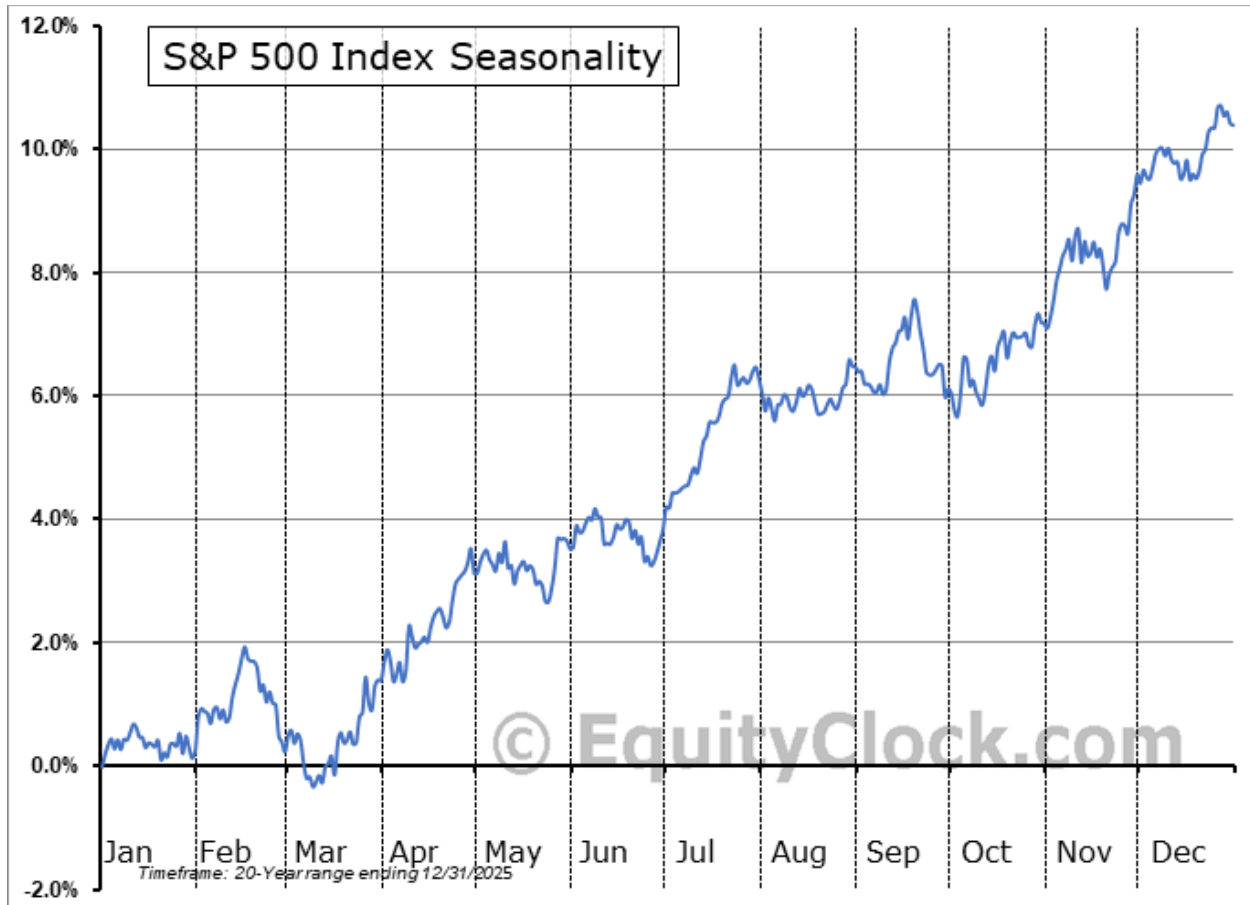


# Tech Talk for Saturday June 27<sup>th</sup> 2026

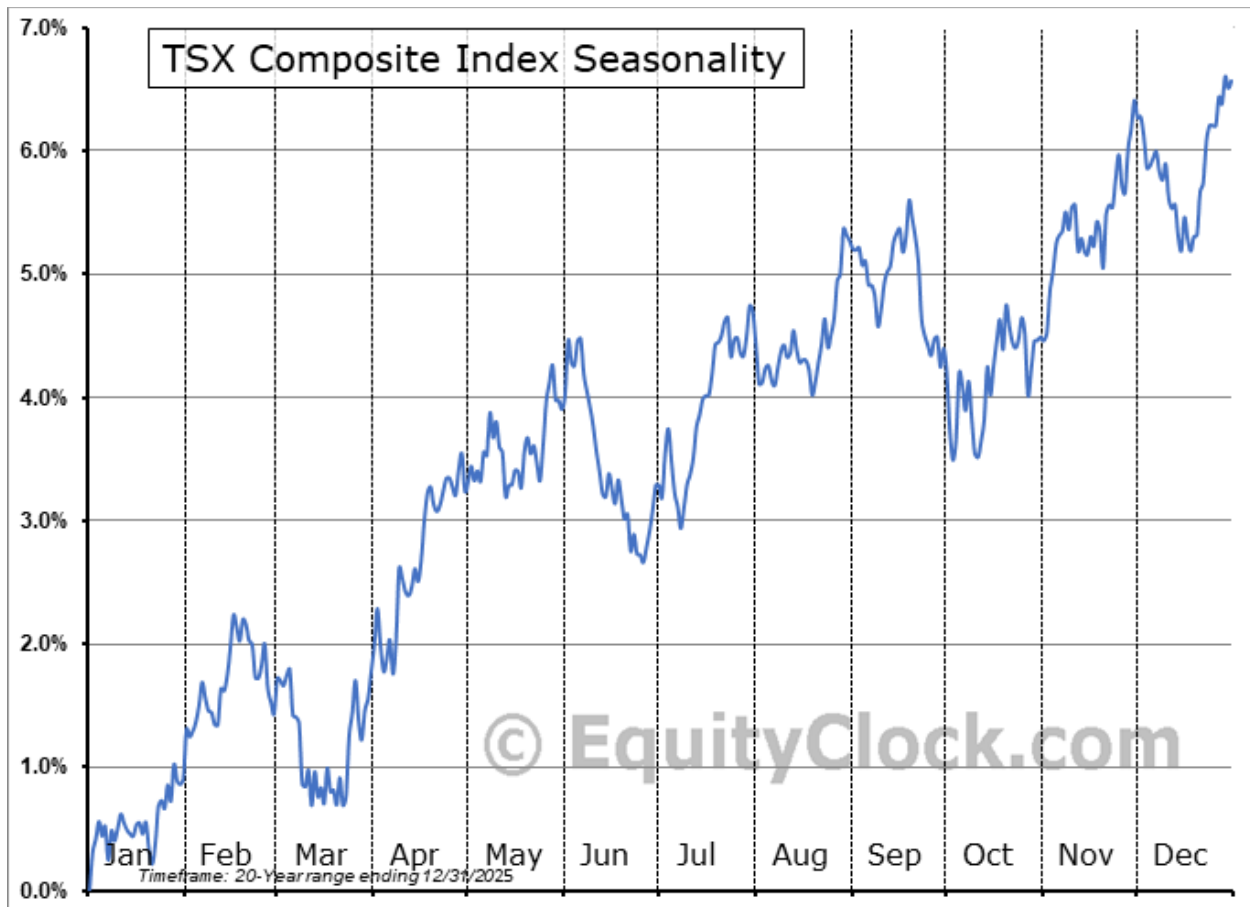
## The Bottom Line

Here comes the “**Summer Rally**” for North American equity markets! According to [www.EquityClock.com](http://www.EquityClock.com) history shows that the “summer rally” for the TSX Composite Index and the S&P 500 Index, on average, starts on June 27<sup>th</sup> and last until at least July 17<sup>th</sup>. Frequently, the summer rally extends until mid-September.



**What about this year?** Chances are higher than average that a summer rally will happen this summer thanks to release of corporate reports that show strong second quarter earnings gains.

- **Corporate earnings by S&P 500 companies** are accelerating. Consensus calls for a 23.1% year-over-year increase by S&P 500 companies in the second quarter followed by a 26.7% increase in the third quarter.
- **Corporate earnings by TSX 60 companies** are accelerating in major sectors thanks to **higher commodity prices** (energy, base metals, precious metals, forest products, fertilizers) and thanks to **improving interest rate spreads** (banks, insurance companies).



## Earnings and Revenue Consensus for S&P 500 Companies

Source: [www.factset.com](http://www.factset.com)

### Analysts increased their 2026 earnings and revenue estimates again last week

- Consensus for **second quarter 2026** earnings gains increased to 23.1% from 22.0% last week. Consensus for revenue gains increased to 12.3% from 12.1%.
- Consensus for **third quarter 2026** earnings gains increased to 26.7% from 25.6%.last week. Consensus for revenue gains remained at 10.7%.
- Consensus for **fourth quarter 2026** earnings gains increased to 24.2% from 23.1% last week. Consensus for revenue gains remained at 10.2%.
- **For all of 2026**, consensus for earnings gains increased to 24.0% from 23.3% last week. Consensus for revenue gains increased to 11.2% from 10.2%.

### Improving consensus for 2027 earnings and revenue estimates also is encouraging.

Consensus for 2027 earnings gains increased to 16.8% from 16.3% last week. Consensus for revenue gains increased to 7.7% from 7.6%.

## Economic News This Week

Source: [www.marketwatch.com](http://www.marketwatch.com)

**June U.S. Consumer Confidence** released at 10:00 AM EDT on Tuesday is expected to improve to 94.6 from 93.1 in May.

**Canadian exchanges** are closed on Canada Day July 1<sup>st</sup>

**Federal Reserve Chairman Kevin Warsh speaks** at 9:30 AM EDT on Wednesday.

**May U.S. Construction Spending** released at 10:00 AM EDT on Wednesday is expected to increase 0.2% versus a 0.4% increase in April

**June ISM Manufacturing Index** released at 10:00 AM EDT on Wednesday is expected to increase to 55.7 from 55.1 in May.

**June U.S. Non-farm Payrolls** released at 8:30 AM EDT on Thursday are expected to drop to 118,000 from 172,000 in May. **June Unemployment Rate** is expected to be unchanged at 4.3% **June Hourly Wages** are expected to increase 0.3% versus a 0.3% increase in May. On a year-over-year basis June Hourly Wages are expected to increase 3.5%, unchanged from May.

**May Factory Orders** released at 10:00 AM EDT on Thursday are expected to drop 1.1% versus a 4.8% increase in April.

**U.S. Exchanges are closed on Friday** for the Independence Day holiday

## Selected Earnings News This Week

Source: [www.Investing.com](http://www.Investing.com)

Another quiet week! One Dow Jones Industrial Average stock: Nike on Tuesday.

**Tuesday:** Nike, Constellation Brands, Carnival

**Wednesday:** General Mills, Fact Set

**Thursday:** Levi Strauss

## Changes Last Week

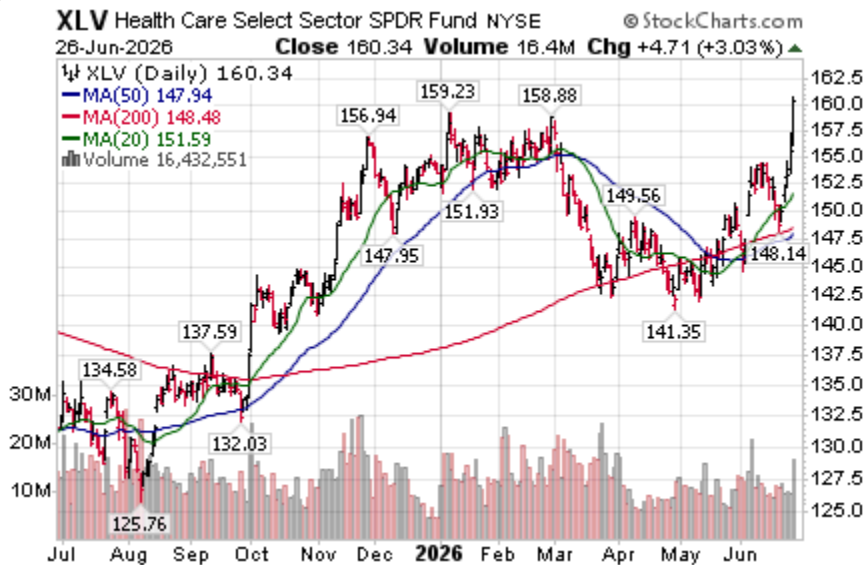
Index	Close	Change	Percent Change
S&P 500	7,354.02	-146.56	-1.95
TSX Composite	34,980.00	42.15	0.12
Dow Jones Industrial Average	51,876.11	311.41	0.60
NASDAQ Composite	25,297.62	-1,779.69	-4.60
Dow Jones Transport Average	21,825.83	187.94	0.87
Australia All Ordinaries	8,964.20	-162.60	-1.78
Nikkei Average	69,360.88	-1,692.61	-2.38
Europe iShares	71.75	-0.65	-0.90
China iShares	31.59	-1.71	-5.14
Emerging Markets iShares	67.19	-3.60	-5.09

## Technical Notes for Friday

**U.S. Real Estate iShares (IYR)** moved above \$104.23 to an all-time high extending an intermediate uptrend.



**Healthcare SPDRs (XLV)** moved above \$159.23 to an all-time high extending an intermediate uptrend.



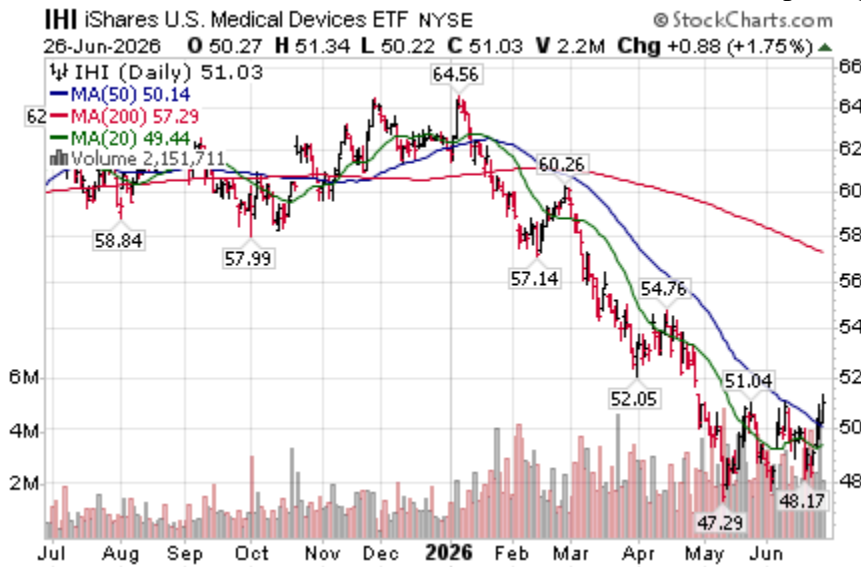
Breakouts in the sector included:

**Johnson & Johnson (JNJ)** a Dow Jones Industrial Average stock moved above \$250.27 to an all-time high extending an intermediate uptrend.

**Merck (MRK)** a Dow Jones Industrial Average stock moved above \$126.02 to an all-time high extending an intermediate uptrend.

**Incyte (INCY)** a NASDAQ 100 stock moved above \$112.29 to an 8 year high extending an intermediate uptrend.

**U.S. Medical Devices iShares (IHI) moved above \$51.04 completing a double bottom pattern.**



**NXP Semiconductor (NXPI) a NASDAQ 100 stock moved below \$278.42 completing a short term Head & Shoulders pattern. Also, QUALCOMM (QCOM) a NASDAQ 100 stock moved below \$190.32 and \$190.10 completing a short term Head & Shoulders pattern.**



## S&P 500 Momentum Barometers



The intermediate term Barometer added 0.40 on Friday and gained 8.60 last week to 64.60. It remained Overbought.



The short term (20 days) Barometer added 0.80 on Friday and gained 10.60 last week to 62.80. It changed from Neutral to Overbought on a move above 60.00.

The long term Barometer added 0.80 on Friday and gained 4.20 last week to 62.60. It changed from Neutral to Overbought on a move above 60.00.

# TSX Momentum Barometers



The intermediate term Barometer added 4.09 on Friday and added 0.45 to 48.18. It remained Neutral.



The short term (20 days) Barometer advanced 8.64 on Friday and slipped 0.91 last week to 48.64. It remained Neutral.

The long term Barometer was unchanged on Friday, but dropped 5.45 last week to 60.91. It remained Overbought.

**Tech Talk is a free service available each business day at [www.timingthemarket.ca](http://www.timingthemarket.ca)**

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