



## Clients should monitor the growing list of large companies breaking down...

TPA now has a Sell rating on 4 of the top 12 stocks in the S&P500; AAPL, MSFT, META, and UNH. MSFT's negative rating came yesterday. (Table and charts below). Each of these stocks has convincingly broken below its long-term uptrend line. The relative performance chart shows that all of the stocks, with the exception of UNH, have greatly outperformed the S&P500 YTD.

What are the implications?

1. These stocks have been the leaders all year. When the leaders turn down, others will follow.
2. These are just singular events that do not have implications for the larger market,
3. These breakdowns will reverse and these stocks will make new 2023 highs.

What should clients do?

Clients should monitor this situation carefully. Right now, it is just 4 stocks. If more stocks follow the breakdown pattern, clients should become more risk-averse. Either way, these 4 stocks are stocks to avoid for now until they prove themselves again.

# S&P500 Index – top 12 stocks by weight

Apple Inc.	7.05%
Microsoft Corporation	6.54%
Amazon.com, Inc.	3.35%
NVIDIA Corporation	2.88%
Alphabet Inc. Class A	2.19%
Tesla, Inc.	1.97%
Alphabet Inc. Class C	1.88%
Meta Platforms Inc. Class A	1.82%
Berkshire Hathaway Inc. Class B	1.81%
Exxon Mobil Corporation	1.26%
Eli Lilly and Company	1.23%
UnitedHealth Group Incorporated	1.19%

## AAPL #1 (TPA Sell on 8/29)



## MSFT #2 (TPA sell on 9/20)



## META #8 (TPA sell on 9/9)





## UNH #12 (TPA sell On 2/21/23)



## RELATIVE PERFORMANCE OF THE S&P500, AAPL, MSFT, META, UNH - YTD

