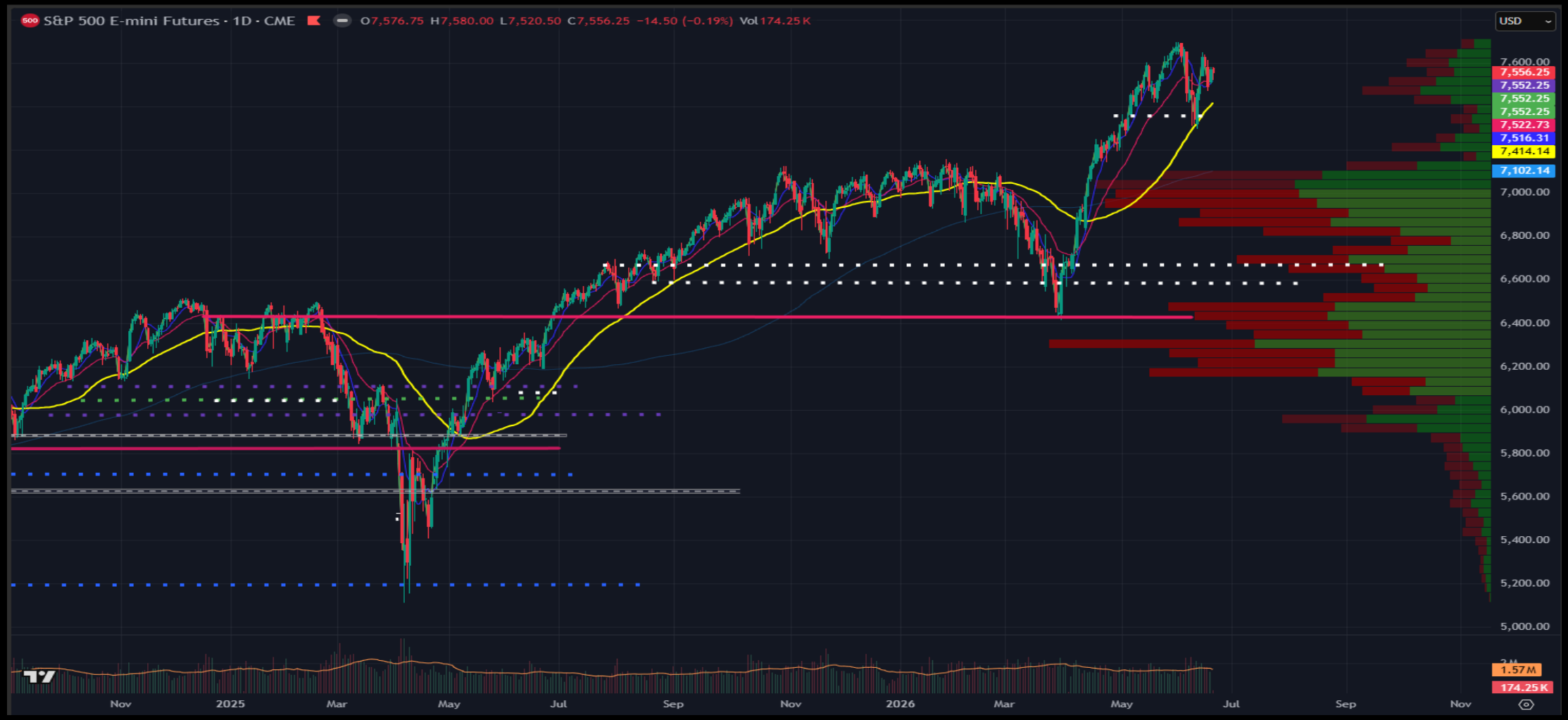
Technical View

@toglesby27

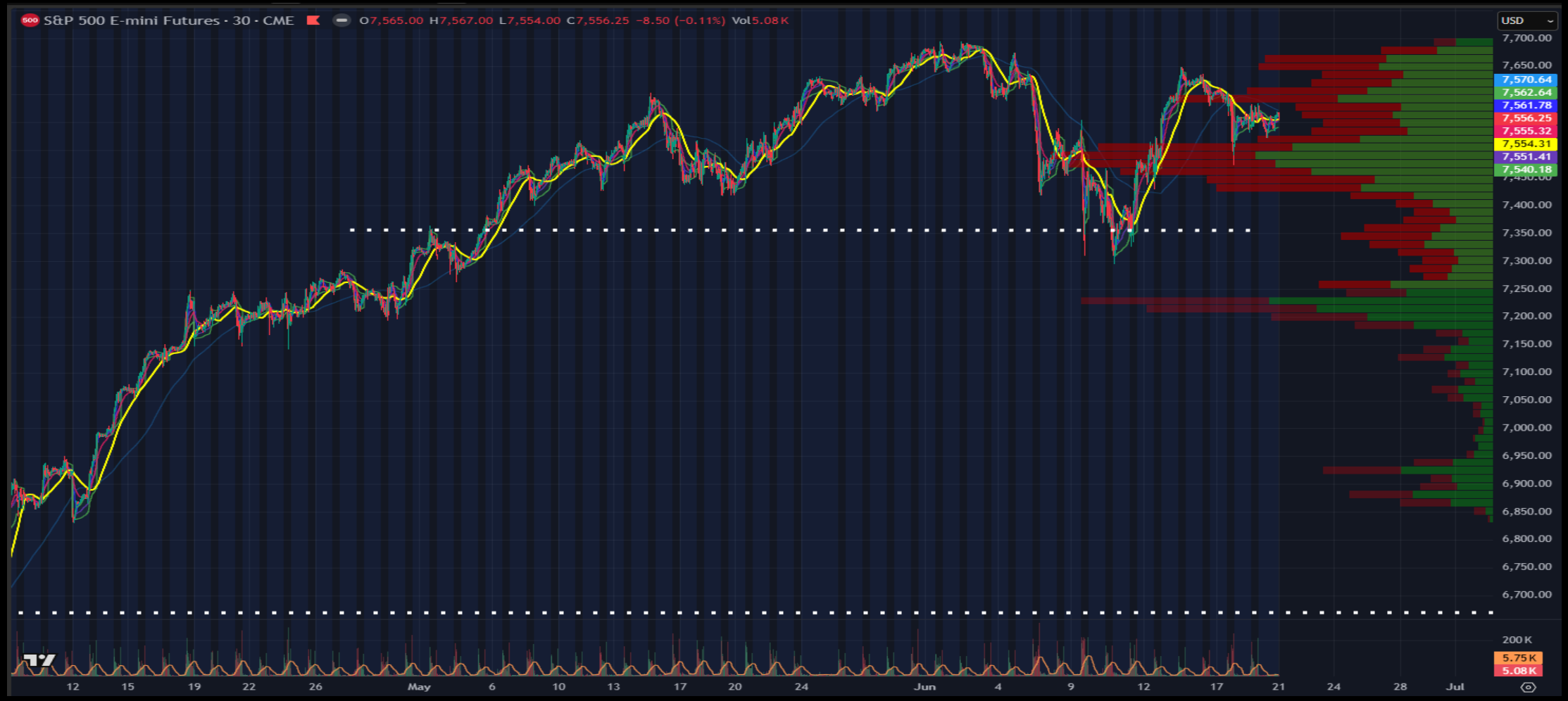
- 6/21/26 – Bull market and consolidating near the highs following a strong move up. A mild pullback against the backdrop of rotation, solid breadth and most sectors looking healthy. “Don’t fight” continues to be the mantra of this market.

- Primary levels –
- ES – Now 200+ handles above key support at 7350, with small support near 7520 and 7475. The only real resistance is near recent highs.
- NQ – has formed decent support higher at 30,050 with key support at 29075 and 28,600. Again – the only resistance is old highs near 31,000.
- RTY – consolidating at the highs. Small support at 2958 and 2940 and major support at 2810. Only modest resistance at recent highs.

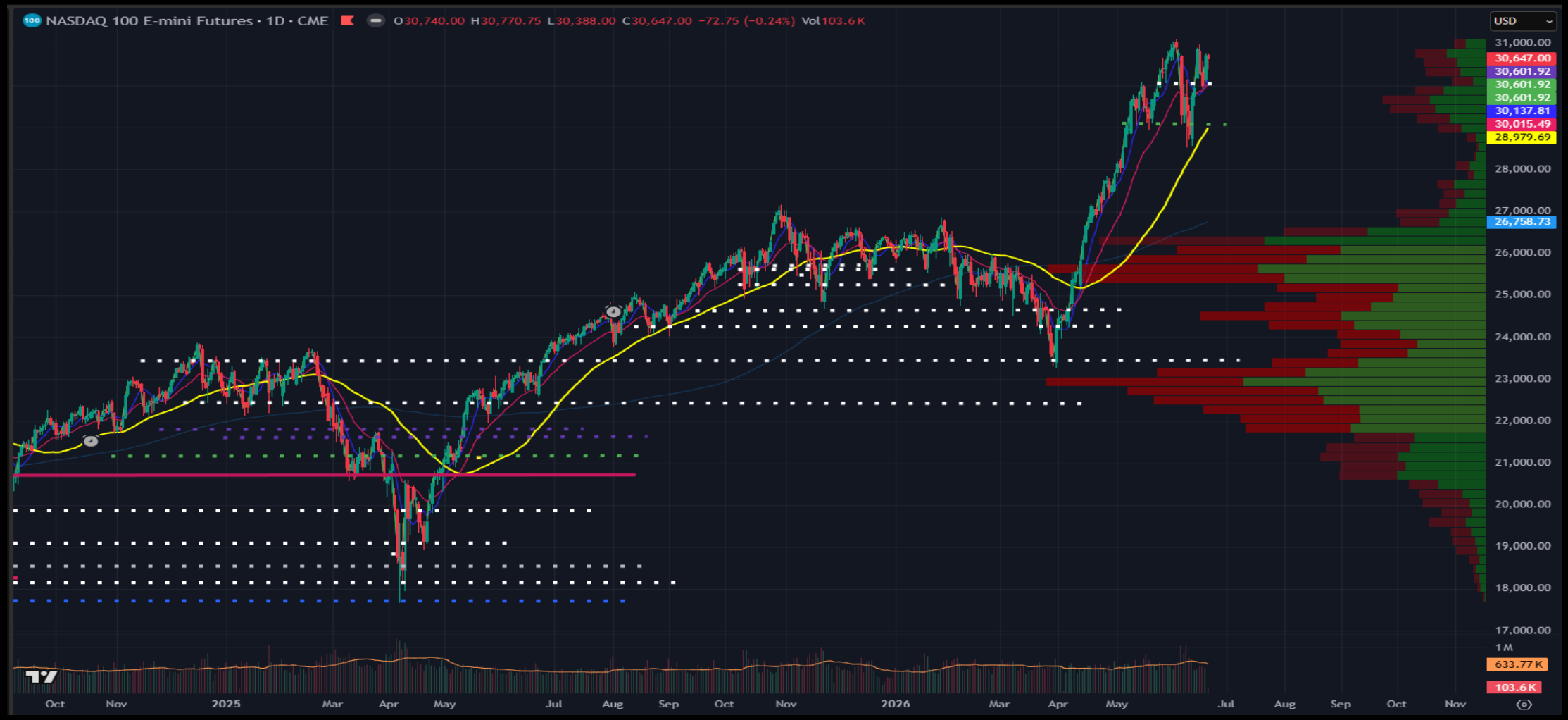
ES daily – Some constructive consolidation after the previous weeks strong rally from a failed breakdown.



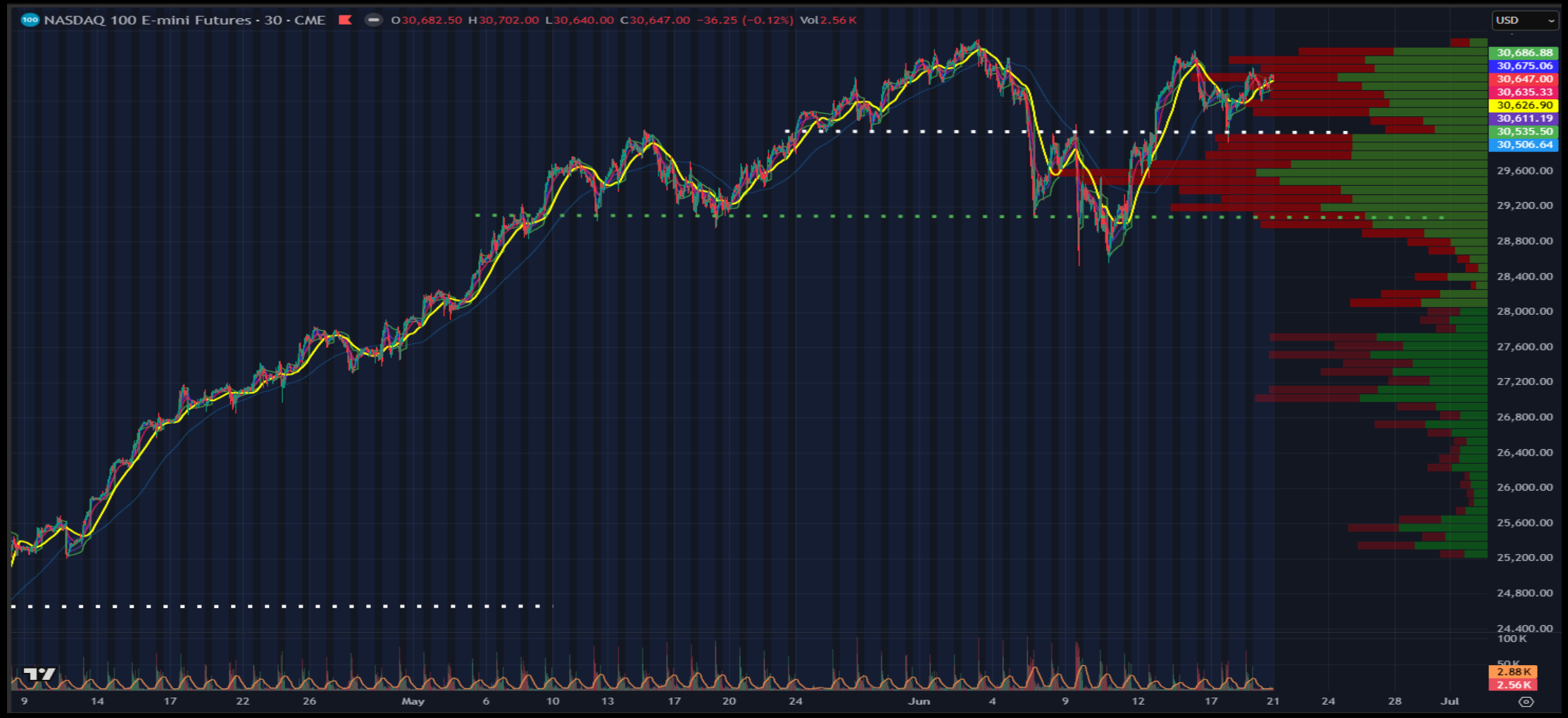
ES – Short term – 30 minute. Necessary back and fill. The high-volume node served as higher support. This looks very healthy.



NQ Daily – NQ has formed a clearer, higher support level than ES, and is likewise doing some healthy consolidation after a large bounce.



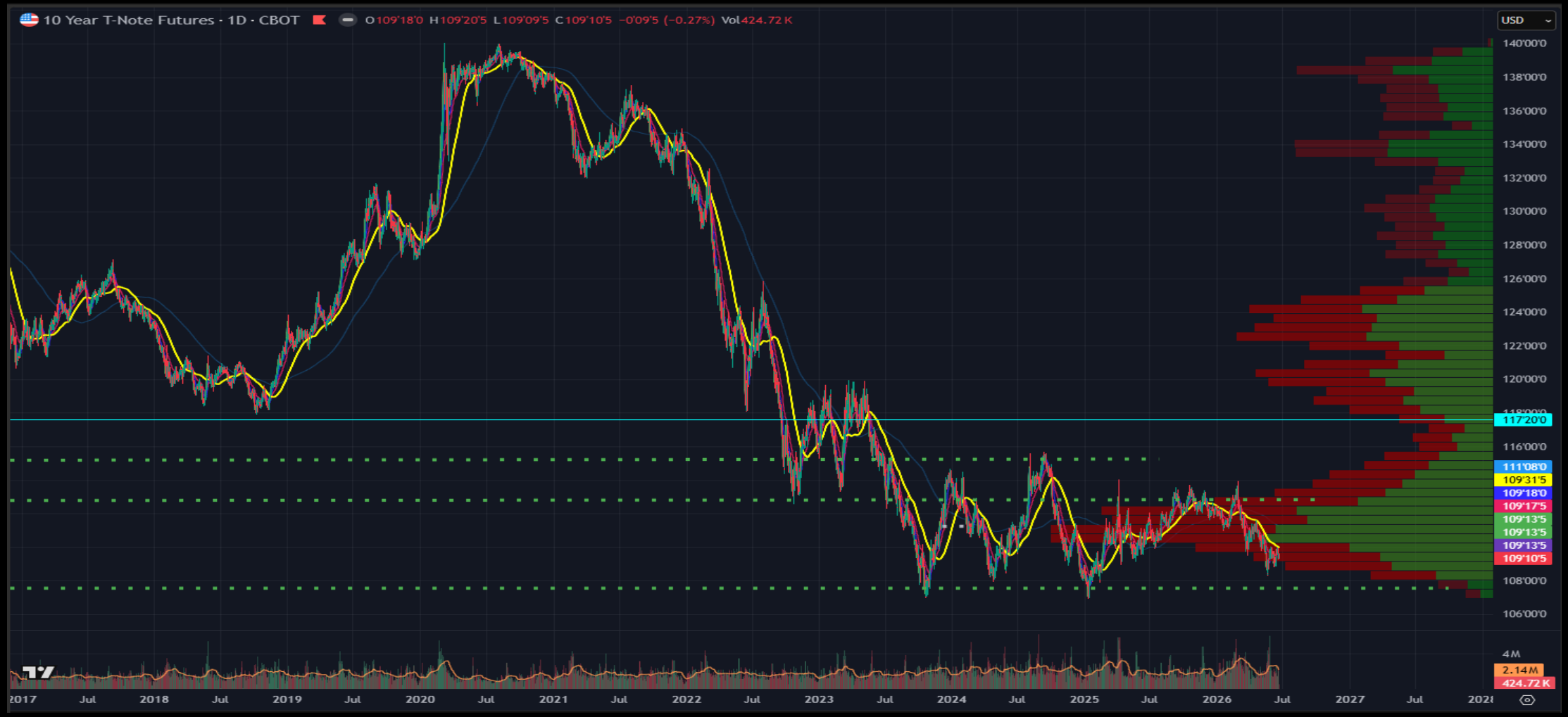
NQ – short term – 30 minute – The low volume node is quite clear, and is now being respected.



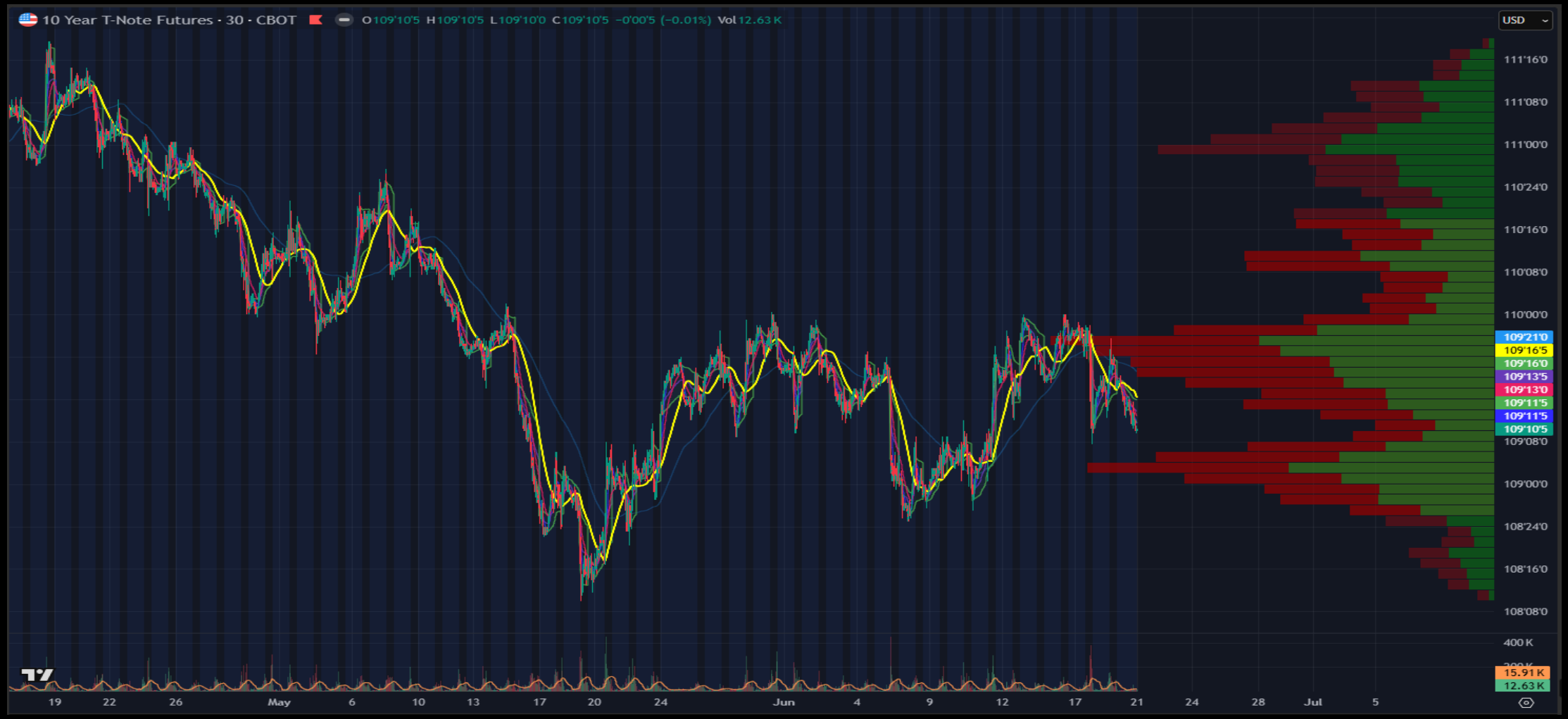
RTY – Consolidating at the highs.

Dollar Index – Could we break higher? A test of the very significant resistance level on Warsh's (brief) comments.

10 year treasury (prices) – Not a huge reaction here.



Bonds – Short term – 30 minute. The sharp move down did coincide with the Fed presser, but it was quickly recovered and this continues to just chop sideways.

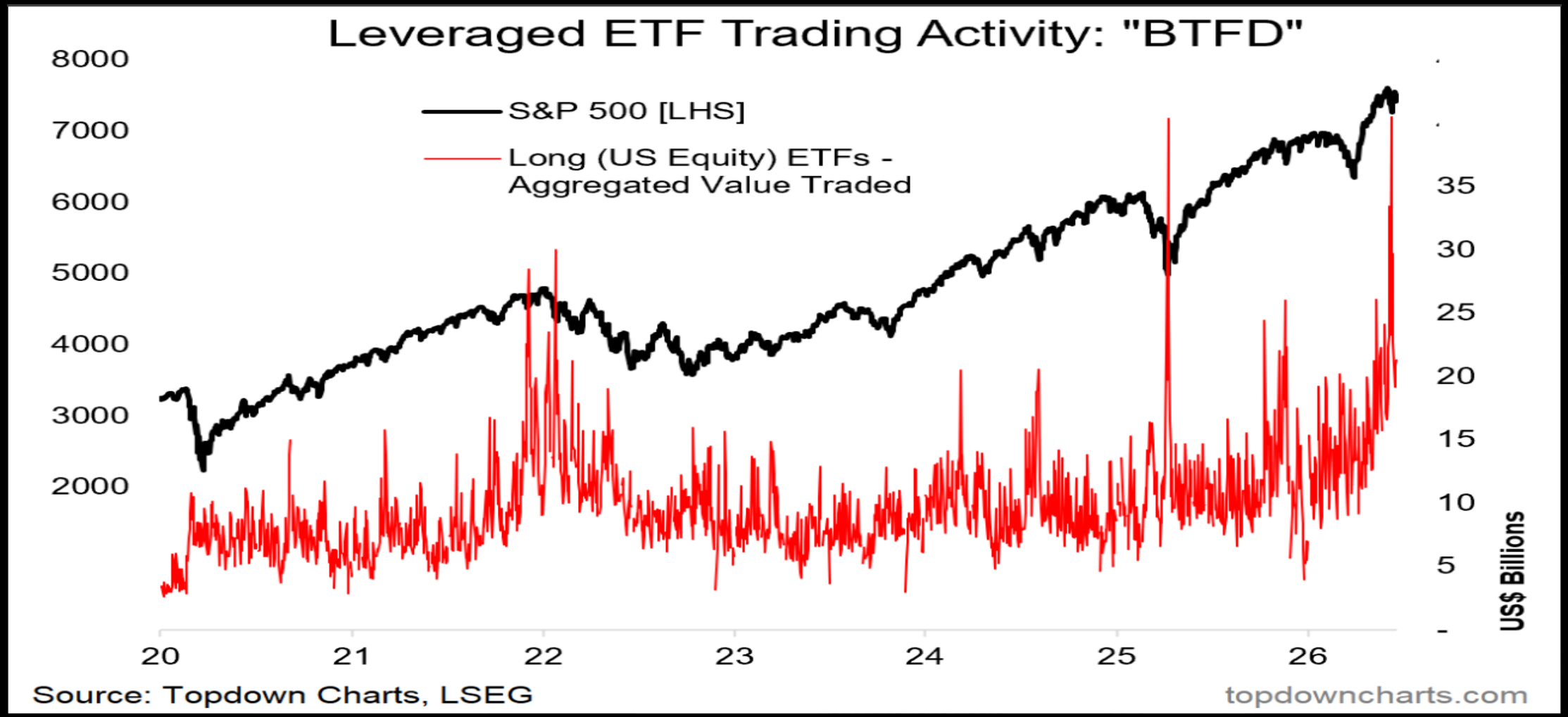


10-year yields – Monitor. This looks ok for now.

Overall view – Bullish with clear support levels and simply – a consolidation near the highs

Overall View – Last week – “Over the past few weeks there has been discussion of ‘Consolidation at the highs’ This is what that looks like.” Still.

Some selections from @topdowncharts this week. These spikes in buying leveraged ETFS previously were viewed to be climactic. Recent activity suggests the opposite.

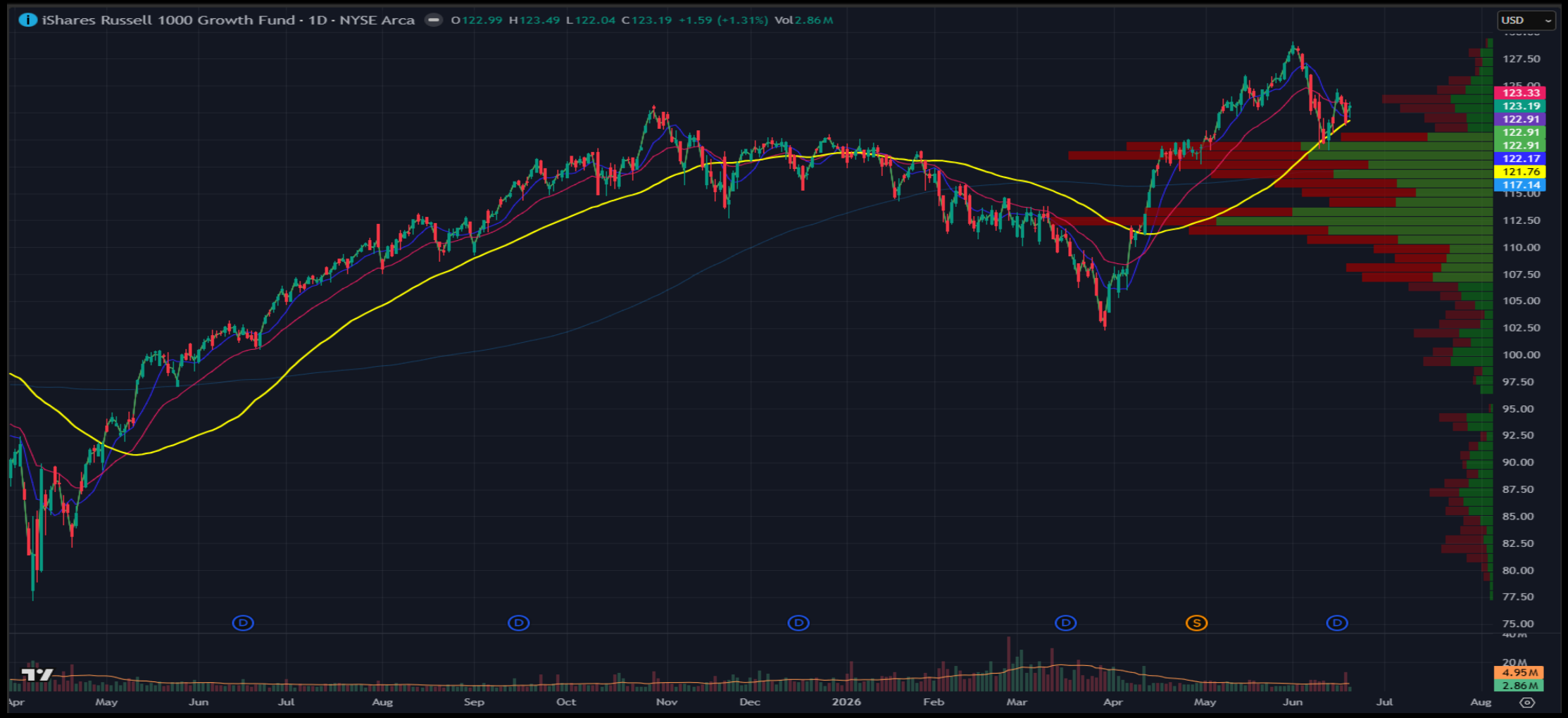


SPX ex Mag 7 outperforming the behemoths suggests rotation and is healthy.

Margin debt (controlling for money supply) is back near all time highs. This isn't viewed as a bearish indicator with any timing implications, but it does represent fuel for a move to the downside WHEN it happens.

Russell 1000 Value – This is fine

Russell 1000 Growth. The 50-day MA really looks to matter here.



China (FXI) – The last few weeks, the comment here has been simply “Hmmm”. And here it goes – following through to the downside.

EEM – Semis and South Korea and Taiwan, oh my! But it looks great.

Breadth - % of stocks above 200 MA – Breadth remains healthy.

SPX 1 Week Performance – Wow Semis. The pullback in Health Care is interesting, and Energy is following oil lower.

Crude – The very large range continues to make trading this quite difficult, but the it is respecting the levels. Around 76 held as support, and oil may well bounce from here on the resumption of hostilities over the weekend.

Brent Crude (BNO) – Brent made new low but seems to be respecting that high volume node. Depending on any bounce at the open, this could be a good entry point.

Natural Gas – ‘Change in character’ has been the watchword here since the spike. This is holding gains very well. Again.

Gold. (GLD) – may have found some support near the low end of the volume area. Still chopping sideways and still needs to do some work before getting bullish again.

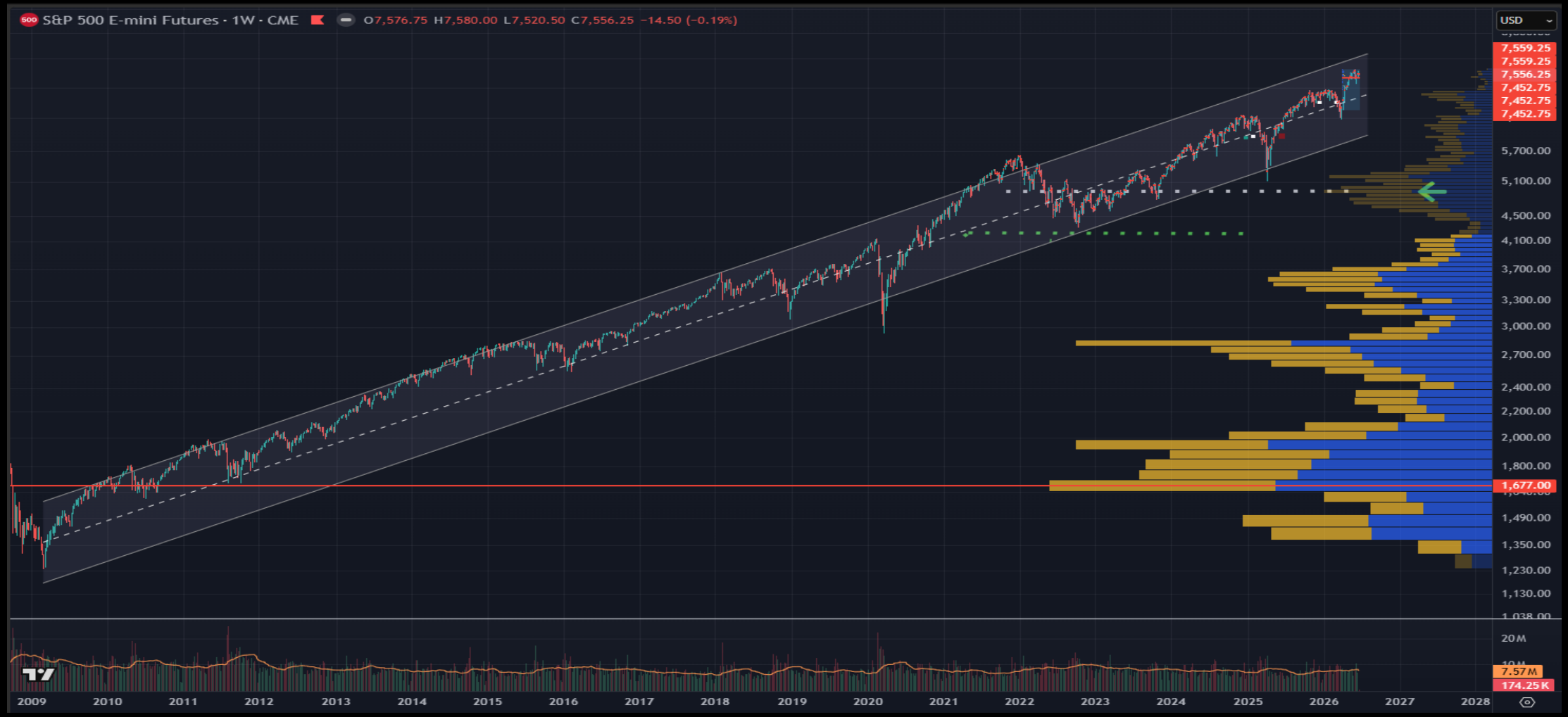
Bitcoin – The ‘measure of risk appetite’ is consolidating at the low end of the 2+ year range. It may take a lot to break lower, and smaller range and less volatility are the expectations going forward. Again.

Energy equities - These finally began to chase oil prices lower. Oil did find some support – are these buys here?

Technology ETFs – Semis are still the stars. Software is still challenged, and China is overriding KWEB.

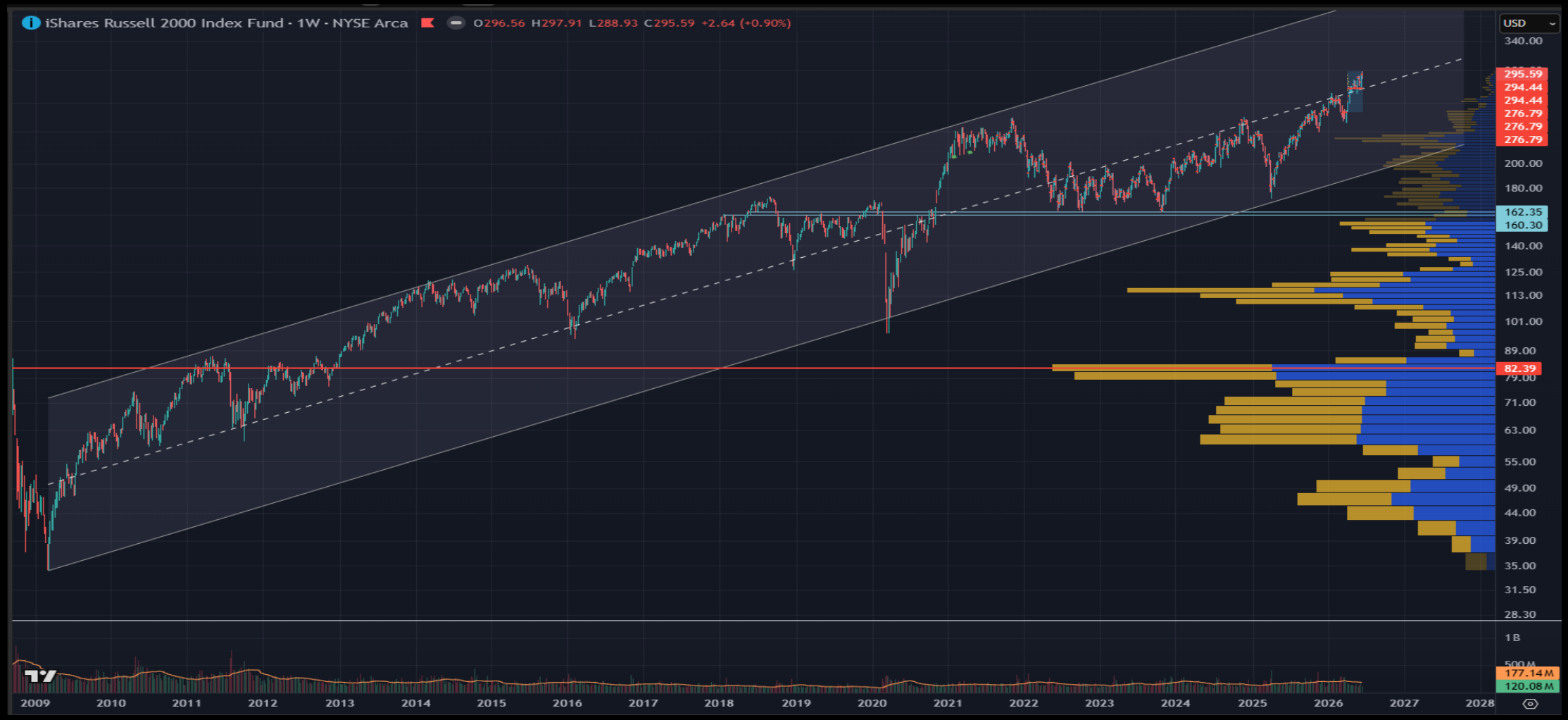
Key Sectors. Pullbacks in all but Industrials last week. Overall these look healthy though Health Care can't seem to get out of its own way.

Long term – IF/WHEN indexes break – there is ample room to the downside, just to test the low end of the trend channel that has been in place since the 09 bottom.



Long term – NQ is breaking out of the redrawn long-term trend channel exceeding even the highs of the 2021 bull market on a trend basis.

Small caps – (IWM) Also with plenty of room to the downside.



Summary

- Some consolidation after the large bounce following the test of key support. This continues to look like a bull market with a constant bid for equities. Breadth looks healthy, the rotation while consolidating near highs looks good, and dips are continually bought. Don’t fight.
- China equities did break down last week, and they stand out as being weak when looking across the globe.
- Oil is back to lows of the recent trading range, but has held (near) support so far. The open this evening will be interesting. Rumors are starting to change about the extent of the damage to the global supply chain. The range remains exceedingly wide.
- The Dollar is testing resistance following hawkish Fed comments.