

# TPA-RRG Report - A Seismic Shift in markets will follow a reversal in yields.



- **What is hot and what is not.**  
TPA-RRG captures the inevitable movement of stocks into and out of favor.
- **Scores and ranking**  
Clients can quickly see which stocks are showing the best and worst relative strength characteristics. TPA found that using RRG's was very beneficial, but took some time to parse through, so we simplified the process by creating a score for each stock and sector.
- **The best of both worlds – RRG & TPA**  
Now, clients can use TPA-RRG scores and rankings to identify stocks that are not only moving into favor, but are also technically positive.
- **TPA-RRG analyzes every stock in the Russell 1000 and 25 major sector & subsector ETFs**



## TPA-RRG Report

### A Seismic Shift in markets will follow a reversal in yields.

**TPA-RRG has melded the weekly report's 3 macro sections this week, because TPA sees last week's dynamics as ushering in a new scenario.** The first 2 charts below show the US 10-Year breaking the uptrend. Chart 3 shows the 10-Year over the past 2 years. This is critical because the move since mid-2020 has been historic. The fastest increase in rates in the past 50 years (chart 3). The Labor market has remained strong, but eventually, this rising cost of financing will have an effect on everything?housing, car sales, etc?.

**The Long-Term Treasury ETF SPTL** is now up 8% since the 3<sup>rd</sup> week in October (The Bloomberg Long U.S. Treasury Index (the "Index") is designed to measure the performance of public obligations of the U.S. Treasury that have a remaining maturity of 10 years or more.). The SPTL was down 7.2% in a little over 6 months; an extreme move for the ETF (chart 4).

**For stocks, it probably means that the break of S&P500 4200 was only temporary.** The chart of the US 10-Year shows that the new short-term support of the 10-Year Yield is about 4.20%. If Labor does weaken, we could see the 10-Year break 4.20% support and go even lower (chart 5).

**What this means for the TOP 20 is an influx of interest-sensitive stocks** which have been under pressure, especially for the past 3 months when rates saw no hesitation in its rapid rise. Many Utilities have suddenly appeared in the TOP 20 this week.

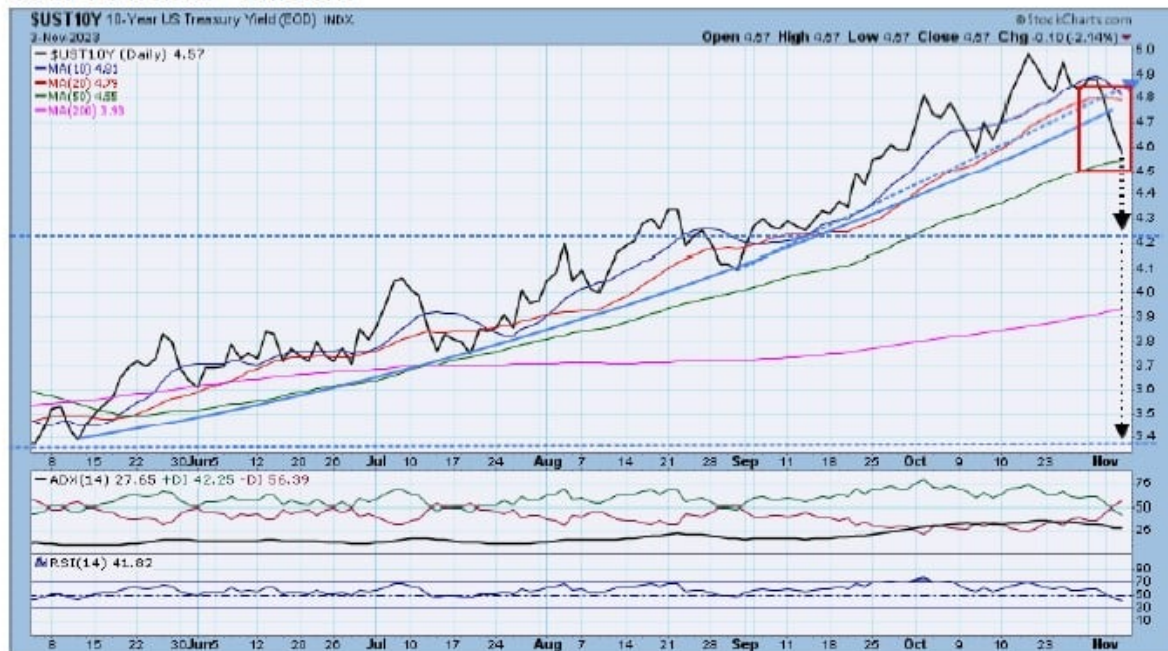
**A decline in interest rates means that the former beaten-up interest-sensitive sectors; Utilities, REITs, Regional Banks (who still live and breathe the interest rate spread) should**

continue their recent outperformance. (chart 6)

### US 10-YEAR YIELD – 13-MONTH



### US 10-YEAR YIELD – 6-MONTH





## US 10-YEAR YIELD WEEKLY – 20 YEARS



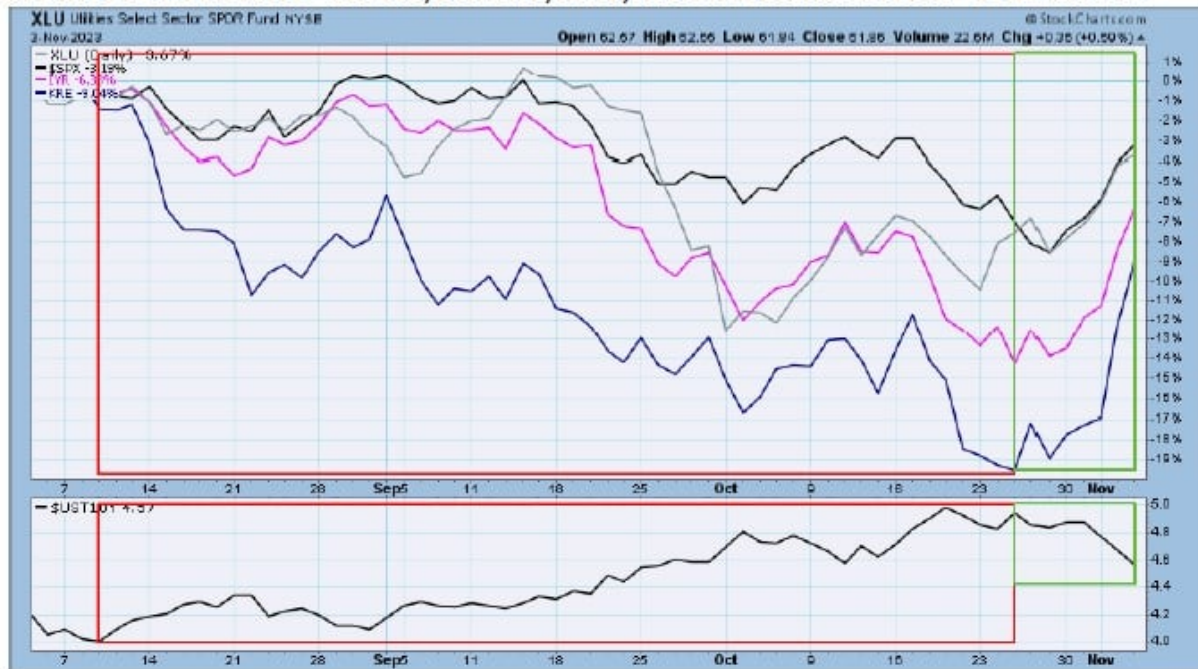
## SPTL - SPDR® Portfolio Long Term Treasury ETF



## S&P500 – 2 YEARS



## RELATIVE PERFORMANCE – S&P500, UTILITIES, REITS, REGIONAL BANKS. BTOM – 10-YEAR YIELD



**Click on either image below for the entire TPA-RRG Report!**



# TPA-RRG TOP 20 & BOTTOM 20 (table below)

Buy	Prices as of	11/3/23						STOCK	SECTOR	TOTAL
Sell				TOP 20				TPA-RRG	TPA-RRG	TPA-RRG
Code	Name	Last	RRG Ratio	RRG Momentum	Quadrant	Mkt Cap (\$MIL)	TPA Sector	SCORE	SCORE	SCORE
PATH	UiPath Inc - Ordinary Shares - Class A	17.32	102.15	103.41	Leading	\$9,816	Communication Services	4.75	1.00	5.75
NOC	Northrop Grumman Corp.	470.58	100.10	105.08	Leading	\$70,960	Aerospace & Defense	4.58	1.00	5.58
STLD	Steel Dynamics Inc.	111.87	101.40	104.40	Leading	\$18,531	Metals and Mining	3.38	1.51	4.89
AA	Alcoa Corp	26.53	84.85	101.74	Improving	\$4,735	Metals and Mining	3.08	1.51	4.58
KEY	KeyCorp	11.39	100.99	103.47	Leading	\$10,660	Financial	3.47	1.00	4.47
CVS	CVS Health Corp	70.25	98.16	103.16	Improving	\$90,405	Health Care	3.44	1.00	4.45
THG	Hanover Insurance Group Inc	116.65	98.44	106.31	Improving	\$4,171	Financial	3.42	1.00	4.43
T	AT&T Inc.	15.88	95.94	108.35	Improving	\$113,542	Communication Services	3.40	1.00	4.41
IP	International Paper Co.	34.60	102.83	102.87	Leading	\$11,972	Materials	3.32	1.00	4.32
XEL	Xcel Energy Inc.	61.03	93.33	103.50	Improving	\$33,677	Utilities	3.31	1.01	4.31
IDA	Idacorp Inc.	100.74	94.53	103.13	Improving	\$5,099	Utilities	3.29	1.01	4.30
ETR	Entergy Corp.	98.18	95.37	102.76	Improving	\$20,761	Utilities	3.29	1.01	4.29
OGE	Oge Energy Corp.	35.25	96.20	102.60	Improving	\$7,060	Utilities	3.29	1.01	4.29
IFF	International Flavors & Fragrances Inc	72.71	88.04	103.83	Improving	\$18,559	Materials	3.28	1.00	4.28
PGR	Progressive Corp.	156.21	107.25	108.34	Leading	\$91,389	Financial	3.25	1.00	4.26
LHX	L3Harris Technologies Inc	185.67	93.98	101.88	Improving	\$35,192	Aerospace & Defense	3.24	1.00	4.24
PNC	PNC Financial Services Group Inc	123.21	97.03	101.06	Improving	\$49,069	Financial	3.22	1.00	4.23
SMG	Scotts Miracle-Gro Company	54.29	85.25	102.27	Improving	\$3,049	Materials	3.20	1.00	4.21
DGX	Quest Diagnostics Inc.	133.91	94.34	101.13	Improving	\$15,056	Health Care	3.20	1.00	4.20
SRE	Sempra	72.35	96.37	102.11	Improving	\$45,530	Utilities	3.19	1.01	4.19

Buy	Prices as of	11/3/23						STOCK	SECTOR	TOTAL
Sell				BOTTOM 20				TPA-RRG	TPA-RRG	TPA-RRG
MSA	MSA Safety Inc	160.51	102.81	96.05	Weakening	\$6,310	Industrial	-2.38	-1.00	-3.38
HAYW	Hayward Holdings Inc	11.14	103.90	97.17	Weakening	\$2,381	Consumer Discretionary	-2.49	-1.00	-3.49
HUBB	Hubbell Inc.	281.84	101.35	96.87	Weakening	\$15,113	Industrial	-2.66	-1.00	-3.66
PAYX	Paychex Inc.	110.46	100.77	99.04	Weakening	\$39,902	Technology	-2.82	-1.00	-3.83
GO	Grocery Outlet Holding Corp	28.36	95.22	95.17	Lagging	\$2,801	Retail	-3.18	-1.00	-4.19
ZTS	Zoetis Inc	162.23	98.96	98.79	Lagging	\$74,677	Agribusiness	-3.18	-1.00	-4.19
SWK	Stanley Black & Decker Inc	88.87	97.50	96.92	Lagging	\$13,625	Industrial	-3.19	-1.00	-4.20
KMX	CarMax Inc	66.97	94.72	93.49	Lagging	\$10,626	Consumer Discretionary	-3.21	-1.00	-4.22
Z	Zillow Group Inc	37.69	93.79	93.08	Lagging	\$8,775	Internet	-3.21	-1.00	-4.22
U	Unity Software Inc	27.64	91.84	91.41	Lagging	\$10,599	Technology	-3.21	-1.00	-4.22
DAL	Delta Air Lines Inc.	33.35	93.21	92.55	Lagging	\$21,460	Industrial	-3.24	-1.00	-4.25
COLD	Americold Realty Trust Inc	26.80	97.03	96.70	Lagging	\$7,243	Real Estate	-3.25	-1.00	-4.25
MRVL	Marvell Technology Inc	51.36	98.15	94.20	Lagging	\$44,313	Semiconductor	-3.27	-1.00	-4.27
CZR	Caesars Entertainment Inc	44.40	97.09	94.67	Lagging	\$9,578	Consumer Discretionary	-3.28	-1.00	-4.28
RH	RH	240.13	91.83	86.95	Lagging	\$4,418	Consumer Discretionary	-3.29	-1.00	-4.30
AN	Autonation Inc.	139.96	97.97	96.42	Lagging	\$5,951	Retail	-3.37	-1.00	-4.37
DDOG	Datadog Inc	82.04	98.58	94.44	Lagging	\$26,663	Tech-Software	-3.45	-1.00	-4.45
OPEN	Opendoor Technologies Inc	2.09	95.76	82.20	Lagging	\$1,378	Real Estate	-3.45	-1.00	-4.45
HUBS	Hubspot Inc	422.89	97.46	95.48	Lagging	\$21,151	Tech-Software	-3.50	-1.00	-4.50
PWR	Quanta Services Inc.	169.18	99.06	95.36	Lagging	\$24,565	Industrial	-3.75	-1.00	-4.75

