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Saturday - 20 February 2021

TrendInvestorPro Annotated ETF ChartBook

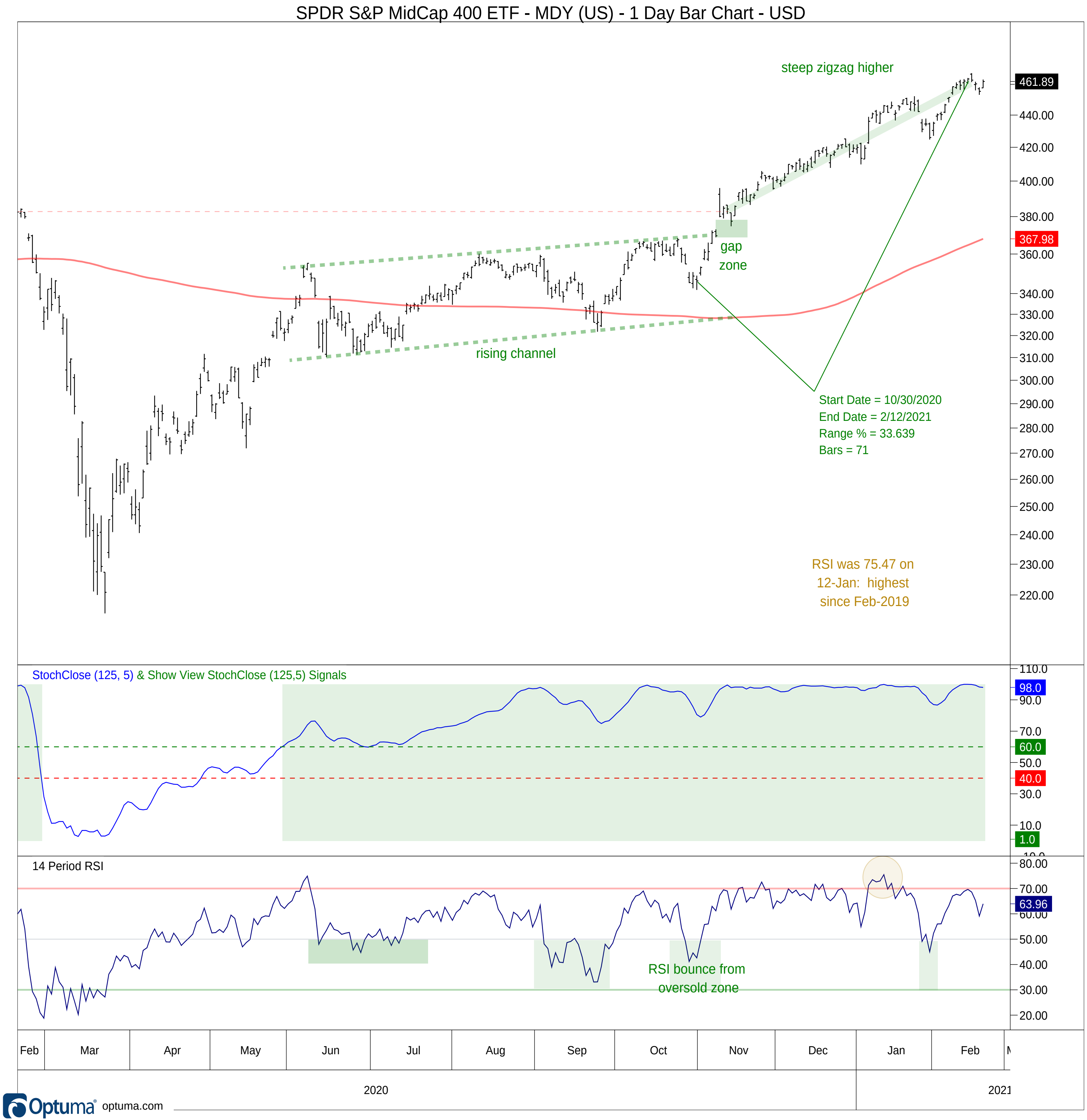
Arthur Hill, CMT
@arthurhill

Invesco S&P 500 Equal Weight ETF - RSP (US) - 1 Day Bar Chart - USD

ETFs with a zigzag higher the last few months are in the trend-monitoring phase (RSP, SPY, QQQ, XLK, HYG). The trends are up and strong, but there is no setup in play (mean-reversion pullback or consolidation). Now is simply the time to wait for a setup, plan profit targets, consider exit levels or employ stops.

The S&P 500 SPDR (SPY) has a modestly steep zigzag advance since the breakout on November 9thm the day the vaccine was announced. SPY is up around 20% since November, which is less than half of the 49% surge in IWM. Even though the advance in SPY is less steep, SPY still sports a series of higher highs and higher lows since November.

I could use the late January low and rising 50-day SMA to mark support, but a break below these levels would not be that bearish because it would set up the next mean-reversion opportunity (RSI dip into 30-50 zone). Notice the breaks below the 50-day in mid September and late October (blue shading).


SPDR S&P MidCap 400 ETF - MDY (US) - 1 Day Bar Chart - USD
steep zigzag higher
461.89
440.00
420.00
400.00
380.00
367.98
360.00
gap
zone
340.00
330.00
320.00
310.00
300.00
290.00
280.00
270.00
260.00
250.00
240.00
230.00
220.00
rising channel
Start Date = 10/30/2020
End Date = 2/12/2021
Range % = 33.639
Bars = 71
RSI was 75.47 on
12-Jan: highest
since Feb-2019
StochClose (125, 5) & Show View StochClose (125,5) Signals
110.0
98.0
90.0
70.0
60.0
50.0
40.0
30.0
10.0
1.0
14 Period RSI
80.00
70.00
63.96
60.00
50.00
40.00
30.00
20.00
RSI bounce from
oversold zone
Feb
Mar
Apr
May
Jun
Jul
Aug
Sep
Oct
Nov
Dec
Jan
Feb
2020
2021
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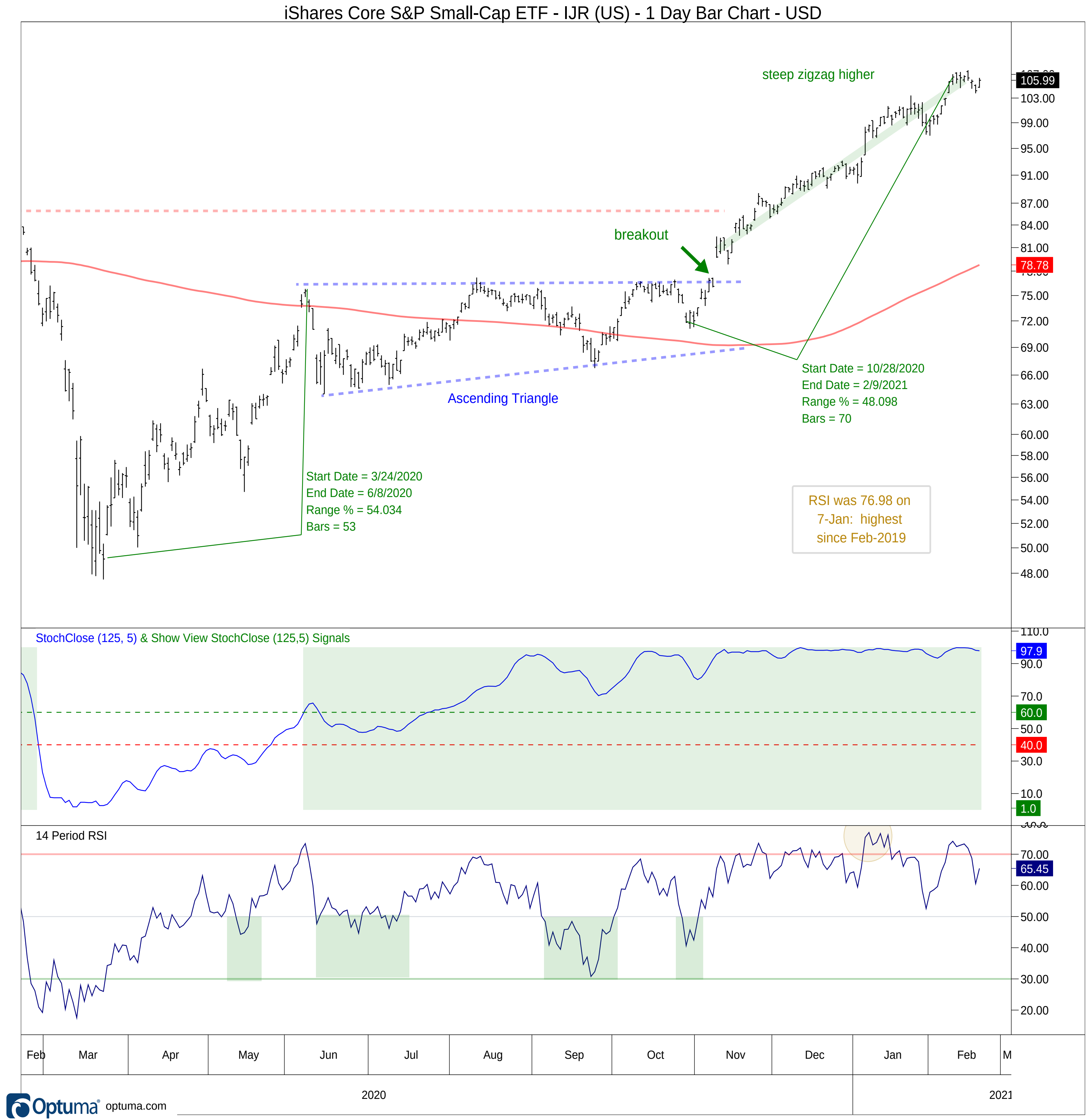

iShares Core S&P Small-Cap ETF - IJR (US) - 1 Day Bar Chart - USD
steep zigzag higher
breakout
Ascending Triangle
Start Date = 10/28/2020
End Date = 2/9/2021
Range % = 48.098
Bars = 70
Start Date = 3/24/2020
End Date = 6/8/2020
Range % = 54.034
Bars = 53
RSI was 76.98 on
7-Jan: highest
since Feb-2019
105.99
78.78
StochClose (125, 5) & Show View StochClose (125,5) Signals
97.9
60.0
40.0
1.0
14 Period RSI
65.45
Feb
Mar
Apr
May
Jun
Jul
Aug
Sep
Oct
Nov
Dec
Jan
Feb
2020
2021
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ETFs in this group (MDY, IJR, IWM, XLY) led the market higher since November with massive gains (33-47 percent) and then rested by stalling since February 9th. There is no pullback or pattern because this is a short stall. Moreover, these ETFs are not short-term oversold either. Thus, they are simply in the trend monitoring phase.

On the IWM chart, the thick green line defines the steep advance and the short blue lines show very short pullbacks (4-6 days). These pullbacks are too short for me and I would prefer a multi-week consolidation or pullback after a 49% surge. The other blue lines show the prior multi-week pullbacks and RSI dipped into the oversold zone each time. This is my preferred setup and I am willing to wait.

Invesco QQQ Trust - QQQ (US) - 1 Day Bar Chart - USD
modest zigzag higher
breakout
84.79%
triangle consolidation
within bigger uptrend
breakout/reversal
within triangle
Start Date = 11/2/2020
End Date = 2/12/2021
Range % = 24.939
Bars = 70
RSI hit 81.19
on 2-Sept
331.02
304.77
279.92
StochClose (125, 5) & Show View StochClose (125,5) Signals
96.4
60.0
40.0
1.0
14 Period RSI
57.31
RSI bounce from
oversold zone
Mar
Apr
May
Jun
Jul
Aug
Sep
Oct
Nov
Dec
Jan
Feb
2020
2021
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SPDR Technology Select Sector Fund ETF - XLK (US) - 1 Day Bar Chart - USD
modest zigzag higher
breakout
End
87.55%
triangle consolidation
within bigger uptrend
33%
breakout/reversal
within triangle
Start
136.05
133.00
127.72
125.00
121.00
116.30
113.00
110.00
107.00
104.00
101.00
98.00
95.00
92.00
89.00
86.00
83.00
80.00
77.00
75.00
73.00
71.00
69.00
StochClose (125, 5) & Show View StochClose (125,5) Signals
StochClose
crossed above 60
110.0
95.0
70.0
60.0
50.0
40.0
30.0
10.0
1.0
14 Period RSI
RSI oversold zone
70.00
57.48
40.00
30.00
20.00
Feb
Mar
Apr
May
Jun
Jul
Aug
Sep
Oct
Nov
Dec
Jan
Feb
2020
2021
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The Consumer Discretionary SPDR (XLY) shows a medium-term consolidation in Sep-Oct, breakout in late November and continuation higher since. The advance is punctuated by very short consolidations (blue lines) and only one oversold conditions (late January when RSI dipped below 50). Another short consolidation formed the last few days and another continuation higher could be in the cards.

At this point, there are not many, if any, medium-term patterns that stretch multiple weeks. Patterns are limited to days and any setups are very short-term at this stage. Personally, I do not trade such short-term patterns when they lack an oversold condition (RSI in the 30-50 zone). Short-term patterns with tight ranges require a close watch because the chance of whipsaw is high for short-term traders.

Medium-term setups take time and it could be a few weeks before we see one. Longer term traders can simply wait for some sort of trend reversal signal, such as StochClose turning bearish and/or a close below the 200-day.

The Industrials SPDR (XLI) and Consumer Staples SPDR (XLP) are lagging the broader market since December, but both charts sport bullish consolidations. XLI is the stronger of the two because it hit a new high on Friday.

The XLI chart shows two bullish consolidations marked with blue shading. XLI stalled above its 200-day in Sep-Oct and broke out to new highs. The ETF then stalled again from mid December to mid February and is on the verge of a breakout. Short-term, the ETF broke out of a flag pattern in early February as RSI bounced from the oversold zone.


SPDR Communication Services Select Sector ETF - XLC (US) - 1 Day Bar Chart - USD
End
breakout
68.01%
33%
triangle consolidation
within bigger uptrend
Start
72.48
71.00
69.00
67.00
65.22
63.00
61.21
59.00
57.00
55.00
53.00
51.00
49.00
47.00
45.00
43.00
41.00
40.00
39.00
StochClose (125, 5) & Show View StochClose (125,5) Signals
110.0
98.2
90.0
70.0
60.0
50.0
40.0
30.0
10.0
1.0
14 Period RSI
70.00
64.07
50.00
40.00
RSI in oversold zone
20.00
Feb
Mar
Apr
May
Jun
Jul
Aug
Sep
Oct
Nov
Dec
Jan
Feb
2020
2021
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SPDR Financial Select Sector Fund ETF - XLF (US) - 1 Day Bar Chart - USD
End
33%
breakout
Start
long triangle
mid May
surge
ATR Trailing Stop
(for flag breakout)
RSI was 77.5 on 14-Jan:
highest since Jan-2018
32.41
31.20
30.00
29.00
28.00
27.00
25.95
25.00
24.00
23.00
22.00
21.00
20.00
19.00
18.00
17.50
StochClose (125, 5) & Show View StochClose (125,5) Signals
99.6
90.0
70.0
60.0
50.0
40.0
30.0
10.0
1.0
14 Period RSI
80.00
70.25
60.00
50.00
40.00
30.00
20.00
Mar
Apr
May
Jun
Jul
Aug
Sep
Oct
Nov
Dec
Jan
Feb
2020
2021
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SPDR Health Care Select Sector Fund ETF - XLV (US) - 1 Day Bar Chart - USD
breakout
surge, new high and consolidation
slow grinding uptrend
ATR Trailing Stop 3 ATR(22) values below highest close since breakout
114.41
113.99
107.34
StochClose (125, 5) & Show View StochClose (125,5) Signals
85.6
60.0
40.0
1.0
14 Period RSI
43.12
Mar Apr May Jun Jul Aug Sep Oct Nov Dec Jan Feb
2020
2021
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The Consumer Staples SPDR (XLP) hit a new high in mid November and then worked its way lower from mid December to mid February. A falling channel formed as the ETF fell to the rising 200-day. The trend is up and this channel represents a correction within a bigger uptrend. Watch for a breakout. RSI is in the oversold zone.

SPDR Utilities Select Sector Fund ETF - XLU (US) - 1 Day Bar Chart - USD
dividend
End
67%
Start
lagging since
mid November
61.41
60.83
StochClose (125, 5) & Show View StochClose (125,5) Signals
60.0
51.1
40.0
14 Period RSI
41.05
RSI oversold
Mar
Apr
May
Jun
Jul
Aug
Sep
Oct
Nov
Dec
Jan
Feb
2020
2021
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SPDR Real Estate Select Sector Fund ETF - XLRE (US) - 1 Day Bar Chart - USD
resistance
long consolidation
19-Jan: StochClose
turned bullish and
XLRE broke out of
falling channel within
trading range.
40.00
39.00
38.09
37.00
35.80
35.00
34.00
33.00
32.00
31.00
30.00
29.00
28.00
27.00
26.00
25.50
25.00
StochClose (125, 5) & Show View StochClose (125,5) Signals
110.0
91.9
70.0
60.0
50.0
40.0
30.0
10.0
1.0
14 Period RSI
70.00
60.70
50.00
40.00
30.00
Mar
Apr
May
Jun
Jul
Aug
Sep
Oct
Nov
Dec
Jan
Feb
2020
2021
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SPDR Materials Select Sector Fund ETF - XLB (US) - 1 Day Bar Chart - USD
End
breakout
50%
67%
Start
consolidation
breakout
consolidation
within uptrend
oversold bounce
and flag breakout
working
77.00
75.05
74.00
72.00
70.00
68.00
66.00
64.72
62.00
60.00
58.00
56.00
54.00
52.00
50.00
48.00
46.00
44.00
42.00
40.00
38.00
StochClose (125, 5) & Show View StochClose (125,5) Signals
110.0
90.0
80.1
70.0
60.0
50.0
40.0
30.0
10.0
1.0
14 Period RSI
58.85
Mar
Apr
May
Jun
Jul
Aug
Sep
Oct
Nov
Dec
Jan
Feb
2020
2021
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SPDR Energy Select Sector Fund ETF - XLE (US) - 1 Day Bar Chart - USD
flag breakout
and follow thru
breakout
46.48%
50.94%
big falling wedge held
well above March low
54.00
52.00
50.00
48.00
46.18
43.77
41.60
40.00
38.00
37.07
36.00
34.29
32.00
30.00
29.00
28.00
27.00
26.00
25.00
24.00
23.00
StochClose (125, 5) & Show View StochClose (125,5) Signals
110.0
98.5
90.0
70.0
60.0
50.0
40.0
30.0
10.0
1.0
14 Period RSI
oversold zone
80.00
70.00
65.19
60.00
50.00
40.00
30.00
20.00
Feb
Mar
Apr
May
Jun
Jul
Aug
Sep
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Nov
Dec
Jan
Feb
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2020
2021
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The Software ETF (IGV) is in the trend monitoring phase after three breakouts since December.

Medium-term, the ETF broke out of the Ascending Triangle in mid December and hit a new high. Short-term, IGV fell back to the breakout zone with a falling flag and broke out. Most recently, A triangle consolidation formed and IGV broke out to new highs. Also notice that RSI dipped into the oversold zone twice in January.

ETFs in this group are strong with new highs and sharp advances in February (SOXX, SKYY, IPAY, FINX, REMX). Like many an ETF, they are quite extended and ripe for a corrective period, but hardly bearish. This is the time to either ride the uptrend or exercise some patience for the next bullish setup.

For at least the third time since summer, the Semiconductor ETF (SOXX) has a bearish divergence working in RSI (yellow lines). A bearish momentum divergence usually accompanies an interim peak, but NOT all bearish divergences turn out bearish. In fact, I would speculate that fewer than a third actually result in significantly lower prices.

There are two HUGE problems with bearish divergences. First, they form in uptrends when price is records a higher high. Thus, acting on these signals is trading against the bigger trend. Second, a lower high in RSI shows less upside momentum, but momentum is still to the upside, just a little less than before. What's more important: a new high in price or a lower high in RSI?

First Trust Dow Jones Internet ETF - FDN (US) - 1 Day Bar Chart - USD
breakout
pennant
End
33%
Start
97.14%
Ascending Triangle
(bullish continuation pattern)
breakout
flag, throwback
and breakout
238.36
230.00
220.00
207.00
200.00
192.57
180.00
170.00
160.00
150.00
145.00
140.00
135.00
130.00
124.00
120.00
114.00
110.00
105.00
StochClose (125, 5) & Show View StochClose (125,5) Signals
110.0
96.2
70.0
60.0
50.0
40.0
30.0
10.0
1.0
14 Period RSI
70.00
65.61
60.00
50.00
40.00
30.00
20.00
RSI in 30-50 zone
Mar
Apr
May
Jun
Jul
Aug
Sep
Oct
Nov
Dec
Jan
Feb
2020
2021
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The Cloud Computing ETF (SKYY) represents another one of these monster advances since November. The ETF consolidated with the other tech-related ETFs from early September to mid November and then broke out to new highs in late November. SKYY is up almost 50% since late October with just one small pullback along the way. The trend is up, momentum is strong and RSI exceeded 83 on Tuesday. RSI last touched the 83 area in January 2018 and a corrective period followed. As with any strong advance, picking the spot for a pullback or consolidation is full hardy. Nevertheless, SKYY and others remain very extended. Again, this puts them in the trend monitoring phase.

The red line shows the ATR Traling Stop at 07.77 and this was triggered on Thursday.

ETFMG Prime Cyber Security ETF - HACK (US) - 1 Day Bar Chart - USD
76.05%
pennant (bullish
continuation pattern)
falling channel within
bigger uptrend
surge off support zone
and short-term reversal
breakout
39.94%
flag breakout
64.00
62.86
60.82
58.00
56.00
54.00
52.00
51.09
49.73
48.00
46.00
44.00
42.00
40.00
38.00
36.00
34.00
33.00
32.00
31.00
30.00
StochClose (125, 5) & Show View StochClose (125,5) Signals
110.0
89.9
70.0
60.0
50.0
40.0
30.0
10.0
1.0
14 Period RSI
80.00
70.00
60.00
52.06
40.00
30.00
20.00
RSI oversold zone
Mar
Apr
May
Jun
Jul
Aug
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Feb
2020
2021
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The Mobile Payments ETF (IPAY) and FinTech ETF (FINX) show just how unreliable short-term support breaks can be. IPAY broke below its mid January lows with a sharp decline in late "January. This ""support break"" was" the distraction, not the signal. It is often better to ignore short-term bearish signals when the bigger trend is up because the odds still favor a resolution in the direction of the bigger uptrend. Sure, one day a short-term bearish reversal will result in a bigger trend change, but these signals are more the exception than the norm. The long-term trend for IPAY was up and RSI dipped into the oversold zone (30-50). This oversold condition within a bigger uptrend provided the mean-reversion setup. IPAY obliged with a surge to new highs.

The FinTech ETF (FINX) is in a strong uptrend as well, but the ten day Rate-of-Change exceeded 15% and reached its highest level since mid April. A sharp advance off a low is like a rocket lifting off. It shows enough upward thrust to sustain an advance. In contrast, an outsized gain after an extended advance shows signs of excess. As with any overextended condition, this is not outright bearish. It just warrants some caution going forward and increases the odds for a correction of some sort.

The Retail SPDR (XRT) and Alternative Harvest ETF (MJ) went parabolic on the way up and fell sharply after these explosive moves. They need time to settle before coming back on my radar.

The Home Construction ETF (ITB) remains strong with a breakout, follow through and new high. Overall, ITB surged some 150% in 148 days and then consolidated with a narrowing range for over three months. Apparently, multi-month corrections still exist. ITB broke out with a surge in the second half of January and this signaled an end to the corrective period, and a resumption of the bigger uptrend. The breakout zone held on the little throwback in early February and ITB popped to a new high in mid February. The December-January lows mark key support for now.

We have a big group with short-term consolidations into late January, breakouts in early February and big moves this month. This group has representatives from finance (XLF, KRE) and energy (DBE, XLE, XES, XOP, FCG), all of which are up double digits this month (12 trading days). XOP and FCG are up more than 20%. DBB and DBA are not up as much, 8.5% and 3.05%, respectively, but these moves are big relative to their charts.

These ETFs are in the trend-monitoring phase. Now is the time to consider a profit target, a trailing stop or an exit strategy. There is no right or wrong answer here. Just plan your trade and trade your plan.

The chart for KRE shows the ATR Trailing Stop rising along with the February surge. KRE is up 15% in 12 days. It would take a 5% decline from current levels to trigger this stop. Traders must, therefore, decide if they want to ride the trend and risk the pullback or exit now and move on to the next trade. Traders can also consider taking partial profits with a profit target and then set a trailing stop for the remainder.


SPDR S&P Insurance ETF - KIE (US) - 1 Day Bar Chart - USD
breakout
34.83
30.16
StochClose (125, 5) & Show View StochClose (125,5) Signals
98.9
60.0
40.0
1.0
14 Period RSI
60.47
RSI in 30-50 zone
Mar
Apr
May
Jun
Jul
Aug
Sep
Oct
Nov
Dec
Jan
Feb
2020
2021
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The Residential REIT ETF (REZ) continues to make good on its wedge breakout and is challenging the November high. Overall, I see a slow uptrend since April, a falling wedge into January and a wedge breakout working. The green line marks the initial stop-loss and it held as REZ consolidated around the breakout zone. The red line shows the ATR Trailing Stop (2 x ATR(22) for reference.

iShares Mortgage Real Estate ETF - REM (US) - 1 Day Bar Chart - USD
breakout
33.63
27.53
StochClose (125, 5) & Show View StochClose (125,5) Signals
94.9
60.0
40.0
1.0
14 Period RSI
59.59
Mar
Apr
May
Jun
Jul
Aug
Sep
Oct
Nov
Dec
Jan
Feb
2020
2021
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SPDR S&P Aerospace & Defense ETF - XAR (US) - 1 Day Bar Chart - USD
End
breakout
50%
Start
124.96
97.28
StochClose (125, 5) & Show View StochClose (125,5) Signals
94.4
60.0
40.0
1.0
14 Period RSI
60.51
Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec Jan Feb Mar
2020
2021
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ETFs in this next group formed short-term corrections after new highs. HACK, PBW and TAN stalled over the last few weeks with trading ranges. A consolidation within an uptrend is typically a bullish continuation pattern that represents a mere rest (pause).

Note that these ETFs were leading in late January with some of the biggest gains and they are lagging over the last four weeks. They are down over the last 20 days and SPY is up 1.5%. Even though the late "January lows mark ""support"", I" would not consider a break below these levels as bearish. Instead, such a move would set up the next mean-reversion opportunity because RSI would be in the oversold zone. Check "out the late January ""support""" breaks in IPAY and FINX for bullish support break setups.

Invesco Solar ETF - TAN (US) - 1 Day Bar Chart - USD
new high
Start Date = 11/4/2020
End Date = 1/8/2021
Range % = 85.628
Bars = 44
End
63.18%
50%
Start
breakout
breakout
RSI
above
80
one of the strongest
uptrends since April
120.00
110.64
100.00
90.00
78.36
70.00
67.36
65.00
60.00
54.00
50.00
46.00
41.83
40.00
36.00
33.00
30.00
26.00
24.00
22.00
StochClose (125, 5) & Show View StochClose (125,5) Signals
110.0
90.0
70.0
60.0
50.0
40.0
30.0
10.0
1.0
14 Period RSI
80.00
70.00
60.00
50.00
45.88
40.00
30.00
20.00
RSI just
below 50
Feb
Mar
Apr
May
Jun
Jul
Aug
Sep
Oct
Nov
Dec
Jan
Feb
Mar
2020
2021
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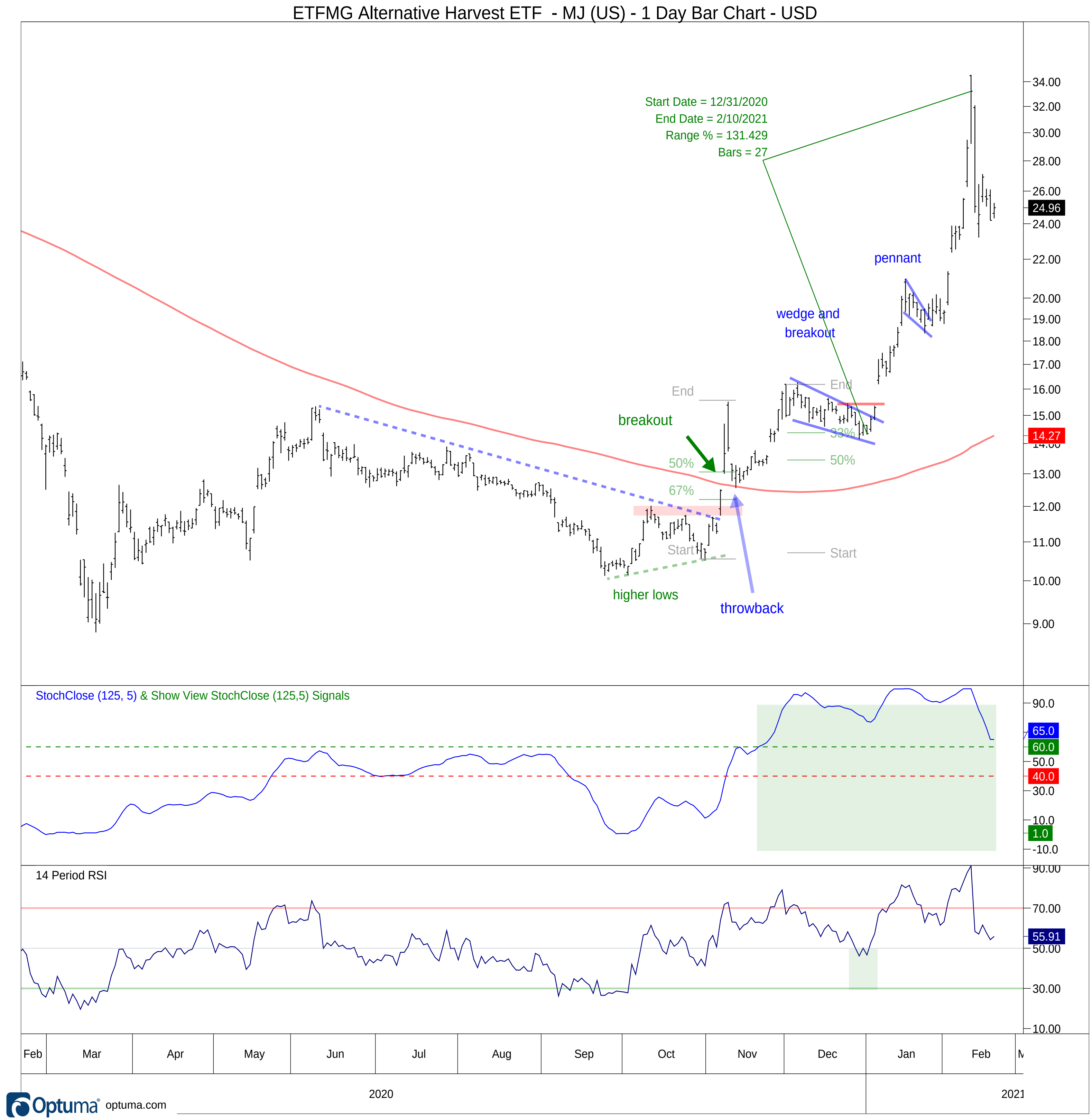
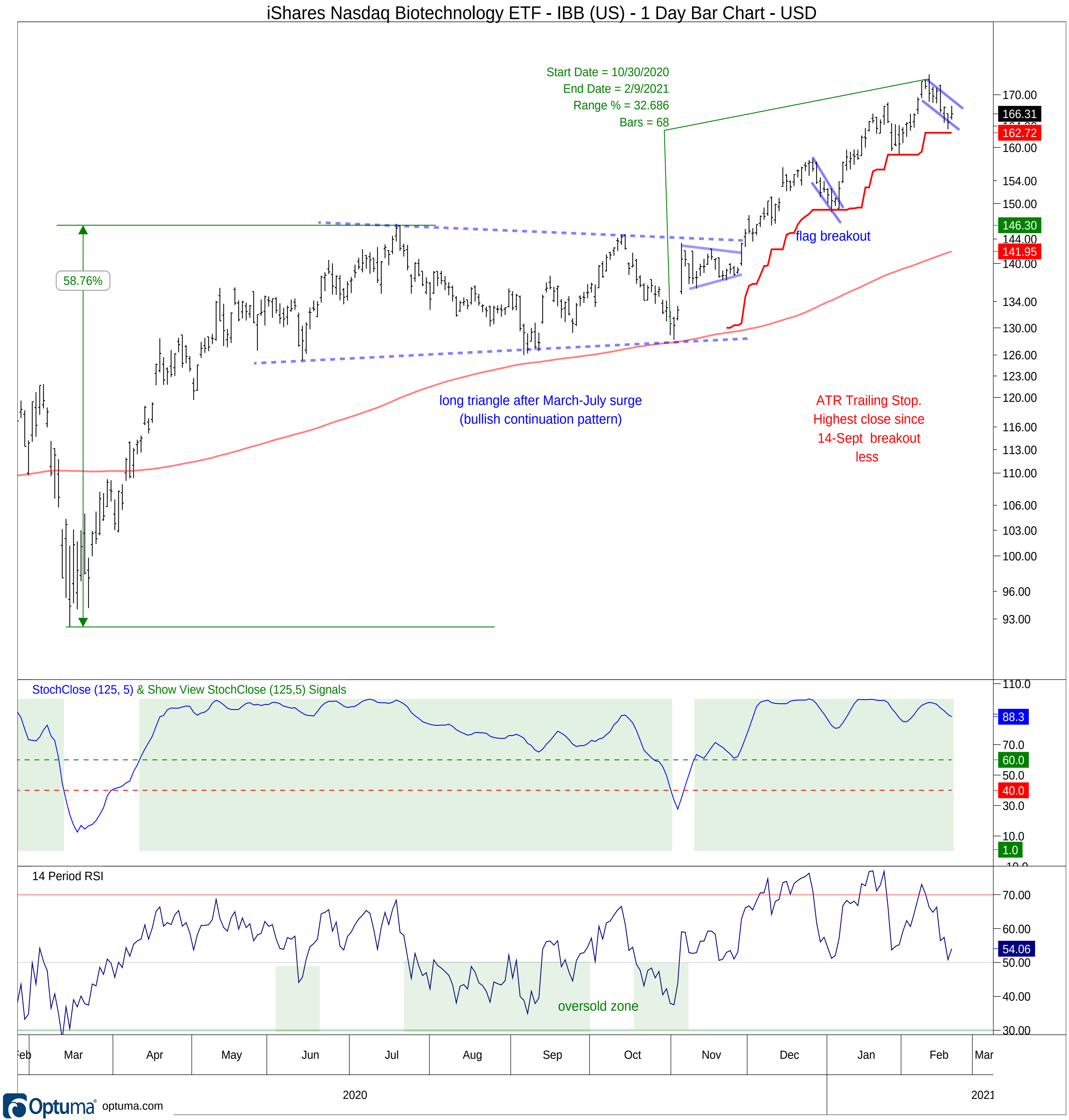


The Retail SPDR (XRT) and Alternative Harvest ETF (MJ) went parabolic on the way up and fell sharply after these explosive moves. They need time to settle before coming back on my radar.



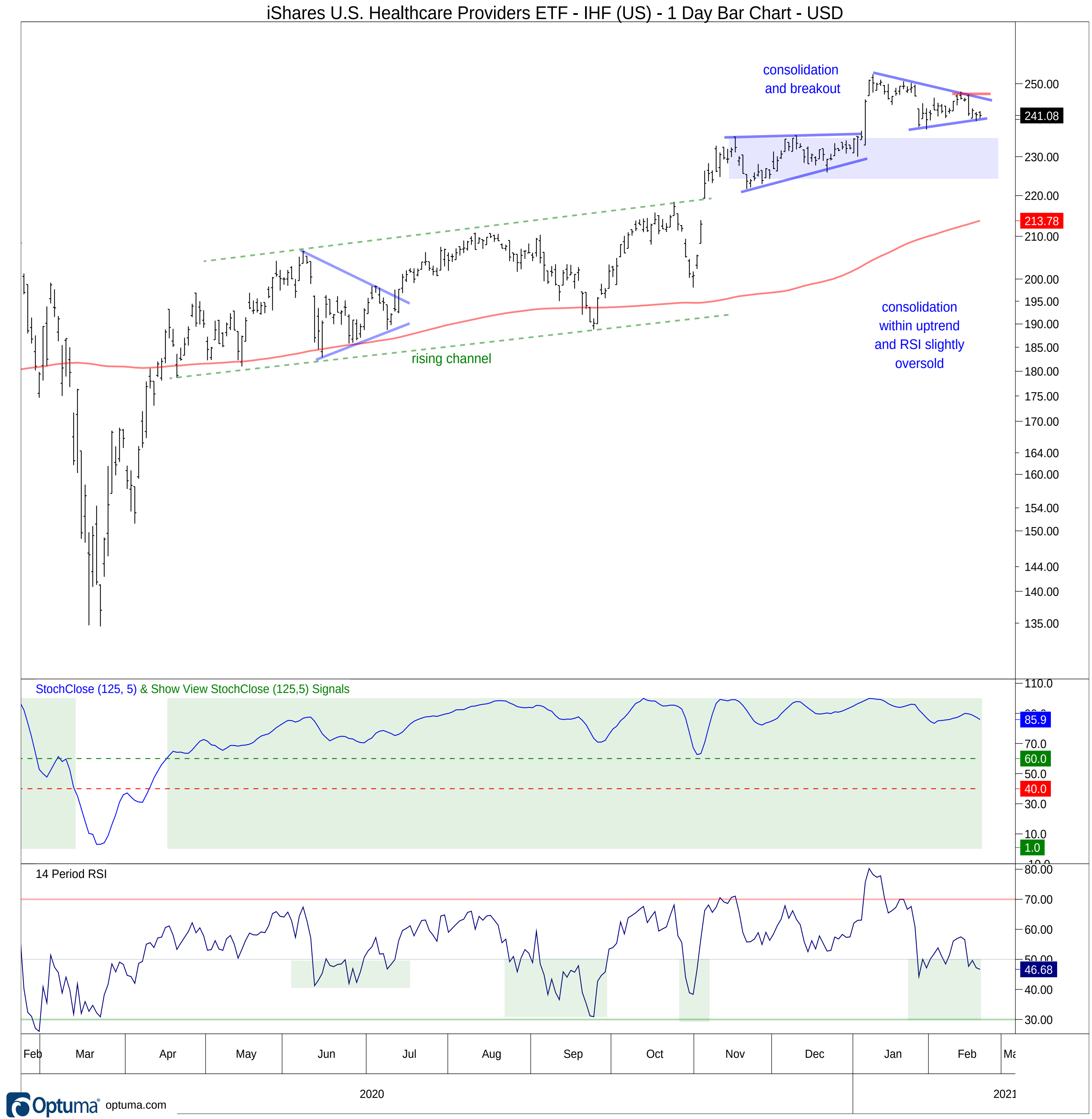
The Biotech ETF (IBB) and Biotech SPDR (XBI) are working their way higher with a zigzag up the last few months. RSI has been above 50 since November 4th and pullbacks have been quite limited. They are also holding their ATR Trailing Stops.

Both fell back the last few days, but are not oversold and did not trigger their trailing stops. This mild pullback could give way to a bounce, but these two are also quite extended. 70 days without much of a pullback. IBB is up 30% since November and XBI is up over 50%.

SPDR S&P Biotech ETF - XBI (US) - 1 Day Bar Chart - USD

Optuma optuma.com

The Medical Devices ETF (IHI) represents the strongest of the four ETFs in slow and steady uptrends (XLV, IHI, IHF, PHO). It is the strongest because it hit a new high this week. The other three are quite close to new highs. The IHI chart shows a zigzag uptrend with several pullbacks along the way. Sometimes RSI flirts with the oversold zone for a few weeks and sometimes it bounces out immediately. The dip in late January did not last long as RSI bounced and the ETF moved to a new high. These ETFs are simply in the trend monitoring phase.



The Healthcare Providers ETF (IHF) hit a new high in early January and then consolidated into mid February. RSI dipped below 50 a couple times and is currently below 50 for a mild oversold condition. A triangle consolidation is taking shape on the price chart and a breakout would argue for further gains.

The Energy SPDR (XLE), Oil & Gas Equipment & Services ETF (XES) and Oil & Gas Exploration & Production ETF (XOP) also formed bull flags as RSI dipped into the oversold zone at the end of January. All three broke out and extended after their breakouts.

XES is shown with the ATR Trailing Stop, which is 2 ATR(22) values below the highest close since the breakout. This means it will rise as long as prices rise after the breakout. XES is currently up over 14.6% this month and up 100% since late October.

SPDR S&P Oil & Gas Exploration & Production ETF - XOP (US) - 1 Day Bar Chart - USD
flag breakout
and follow thru
breakout
pennant and
breakout
big falling wedge held
well above March low
77.54
73.37
54.48
StochClose (125, 5) & Show View StochClose (125,5) Signals
97.5
60.0
40.0
1.0
14 Period RSI
64.75
Feb
Mar
Apr
May
Jun
Jul
Aug
Sep
Oct
Nov
Dec
Jan
Feb
Mar
2020
2021
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ALPS Alerian MLP ETF - AMLP (US) - 1 Day Bar Chart - USD
Start
50%
33%
End
breakout
oversold,
pennants and
breakouts
big falling wedge held
well above March low
28.05
24.88
StochClose (125, 5) & Show View StochClose (125,5) Signals
83.7
60.0
40.0
1.0
14 Period RSI
51.63
Feb
Mar
Apr
May
Jun
Jul
Aug
Sep
Oct
Nov
Dec
Jan
Feb
Mar
2020
2021
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First Trust Natural Gas ETF - FCG (US) - 1 Day Bar Chart - USD
Start
50%
End
breakout
oversold,
pennants and
breakouts
big falling wedge held
well above March low
StochClose (125, 5) & Show View StochClose (125,5) Signals
14 Period RSI
12.00
11.74
11.32
11.00
10.00
9.40
9.00
8.40
8.08
7.40
7.00
6.60
6.30
6.00
5.60
5.30
5.00
4.60
4.40
4.20
4.00
3.80
110.0
96.6
90.0
70.0
60.0
50.0
40.0
30.0
10.0
1.0
-10.0
90.00
70.00
62.94
50.00
30.00
10.00
Feb
Mar
Apr
May
Jun
Jul
Aug
Sep
Oct
Nov
Dec
Jan
Feb
2020
2021
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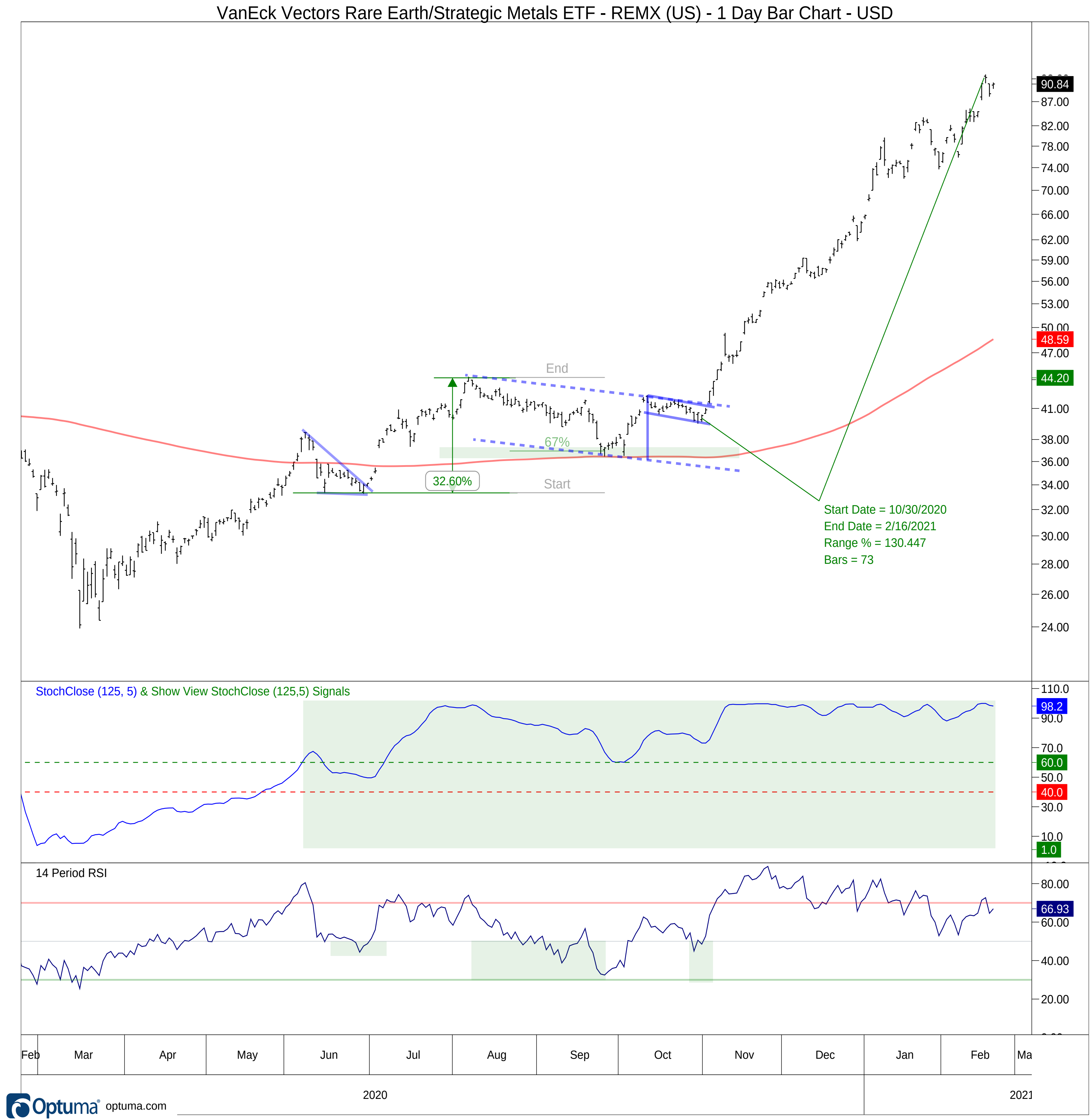
ETFs in this group (XLB, AMLP, XME) also have flag breakouts, but their post-breakout extension was not as strong as the extensions seen in KRE and XES. Nevertheless, these ETFs have uptrends, flags, flag breakouts and the breakouts are holding. This example shows XME with a bounce off the 33-50% retracement zone and a flag breakout. This breakout could fail so make sure to plan accordingly. A failure would not be bearish per se because it would set up the next mean-reversion opportunity.

The Metals & Mining SPDR (XME) is somewhat related to base metals because it has aluminum stocks (18.6%) and copper stocks (5.3%). The biggest holding, however, goes to steel stocks, which account for 48%. XME is largely a play on steel.



VanEck Vectors Rare Earth/Strategic Metals ETF - REMX (US) - 1 Day Bar Chart - USD
End
67%
32.60%
Start
Start Date = 10/30/2020
End Date = 2/16/2021
Range % = 130.447
Bars = 73
90.84
87.00
82.00
78.00
74.00
70.00
66.00
62.00
59.00
56.00
53.00
50.00
48.59
47.00
44.20
41.00
38.00
36.00
34.00
32.00
30.00
28.00
26.00
24.00
StochClose (125, 5) & Show View StochClose (125,5) Signals
110.0
98.2
90.0
70.0
60.0
50.0
40.0
30.0
10.0
1.0
14 Period RSI
80.00
66.93
60.00
40.00
20.00
Feb
Mar
Apr
May
Jun
Jul
Aug
Sep
Oct
Nov
Dec
Jan
Feb
Ma
2020
2021
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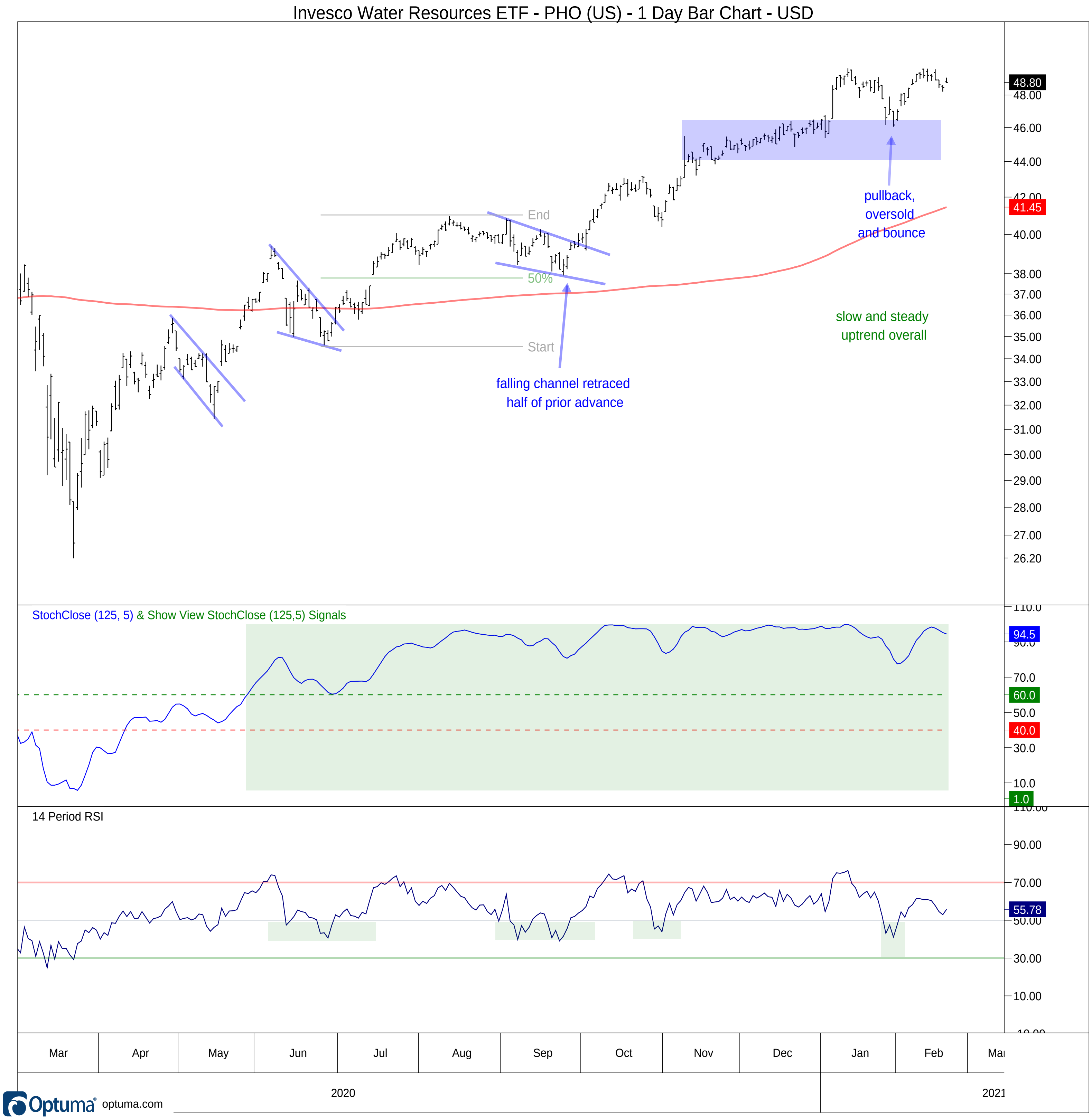
Invesco Water Resources ETF - PHO (US) - 1 Day Bar Chart - USD
End
50%
Start
falling channel retraced
half of prior advance
pullback,
oversold
and bounce
slow and steady
uptrend overall
48.80
48.00
46.00
44.00
41.45
40.00
38.00
37.00
36.00
35.00
34.00
33.00
32.00
31.00
30.00
29.00
28.00
27.00
26.20
StochClose (125, 5) & Show View StochClose (125,5) Signals
94.5
70.0
60.0
50.0
40.0
30.0
10.0
1.0
14 Period RSI
90.00
70.00
55.78
30.00
10.00
Mar
Apr
May
Jun
Jul
Aug
Sep
Oct
Nov
Dec
Jan
Feb
2020
2021
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iShares 20+ Year Treasury Bond ETF - TLT (US) - 1 Week CandleStick Chart - USD
End
Start
33.35%
67%
179.70
159.97
143.27
The most unloved asset right now.
14 Period RSI
29.76
3 Period Rate Of Change
-5.74
Jul
Sep
Nov
Jan
Mar
May
2019
2020
2021
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iShares 20+ Year Treasury Bond ETF - TLT (US) - 1 Day Bar Chart - USD
178.00
176.00
174.00
172.00
170.00
168.00
166.00
164.00
162.00
160.47
158.00
156.00
154.00
152.00
150.00
148.00
146.00
bear flag and
breakdown
143.27
142.00
140.00
StochClose (125, 5) & Show View StochClose (125,5) Signals
110.0
90.0
70.0
60.0
50.0
40.0
30.0
10.0
1.2
14 Period RSI
70.0
60.0
50.0
40.0
30.0
25.2
20.0
Mar
Apr
May
Jun
Jul
Aug
Sep
Oct
Nov
Dec
Jan
Feb
2020
2021
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iShares TIPS Bond ETF - TIP (US) - 1 Day Bar Chart - USD
128.00
127.50
127.00
126.50
125.91
125.34
125.00
124.50
124.00
123.50
123.00
122.40
122.00
121.40
121.00
120.50
120.00
119.40
119.00
118.40
118.00
117.40
117.00
116.40
a test of the
200-day SMA
StochClose (125, 5) & Show View StochClose (125,5) Signals
110.0
90.0
62.1
60.0
50.0
40.0
30.0
10.0
1.0
14 Period RSI
90.00
80.00
70.00
60.00
50.00
40.00
25.92
20.00
Mar
Apr
May
Jun
Jul
Aug
Sep
Oct
Nov
Dec
Jan
Feb
2020
2021
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iShares Core U.S. Aggregate Bond ETF - AGG (US) - 1 Day Bar Chart - USD
this spike low is why I prefer closing prices for indicators an signals, such as StochClose
AGG is 37.5% US Treasury Bonds
117.85
115.84
StochClose (125, 5) & Show View StochClose (125,5) Signals
60.0
40.0
3.0
0.0
14 Period RSI
26.89
Mar
Apr
May
Jun
Jul
Aug
Sep
Oct
Nov
Dec
Jan
Feb
2020
2021
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iShares iBoxx $ Investment Grade Corporate Bond ETF - LQD (US) - 1 Day Bar Chart - USD
below the 200-day
and October low
139.00
137.00
136.00
135.17
134.00
133.17
131.00
130.00
129.00
128.00
127.00
126.00
125.00
124.00
123.00
122.00
121.00
120.00
119.00
118.00
117.00
116.00
115.00
StochClose (125, 5) & Show View StochClose (125,5) Signals
90.0
70.0
60.0
50.0
40.0
30.0
8.5
0.0
14 Period RSI
80.0
70.0
60.0
50.0
40.0
31.3
20.0
Mar
Apr
May
Jun
Jul
Aug
Sep
Oct
Nov
Dec
Jan
Feb
2020
2021
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iShares iBoxx $ HY Corp Bond Fund ETF - HYG (US) - 1 Day Bar Chart - USD
January-February highs
breakout
slow zigzag higher
Ascending Triangle (bullish continuation pattern)
87.50
87.00
86.00
85.00
84.69
84.00
83.00
82.00
81.00
80.00
79.00
78.00
77.00
76.00
75.00
74.00
StochClose (125, 5) & Show View StochClose (125,5) Signals
110.0
96.4
70.0
60.0
50.0
40.0
30.0
10.0
1.0
14 Period RSI
70.00
60.00
54.27
50.00
40.00
30.00
20.00
Feb
Mar
Apr
May
Jun
Jul
Aug
Sep
Oct
Nov
Dec
Jan
Feb
2020
2021
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US Dollar Index - DXY (WI) - 1 Day Bar Chart - USD
-10.91%
bearish wedge and
breakdown (reversed in
33-50% retracement zone)
Start
67%
50%
33%
End
102.00
101.00
100.00
99.00
98.00
97.00
96.00
95.00
94.00
93.47
93.00
92.00
91.71
91.00
90.36
90.00
89.30
14 Period RSI
70.00
60.00
50.00
45.81
40.00
30.00
20.00
10.00
0.00
StochClose (125, 5)
110.0
90.0
70.0
60.0
50.0
40.0
30.0
22.1
10.0
Mar
Apr
May
Jun
Jul
Aug
Sep
Oct
Nov
Dec
Jan
Feb
2020
2021
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SPDR Gold Shares ETF - GLD (US) - 1 Week Bar Chart - USD
Start Date = 11/26/2019
End Date = 8/4/2020
Range % = 39.706
Bars = 36
End
Start
50%
174.52
167.01
Downtrend since
August and below
40-week SMA
14 Period RSI
RSI in 40-50 zone
42.39
Jul Oct Jan Apr Jul Oct Jan Apr Jul Oct Jan Apr Jul Oct Jan Apr Jul Oct Jan Apr
2017
2018
2019
2020
2021

SPDR Gold Shares ETF - GLD (US) - 1 Day Bar Chart - USD
End
50%
Start
194.00
191.00
188.00
185.00
182.00
179.00
176.00
174.12
173.00
170.00
167.01
164.00
161.00
159.00
157.00
155.00
153.00
151.00
149.00
147.00
145.00
143.00
141.00
139.00
137.00
StochClose (125, 5) & Show View StochClose (125,5) Signals
110.0
90.0
70.0
60.0
50.0
40.0
30.0
5.9
14 Period RSI
69.96
80.00
60.00
36.42
20.00
Mar
Apr
May
Jun
Jul
Aug
Sep
Oct
Nov
Dec
Jan
Feb
Mar
2020
2021
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iShares Silver Trust ETF - SLV (US) - 1 Week Bar Chart - USD
SLV is getting volatile, but
continues to look stronger than GLD
- never touched rising 40-wk SMA
- broke out of triangle/wedge
- breakout largely held
- RSI bounced off oversold zone in mid November
End
33%
50%
Start
25.26
22.07
14 Period RSI
61.11
RSI 40-50
zone
2017
2018
2019
2020
2021
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SLV sports a bullish chart overall with a long-term uptrend (price is above the rising 200-day and StochClose is bull). The ETF broke out of a triangle consolidation in mid December and this breakout is holding, even though follow through has been rather choppy. Nonetheless, the breakout zone held and remains valid as long as SLV holds 22.

VanEck Vectors Gold Miners ETF - GDX (US) - 1 Day Bar Chart - USD
45.00
43.00
41.00
39.00
37.52
37.00
35.00
34.00
32.74
32.00
31.00
30.00
29.00
28.00
27.00
26.00
25.00
24.00
23.00
22.00
21.00
20.00
19.00
GDX goes along with Gold
StochClose (125, 5) & Show View StochClose (125,5) Signals
110.0
90.0
70.0
60.0
50.0
40.0
30.0
4.3
14 Period RSI
80.00
70.00
50.00
35.01
30.00
20.00
Mar
Apr
May
Jun
Jul
Aug
Sep
Oct
Nov
Dec
Jan
Feb
Mar
2020
2021
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Invesco DB Precious Metals Fund - DBP (US) - 1 Day Bar Chart - USD
Gold 78%
Silver 22%
Source: invesco.com
End
67%
Start
DBP is 78% gold and
acts more like gold
(bearish) than silver
50.91
50.22
StochClose (125, 5) & Show View StochClose (125,5) Signals
60.0
40.0
24.3
0.0
14 Period RSI
42.87
Mar
Apr
May
Jun
Jul
Aug
Sep
Oct
Nov
Dec
Jan
Feb
2020
2021
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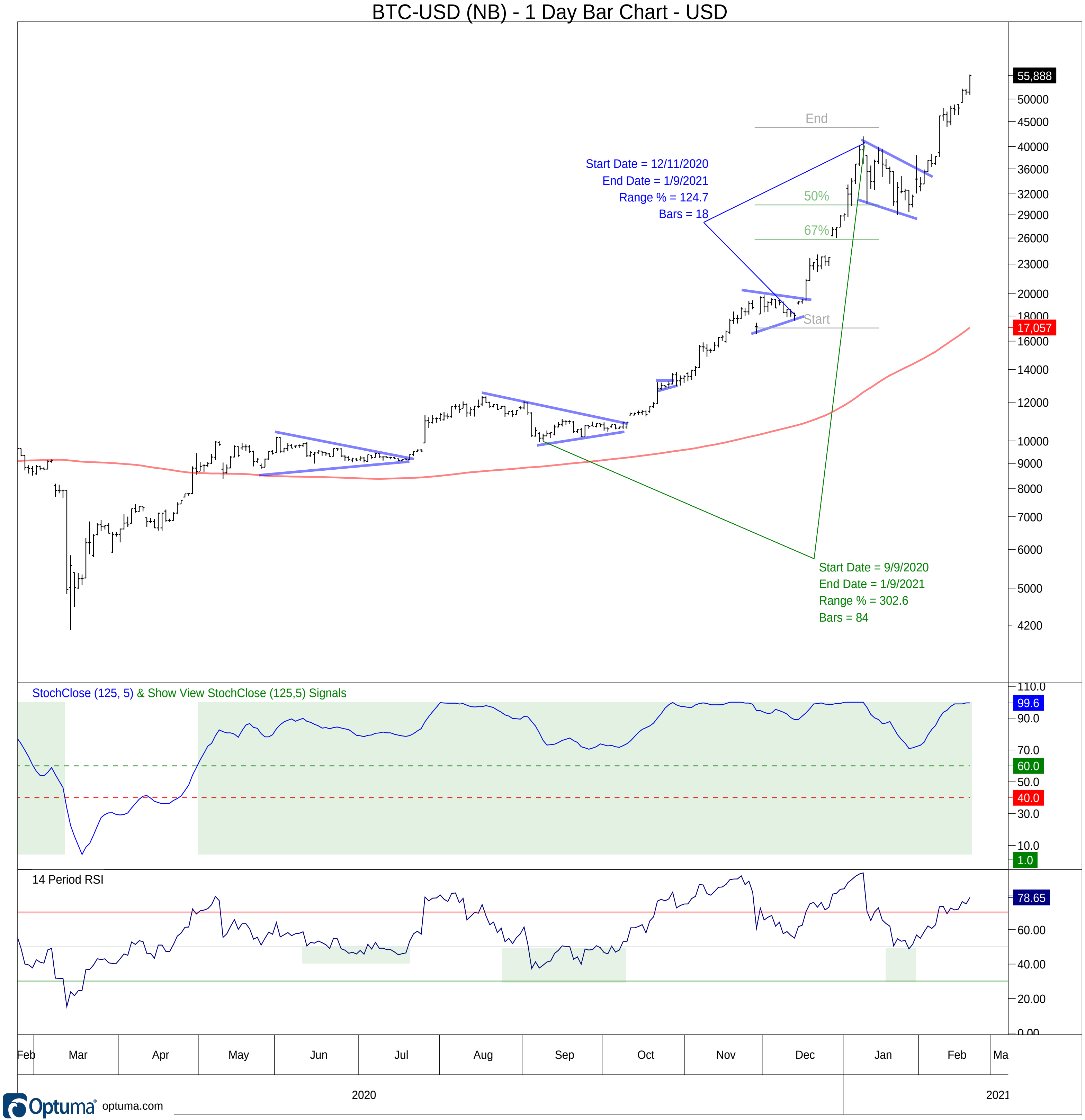
Energy related ETFs continued strong as oil surged and the DB Energy ETF (DBE) extended on its flag breakout. DBE has been trending higher since the mid November breakout with a series of small consolidations along the way. Notice that RSI has been above 50 since November 9th (67 days). With another big week, DBE is up 13.70% for the month and this is the largest 12 day advance since late May. RSI is also back above 80 for the second time this month. The trend is up and strong, but …. you know the drill. The red line marks the ATR Trailing Stop for reference.

The DB Base Metals ETF (DBB) provides another example of short-term support breaks being unreliable when they occur in long-term uptrends. Also keep in mind that DBB has three moving parts (Copper, Aluminum and Zinc). Each one of these has its own support level and their support levels don't always match. Support and resistance get even more imprecise for ETFs with dozens of moving parts.

DBB hit a new high in early January, the ETF was above the rising 200-day and StochClose has been bullish since early July. DBB broke support in early February, but this break created an oversold condition within a bigger uptrend as RSI dipped below 40. Furthermore, a flag formed and these patterns are typical for corrections within a bigger uptrend. DBB broke out of the flag and is back near its January high. The red line shows the ATR Trailing Stop for reference.

The DB Agriculture ETF (DBA) broke out in November and worked its way higher with two short pennants along the way (blue lines). The ATR Trailing Stop held the entire way as a steep rising channel took hold. While a channel break and move below the ATR Trailing Stop would be short-term negative, it would just set up the next mean-reversion opportunity when RSI dips into the oversold zone. There is no setup now, just a strong uptrend that requires some monitoring.


BTC-USD (NB) - 1 Day Bar Chart - USD
55,888
End
Start Date = 12/11/2020
End Date = 1/9/2021
Range % = 124.7
Bars = 18
50%
67%
Start
17,057
Start Date = 9/9/2020
End Date = 1/9/2021
Range % = 302.6
Bars = 84
StochClose (125, 5) & Show View StochClose (125,5) Signals
99.6
60.0
40.0
1.0
14 Period RSI
78.65
Feb
Mar
Apr
May
Jun
Jul
Aug
Sep
Oct
Nov
Dec
Jan
Feb
Ma
2020
2021
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GBTC (NB) - 1 Day Bar Chart - USD
End
50%
67%
Start
Four 15%
swings in
four weeks
56.70
52.00
47.38
42.00
38.00
34.00
31.00
28.00
25.00
22.00
20.00
18.81
16.00
14.00
12.00
10.00
9.00
8.00
7.00
6.00
5.10
StochClose (125, 5) & Show View StochClose (125,5) Signals
110.0
99.5
90.0
70.0
60.0
50.0
40.0
30.0
10.0
1.0
14 Period RSI
90.00
80.00
74.33
60.00
50.00
40.00
30.00
20.00
Feb
Mar
Apr
May
Jun
Jul
Aug
Sep
Oct
Nov
Dec
Jan
Feb
2020
2021
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