



Market Observations - as of July 28, 2023

By Carl Jorgensen - For Objective Traders - For educational purposes only. Not Financial Advice.

Last week we saw the rally resume Monday and Tuesday with growing strength seen Tuesday. Wednesday delivered higher highs then paused near those highs most of the day without continuing higher. Thursday saw a strong decline most all day with the S&P giving back 1 ½ prior days of gains while the Nasdaq gave back 5 days of prior gains. Friday saw a pause near the prior day's close as typical Options Expiration settlement oscillations saw little change that day.

This week we saw a pause Monday in the Nasdaq while the S&P made a very small advance. Tuesday saw an advance in both the Nasdaq and S&P. Wednesday saw a small pull back and pause before the Fed rate announcement, then reacted with a swing up and then back down as Jay Powell spoke. Thursday saw a large gap up that immediately began selling. The selling continued all day on Thursday with a much stronger decline seen the last 3 hours of the day to give back all of the day's gap up plus dropping below the prior day's lows, and new lows for the week seen in the S&P. Friday saw another gap up at the open, but this time we saw some follow through higher in the first 2 hours of the day. After a pause for an hour we saw a sharp decline for about an hour that was followed by a bounce that recovered most of that prior hour decline. Markets chopped until the close on Friday to end the week with a mild advance.

The 'Special' Re-Balancing by the Nasdaq-100 Index over the weekend seemed to have negligible impact on the Index with small changes in the Weighting. The 7 biggest names saw their weighting decreased by -0.7 to -3.1 percentage points while most all other symbols in the index were increased from +0.2 to +0.6 percentage points. The two biggest changes were seen in MSFT and NVDA that were each decreased by about -3.1 points. (MSFT weighting changed from 12.94% to 9.83% and NVDA weighting changed from 7.35% to 4.21%.) We did not see any clear impacts of this weighting change in the charts between last week and this week.

The Fed did increase rates by 25 basis points on Wednesday as the markets expected. The price swings we saw after the announcement seemed to be mostly driven by reactions to what Jay Powell said during the following press conference.

We saw mixed reactions to Earnings again this week, with strong positive reactions to GOOGL, BA, INTC and META (to name just a few) and we saw negative reactions to MSFT, X, V, CMG and TXN.

Next week a few key names scheduled to report Earnings are AAPL, AMZN, CAT and many others.

Oil prices continued higher this week while the US Dollar saw a decline with a wild swing one day this week. The US 10 year saw strong selling this week while Yields increased. Yields increased this week on both short and long term Treasuries.

Let's look at the charts to see what they are telling us about this market.



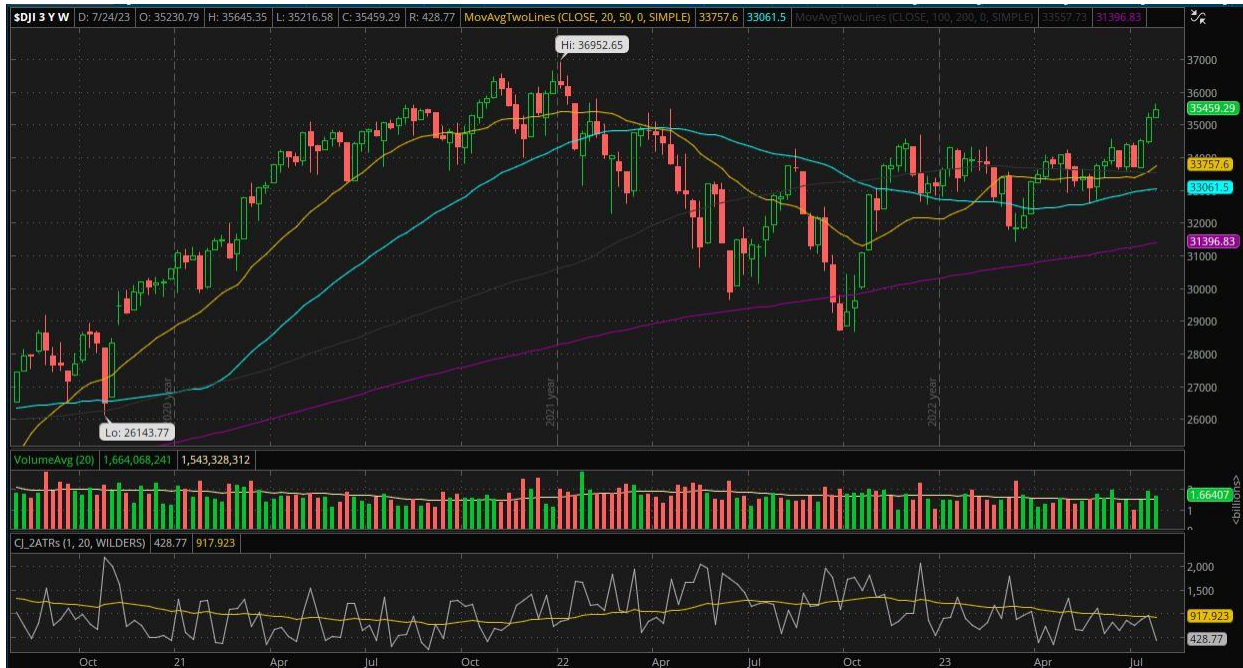
S&P 500 weekly chart as of July 28, 2023 - The S&P continues its rally this week as it nears its March 2022 prior highs.



S&P 500 daily chart as of July 28, 2023 - We saw small increases Monday and Tuesday this week with a pause on Wednesday. Thursday saw a large gap up (to new 52 week highs) with strong selling all day to deliver a new low for this week. Friday saw another gap up but with a little follow through higher to end the week up +1.01%.



S&P 500 15 min. chart as of July 28, 2023 - We saw a mild rally resume Monday and Tuesday with a pause Wednesday waiting for the Fed. or reacting to the Fed. Thursday saw a large gap up above the weekly Expected Move that quickly began selling off and filling that day's gap (Grey box) and selling lower to new lows for this week. The strongest selling Thursday was seen in the last 3 hours as market breadth declines increased. Friday saw a gap up but with positive follow through the first 2 hours then paused and sold lower for an hour to find support at the top of Friday's gap where it bounced back up the next hour. The last hour of the day saw mostly horizontal chop to end the day and week higher. This week ended with the S&P 'Inside' is weekly Expected Move.



DJIA weekly chart as of July 28, 2023 - We see a continuation higher this week with a smaller advance than seen last week. We saw more new 52 week highs this week.



DJIA daily chart as of July 28, 2023 - The Break out we saw last week continued higher this week at a slower pace. We saw new 52 week highs each day except on Friday this week. Thursday saw a large decline to form a Bearish Engulfing candle that day. Friday was an Inside day that recovered some of the prior day's losses to end the week up +0.66%.



Nasdaq weekly chart as of July 28, 2023 - The Nasdaq resumed its rally this week with a higher close but failed to exceed the prior week's highs.



Nasdaq daily chart as of July 28, 2023 - Monday saw a pause near the prior Friday's close. Tuesday saw a small gain that did not continue higher Wednesday as markets paused for the Fed. Thursday saw a large gap up and selling all day to nearly retest the lows of this week seen on Monday. Friday saw another gap up but with follow through higher the first 2 hours. We saw a pause for an hour then a drop for an hour followed by a bounce to end the day not far from its highs that day, ending the week up +2.02%.



Russell 2000 weekly chart as of July 28, 2023 - The Russell continued its rally higher this week with a smaller gain than the prior 2 weeks.



Russell 2000 daily chart as of July 28, 2023 - Here we see a Darvas Box (Grey box) drawn around the range seen the last 4 days of last week and most all of this week. Monday and Tuesday saw small gains with a larger gain seen on Wednesday this week. Thursday saw a gap up and strong selling all day with the day's opening and close just inside the box and the Highs and Lows of the day extending a little outside the Box. Thursday saw a full swing of the height of the Box. Friday saw a gap up and rally to end the week near the upper portion of the Box, up +1.09% for the week.

Next we will look at a few key 'Market Internals'.



McClellan Summation Index weekly chart as of July 28, 2023 - Last week we saw a strong advance up to +751.35. This week we see a smaller advance up to +831.46.



McClellan Summation Index daily chart as of July 28, 2023 - Here we see a swing higher most of July. Looking at the slope in July we see it started out slow the first week then sped up the following two weeks before slowing down a bit this last full week of July.



NYSE Percent above 200 day SMA daily chart as of July 28, 2023 - Last week ended with a bit of a flat area near 69.36%. This week saw an oscillation higher and lower with a small uptick on Friday to end this week at 69.03%.



NYSE Percent above 50 day SMA daily chart as of July 28, 2023 - Last week we saw a flat pause to end the week at 81.04%. This week we saw a small increase, a dip Thursday to below 76% and a small bounce Friday to end this week at 78.31%.



VIX daily chart as of July 28, 2023 - The VIX drifted a little lower Monday, Tuesday and Wednesday, then saw a pop up above its 20 day SMA to test its 50 day SMA on Thursday. Friday saw a decline back below its 20 day SMA to end this week at 13.33.



VVIX daily chart as of July 28, 2023 - The VVIX saw a steady decline Monday, Tuesday and Wednesday as it crossed below its 50day, 20 day and 200 day SMAs. Thursday we saw a sharp spike up above all 3 key SMAs. Friday saw a gap down back below all 3 of these SMAs.

Next we will look at a few key Commodities, Currency and Treasuries.



Oil rallied strong on Monday above its 200 day SMA. We saw higher highs every day this week except on Wednesday where we saw an 'Inside' day or pause. Thursday and Friday closed higher to end the week at \$80.67.



Gold prices continued to decline on Monday crossing below its 50 day SMA. Tuesday saw a lower low before closing higher back above its 50 day SMA. Wednesday saw a rally higher before Gold Contracts expired later that evening. Gold spiked up before the open on Thursday and sold lower most all day. Friday saw a small rally to recover about half of the prior day's decline, ending the week at \$1998.2.



US Dollar Index daily chart as of July 28, 2023 - The US Dollar Index continued its rally Monday then pulled back Tuesday after delivering a higher high. The decline continued lower Wednesday. Thursday saw a huge rally the first 90 minutes then paused the rest of the day. Friday saw a small dip and pause most of the day to end the week at 101.62.



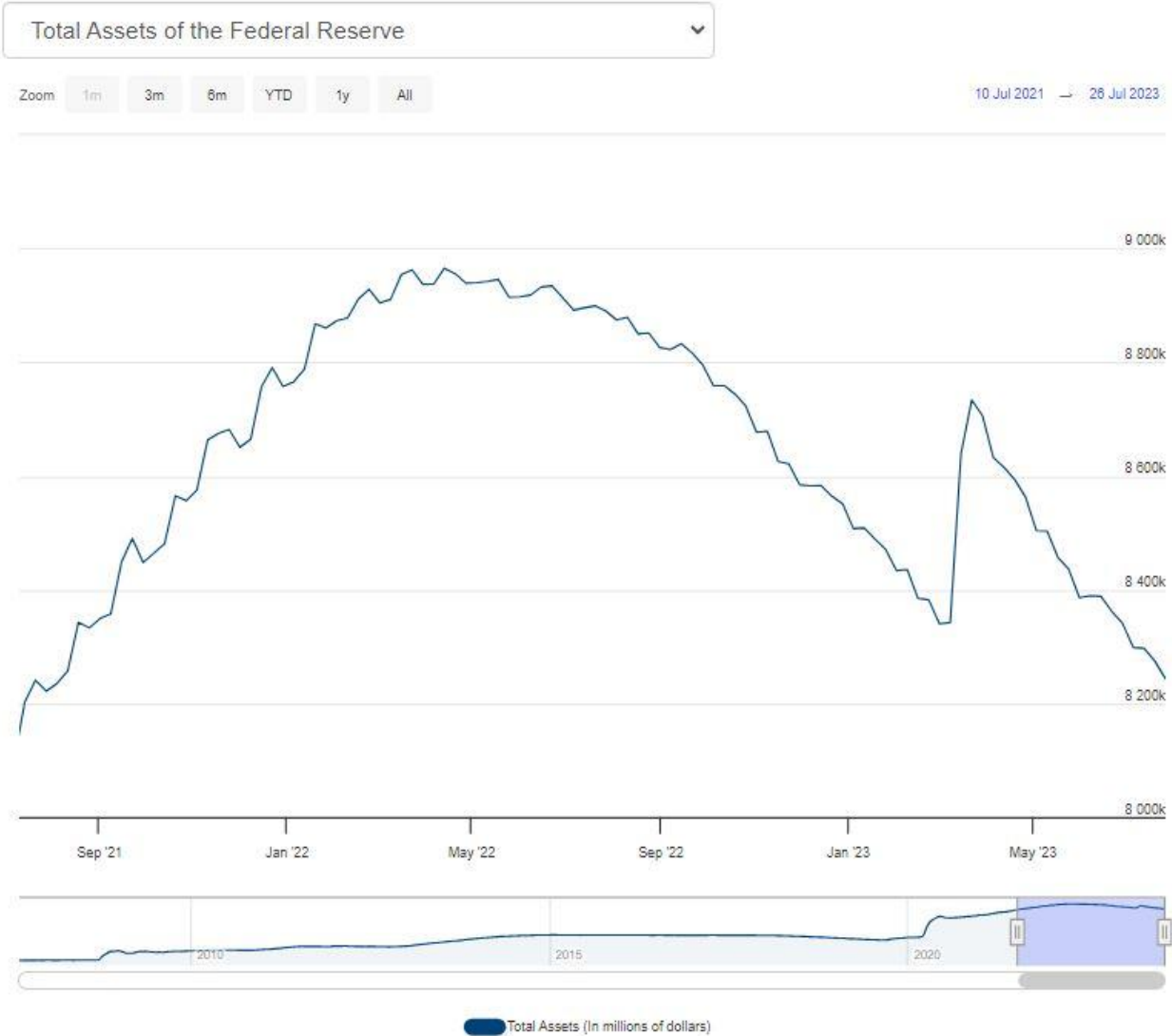
US 10 year Treasury daily chart as of July 28, 2023 - The 10 year Treasury saw continued selling lower Monday and Tuesday then paused on Wednesday just below its 20 day SMA. Thursday saw strong selling all day on big volume. Friday saw a bounce that recovered less than half of the prior day's losses.



US 10 year Yield daily chart as of July 28, 2023 - As the 10 year Treasury sold off this week the Yields rose in their inverse relationship with a small decline Wednesday and huge spike up Thursday. Friday saw a small pull back to end the week at 3.69% Yield.

Date	1 Mo	2 Mo	3 Mo	4 Mo	6 Mo	1 Yr	2 Yr	3 Yr	5 Yr	7 Yr	10 Yr	20 Yr	30 Yr
07/03/2023	5.27	5.40	5.44	5.52	5.53	5.43	4.94	4.56	4.19	4.03	3.86	4.08	3.87
07/05/2023	5.28	5.38	5.44	5.51	5.52	5.40	4.94	4.59	4.25	4.11	3.95	4.17	3.95
07/06/2023	5.32	5.47	5.46	5.52	5.54	5.44	4.99	4.68	4.37	4.22	4.05	4.23	4.01
07/07/2023	5.32	5.47	5.46	5.52	5.53	5.41	4.94	4.64	4.35	4.23	4.06	4.27	4.05
07/10/2023	5.34	5.47	5.48	5.53	5.54	5.38	4.85	4.54	4.25	4.14	4.01	4.24	4.05
07/11/2023	5.35	5.48	5.49	5.53	5.55	5.44	4.88	4.52	4.24	4.13	3.99	4.22	4.03
07/12/2023	5.36	5.49	5.47	5.52	5.53	5.35	4.72	4.36	4.07	3.97	3.86	4.14	3.96
07/13/2023	5.37	5.50	5.47	5.51	5.49	5.27	4.59	4.21	3.93	3.85	3.76	4.07	3.90
07/14/2023	5.37	5.49	5.49	5.53	5.52	5.34	4.74	4.35	4.04	3.94	3.83	4.11	3.93
07/17/2023	5.37	5.51	5.49	5.53	5.52	5.33	4.74	4.34	4.02	3.91	3.81	4.10	3.94
07/18/2023	5.37	5.50	5.49	5.53	5.51	5.32	4.74	4.35	4.00	3.90	3.80	4.08	3.91
07/19/2023	5.37	5.51	5.49	5.54	5.51	5.32	4.74	4.34	3.98	3.87	3.75	4.01	3.84
07/20/2023	5.44	5.53	5.49	5.54	5.52	5.35	4.80	4.43	4.08	3.98	3.85	4.10	3.91
07/21/2023	5.43	5.54	5.50	5.54	5.53	5.35	4.82	4.44	4.09	3.97	3.84	4.10	3.91
07/24/2023	5.44	5.54	5.51	5.55	5.55	5.38	4.81	4.48	4.13	4.00	3.86	4.11	3.92
07/25/2023	5.46	5.54	5.51	5.55	5.57	5.38	4.85	4.53	4.15	4.05	3.91	4.14	3.95
07/26/2023	5.46	5.53	5.51	5.57	5.55	5.37	4.82	4.47	4.09	3.99	3.86	4.12	3.94
07/27/2023	5.47	5.55	5.51	5.58	5.56	5.40	4.91	4.58	4.24	4.13	4.01	4.26	4.06
07/28/2023	5.47	5.54	5.52	5.57	5.54	5.37	4.87	4.52	4.18	4.08	3.96	4.22	4.03

US Yield Rates daily table as of July 28, 2023 - This week we saw the Fed raise its short term rate by an additional 25 basis points. From the table above, you can see that both short term, midterm and long term rates increased this week. The 10 year minus 2 year Yield rate 'Inversion' continues this week as it has for over one full year now.



FOMC Balance Sheet weekly chart as of July 26, 2023 - The Fed decreased its Balance Sheet this week by \$31.208 Billion to a new Total Assets of \$8.243344 Trillion. The total declines we have seen in July come to \$97.570 Billion. The Fed's Balance Sheet remains above \$8.2 Trillion where it has been for about two years now.

Next we will look at a few key Sectors.



Dow Transportation Index daily chart as of July 28, 2023 - The Transports pulled back a little on Monday and paused Tuesday. Wednesday saw a strong rally to new 52 week highs. Thursday saw a decline that gave back about half of the prior day's advances. Friday saw a continued rally to new 52 week highs, ending the week up +2.85%.



XLE daily chart as of July 28, 2023 - The Energy sector saw its rally continue Monday above its 200 day SMA and continue higher Tuesday. Wednesday saw an 'Inside' day. Thursday saw a gap up and selling all day that still delivered a higher high and higher low as compared to the prior day. Friday saw a lower high and lower low that retested the 200 day SMA as support before closing higher for the day, ending the week up +1.84%.



XLF daily chart as of July 28, 2023 - The Financial Sector continued its rally on Monday with a higher high and higher close than the strong prior week. Tuesday saw a narrow 'Inside' day. Wednesday saw a stronger day that failed to exceed Monday's highs. Thursday saw strong selling to new lows for this week. Friday gapped up but also sold lower to deliver new lows for this week but with a slightly higher close to end the week down -0.17%.



QQQ daily chart as of July 28, 2023 - The Nasdaq-100 ETF delivered new 52 week highs last week before declining the 2nd half of last week. The Decline continued a little on Monday with lower lows. Tuesday saw a small rally. Wednesday saw a pull back and pause before reacting to the Fed. Thursday saw a large gap up and selling all day. Friday saw a gap up with some follow through higher the first 2

hours. After a one hour pause, we saw a drop for 1 hour followed by a bounce for an hour to end the day not too far below its highs seen that day, ending the week up +2.09%.



SOXX daily chart as of July 28, 2023 - The Semiconductor Sector saw a sharp decline to its 20 day SMA last week. This week we see a pause near the 20 day SMA on Monday followed by a small rally on Tuesday. Wednesday saw a pull back to the 20 day SMA. Thursday saw a gap up and rally that nearly tested last week's highs before selling off the last 3 hours of the day that only filled about half of that day's opening gap. Friday saw another gap up with follow through higher to deliver new 52 week high mid-day before pulling back a little to end the week up +4.39%.



XLC daily chart as of July 28, 2023 - The Communication Services sector saw a sharp decline the last 2 days of last week. Monday and Tuesday of this week saw a pause near its 20 day SMA. Wednesday saw a gap up and a pause near the open. Thursday saw a larger gap up at the open to deliver a new 52 week high before selling all day but failed to fully fill that day's gap. Friday saw a small gap up and small rally to recover a large portion of the prior day's selling, ending the week up +4.96%.

INDEXes	Week Ending	Week Ending	Week Ending	Week Ending	Week Ending	Week Ending	Week Ending
SECTORS	6/16/2023	6/23/2023	6/30/2023	7/7/2023	7/14/2023	7/21/2023	7/28/2023
\$SPX	2.58%	-1.39%	2.35%	-1.16%	2.42%	0.69%	1.01%
\$INDU	1.25%	-1.67%	2.02%	-1.96%	2.29%	2.08%	0.66%
\$COMPQ	3.25%	-1.44%	2.19%	-0.92%	3.32%	-0.57%	2.02%
\$RUT	0.52%	-2.87%	3.68%	-1.27%	3.56%	1.51%	1.09%
QQQ	3.79%	-1.33%	1.90%	-0.86%	3.50%	-0.91%	2.09%
\$TRAN	3.86%	-0.71%	5.73%	0.19%	1.72%	2.56%	2.85%
XLE	-0.58%	-3.49%	4.93%	-0.47%	0.82%	3.50%	1.84%
XLF	1.30%	-2.06%	2.96%	-0.36%	1.96%	2.95%	-0.17%
XLK	4.33%	-2.42%	3.09%	-1.52%	2.79%	0.08%	1.03%
SOXX	4.24%	-4.49%	4.65%	-2.54%	4.81%	-1.44%	4.39%
XLV	1.37%	0.25%	0.55%	-2.81%	2.09%	3.45%	-0.77%
XLY	3.21%	-0.36%	2.64%	-0.26%	3.28%	-2.25%	1.04%
XRT	2.12%	-0.83%	3.11%	0.19%	2.10%	1.27%	1.76%
XLI	2.98%	-1.67%	3.91%	-1.04%	2.27%	0.87%	0.56%
XLU	1.37%	-2.60%	0.63%	-0.08%	2.23%	2.41%	-2.07%
XME	2.86%	-1.73%	4.37%	-0.57%	2.04%	0.16%	1.99%
XLP	2.13%	-0.49%	0.53%	-0.96%	1.12%	1.82%	0.62%
XLB	3.48%	-2.07%	4.02%	-1.97%	2.49%	0.59%	1.81%
XLC	2.45%	-0.92%	1.59%	-0.05%	3.23%	-2.37%	4.96%
XHB	2.38%	0.75%	4.48%	-2.93%	7.12%	-1.21%	2.38%

Weekly Percent Change US Indexes and Sectors table as of July 28, 2023 - We saw small advances this week in most indexes, smaller than seen two weeks ago. The Nasdaq Composite and Nasdaq-100 saw the strongest advances this week as compared to the other Indexes. The 13 day string of higher closes seen in the Dow Industrials ended on Thursday this week with a lower close.

The strongest Sector this week was the XLC that was mostly driven higher by positive Earnings reactions seen in GOOGL, META and CMCSA. The SOXX was the 2nd strongest sector this week and was driven by positive Earnings reactions seen in KLAC and INTC. The Leading sectors this week included: XLC, SOXX, Transports, and XHB.

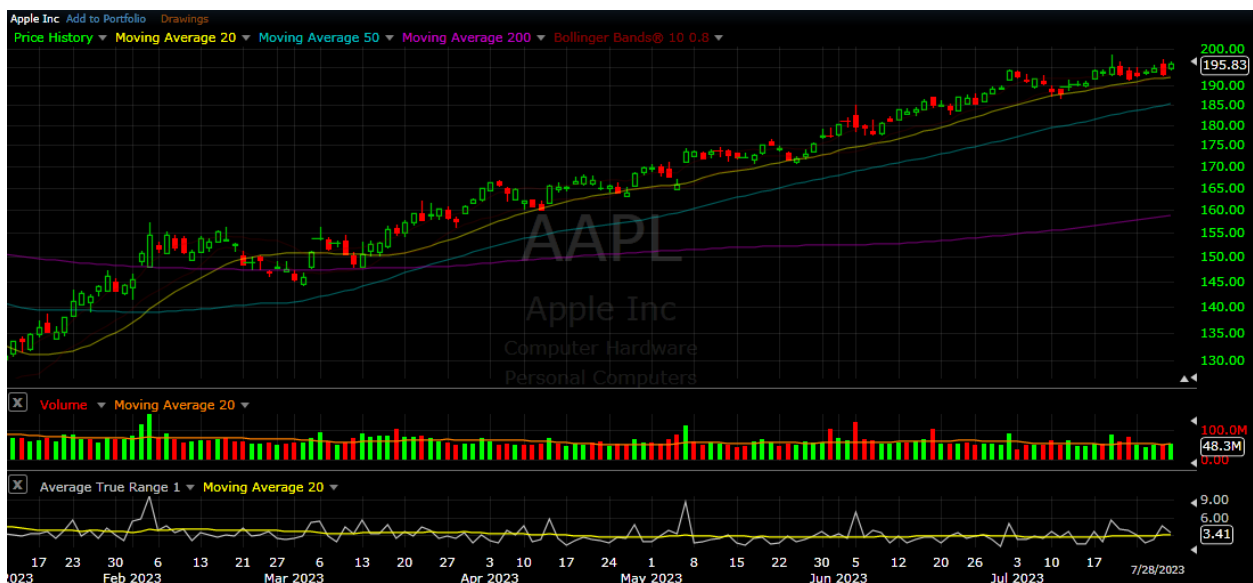
The weakest sectors that were all down for this week included: XLU, XLV and XLF.

Note how both the XLF and the XLV went from one of the stronger sectors last week to one of the weakest this week. Also note how both the XLC and SOXX went from being one of the weaker sectors last week to the strongest sectors this week. THIS is common and is Important to Identify. When we identify market leadership, those sectors (and stocks within them) can lead the markets in either direction, up or down. Knowing who the leaders are and keeping a close eye on their behaviors (charts) can improve our odds and provide stronger performance when we are able to catch a ride with those names that can really MOVE. As a trend follower, that is our objective.

INDEXes SECTORS	Mon	Tue	Wed	Thur	Fri	Mon	Tue	Wed	Thur	Fri
	End of Day 07/17/23	End of Day 07/18/23	End of Day 07/19/23	End of Day 07/20/23	End of Day 07/21/23	End of Day 07/24/23	End of Day 07/25/23	End of Day 07/26/23	End of Day 07/27/23	End of Day 07/28/23
\$SPX	0.39%	0.71%	0.24%	-0.68%	0.03%	0.40%	0.28%	-0.02%	-0.64%	0.99%
\$INDU	0.22%	1.06%	0.31%	0.47%	0.01%	0.52%	0.08%	0.23%	-0.67%	0.50%
\$COMPQ	0.93%	0.76%	0.03%	-2.05%	-0.22%	0.19%	0.61%	-0.12%	-0.55%	1.90%
\$RUT	1.05%	1.27%	0.45%	-0.89%	-0.35%	0.28%	0.02%	0.72%	-1.29%	1.36%
QQQ	0.93%	0.82%	-0.02%	-2.31%	-0.30%	0.16%	0.68%	-0.32%	-0.24%	1.82%
\$TRAN	-0.01%	2.01%	0.79%	-0.03%	-0.20%	-0.22%	-0.11%	2.73%	-1.28%	1.75%

Daily Percent Change US Indexes table as of July 28, 2023 - We saw daily changes in leadership with the Transports showing weakness on Monday and Tuesday followed by strength on Wednesday. The QQQ oscillated between strength Tuesday, weakness Wednesday and back to strength on Thursday (relative strength). The Dow Industrials showed strength Monday and weakness on Friday.

Next we will look at a few key Stocks.



AAPL daily chart as of July 28, 2023 - Apple continues its 4-month + rally above its 20 day SMA, delivering new all time highs last week. Apple saw an Inside day on Monday and Tuesday as it paused its trend. Wednesday saw a higher high and higher low. Thursday saw a gap up and selling all day that failed to reach last week's highs nor deliver new lows for this week. Friday saw a gap up with a bit of follow through higher to end the week up +2.03% and still above its 20 day SMA. Apple reports Earnings next week on Thursday after the close.



MSFT daily chart as of July 28, 2023 - Microsoft saw and Inside day on Monday and a small rally Thursday before reporting Earnings after the close on Tuesday. Markets reacted negatively to Earnings and Wednesday saw a gap down below the 20 day SMA and a test of the 50 day SMA as support. Thursday saw lower highs and lower lows to close the day below the 50 day SMA. Friday saw a gap up with follow through higher back above its 50 day SMA to end the week down -1.57%.



GOOGL daily chart as of July 28, 2023 - Alphabet saw a decline last week crossing below its 50 day and 20 day SMAs. Monday and Tuesday saw a small bounce and pause near the 50 day SMA before reporting Earnings Tuesday after the close. Markets reacted with a strong positive gap up on Wednesday to deliver new 52 week highs where it paused most of the day. Thursday saw a gap up to new 52 week highs and a decline the last 3 hours to fill that day's gap. Friday saw a gap up, pause then a small rally mid day to deliver more new 52 week highs before pulling back a little to end the week up +10.46%.



AMZN daily chart as of July 28, 2023 - Amazon saw a decline the last half of last week, crossing below its 20 day SMA that continued lower Monday of this week before pausing on Tuesday. Wednesday saw a gap down and bounces that about filled the opening gap before closing the day lower. Thursday saw a gap up and pause before selling lower and filling that day's gap in the last 3 hours. Friday saw another gap up but with follow through higher this day to deliver a new high for this week mid day on Friday before pulling back a little to end the week up +1.70% and back above its 20 day SMA. Amazon reports Earnings next week on Thursday after the close.



TSLA daily chart as of July 28, 2023 - Tesla saw a negative reaction to Earnings last week. On Monday we saw a lower low with a higher close to signal last week's decline was possibly over. Tuesday saw a higher high near the 20 day SMA and a higher low but with a lower close. Wednesday saw a narrow range day lower than the prior day. Thursday saw a small gap up that was filled in the first hour and sold off the last 3 hours of the day to nearly retest Monday's lows. Friday saw a gap up with follow through higher to recover a lot of the prior day's decline, ending the week up +2.47% but still below its 20 day SMA.



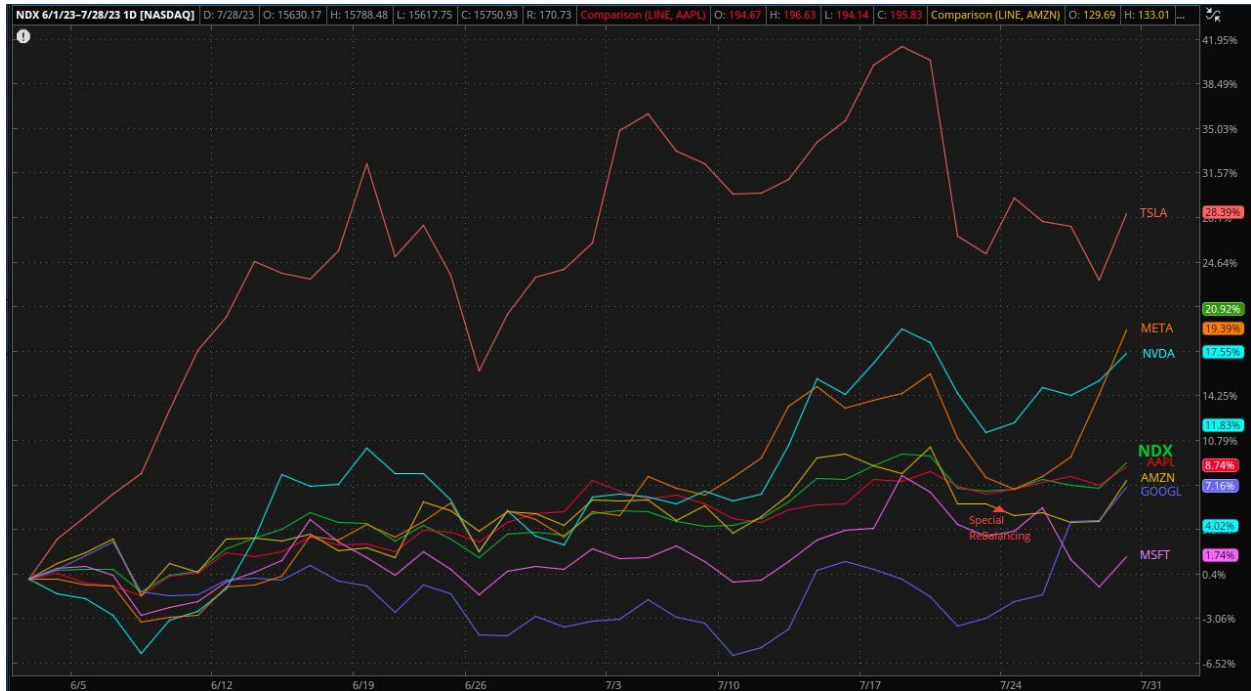
NVDA daily chart as of July 28, 2023 - Nvidia saw a decline the last half of last week to nearly its 20 day SMA. Monday saw a narrow range day near the prior day's close. Tuesday saw a small rally higher. Wednesday saw some oscillations below the prior day's highs. Thursday saw a gap up and rally mid day to higher highs then sold off the last 3 hours to fill about 70% of that day's gap. Thursday's highs failed to retest the prior week's highs. Friday saw a gap up and mostly horizontal oscillations to end the week up +5.51%.



META daily chart as of July 28, 2023 - Meta saw a decline the last 2 days of last week that continued lower on Monday of this week. Tuesday saw a narrow range day that remained below its 20 day SMA. Wednesday saw a small gain and close a few cents above its 20 day SMA. Meta reported Earnings Wednesday after the close and saw a positive reaction with a large gap up on Thursday to new 52 week highs before slowly selling lower all day to fill about 50% of its opening gap. Friday saw a small gap up with a follow through rally higher to deliver new 52 week highs mid day then pausing the rest of the day to end the week up +10.61%.

With Both META and GOOGL delivering over +10% gains this week, it is of little surprise the XLC was the strongest sector this week.

Let see how these 7 big stocks have done since June 1st this year. We chose June 1st to focus on the most recent half of the trend activity we have seen in the NDX since March 13th.



NDX vs. Bigg7 Percent change since June 1st daily chart as of July 28, 2023 -

Symbol	% Change since June 1 st
NDX	9.07%
TSLA	28.39%
META	19.39%
NVDA	17.55%
AAPL	8.74%
AMZN	7.69%
GOOGL	7.16%
MSFT	1.74%



JPM daily chart as of July 28, 2023 - JP Morgan continued last week's rally on Monday and delivered new 52 week highs. Tuesday saw an 'Inside' day that continued with a mostly horizontal pause the rest of this week, ending the week up +1.26%.



GS daily chart as of July 28, 2023 - Goldman Sachs continued last week's rally on Monday this week with higher highs. The next 3 days saw a pause that remained inside of Monday's range. Friday saw a small decline with lower lows and a lower close to end the week up +0.36%.



COST daily chart as of July 28, 2023 - Costco continued its rally this week with higher highs and new 52 week highs every day this week except on Friday. Thursday saw a wide range down day that was partially recovered on Friday, ending the week up +0.98%.



INTC daily chart as of July 28, 2023 - Intel continued its pause just above its 20 day SMA on Monday and Tuesday this week. Wednesday saw a little rally with a higher high and higher low. Thursday gapped up to deliver a higher high and higher low before reporting Earnings after the close. Friday saw a large gap up reaction that nearly retested the prior highs from June 20th. Intel ended the week up +8.26%.



MU daily chart as of July 28, 2023 - Micron remained below its 50 day SMA most all of last week and continued that pattern this week after briefly making a higher high on Monday and closing below its 50 day SMA on Monday and Tuesday. Wednesday saw a strong rally, crossing above its 50 day SMA and delivering new highs for the week. Thursday saw a large gap up, paused for an hour then rallied higher the next 3 hours to deliver a new high for this week before pulling back a little for an hour. Thursday's high failed to reach the prior high seen on May 30th. Friday saw an 'Inside' day to end the week up +8.45%.

With gains this week of over +8% in both INTC and MU, you can see why the SOXX sector was the second strongest sector this week.



WMT daily chart as of July 28, 2023 - Walmart continued last week's rally Monday, Tuesday and Wednesday this week with an 'Inside' day seen on Thursday. Friday saw more new all time highs for WMT to end the week up 0.97%.



FDX daily chart as of July 28, 2023 - Fedex tested support near its 20 day SMA on both Monday and Tuesday while closing above this SMA on both days. Wednesday saw a rally to new 52 week highs that continued higher Thursday with more new 52 week highs but a lower close. Friday saw an 'Inside' day with a higher close to end the week up +3.54%.



SLB daily chart as of July 28, 2023 - Schlumberger reported Earnings last week on Friday before the open with initially a negative reaction. This week saw a 3 day rally to recover all of that negative reaction and deliver higher highs on Wednesday. Thursday saw some oscillations and then steady selling the last 3 hours of the day. Friday saw a narrow range day near the prior day's close to end this week up +2.04%.

We saw several examples this week of strong stocks with strong positive reactions to Earnings driving their sectors higher. Tracking the strongest names in the strongest sectors continues to be an effective way of improving your odds of riding the trends you target, and sometimes catching the stronger moves.

The best way to improve your skills observing market actions seen in the charts is with Practice, Practice, and Practice. With several big names scheduled to report Earnings next week, there is likely to be some more reactions that could be worth riding.

Trade Smart,

CJ