

Tech Talk for Saturday June 28th 2025

The Bottom Line

All-time highs for the S&P 500 Index and NASDAQ Composite Index were recorded on Friday!

What about a summer rally by U.S. equity indices this year? According to www.EquityClock.com, “The market may be setup for a move higher going into the new quarter. Stocks have tended to produce gains, on average, between June 27th and July 17th in what is often referred to as the summer rally. The S&P 500 Index has chalked up an average return of 1.39% during this timeframe and has been positive in 70% of the periods over the past 50 years. During years when the market is positive, year-to-date, heading into this seasonally strong period, as is the case this year, the results are slightly better with an average return of 1.56% over the approximately three-week span with only eight times in past 33 instances realizing a decline. There is certainly an improved likelihood of success during this mid-year period of strength ahead with buying demand ingrained. Funds typically flow into the market at the start of the month, quarter, and second half of the year, so long as the market environment remains positive”.

After the close on Friday **U.S. bank stocks and related ETFs** rallied following release of the Federal Reserve’s stress test results on their reserves. Most banks showed a greater than previous result and are expected to receive approval on Tuesday to increase their share buyback programs. Large U.S. Bank iShares (KBE) advanced \$1.01 to \$56.75.

OOPs! Near the close on Friday President Trump announced **end of U.S. trade talks with Canada** citing Canada’s extension of its recently introduced digital service tax. The Canadian Dollar quickly dropped 0.40 to US72.97 cents.

Consensus for Earnings and Revenues for S&P 500 companies

Source: www.factset.com

Analyst estimates for 2025 beyond the first quarter increased slightly during the past two weeks. Consensus for second quarter earnings gains increased to 5.0% from 4.9%. Consensus for second quarter revenue gains increased to 4.2% from 4.1%. Consensus for third quarter earnings gains increased to 7.3% from 7.2%. Consensus for third quarter revenue growth remained at 4.7%. Consensus for fourth quarter earnings gains increased to 6.4% from 6.2%. Consensus for fourth quarter revenue gains remained at 5.2%.

For all of 2025, earnings are expected to increase 9.1% versus 9.0% two weeks ago. Consensus for revenue gains slipped back to 4.9% from 5.0%.

For all of 2026, earnings are expected to increase 13.8%, up from 13.7% two weeks ago. Consensus for revenue gains remained at 6.3%.

Economic News This Week

Federal Reserve Chairman Powell speaks at 9:30 AM EDT on Tuesday

May U.S. Construction Spending is released at 10:00 AM EDT on Tuesday

June ISM Manufacturing PMI is released at 10:00 AM EDT on Tuesday

June U.S. Non-farm Payrolls released at 8:30 AM EDT on Thursday are expected to drop to 129,000 from 139,000 in May. **June Unemployment Rate** is expected to remain unchanged from May at 4.2%. **June Average Hourly Earnings** are expected to increase 0.3% versus a 0.4% gain in May.

May U.S. Trade Deficit is released at 8:30 AM EDT on Thursday

May Canadian Trade is released at 8:30 AM EDT on Thursday

May U.S. Factory Orders is released at 10:00 AM EDT on Thursday

June ISM Non-Manufacturing PMI released at 10:00 AM EDT on Thursday is expected to increase to 50.3 from 49.9 in May.

Selected Earnings News This Week

Tuesday: Constellation Brands

Trader's Corner

Example showing score for Consumer Discretionary iShares (XLY)

	Previous Score	New Score
Intermediate trend: Changed from neutral to up	0	2
Strength relative to S&P 500: Changed from negative to neutral	-2	0
Above/Below 20 day moving average: Changed from down to up	-1	1
Daily momentum (Stochastics, RSI, MACD): Remains up	1	1
Totals	-2	4

Equity Indices and Related ETFs

Daily Seasonal/Technical Equity Trends for June 27th 2025

Unit	Seasonal	Until	Trend	Relative Strength	20 Day MA	Momentum	Tech Score	Prev Score
SPX	Neutral	Oct.28	Up	Neutral	Above	Up	4	2
TSX	Neutral	Dec.14	Up	Negative	Above	Down	0	2
DJIA	Neutral	Sept.20	Up	Negative	Above	Up	2	
COMPQ	Positive	Aug.13	Up	Positive	Above	Up	6	4
IYT	Neutral	Sept.9	Up	Neutral	Above	Up	4	2
AORD	Positive	Aug.30	Neutral	Negative	Below	Up	-2	0
NIKK	Neutral	Nov.13	Up	Positive	Above	Up	6	4
IEV	Neutral	Feb. 8	Up	Neutral	Above	Up	4	
FXI	Neutral	Sept.29	Up	Neutral	Above	Up	4	
EEM	Neutral	Dec.11	Up	Neutral	Above	Up	4	6

Green: Increase from previous day

Red: Decrease from previous day

Source for all positive seasonality ratings: www.EquityClock.com

Commodities

Daily Seasonal/Technical Commodities Trends for June 27th 2025

Unit	Seasonal	Until	Trend	Relative Strength	20 Day MA	Momentum	Tech Score	Prev Score
CRB Index	Neutral	Feb.15	Up	Neutral	Below	Down	0	
Gasoline	Neutral	Dec.18	Up	Negative	Below	Down	-2	0
Crude Oil	Neutral	Jan.12	Up	Neutral	Below	Down	0	
Natural Gas	Neutral	Sept.3	Down	Negative	Below	Up	-4	-6
S&P Energy	Neutral	Dec.8	Up	Neutral	Above	Down	2	
Oil Services	Neutral	Dec.3	Up	Negative	Below	Down	-2	
Gold	Neutral	Dec.23	Up	Negative	Below	Down	-2	0
Silver	Neutral	Dec.23	Up	Negative	At	Down	-1	2
Gold Bug	Neutral	July 27	Up	Negative	Below	Down	-2	2
Platinum	Neutral	Dec. 9	Up	Positive	Above	Down	4	6
Palladium	Neutral	June 28	Up	Positive	Above	Up	6	
Copper	Neutral	Aug.8	Up	Positive	Above	Up	6	
Agribusiness	Neutral	Sept.28	Up	Negative	Above	Down	0	-2

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Red: Decrease from previous day

Sectors

Daily Seasonal/Technical Sector Trends for June 27th 2025

Unit	Seasonal	Until	Trend	Relative Strength	20 Day MA	Momentum	Tech Score	Prev. Score
XLK	Positive	Aug.31	Up	Positive	Above	Up	6	
XLB	Neutral	Sept.27	Up	Negative	Above	Up	2	
XLI	Neutral	Dec.24	Up	Negative	Above	Up	2	
XLY	Positive	Sept.12	Up	Neutral	Above	Up	4	-2
XLF	Neutral	July 7	Neutral	Neutral	Above	Up	2	
XLE	Neutral	Dec.8	Up	Neutral	Above	Down	2	
XLP	Neutral	Feb.9	Neutral	Negative	Below	Down	-4	
XLU	Positive	July 2	Up	Negative	Above	Up	2	
XLV	Positive	Aug.22	Up	Neutral	Above	Up	2	
XLC	Neutral	Jan.18	Up	Positive	Above	Up	6	
XLRE	Neutral	Nov.22	Up	Negative	Below	Down	-2	
TSX Financial	Neutral	July 12	Up	Neutral	Above	Up	4	
TSX Energy	Neutral	Mar 20	Up	Negative	Below	Down	-2	0
TSX Gold	Neutral	Nov.18	Up	Negative	Below	Down	-2	2
TSX Tech	Positive	Aug.31	Up	Neutral	Above	Up	4	
TSX B Metals	Neutral	Nov.28	Up	Positive	Above	Up	6	

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Changes last week

Index	Close	Change	Percent Change
SPX	6,173.07	205.23	3.44
TSX	26,692.32	194.75	0.73
INDU	43,819.27	1,612.45	3.82
COMPQ	20,272.46	825.05	4.24
TRAN	15,494.54	729.74	4.94
AORD	8,743.70	2.30	0.03
NIKK	40,150.79	1,662.45	4.32
IEV	63.15	1.94	3.17
FXI	36.81	0.30	0.82
EEM	48.09	1.76	3.80

Technical Notes for Friday

S&P 500 Index moved above 6,147.43 to an all-time high extending an intermediate uptrend.



Industrial SPDRs (XLI) moved above \$145.12 to an all-time high extending an intermediate uptrend.



S&P 100 and NASDAQ 100 stocks breaking resistance and extending an intermediate uptrend included Amazon, Booking Holdings, Nike, Intel, Intuit, ANSYS, Walt Disney, Morgan Stanley, GE Aerospace and Emerson Electric.



International iShares breaking to all-time highs extending intermediate uptrends included EAFE iShares, Eurozone iShares, Germany iShares, Italy iShares and Japan iShares



TSX 60 stocks moving above resistance extending an intermediate uptrend included Sun Life Financial and Magna International.



Links offered by valued providers

Tech Hits ALL TIME HIGH — Is a Fed Rate Cut Next? Tom Bowley

<https://www.youtube.com/watch?v=Ycp3-3cPp8o>

Bullish Brian Belski: U.S. Exceptionalism is Alive and Well | In the Money with Amber Kanwar

<https://www.youtube.com/watch?v=e5m9dx05aGw>

More links to follow

S&P 500 Momentum Barometers



The intermediate term Barometer added 2.40 on Friday and gained 5.80 last week to 73.00. It remains Overbought.



The long term Barometer added 0.80 on Friday and gained 5.80 last week to 55.20. It remains Neutral.

TSX Momentum Barometers



The intermediate term Barometer dropped 3.29 on Friday and dropped 1.68 last week to 83.57. It remains Overbought. Daily trend is down.



The long term Barometer was unchanged on Friday and added 2.81 last week to 77.00. It remains Overbought.

Tech Talk is a free service available each business day at www.timingthemarket.ca

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