

# An Unstoppable Bull Market? - RIA

## Inside This Week's Bull Bear Report

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## Even Trump Can't Kill The Rally

[Last week](#), we discussed how the rally had repaired much of the previous damage following the correction. As we noted:

*This past week, the market continued its advance. There is little reason to be bearish with key overhead resistance levels broken. **However, as shown, the markets are reaching decently overbought levels after being extremely oversold. This suggests that at least for now, the 'easy money' has been made.** With the market above the 200, and above the 50 and 20-DMA, pullbacks should be between 5600 and 5800. Investors can use such a pullback to increase portfolio equity exposures and reduce hedges accordingly. Conversely, 5000 to 5200 becomes the next critical target if those lower supports are violated. Notably, such would require some unexpected event to unfold.*

Several times this past week, we discussed that the market was due for a corrective pullback after reaching more overbought conditions. On Friday, the market gave way early in the morning on fresh comments by President Trump instituting 25% tariffs on Apple (AAPL) on any product not manufactured in the U.S. and 50% tariffs on the EU, as trade talks are not going well. As is always the case, amid a bull run, sellers are still unwilling to sell over fear of *'missing out'* on rising asset prices. It takes some *'event'* to bring sellers into the market, which we saw early on Friday.

However, by late afternoon, markets bounced off the 200-DMA and clawed their way higher as comments from Scott Bessent took the sting out of Trump's announcements. Most importantly, he made two significant statements to alleviate concerns over the recent yield rise. First, he expects the US budget deficit **'to be something with a 3% in front of it by 2028,'** with revenue from tariffs to be used to solve the deficit. This is crucial as the CBO projections of never-ending deficits do not consider the effects of policy changes that can lead to economic growth. Tax cuts, deregulation, the coming productivity boost from Artificial Intelligence, or the infrastructure demand for power can significantly impact future growth rates.

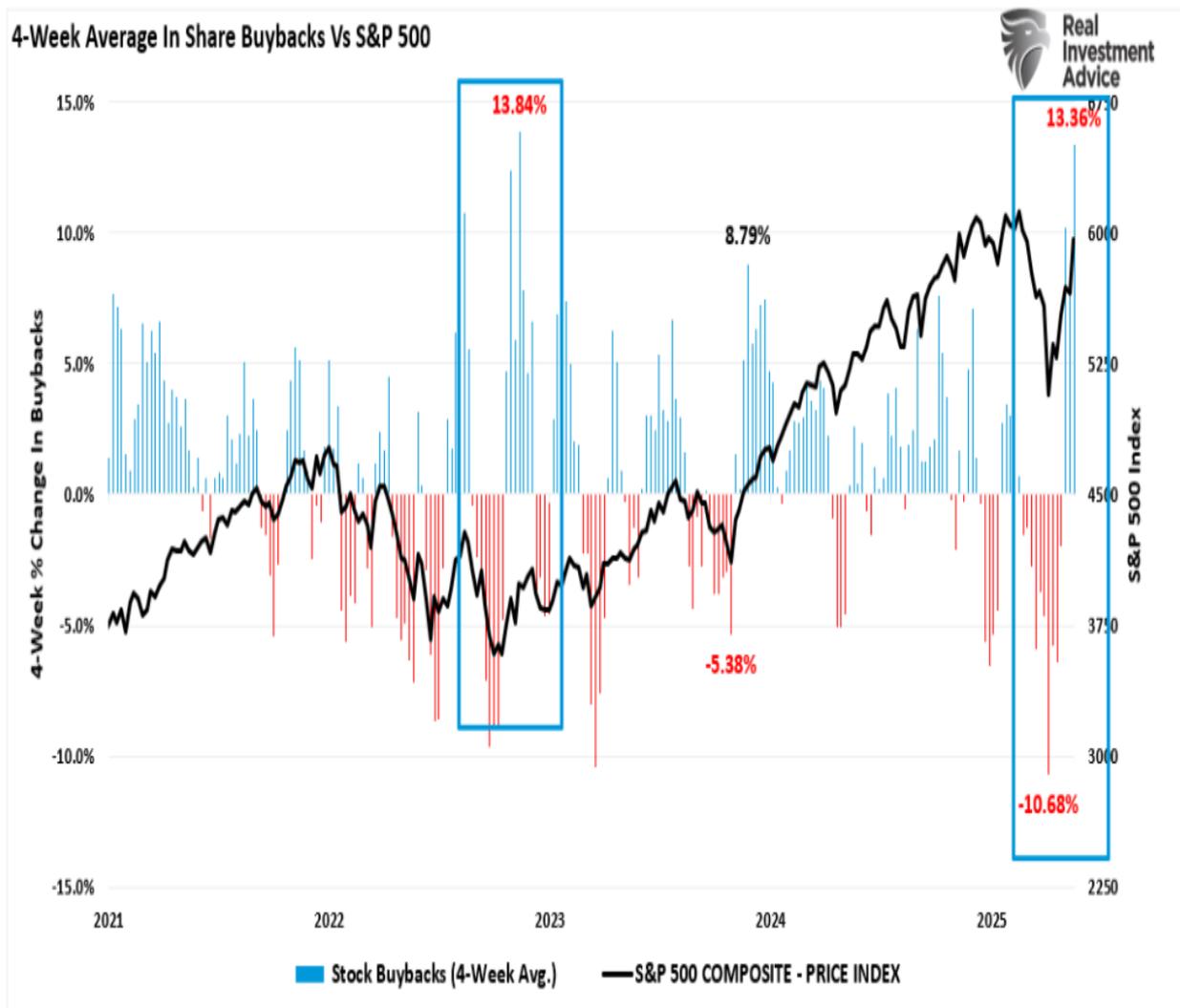
Secondly, he specifically mentioned the SLR. The Supplementary Leverage Ratio (SLR) is a rule imposed after the 2008 financial crisis that increased bank capital requirements. This is particularly interesting to the bond market, where reversing that requirement will allow banks to purchase more Treasury Bonds. Bessent noted in his interview that the Treasury is close to *moving the SLR requirement and could see that move by the summer.*? That shift in the SLR requirement is very bond-friendly and will work to bring rates lower. (For more, read our [Daily Market Commentary](#) from last week.)

## Technically Speaking

Even with Bessent's comments, that market remains overbought short-term, and a further consolidation process is likely into next week. At the end of this week, we removed our short-market hedge, added to bonds, and reduced equity exposure. If the market is going to consolidate, we can allow cash to act as the primary hedge. However, if the 200-DMA is violated, the 50-DMA will become the next critical support. From a bullish perspective, the 20 and 50-DMAs are now sloping positively, which should provide rising support levels. Overall, we suspect that the market will stabilize. Of course, there are always risks to be aware of, so increased cash levels are essential now.



We are not *?bearish?* on the market because **buybacks remain a powerful market influence** over the next month. The recent surge has been the largest since the October 2022 market lows. However, those will begin to fade in the middle of June, which could weigh on markets into the Q2 earnings reports.



For now, this seems to be an *unstoppable* bull market, and investor spirits have become substantially more bullish. However, all rallies eventually end. That doesn't mean a *crash* is coming, and as noted last week, the market is holding the 200-DMA for now. This suggests the previous correction phase is likely complete with support gathering at slightly lower levels. However, there is never a guarantee, so we have taken some recent gains and raised cash levels. We will be patient for a much better entry point soon.

With that said, let's discuss how to navigate a seemingly *unstoppable* bull market.

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## Retail Buyers Go ?All In?

Last week, we started the market update by analogy between the COVID pandemic decline and this year?s correction. As we noted:

*?It is worth remembering that there are many competing differences between the current macroeconomic backdrop and 2020.?*

<b>Backdrop</b>	<b>2020</b>	<b>2025</b>
<b>Economy</b>	<b>Recession</b>	<b>Slow Growth</b>
<b>Interest Rates</b>	<b>Falling</b>	<b>Stable</b>
<b>Inflation</b>	<b>Falling</b>	<b>Stabilizing</b>
<b>Fed Rate Policy</b>	<b>0%</b>	<b>4.30%</b>
<b>Monetary Policy</b>	<b>QE \$120 Bil (Mth)</b>	<b>QT -\$5 Bil (Mth)</b>
<b>Gov't Policy</b>	<b>Massive Stimulus</b>	<b>No Stimulus</b>

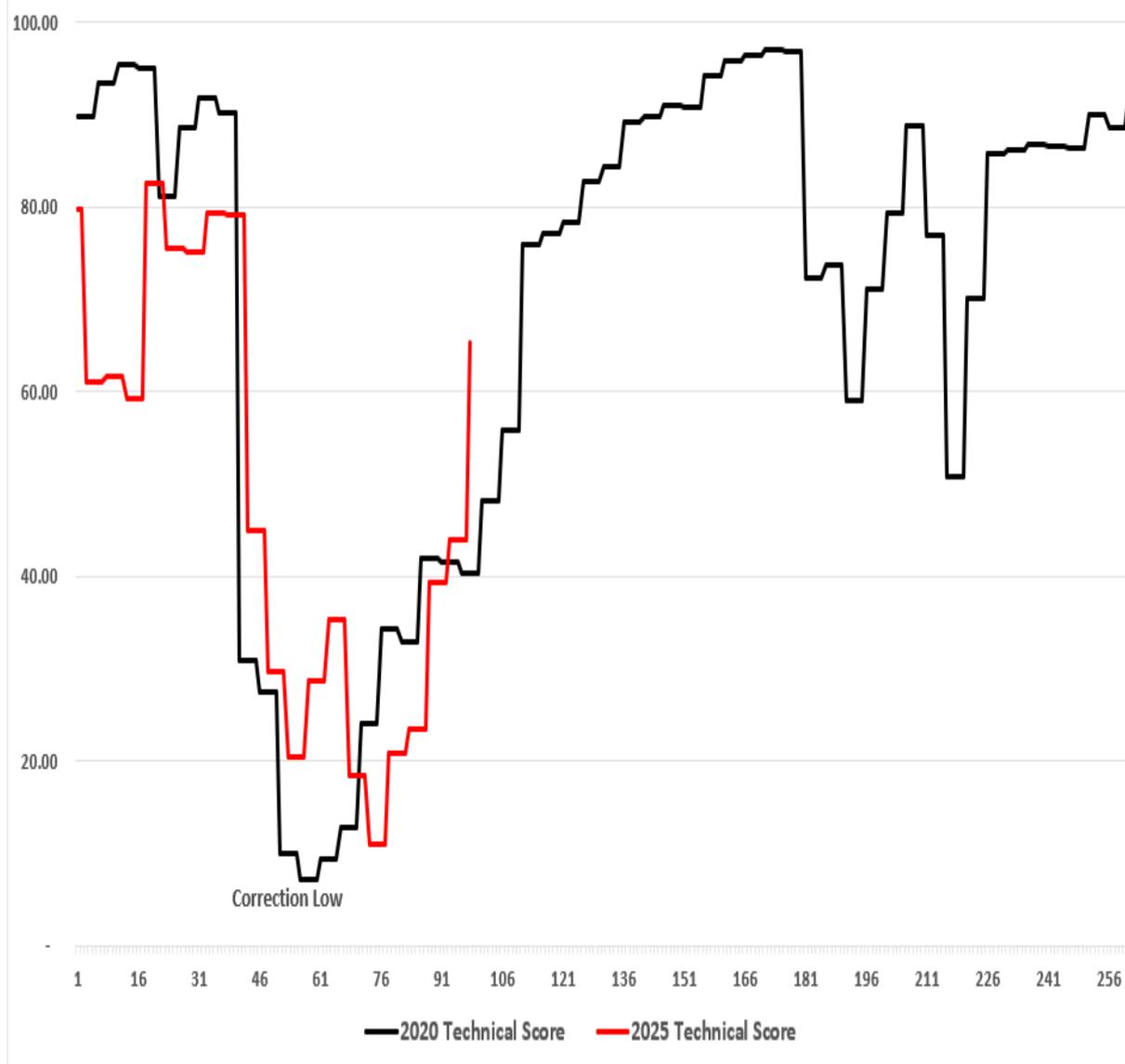
*?However, as we discussed in that previous analysis, even a ?unstoppable bull market? gives those who can be patient better risk/reward opportunities to increase equity exposures. For example, after the initial rally off the March 2020 lows, the market pulled back and consolidated briefly before rallying further. Then, another longer consolidation process that year provided another entry point for bullish investors.?*

## 2020 Correction vs 2025 Correction



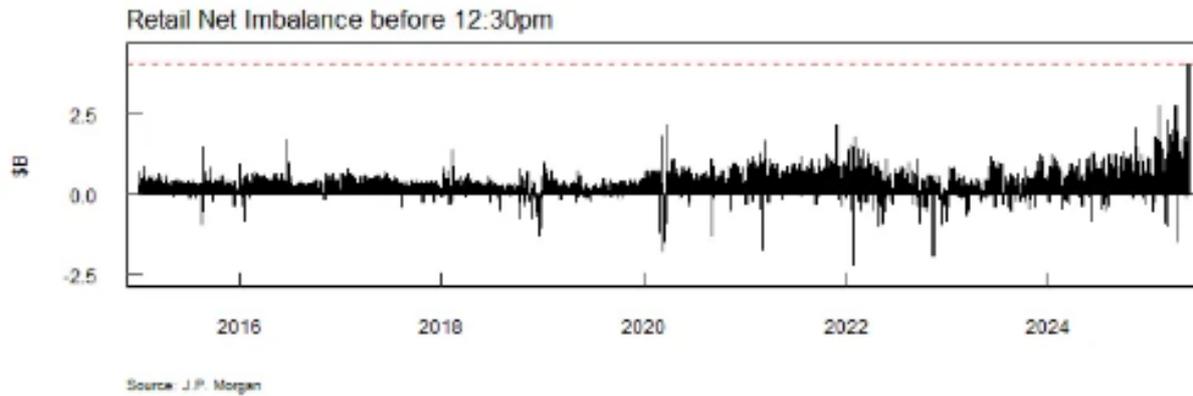
*?The weekly Technical Gauge we produce each week in this newsletter below follows the same path as 2020. While not yet back to bullish technical extremes, it is moving quickly higher to more elevated levels. When those readings reached 80, the market went through a longer consolidation process in 2020.?*

## 2020 Correction vs 2025 Correction



Most interesting is that retail investors have been fueling the market's advance. As noted in our [#DailyMarketCommentary](#):

*?Monday was a record-setting day. Stocks opened down 1% on news that Moody's downgraded the US credit rating to AA. While some perceived the downgrade as problematic, retail investors, aka individuals, bought stocks at the highest rate ever. **Per JP Morgan, retail investors purchased a net of \$4.1 billion of US stocks in the first three hours of trading.** As their graph below shows, Monday's retail buying stampede dwarfs prior instances?*

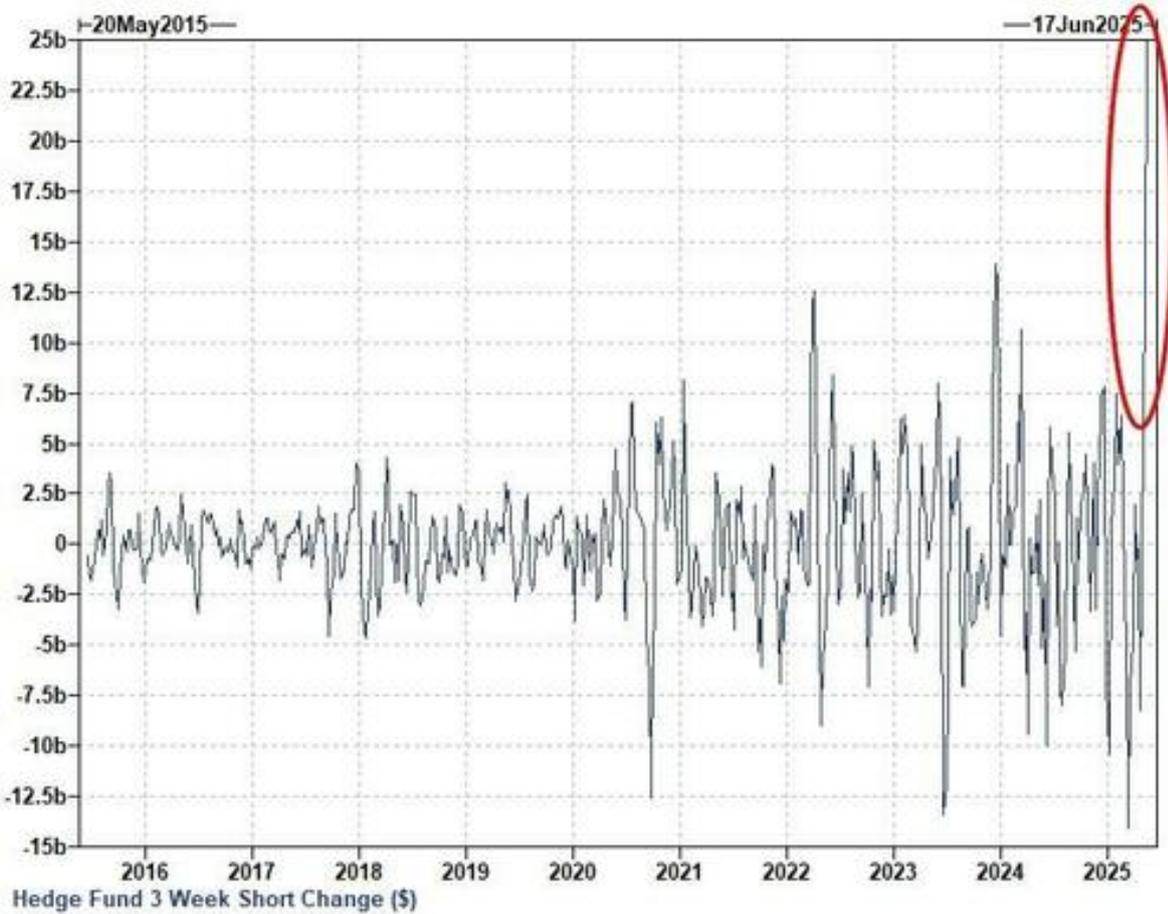


Source: Emma Wu, Quantitative and Derivative Strategist at JPMorgan Source: Emma Wu, Quantitative and Derivative Strategist at JPMorgan

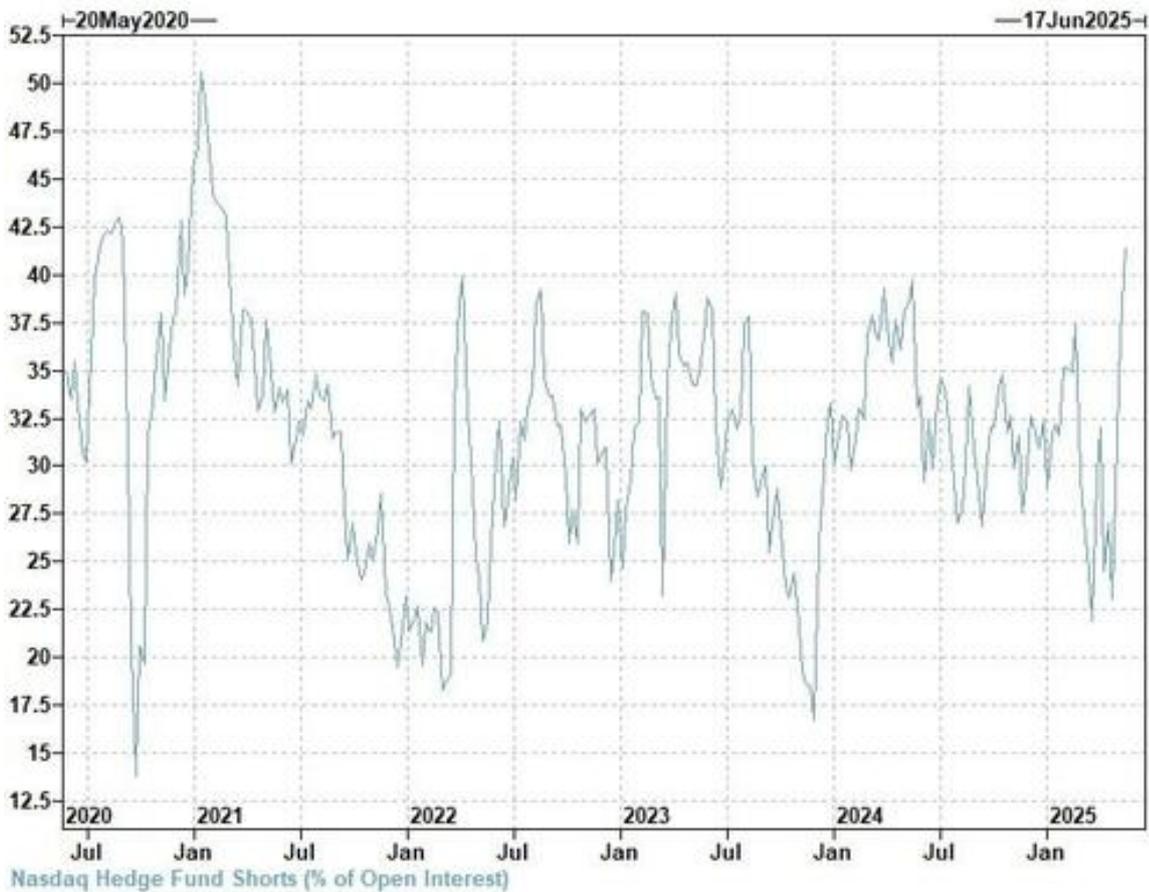
While the retail net inflow was quite impressive, it does leave the bulls and bears with a consideration. We should ask ourselves who the retail investors bought the stock from. The answer, by default, is institutional investors. This trend of retail buying from institutional investors has been ongoing. As we wrote in [Smart Money or Dumb Money: Who Will be Right??](#)

*Smart money (institutions and hedge funds) is aggressively selling this market while individual investors, aka dumb money, are aggressively buying. The difference in opinions is stunning.*

The data below confirms that view, with the recent stretch of Hedge Fund short selling remaining unprecedented and reflective of some skeptics. **Over the past 3 COT reports, Hedge Fund shorts surged ~\$25bn ? the largest amount for at least the past 10 years.**



Viewed through another lens, Hedge Fund shorts as a percentage of total open interest reached 41% ? the max dating back to February of 2021.



Typically, institutional investors tend to be right. However, in the short term, particularly over the last few years, retail investors have been heavy buyers of corrections. **The only question is whether retail investors run out of money before institutions are forced to cover?**

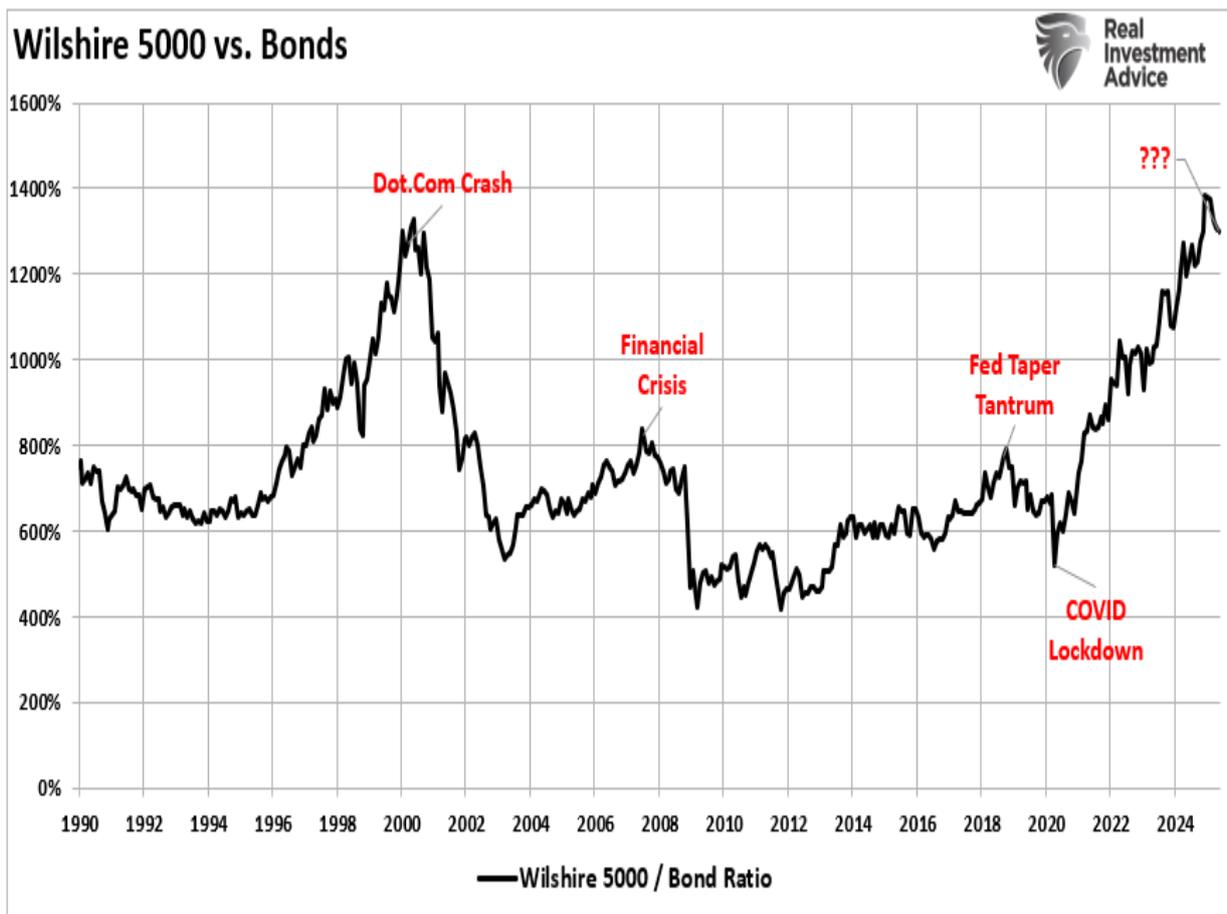
## Valuations Take A Back Seat

That said, the rally so far seems unstoppable. Every time the market opens lower, as on Friday following Trump's tariff increase, buyers step in. As such, the patience needed to wait for a correction has been hard to come by. As noted previously, we remain bullishly biased but expect a pullback.

*We must remember that market advances can only go so far before an eventual correction occurs. My best guess is that if the markets are to reach all-time highs this year, we will likely have a correction to reset some of the more extreme overbought conditions, as shown below. Any pullback to the 50-DMA is likely a good entry point to increase exposure on a better risk/reward basis.*

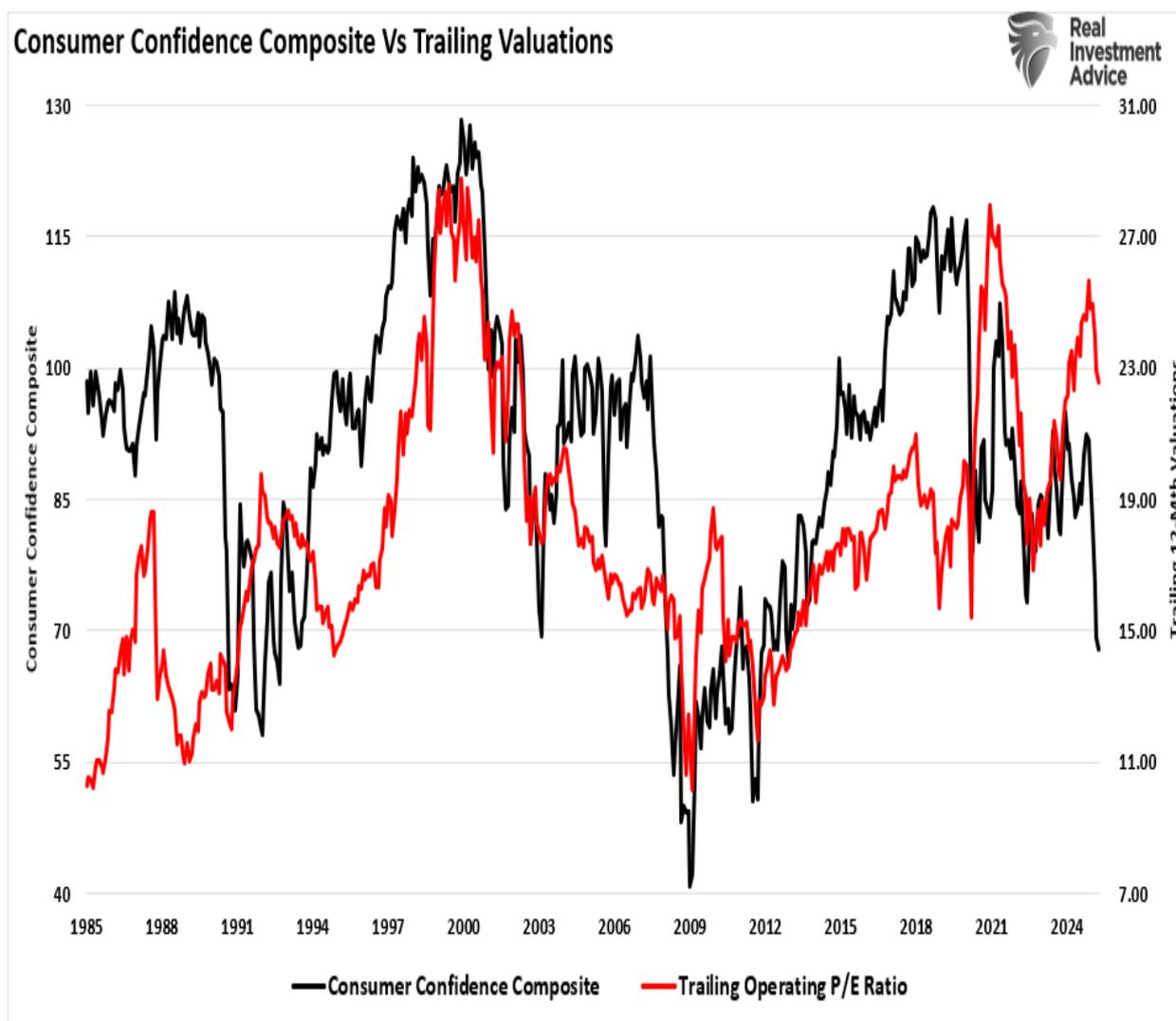
The bull market that started in October 2022 has surprised many, given the number of traditionally more bearish indicators, such as inverted yield curves, leading economic indicators, and rising interest rates. For many individuals, trading a rising stock market is difficult because they expect the inevitable resumption of the *bear market*. However, as the market continues to rise, investors are pressured to buy equities, creating more demand, thereby pushing asset prices even higher.

The bullish bias is evident in the long-term relationship between stocks and bonds. The ratio of stocks to bonds has far exceeded that of the *Financial Crisis*, and is now on par with the *Dot.com* bubble peak, with a similar sharp slope higher.



Does that mean the market is about to *crash*? No, but there is an apparent correlation between the detachment of stocks to bonds and historical valuation metrics. However, in the short term, all that matters is price. **As discussed in *Technical Measures*, valuations are a terrible market timing tool.** Valuations only measure when prices are moving faster or slower than earnings. **In the short term, valuations are just a measure of psychology.** To wit:

*Valuation metrics are just that ? a measure of current valuation. More importantly, when valuation metrics are excessive, it is a better measure of investor psychology and the manifestation of the greater fool theory. As shown, there is a high correlation between our composite consumer confidence index and trailing 1-year S&P 500 valuations. ?*



The chart indeed suggests that investors should sell everything immediately. However, given that this is monthly data, these turns can and do take much longer than expected. This *lag* leads investors in the short term to believe that *valuations* no longer matter. Such is a dangerous assumption that investors paid dearly for in the past. **Valuations do matter, and they matter a lot, just not today.**

Therefore, when investors are caught in an *unstoppable* bull market, we must revert to price analysis and trading rules to navigate the markets.

## **Navigating An Unstoppable Bull Market**

There are millions of ways to approach technical analysis, and investors use millions of combinations of technical indicators to decipher market movements.

I am only going to discuss how we do it with you.

**Notably, technical analysis does NOT predict the future.** It is the study of historical price action, which is the purest representation of the psychology of market participants. From that study, we can make statistical observations about the behavior of market participants in the past. Those assumptions can help form a *guess*; assuming similar variables, about how they may act in the near term.

For our portfolio management needs, we keep our analysis very simple. We use one indicator to indicate if prices are overbought or oversold, two moving averages to determine the trend of prices, and Bollinger bands to warn of significant deviations from those moving averages. I show the technical setup in the sample chart below from [SimpleVisor.com](http://SimpleVisor.com).



When markets rise, we look for *warning signs* that stocks could be due for a short- or intermediate-term corrective period. Conversely, during market declines, we look for indications that markets are oversold and ready to advance. **Currently, we are dealing with the former.**

Historically, when prices move toward the upper bands of 2- or 3-standard deviations above the 50-day moving average (*dma*), Williams %R is overbought, and the MACD is crossing lower from a high level, stock prices generally correct to some degree. **Such is the potential environment we will likely deal with in the next few weeks as earnings season concludes and the corporate buyback window closes.** This is also why we have suggested holding off trading portfolios and increasing cash levels until some of these more overbought conditions are corrected.

But that is difficult to do in an *unstoppable* market advance.

## Trading An Unstoppable Market

It's not as hard as you think, once you conquer the [emotional side of the equation](#).

**Commandment #1: Thou Shall Not Trade Against the Trend.**  
James P. Arthur Huprich

Let me be very clear. We are discussing risk management. You must understand the market's overall trend and when it is changing. The negative price trend of 2022 is now over, and since then, the market has continued to trend positively. While you can argue, fight, and provide all the reasons why *the game is rigged*, the fact is that the market continues to push higher. Those participating are building wealth, those who aren't well aren't. **You have a choice.**

We are in a *bull market*. As such, we want to maintain our exposure to equity risk. However, this does not mean we should ignore what the market tells us and let the ebbs and flows wash over us. **Eventually, another ebb will come, and we will want to reduce risk accordingly.** That does not mean selling everything and going to cash.

*In a bull market, you can be either long or neutral. In a bear market, you can only be neutral or short.* ? Dennis Gartman

The market will eventually pull back, and likely soon. During that correction, prices will likely remain confined to the 50-dma, as noted above. Could a correction be larger? Yes. The market is currently overbought and extended, so we suggest that investors manage risk and remain cautious about committing cash reserves to the market. However, we will want to use corrections that reverse those overbought and extended conditions as an opportunity to increase equity exposure.

**Willingness and ability to hold funds uninvested while awaiting real opportunities** is a key to success in the battle for investment survival.  
? Gerald Loeb

## How We Are Trading It

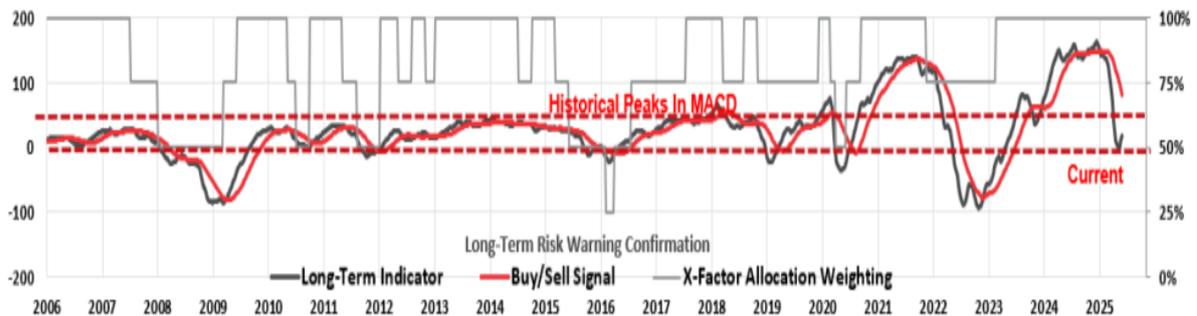
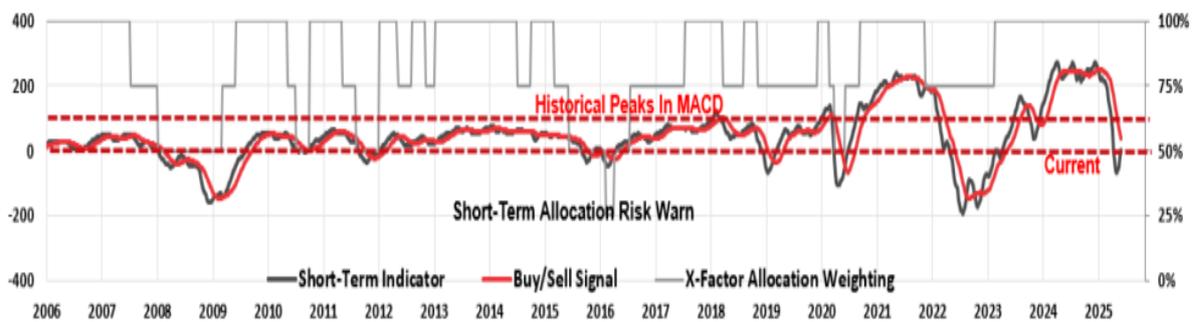
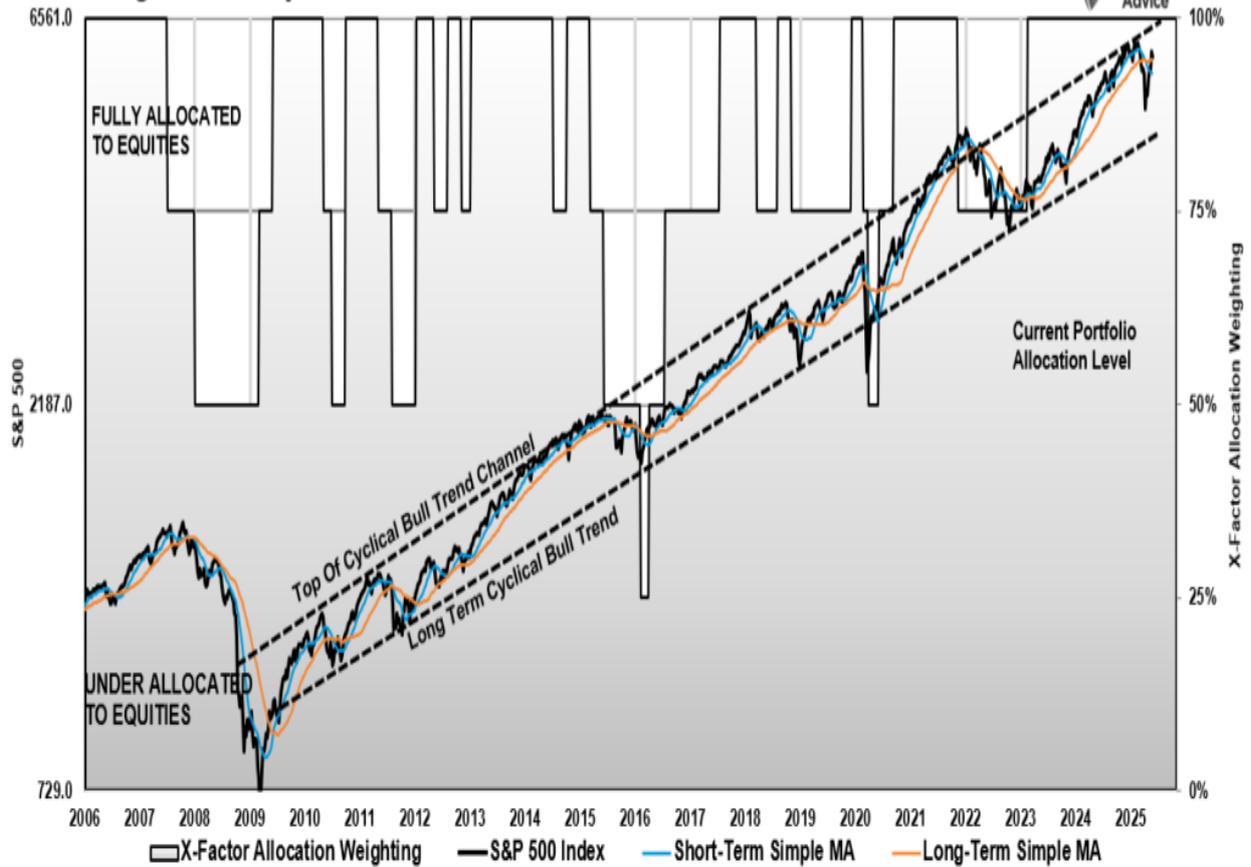
The following chart uses weekly data, so it moves more slowly. This makes it less valuable for daily trading but provides better analysis for intermediate-term risk management. Since the *Financial Crisis*, the consistent call has been for the demise of the markets due to debt, deficits, the demise of the dollar, and many other reasons. Instead, investors who consistently maintained exposure to equities in good times and bought in the bad have been consistently rewarded. This also explains why retail investors are eager to *buy dips* after being repeatedly trained.

Speaking of *unstoppable*, the upper part of the chart shows the ongoing bull market trend from the 2009 market lows. You can see when markets surged above the long-term trend channel following the flood of liquidity from both monetary and fiscal stimulus. The correction in 2022 merely reverted the excess of that advance and returned the bull market to its running trend.

The bottom two panels are longer-term Moving Average Convergence Divergence (MACD) indicators. You can also see the surge of that stimulus in the price indicators, which elevated the

oscillators to levels never seen historically. Due to the massive extension, the subsequent reversion was more significant than during the 2008 financial crisis. These indicators have now returned to levels previously associated with market lows. Critically, neither of the indicators is warning of a bigger correction that would warrant a bigger reduction of equity risk in portfolios.

### Risk Management Analysis



While there are many reasons to remain concerned about the *unstoppable* rally over the last month, we must remember that **markets can remain irrational much longer than**

**you think.** With both technical and sentiment readings suggesting the short-term market risks are elevated, it is likely wise that investors use the current frenzy to rebalance portfolio risks accordingly.

Continue to follow the rules and stick to your discipline. **(Read our article on [?What Is Risk?](#) for a complete list of rules)**



**[Feel free to reach out](#)** if you want to navigate these uncertain waters with expert guidance. Our team specializes in helping clients make informed decisions in today's volatile markets.

## Research Report

The image shows the cover of a research report. The title 'The Anchoring Problem And How To Solve It' is prominently displayed at the top in white text on a blue background. Below the title is a small circular profile picture of the author, Lance Roberts, and the text 'By Lance Roberts | May 23, 2025'. The central part of the cover features a photograph of a person's hand holding a white stylus, pointing at a tablet computer. The tablet screen displays various financial charts and data, including line graphs and bar charts, set against a blurred background of a computer monitor showing more data.

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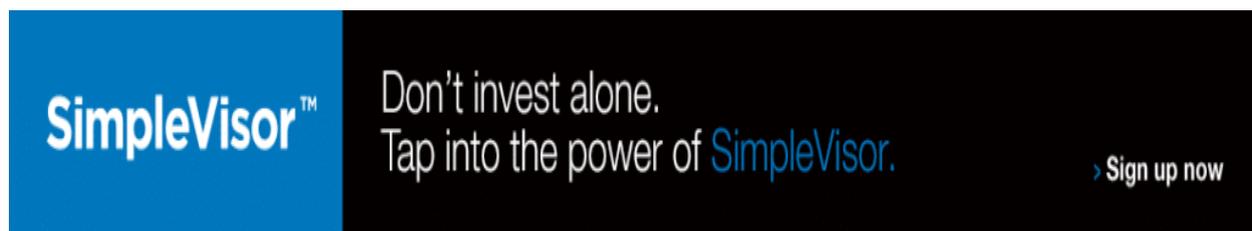
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## Bull Bear Report Market Statistics & Screens



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## SimpleVisor Top & Bottom Performers By Sector

Today's Top & Bottom Performer by Sector (Click on a Symbol to see details below)

Healthcare					Technology					Consumer Cyclical					Financial				
ZBH	PFE	CVS	CI	COR	INTU	ENPH	CRWD	STX	PLTR	RCL	ORLY	SBUX	ROL	TSCO	AIZ	ICE	WRB	CBOE	NDAQ
1.57%	1.19%	1%	0.97%	0.97%	8.66%	3.91%	3.22%	3.22%	1.83%	0.99%	0.9%	0.73%	0.48%	0.44%	1.61%	1.51%	1.45%	1.21%	1.15%
DGX	CRL	MCK	GILD	ABBV	FSLR	WDC	PANW	APH	FICO	NVR	MCD	MGM	DRI	YUM	CME	AJG	MKTX	MMC	ALL
0.91%	0.9%	0.78%	0.63%	0.61%	1.48%	0.91%	0.75%	0.7%	0.61%	0.41%	0.32%	0.32%	0.25%	0.17%	1.11%	1%	0.88%	0.72%	0.66%
RVTY	DHR	REGN	TMO	MTD	ACN	INTC	TXN	EPAM	ON	MHK	SW	RL	NKE	TJX	FITB	KKR	MSCI	V	MA
-1.29%	-1.4%	-1.4%	-1.46%	-2.12%	-1.77%	-1.97%	-2.01%	-2.21%	-2.22%	-1.13%	-1.21%	-1.22%	-1.87%	-2.45%	-0.44%	-0.52%	-0.64%	-0.65%	-0.68%
MOH	SOLV	MRNA	CNC	ELV	SMCI	AAPL	MCHP	LDOS	WDAY	TPR	BALL	LULU	ROST	DECK	SYF	IVZ	TROW	COF	PYPL
-2.15%	-2.19%	-2.66%	-2.82%	-3.1%	-2.49%	-2.86%	-3.13%	-3.95%	-11.93%	-2.49%	-2.56%	-3.03%	-10.34%	-19.62%	-0.79%	-0.99%	-1.05%	-1.13%	-1.89%
Consumer Staples					Industrials					Utilities					Materials				
PM	CL	KR	KMB	MDLZ	TDG	PWR	WM	HWM	GE	AES	VST	CEG	PEG	GEV	FCX	NEM	CTVA	ECL	APD
1.98%	1.69%	1.35%	1.27%	1.15%	2.38%	1.67%	1.66%	1.53%	1.3%	3.84%	2.49%	2.21%	2.18%	2.02%	3.17%	2.02%	0.76%	0.65%	0.44%
KO	KVUE	MNST	HSY	CHD	AXON	RSG	HUBB	CSX	EMR	NRG	ETR	ATO	DTE	D	LIN	CF	MOS	SHW	MLM
1.1%	0.96%	0.87%	0.83%	0.77%	1.16%	1.04%	0.93%	0.88%	0.83%	1.83%	1.77%	1.38%	1.36%	1.32%	0.27%	0.16%	0.1%	0.09%	-0.05%
TAP	SYY	BF-B	PEP	LW	CARR	DAL	DOV	BLDR	UPS	EVRG	DUK	LNT	XEL	ED	ALB	LYB	NUE	VMC	DD
-0.29%	-0.43%	-0.44%	-0.47%	-0.49%	-0.92%	-0.92%	-0.94%	-1.19%	-1.22%	0.84%	0.78%	0.78%	0.66%	0.61%	-0.29%	-0.3%	-0.36%	-0.49%	-0.54%
COST	KHC	EL	DLTR	CPB	NDSN	AVY	UAL	GPN	CPRT	EXC	CHS	ES	PCG	FE	IFF	DOW	EMN	PPG	STLD
-0.55%	-0.58%	-1.19%	-1.74%	-1.91%	-1.27%	-1.38%	-1.44%	-1.7%	-10.56%	0.61%	0.59%	0.48%	0.38%	0.13%	-0.74%	-0.77%	-0.82%	-0.85%	-0.87%
Real Estate					Energy					Communication Ser.									
WELL	CBRE	VICI	VTR	AMT	WMB	KMI	TRGP	HES	CVX	DASH	NWS	NWSA	T	PARA					
1.6%	1.05%	0.93%	0.85%	0.68%	2.05%	1.96%	0.89%	0.81%	0.79%	2.97%	1.78%	1.14%	0.9%	0.89%					
EXR	O	SBAC	IRM	DLR	OXY	CTRA	MPC	TPL	BKR	TMUS	VZ	LYV	EA	WBD					
0.66%	0.65%	0.52%	0.45%	0.41%	0.77%	0.61%	0.57%	0.52%	0.51%	0.67%	0.66%	0.36%	0.35%	0.28%					
HST	PLD	ARE	AVB	FRT	APA	PSX	DVN	OKE	FANG	CMCSA	OMC	FOXA	IPG	FOX					
-0.57%	-0.63%	-0.83%	-0.9%	-0.99%	0.36%	0.24%	0.14%	0.12%	0.05%	0.13%	0.11%	-0.09%	-0.19%	-0.22%					
MAA	CPT	EQR	ESS	UDR	VLO	SLB	HAL	EOG	COP	TTWO	CHTR	GOOG	META	DIS					
-1.07%	-1.11%	-1.11%	-1.4%	-1.66%	0.05%	-0.03%	-0.08%	-0.26%	-0.64%	-0.25%	-0.63%	-0.72%	-0.91%	-0.95%					

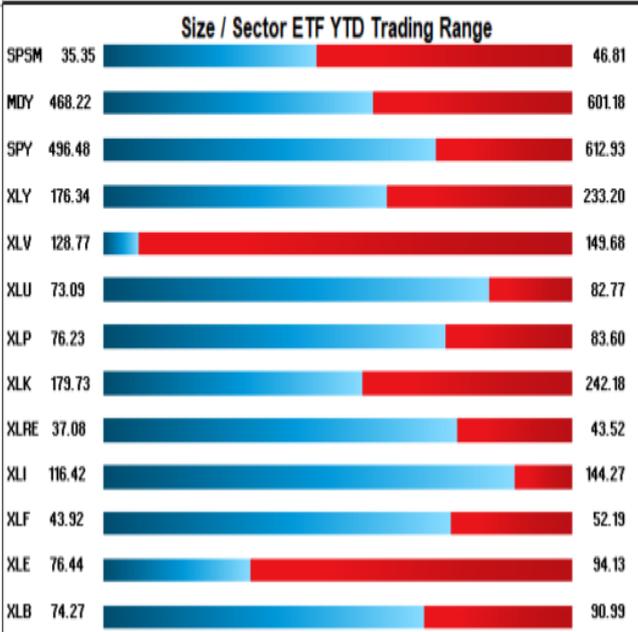
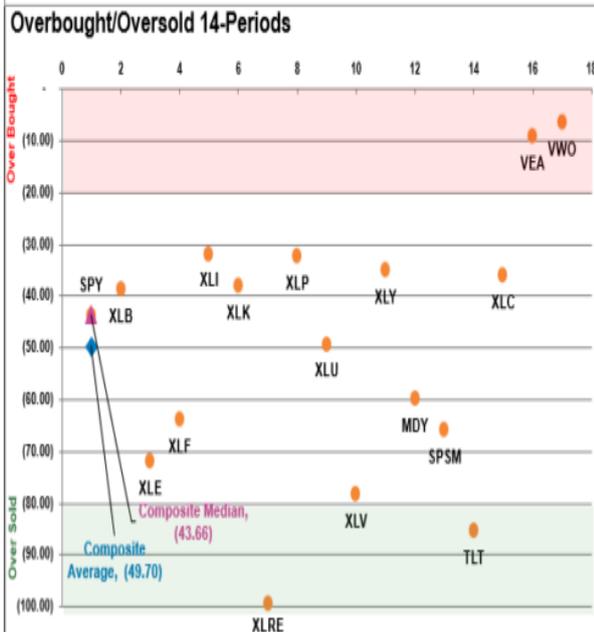
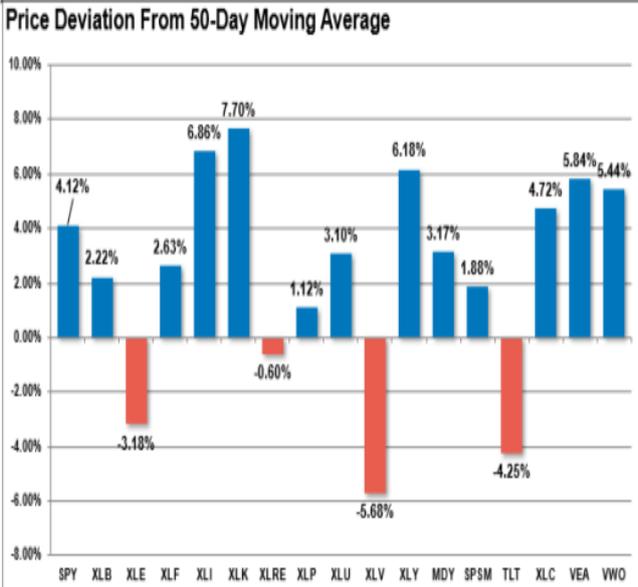
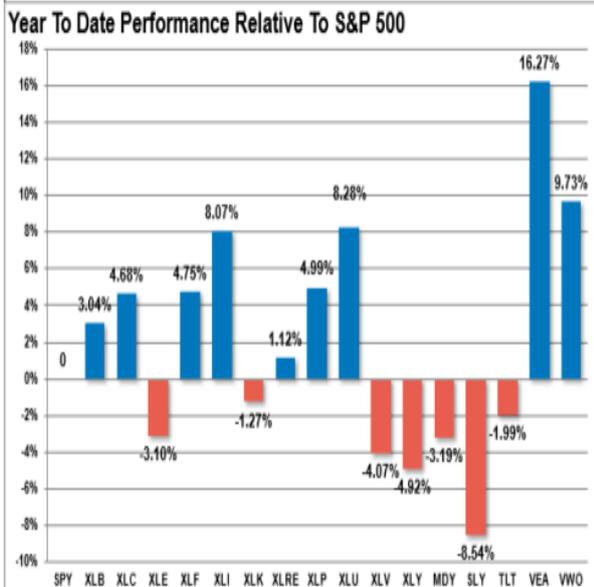
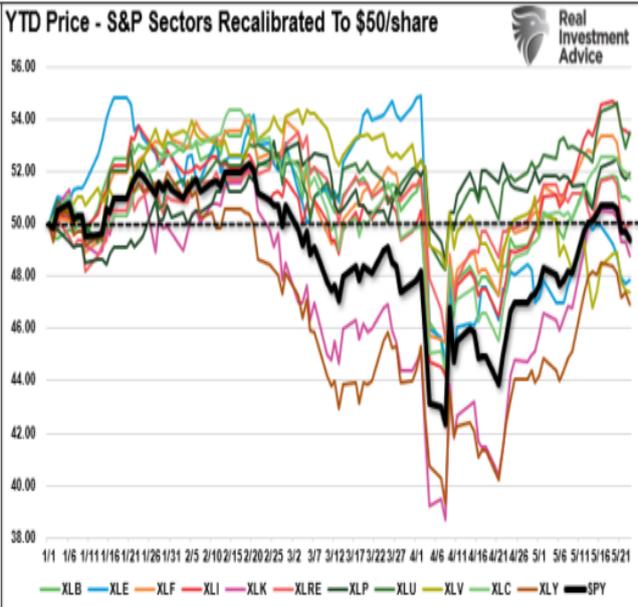
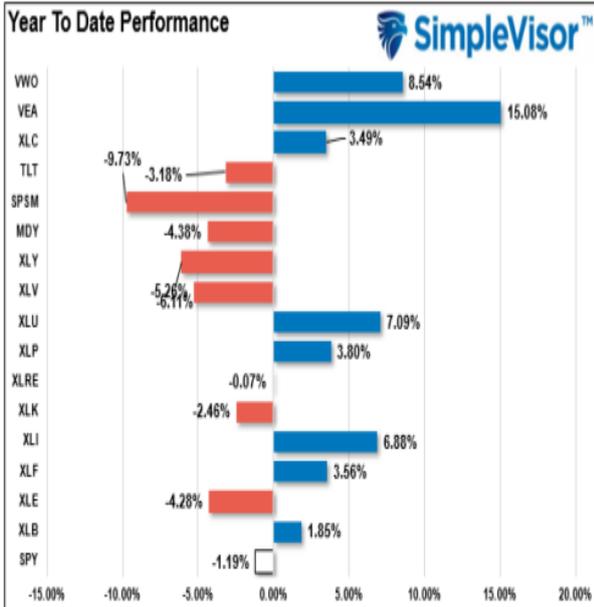
S&P 500 Weekly Tear Sheet

3 Month SPY Price										SPY RISK INFO				
										Item	T 2-Yr	T 1-Yr.	YTD	% Diff YTD/T1-YR
										Price Return	39.85%	10.11%	(1.19%)	(111.77%)
Max Drawdown	(21.43%)	(21.43%)	(21.43%)	0.00%										
Sharpe	0.52	0.44	(0.24)	(1.54)										
Sortino	0.63	0.50	(0.32)	(1.65)										
Volatility	16.47	20.31	28.04	0.38										
Daily VaR-5%	(5.64)	(20.54)	(48.32)	1.35										
Mnthly VaR-5%	(3.65)	(6.36)	(33.39)	4.25										
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	1.52%	1.32%	1.27%	(3.69%)	1.90%	1.17%	(32.88%)	8.71%	Shares	4,999.8	4,924.1	(1.51%)		
P/E Ratio	19.70	24.16	23.45	(3.04%)	27.48	16.64	(14.7%)	40.90%	Sales	117,706	129,932	10.39%		
P/S Ratio	4.54	5.11	5.25	2.76%	6.14	4.05	(14.47%)	29.78%	SPS	23.5	26.4	12.08%		
P/B Ratio	7.40	7.99	7.81	(2.26%)	8.92	6.29	(12.40%)	24.28%	Earnings	20,180	26,122	29.44%		
ROE	25.69%	28.34%	32.01%	11.45%	32.01%	19.38%	0.00%	65.18%	EPS TTM	5.2	5.9	13.43%		
ROA	6.08%	7.09%	8.75%	19.03%	8.75%	4.59%	0.00%	90.85%	Dividend	1.6	1.8	10.18%		
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	(8.98%)	3.05%	0.76	14.45	86.48	(331.89)	(83.3%)	12.3%	3.6%	7.31%	5.23	14.39		
Materials	(6.30%)	1.95%	1.01	22.20	27.40	11.54	(19.0%)	11.6%	2.0%	4.25%	4.58	19.63		
Industrials	13.20%	8.73%	1.13	25.74	48.41	18.52	(46.8%)	26.8%	1.4%	3.93%	6.96	21.96		
Discretionary	20.32%	10.62%	1.42	29.28	74.90	27.03	(60.9%)	23.6%	0.7%	3.43%	5.69	26.04		
Staples	12.16%	5.86%	0.59	23.95	24.12	19.14	(0.7%)	27.8%	2.3%	4.26%	4.10	22.96		
Health Care	(10.31%)	9.63%	0.67	17.67	24.74	14.80	(28.6%)	28.0%	1.9%	5.21%	8.80	17.15		
Financials	22.17%	14.28%	1.08	18.08	21.52	13.01	(16.0%)	11.9%	1.4%	5.51%	8.98	16.21		
Technology	10.98%	31.59%	1.48	34.52	39.49	20.45	(12.6%)	70.3%	0.7%	2.93%	5.99	26.58		
Telecom	11.16%	9.58%	0.93	20.21	28.38	15.43	(28.8%)	30.7%	0.8%	4.56%	7.79	17.27		
Utilities	15.18%	2.50%	0.59	18.91	21.42	15.59	(11.7%)	11.4%	3.0%	5.10%	3.83	17.47		
Real Estate	9.47%	2.11%	1.01	18.55	26.41	15.65	(29.7%)	5.8%	3.6%	5.41%	4.85	18.35		
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	579.11	2.90%	556.04	17	4.15%	577.58	10	0.27%	(3.73%)	(5.56%)	20.20%	Sell		
Mid Cap	544.66	1.66%	527.75	16	3.20%	564.02	6	(3.43%)	(6.43%)	(12.73%)	18.71%	Sell		
Small Cap	40.55	(1.15%)	39.78	12	1.94%	44.05	95	(7.95%)	(9.70%)	(18.95%)	16.56%	Sell		

## Relative Performance Analysis

Last week, we stated that *It is unlikely the market will be able to push much further without a short-term correction or consolidation to relieve some of that overbought condition. Take some profits, rebalance risks, and look for a pullback to reduce hedges and add exposures.* Such was indeed the case this week as the market pulled back slightly and began to reduce the more

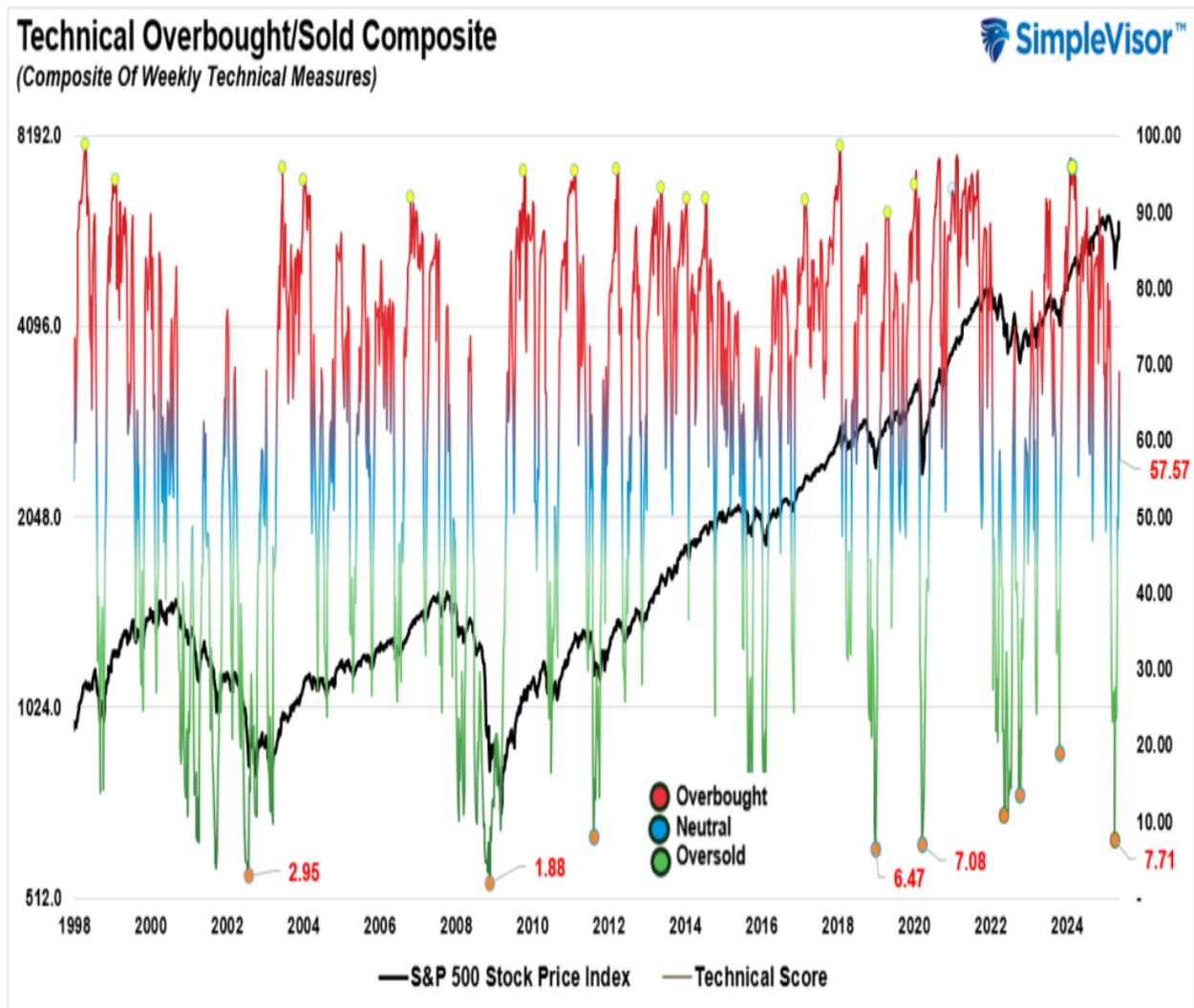
extreme overbought condition. While that correction has been mild so far, there is still more work to do over the next week as we wrap up the month and head into the seasonally weak period of June. Raise some cash and rebalance equity risk until the next oversold opportunity presents itself.



## 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 57.57 out of a possible 100.

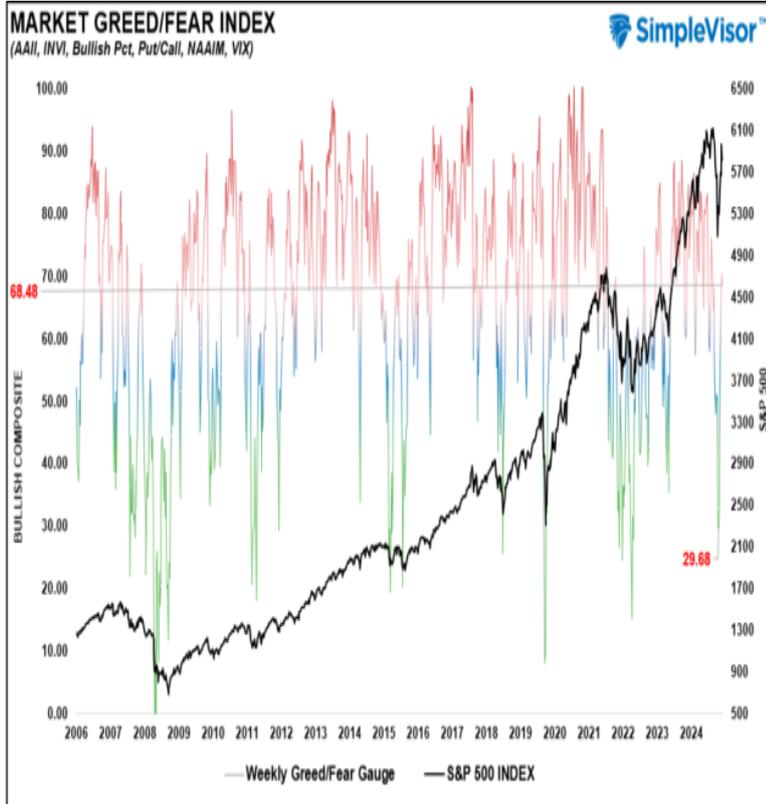


## Portfolio Positioning Fear / Greed Gauge

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 to be closer to a correction than not. The gauge uses weekly closing data.

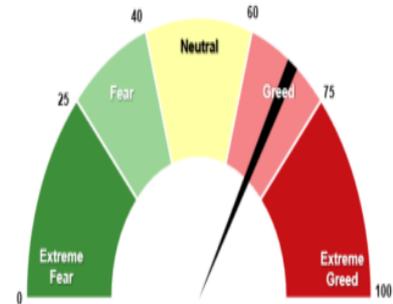
**NOTE: The Fear/Greed Index measures risk from 0 to 100. It is a rarity that it reaches levels above 90.**

The current reading is 68.48 out of a possible 100.



Current  
Fear/Greed  
Index

68.48

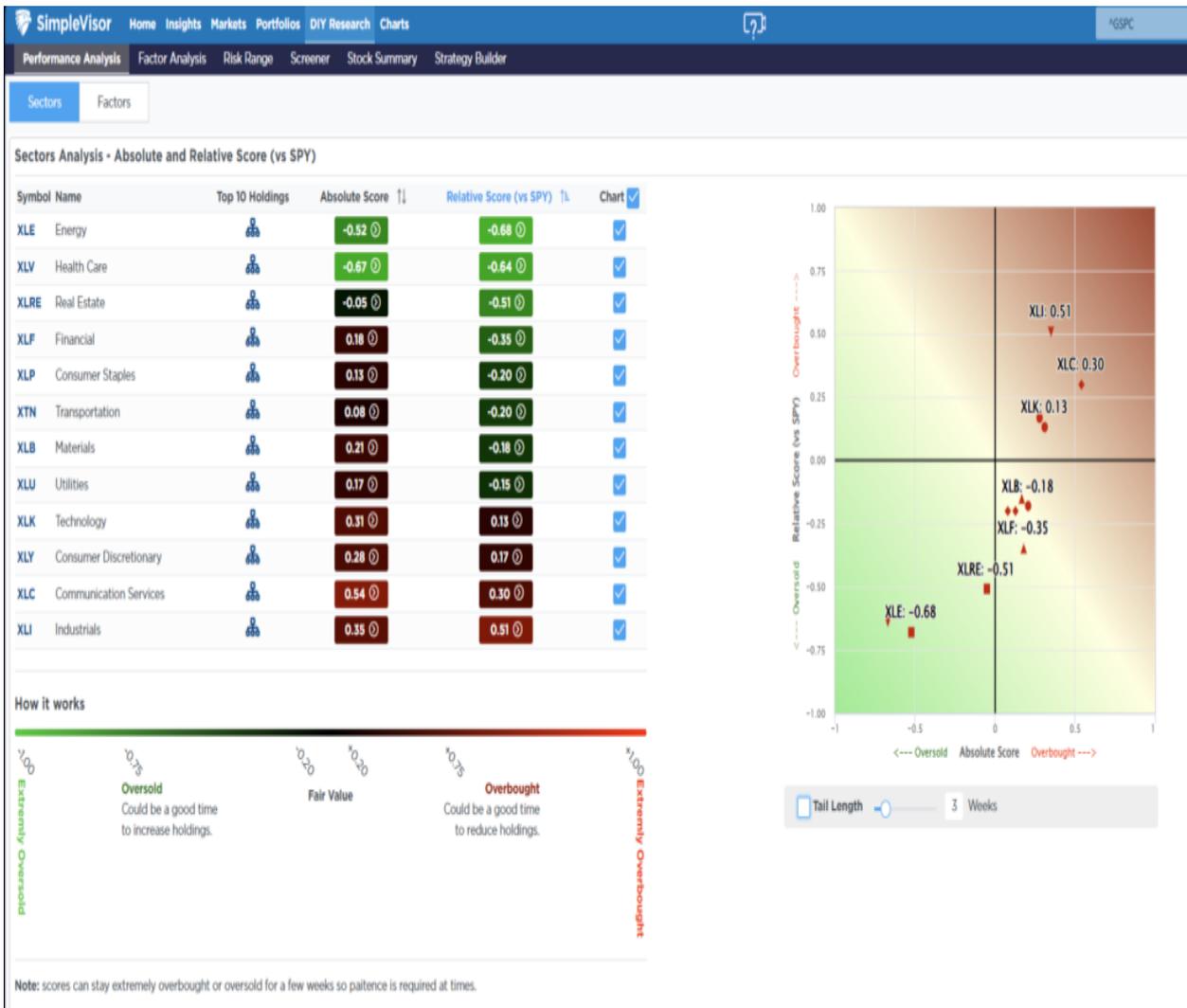


The **Fear/Greed Index** is based on a composite of indicators measuring both equity allocation levels (What actions investors are currently taking) and overall sentiment (How investors "feel" about the current market.)

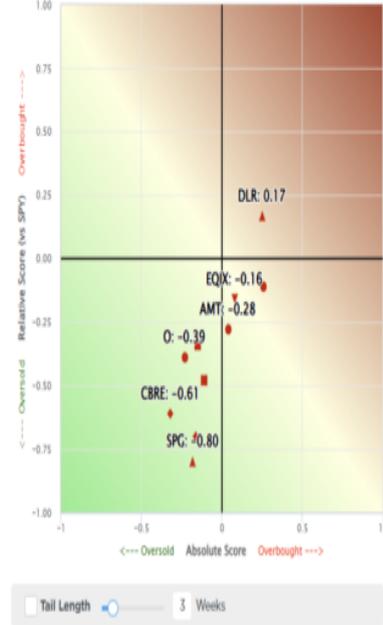
These measures are then combined into a single index that can range from zero (0) to one hundred (100). Readings above 75% are considered extremely bullish with readings below 25% as extremely bearish.

The "**Fear/Greed**" index is a contrarian indicator suggesting that investors "buy" when "extreme fear" is present and "sell" during periods of "extreme greed."

## Relative Sector Analysis



# Most Oversold Sector Analysis



Top 10 Holdings Relative Analysis with Each Other

	AMT/	CBRE/	CCI/	DLR/	EQIX/	O/	PLD/	PSA/	SPG/	WELL/	XLRE/	
AMT	0.00	-0.22	-0.03	0.28	0.24	-0.12	-0.01	-0.34	-0.17	0.38	-0.14	AMT American Tower Corp
CBRE	0.22	0.00	0.14	0.61	0.49	-0.04	0.22	0.24	0.31	0.34	0.21	CBRE CBRE Group Inc Class A
CCI	0.03	-0.14	0.00	0.50	0.27	-0.08	-0.01	0.11	-0.04	0.59	0.11	CCI Crown Castle Inc
DLR	-0.28	-0.61	-0.50	0.00	-0.21	-0.44	-0.55	-0.80	-0.81	-0.11	-0.64	DLR Digital Realty Trust Inc
EQIX	-0.24	-0.49	-0.27	0.21	0.00	-0.15	-0.56	-0.39	-0.67	0.01	-0.44	EQIX Equinix Inc
O	0.12	0.04	0.08	0.44	0.15	0.00	-0.15	-0.01	-0.08	0.31	-0.02	O Realty Income Corp
PLD	0.01	-0.22	0.01	0.55	0.56	0.15	0.00	0.15	0.01	0.16	0.16	PLD Prologis Inc
PSA	0.14	-0.24	-0.11	0.80	0.39	0.01	-0.15	0.00	-0.16	0.18	-0.08	PSA Public Storage
SPG	0.17	-0.31	0.04	0.81	0.67	0.08	-0.01	0.16	0.00	0.31	0.16	SPG Simon Property Group Inc
WELL	-0.38	-0.34	-0.59	0.11	-0.01	-0.51	-0.16	-0.18	-0.31	0.00	-0.23	WELL Welltower Inc
XLRE	0.14	-0.21	-0.11	0.64	0.44	0.02	-0.16	0.08	-0.16	0.23	0.00	XLRE

## 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.*

Last week, we noted that *?the ?relentless rally? continued this past week and has pushed most markets and sectors well above their normal risk ranges. Given the more extreme short-term overbought conditions, investors should look for a correction over the next week or two to relieve some of that pressure.?* Such was the case this week, and several markets and sectors are now below their normal risk ranges. One primary concern is the number of markets and sectors with bearish weekly signals. Such is historically only seen during more protracted corrections and bear markets, which suggests that we may be stuck in this back-and-forth market for a while longer. Continue to trade cautiously and hold higher-than-normal levels of cash.

RELATIVE PERFORMANCE		Current	PERFORMANCE RELATIVE TO S&P 500 INDEX					SHORT		MONTH END	REL S&P	RISK RANGE		% DEV - Short MIA	% DEV - Long MIA	MIA XVER SIGNAL
Ticker	ETF NAME	Price	1 Week	4 Week	12 Weeks	24 Weeks	52 Weeks	WMA	LONG WMA	PRICE	BETA	HIGH	LOW			
IVV	ISHARS-SP500	582.00	(2.52)	5.21	(2.52)	(4.72)	9.37	563.27	583.32	557.96	1.00	571.91	544.01	3%	0%	BEARISH
XLB	SPOR-MATLS SELS	85.70	0.97	(1.48)	(0.93)	(2.04)	(15.56)	84.54	88.42	83.89	1.03	86.85	80.93	1%	-3%	BEARISH
XLC	SPOR-COMM SV SS	100.19	0.96	0.97	0.74	3.99	11.42	96.56	96.99	95.44	1.04	98.82	92.06	4%	3%	BEARISH
XLE	SPOR-EGY SELS	81.99	(1.56)	(5.69)	(7.38)	(5.20)	(19.63)	85.44	88.61	80.50	0.77	83.13	77.87	-4%	-7%	BEARISH
XLF	SPOR-FINL SELS	50.05	(0.47)	(0.98)	(1.56)	4.03	10.92	48.99	49.06	48.76	0.99	50.46	47.06	2%	2%	BEARISH
XLK	SPOR-TECH SELS	226.81	(0.92)	3.59	3.09	(1.11)	(3.97)	212.45	225.39	209.97	1.21	217.75	202.19	7%	1%	BEARISH
XLI	SPOR-INDU SELS	140.83	0.47	3.95	5.82	4.91	3.79	132.07	135.37	131.22	1.06	135.89	126.55	7%	4%	BEARISH
XLP	SPOR-CONS STPL	81.60	1.95	(4.27)	0.74	3.77	(3.53)	81.01	80.59	81.83	0.57	84.35	79.31	1%	1%	BULLISH
XLRE	SPOR-RE SELS	40.64	(0.74)	(4.94)	(3.30)	(2.43)	(0.56)	41.22	42.05	41.30	0.99	42.74	39.86	-1%	-3%	BEARISH
XLU	SPOR-UTIL SELS	81.06	1.16	(1.56)	4.84	6.44	4.00	78.53	78.74	78.90	0.57	81.32	76.48	3%	3%	BEARISH
XLV	SPOR-HLTH CR	130.34	0.45	(10.79)	(9.96)	(4.94)	(19.12)	140.25	143.42	140.47	0.67	144.92	136.02	-7%	-9%	BEARISH
XLY	SPOR-CONS DISCR	210.65	(0.71)	1.40	0.96	(4.79)	10.63	200.38	211.70	197.26	1.22	204.60	189.92	5%	0%	BEARISH
XTN	SPOR-SP TRANSP	75.34	(2.27)	4.71	(7.01)	(13.56)	(11.07)	73.79	82.74	68.85	1.40	71.53	66.17	2%	-9%	BEARISH
SDY	SPOR-SP DIV ETF	133.04	(0.18)	(2.79)	(1.28)	(0.41)	(6.65)	133.01	135.71	131.04	0.79	135.35	126.73	0%	-2%	BEARISH
RSP	INVS-SP5 EQ ETF	174.33	(0.63)	(1.10)	(0.73)	(1.14)	(4.31)	171.41	176.94	169.14	0.98	175.03	163.25	2%	-1%	BEARISH
SPSM	SPOR-PRT SC	40.55	(1.64)	(1.10)	(4.54)	(11.57)	(13.64)	40.34	43.97	39.10	1.07	40.50	37.70	1%	-8%	BEARISH
MDY	SPOR-SP MC 400	544.66	(1.07)	0.04	(1.22)	(5.82)	(9.36)	532.37	565.15	520.80	1.06	539.34	502.26	2%	-4%	BEARISH
EEM	ISHARS-EMG MKT	46.23	2.45	1.19	9.51	10.15	(1.91)	43.88	43.80	43.76	0.62	45.13	42.39	5%	6%	BULLISH
EFA	ISHARS-EAFE	88.04	3.44	(0.55)	10.44	14.66	(0.74)	83.15	80.57	84.75	0.84	87.58	81.92	6%	9%	BULLISH
IAU	ISHARS-GOLD TR	63.38	7.80	(3.54)	20.17	32.30	34.29	59.20	54.16	62.17	0.13	63.80	60.54	7%	17%	BULLISH
GDX	VANECK-GOLD MNR	50.53	11.58	(1.68)	29.73	41.95	33.94	45.95	41.26	49.01	0.56	50.51	47.51	10%	22%	BULLISH
UUP	INVS-DB US\$ BU	27.37	0.69	(5.28)	(4.35)	(3.83)	(13.87)	28.04	28.93	27.41	(0.23)	28.03	26.79	-2%	-5%	BEARISH
BOND	PIMCO-ACTV BOND	90.28	1.97	(6.56)	(0.30)	1.89	(9.65)	91.43	91.51	92.03	0.27	94.57	89.49	-1%	-1%	BEARISH
TLT	ISHARS-20+YTB	84.55	0.49	(10.09)	(6.01)	(5.70)	(16.84)	88.89	89.89	89.47	0.49	92.15	86.79	-5%	-6%	BEARISH
BNDX	VANGO-TTL INT B	49.11	2.60	(5.84)	1.73	1.76	(8.30)	48.98	49.39	49.55	0.20	50.89	48.21	0%	-1%	BEARISH
HYG	ISHARS-IBX HYCB	78.95	1.93	(4.98)	1.05	3.53	(6.95)	78.66	79.11	78.60	0.41	80.89	76.31	0%	0%	BEARISH



## RISK RANGE REPORT



### Weekly SimpleVisor Stock Screens

We provide three stock screens each week from 2013266080; [SimpleVisor](#).

This week, we are searching for the Top 20:

- *Relative Strength Stocks*
- *Momentum Stocks*
- *Technical Strength W/ Dividends*

*(Click Images To Enlarge)*

# RSI Screen

## Strongest S&P 20 Relative Strength

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Technical Rating: At least B

Indices: S&P 500

Run Screen

Tables													
Overview Technicals Fundamentals Performance													
Symbol	Sector	Trend	Last	Fair Value	RSI	20 SMA	50 SMA	100 SMA	Mohanram	Plotroski	SV Rank	Yield%	
BA	Industrials	10/10	\$202.66	\$24.31(-733.65%)	69.46	\$193.83(4.56%)	\$175.78(15.29%)	\$174.75(15.97%)	3	4	4	%	
CAH	Healthcare	10/10	\$152.90	\$145.10(-5.38%)	64.75	\$148.53(2.94%)	\$139.00(10.00%)	\$132.29(15.58%)	—	6	5	1.80%	
DG	Consumer Staples	10/10	\$101.43	\$99.16(-2.29%)	65.75	\$93.43(8.56%)	\$89.77(12.99%)	\$81.51(24.44%)	5	6	4	2.90%	
DLTR	Consumer Staples	10/10	\$88.41	\$90.05(1.82%)	66.40	\$85.10(3.89%)	\$77.22(14.49%)	\$74.89(18.05%)	3	6	3	%	
GE	Industrials	10/10	\$232.96	\$117.58(-98.13%)	71.34	\$216.44(7.63%)	\$202.21(15.21%)	\$197.78(17.79%)	1	5	5	0.62%	
GEV	Utilities	10/10	\$466.10	0	77.62	\$410.59(13.52%)	\$355.52(31.10%)	\$355.11(31.26%)	—	—	—	%	
HWM	Industrials	10/10	\$165.33	\$67.35(-145.48%)	72.38	\$154.40(7.08%)	\$138.13(19.69%)	\$131.54(25.69%)	1	7	3	0.32%	
MOS	Materials	10/10	\$34.98	0	75.99	\$32.50(7.63%)	\$28.91(21.00%)	\$27.41(27.62%)	5	9	2	3.14%	
NEM	Materials	10/10	\$53.61	0	54.07	\$52.15(2.79%)	\$50.66(5.81%)	\$46.51(15.25%)	—	7	3	2.03%	
NFLX	Communication Ser.	10/10	\$1,188.50	\$444.95(-167.11%)	69.20	\$1,150.31(3.32%)	\$1,030.50(15.33%)	\$989.43(20.12%)	4	—	5	%	
NRG	Utilities	10/10	\$157.46	0	75.64	\$133.24(18.17%)	\$111.08(41.75%)	\$106.30(48.12%)	4	6	3	1.83%	
PLTR	Technology	10/10	\$124.04	\$17.10(-625.36%)	57.50	\$120.56(2.88%)	\$101.67(22.00%)	\$94.37(31.44%)	—	1	3	%	
PM	Consumer Staples	10/10	\$178.46	\$113.87(-56.72%)	65.35	\$170.78(4.50%)	\$161.92(10.21%)	\$149.00(19.77%)	1	8	3	4.07%	
RL	Consumer Cyclical	10/10	\$274.07	\$270.81(-1.20%)	73.04	\$251.01(9.19%)	\$228.47(19.96%)	\$240.79(13.82%)	3	8	1	1.67%	
TPR	Consumer Cyclical	10/10	\$76.93	\$68.10(-12.97%)	58.75	\$76.91(0.03%)	\$71.77(7.19%)	\$73.86(4.16%)	—	8	2	3.15%	
UBER	Technology	10/10	\$87.74	0	59.15	\$85.74(2.33%)	\$77.87(12.67%)	\$74.43(17.88%)	2	3	3	%	
VRSN	Technology	10/10	\$280.29	\$152.44(-83.87%)	63.32	\$280.79(-0.18%)	\$259.76(7.90%)	\$240.58(16.51%)	4	7	—	%	
AVGO	Technology	9/10	\$229.73	\$177.95(-29.10%)	70.47	\$213.05(7.83%)	\$191.35(20.06%)	\$205.27(11.92%)	3	8	2	1.24%	
JBL	Technology	9/10	\$165.74	\$156.31(-6.03%)	69.51	\$157.05(5.53%)	\$144.16(14.97%)	\$150.46(10.16%)	5	8	3	0.26%	
WBA	Healthcare	8/10	\$11.16	0	56.54	\$11.12(0.31%)	\$11.05(0.95%)	\$10.87(2.62%)	4	7	3	10.71%	

# Momentum Screen

## Strongest Momentum S&P 500

Save Save as New

Scan Result: 20 ticker(s) found

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Technical Rating: At least 5

Indices: S&P 500

Run Screen

Symbol	Sector	Trend	Last	FairValue	RSI	20 SMA	50 SMA	100 SMA	Mohanram	Plotroski	SV Rank	Yield%
AXON	Industrials	10/10	\$732.55	\$285.45(-156.63%)	69.69	\$671.42(9.10%)	\$599.85(22.12%)	\$597.27(22.65%)	6	4	4	%
GEV	Utilities	10/10	\$466.10	()	77.62	\$410.59(13.52%)	\$355.52(31.10%)	\$355.11(31.26%)	—	—	—	%
NFLX	Communication Ser.	10/10	\$1188.50	\$444.95(-167.11%)	69.20	\$1150.31(3.32%)	\$1030.50(15.33%)	\$989.43(20.12%)	4	—	5	%
NRG	Utilities	10/10	\$157.46	()	75.64	\$133.24(18.17%)	\$111.08(41.75%)	\$106.30(48.12%)	4	6	3	1.83%
PODD	Healthcare	10/10	\$321.66	\$150.61(-113.57%)	70.29	\$288.94(11.32%)	\$269.99(19.14%)	\$271.12(18.64%)	5	2	5	%
RL	Consumer Cyclical	10/10	\$274.07	\$270.81(-1.20%)	73.04	\$251.01(9.19%)	\$228.47(19.96%)	\$240.79(13.82%)	3	8	1	1.67%
AVGO	Technology	9/10	\$229.73	\$177.95(-29.10%)	70.47	\$213.05(7.83%)	\$191.35(20.06%)	\$205.27(11.92%)	3	8	2	1.24%
DE	Industrials	9/10	\$511.65	\$376.84(-35.77%)	63.53	\$492.15(3.96%)	\$474.03(7.94%)	\$468.51(9.21%)	0	6	3	1.43%
AZO	Consumer Cyclical	8/10	\$3,841.64	\$3,156.56(-21.70%)	64.13	\$3,739.09(2.74%)	\$3,684.67(4.26%)	\$3,533.61(8.72%)	5	7	3	%
BKNG	Consumer Cyclical	8/10	\$5,333.55	()	65.50	\$5,169.07(3.18%)	\$4,806.30(10.97%)	\$4,819.17(10.67%)	2	6	3	0.81%
HCA	Healthcare	8/10	\$375.86	\$406.12(7.45%)	62.67	\$360.73(4.19%)	\$344.88(8.98%)	\$331.15(13.50%)	6	7	3	0.66%
KLAC	Technology	8/10	\$758.58	\$555.87(-36.47%)	59.11	\$735.08(3.20%)	\$698.05(8.67%)	\$708.51(7.07%)	5	7	3	0.87%
LHX	Industrials	8/10	\$237.67	\$193.45(-22.86%)	79.67	\$222.70(6.72%)	\$216.49(9.78%)	\$212.86(11.65%)	5	8	3	1.90%
MLM	Materials	7/10	\$563.72	\$251.32(-124.30%)	67.58	\$540.07(4.38%)	\$506.77(11.24%)	\$510.66(10.39%)	3	4	4	0.55%

## Technically Strong With Dividends

## Technically Strong + Dividends

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Technical Rating: At least 7 Sectors: Assets: Piotroski Score: At least 7 P/S (TTM): Medium (1 to 10) Dividend Yield: Between 2 % - 100 %

Market Cap: Between 50 B - 5000 B

Run Screen

Symbol	Sector	Trend	Last	FairValue	RSI	20 SMA	50 SMA	100 SMA	Mohanram	Piotroski	SV Rank	Yield%
DTEGY	Communication Ser.	10/10	\$38.41	\$38.13(-0.73%)	67.37	\$36.34(5.70%)	\$36.35(5.67%)	\$34.96(9.87%)	3	7	3	2.70%
NEM	Materials	10/10	\$53.61	0	54.07	\$52.15(2.79%)	\$50.66(5.81%)	\$46.51(15.25%)	—	7	3	2.03%
PM	Consumer Staples	10/10	\$178.46	\$113.87(-56.72%)	65.35	\$170.78(4.50%)	\$161.92(10.21%)	\$149.00(19.77%)	1	8	3	4.07%
SAN	Financial	10/10	\$7.90	0	73.40	\$7.46(5.90%)	\$7.00(12.86%)	\$6.25(26.40%)	4	7	4	4.47%
TD	Financial	9/10	\$67.86	0	75.88	\$63.89(6.21%)	\$61.27(10.76%)	\$59.37(14.30%)	4	7	3	5.22%
IBM	Technology	8/10	\$259.20	\$125.76(-106.11%)	56.20	\$252.16(2.79%)	\$245.84(5.43%)	\$243.67(6.37%)	5	7	4	3.06%
T	Communication Ser.	8/10	\$27.45	\$24.80(-10.67%)	49.14	\$27.44(0.02%)	\$27.16(1.05%)	\$25.67(6.91%)	1	7	3	5.00%
BMO	Financial	7/10	\$104.19	0	74.85	\$99.68(4.52%)	\$96.57(7.89%)	\$97.93(6.39%)	1	8	3	4.91%
CSCO	Technology	7/10	\$63.12	\$41.97(-50.38%)	66.00	\$60.51(4.31%)	\$59.25(6.52%)	\$60.42(4.46%)	1	7	3	2.86%
MMM	Industrials	7/10	\$148.33	\$37.12(-299.60%)	57.88	\$144.60(2.58%)	\$142.82(3.86%)	\$143.68(3.24%)	—	7	3	2.21%
PAYX	Industrials	7/10	\$156.28	\$102.58(-52.35%)	64.19	\$150.97(3.52%)	\$148.30(5.38%)	\$147.42(6.01%)	5	8	2	2.77%
RTX	Industrials	7/10	\$132.02	\$70.02(-88.54%)	58.24	\$130.38(1.25%)	\$129.38(2.04%)	\$126.74(4.16%)	1	7	4	2.01%

## SimpleVisor Portfolio Changes

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

### May 22nd

*In both models, we are removing the short S&P 500 index position (SH) as market internals have healed considerably. We will raise cash levels somewhat next week and allow reduced equity exposure, positioning, and cash to hedge the portfolio for now.*

*After previously reducing the Vanguard Extended Duration ETF (EDV), we added to the position today, given the more extreme technical oversold condition. We are going to trade that position for a reflexive rally, take profits, and reduce weighting once again. Read today's [Daily Market Commentary](#) for more on what's happening with rates and why a decent trade set is occurring.?*

### Both Models

- Sell 100% of SH
- Increase EDV to 10% of the portfolio.

### May 23rd

*?This morning, following President Trump?s renewed ire against Apple (APPL) and the EU, the recent rally from the lows is now threatened. As we have stated previously, we needed an ?event? of some sort to trigger sellers back into the market. As such, we are taking profits after the recent runup and reducing positions back to target portfolio weights.*

*We are selling the entire Apple (AAPL) stake in the portfolio to make room for a swap into META (META) later. Apple is no longer a growth company in terms of earnings, while Meta is not only strongly growing earnings but is also an advantage in our Artificial Intelligence (AI) thesis going forward. Over the last year, we have accumulated companies that will participate in that story, from Utilities (DUK, GEV) to companies like PANW, PLTR, and NVDA. These actions also increase our cash holdings to hedge portfolios against near-term correction risks.?*

### **Equity Model**

- *Sell 100% of Apple (AAPL)*
- *Reduce MSFT (4%), GOOG (4%), PLTR (3.5%), and NVDA (2.5%) to listed target portfolio weights.*

### **ETF Model**

- *Reduce XLK to 10% of the portfolio and MGK to 6%.*

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*Lance Roberts, C.I.O., RIA Advisors*