities and fixed income. The green highlights identify changes in trend, and the date they occurred, in 3 different time frames:

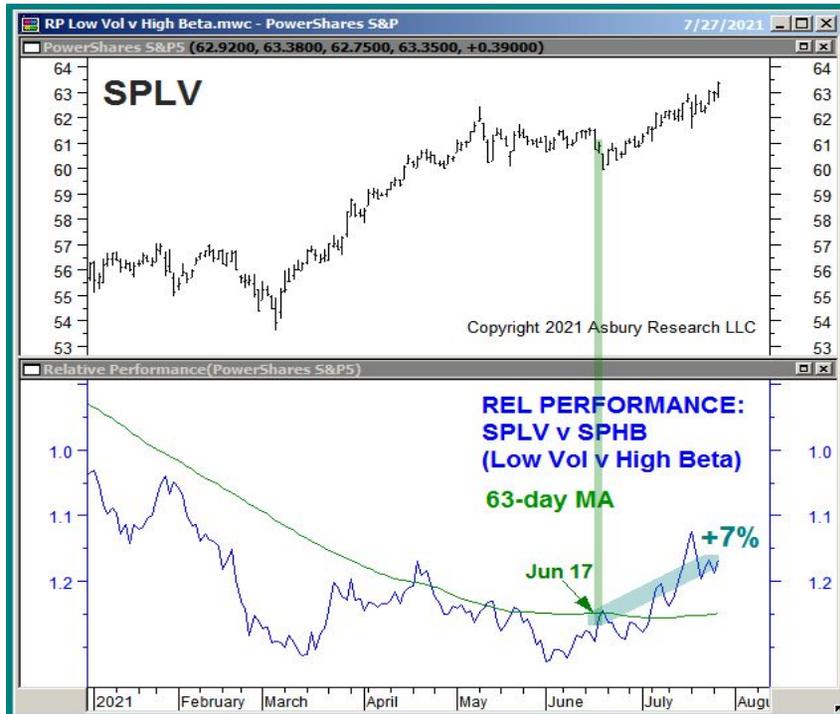
- **TRADING (weekly, yellow column)**, the most sensitive to changes in relative market direction
- **TACTICAL (monthly, blue column)**, which we use to enter or exit an investment strategy
- **STRATEGIC (quarterly, red column)**, which we use to identify intermediate term opportunity.

Cross Asset Investing

Technology Outperforming Broad Market, Low Volatility Outperforming High Beta



Technology (NASDAQ 100) has outperformed the Broad Market (SPY) by 4% since Jun 10th.



The Invesco S&P 500 Low Volatility ETF (SPLV) has outperformed the Invesco S&P 500 High Beta ETF (SPHB) by 7% since Jun 17th. Previously, High Beta outperformed by 55% since November 2020.

Global Equity Investing

The US vs. The World Model

| S&P 500 vs THE WORLD: WHICH COUNTRY IS OUTPERFORMING? | | | | | | | thru July 23rd 2021 | |
|---|--------|------------------|-------|--------------------|-------|-----------------------|---------------------|--|
| S&P 500 (SPY) vs: | Ticker | Trading (weekly) | Since | Tactical (monthly) | Since | Strategic (quarterly) | Since | |
| Chile | ECH | US | 7/23 | US | 6/25 | US | 4/22 | |
| New Zealand | ENZL | US | 7/20 | US | 5/13 | US | 2/1 | |
| Peru | EPU | US | 7/22 | US | 6/7 | US | 3/12 | |
| Australia | EWA | US | 7/22 | US | 6/10 | US | 6/17 | |
| Hong Kong | EWH | US | 7/20 | US | 6/3 | US | 6/1 | |
| Italy | EWI | ITALY | 7/21 | US | 6/10 | US | 6/17 | |
| Japan | EWJ | US | 7/15 | US | 6/17 | US | 3/22 | |
| Switzerland | EWL | US | 7/20 | US | 6/22 | US | 6/30 | |
| Malaysia | EWM | US | 7/20 | US | 6/4 | US | 3/3 | |
| Spain | EWP | SPAIN | 7/21 | US | 6/4 | US | 6/17 | |
| France | EWQ | FRANCE | 7/21 | US | 6/10 | US | 6/28 | |
| Singapore | EWS | US | 7/23 | US | 6/10 | US | 4/29 | |
| Taiwan | EWT | US | 7/20 | US | 7/20 | US | 7/20 | |
| United Kingdom | EWU | US | 7/14 | US | 6/4 | US | 6/10 | |
| Mexico | EWV | US | 7/20 | US | 7/19 | US | 6/29 | |
| South Korea | EWY | US | 7/19 | US | 6/29 | US | 2/24 | |
| Brazil | EWZ | US | 7/19 | US | 6/25 | US | 7/16 | |
| MSCI EMU (Eurozone) Index | EZU | EUROZONE | 7/21 | US | 6/10 | US | 6/18 | |
| India | INDA | US | 7/21 | US | 6/16 | US | 7/2 | |
| China | MCHI | US | 7/20 | US | 7/1 | US | 3/5 | |
| Russia | RSX | US | 6/28 | US | 6/28 | US | 7/12 | |
| Thailand | THD | US | 7/20 | US | 6/15 | US | 3/23 | |
| Vanguard FTSE Pacific ETF | VPL | US | 7/15 | US | 6/17 | US | 3/22 | |
| Vanguard Emerging Mkts ETF | VWO | US | 7/20 | US | 6/21 | US | 6/30 | |

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The key message of our model over the past 5 weeks is **a move out of foreign markets and back into the US**. None of the 24 foreign stock markets represented in the model is currently in a Strategic trend of relative outperformance versus the US.

US Market Sectors: SEAF Model

Following The Money In US Market Sectors

| ASBURY RESEARCH: SECTOR ETF ASSET FLOWS (SEAF) MODEL | | | | |
|--|-----------------|------------------|--------------------|-----------------------|
| for the week of July 26th 2021 | | | | |
| Sector (Symbol) | As of 7-22-2021 | Trading (weekly) | Tactical (monthly) | Strategic (quarterly) |
| FINANCIALS (XLF) | 17.3% | since 7/22 | since 6/17 | 18.1% |
| ENERGY (XLE) | 10.0% | since 7/8 | since 7/8 | 10.1% |
| TECHNOLOGY (XLK) | 19.5% | 19.3% | since 6/17 | since 7/22 |
| UTILITIES (XLU) | 5.2% | 5.2% | 5.1% | 5.8% |
| INDUSTRIALS (XLI) | 8.6% | 8.6% | 8.6% | since 6/24 |
| CONSUMER STAPLES (XLP) | 5.5% | since 7/22 | 5.3% | 5.0% |
| CONSUMER DISCRETIONARY (XLY) | 8.7% | 8.8% | 8.7% | since 7/15 |
| HEALTH CARE (XLV) | 13.7% | since 7/22 | since 7/1 | since 7/1 |
| MATERIALS (XLB) | 3.8% | 4.0% | 4.3% | 3.7% |
| REAL ESTATE (XLRE) | 1.7% | 1.7% | 1.5% | 1.3% |
| COMMUNICATION SERVICES (XLC) | 6.1% | 6.2% | 6.2% | 6.1% |

Biggest % inflows during period shown Biggest % outflows during period shown Copyright 2021 Asbury Research LLC

The latest data in multiple time frames show a **continued trend of inflows into Technology** (since 6/17) and **Health Care** (since 7/1). **This is where the money is currently going in the sector space.**

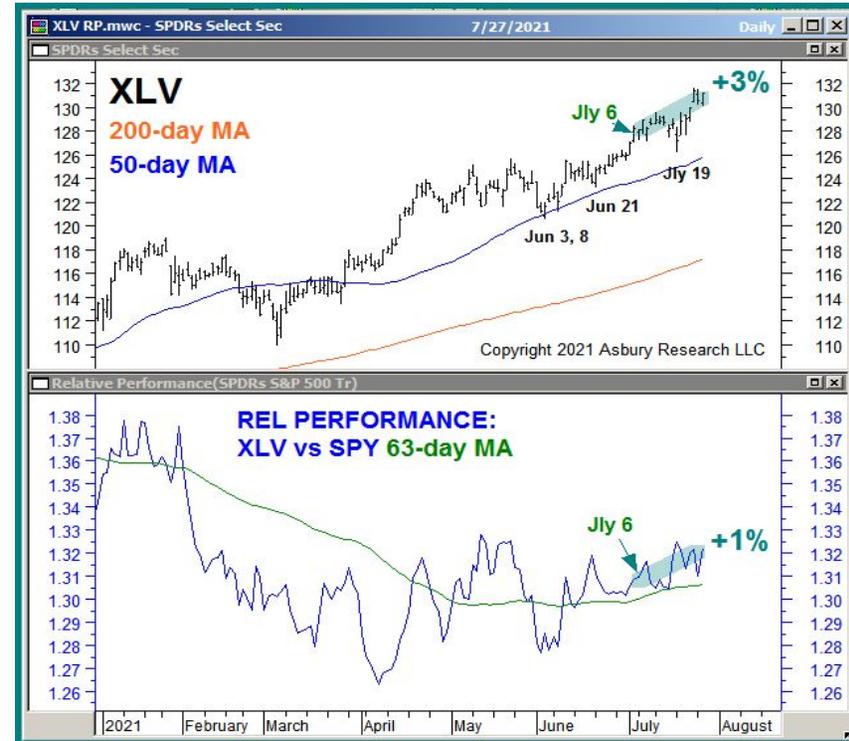
The latest data also show a **continued trend of outflows from Financials, Industrials** (both since 6/17), **Energy** (since 7/8), and **Consumer Discretionary** (7/15). **This is where the money is coming from.**

US Market Sectors: SEAF Model

Technology, Health Care Poised For Outright/Relative Strength



The Technology SPDR ETF has risen by 8% outright while outperforming the S&P 500 (SPY) by 4% since the SEAF Model's Jun 17th buy/overweight signal.



The Health Care SPDR ETF has risen by 3% outright while outperforming the S&P 500 (SPY) by 1% since the SEAF Model's Jly 6th buy/overweight signal.

US Market Sectors & Industry Groups

NYSE Technology, Software & Services Target 10%, 12% Advances



The SPDR NYSE Technology ETF's Jun 14th breakout higher from investor indecision targets an additional 10% rise to 174.50.

XNTK has risen by 4% thus far.



The SPDR S&P Software & Services ETF Jun 10th breakout higher from indecision targets an additional 12% rise to 193.50.

XSW has risen by 2% thus far.

US Interest Rates

Benchmark 10-Year Note Yields At Long Term, Secular Inflection Point



This monthly chart since 1900 shows the yield of the US 10-Year Note is testing generational lows at 1.46% to 1.55%.
Secular decision point.



This weekly chart since 2012 shows these yields are declining below long term yield support at 1.47% to 1.37%, which means they are directionally leaning lower.

US Interest Rates

Price & Yield Proxies Also At Strategic Decision Points



The iShares 20+ Year Treasury Bond ETF is also at a major decision point, testing major resistance at 147.44. *Where the downtrend should resume, if still valid.*



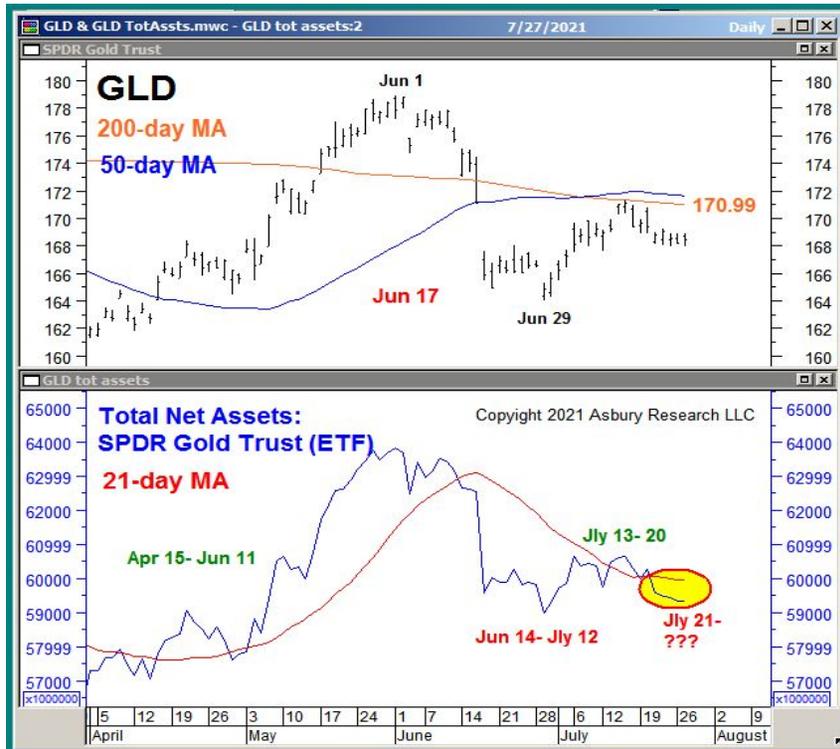
The CBOE 10-Year Note Index is simultaneously testing major support at 12.76. *This is where the uptrend in yields should resume, if still valid.*

Gold

GLD At A Strategic Decision Point, Leaning Lower



The SPDR Gold Shares ETF has over the past year retracted from 2012 and 2015 major resistance levels. *Strategic decision point, leaning lower.*



GLD is also retracting from major overhead resistance near 171.00 while the total net assets invested have been contracting on a tactical basis since mid June. *Negative.*



Asbury Research

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