

Bespoke's Sector Snapshot: 7/26/12

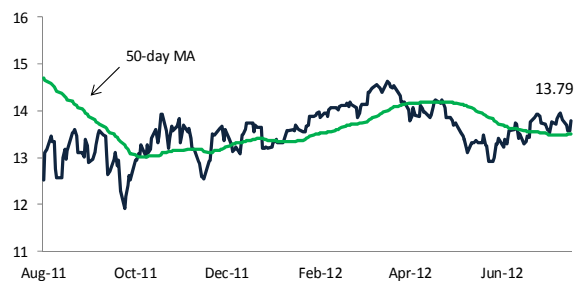
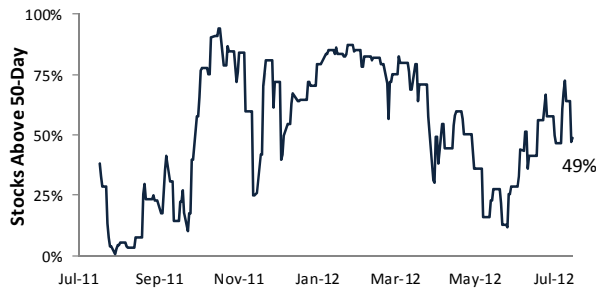
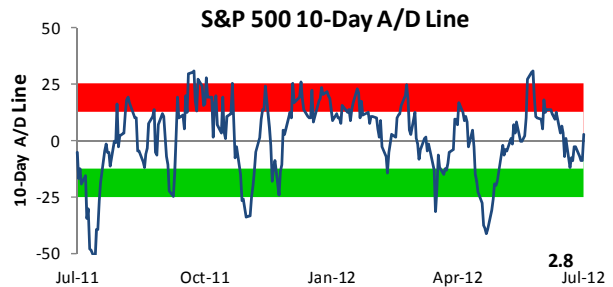
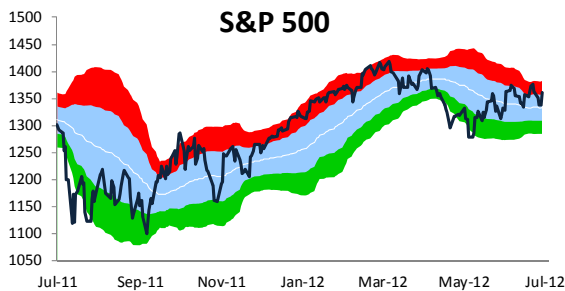
US markets continue to trade in circles, gaining for a few days, falling for a few days, gaining for a few days, and then falling for a few days. Today's 1.65% rally for the S&P 500 came after four rough trading days, and now the index is at the same level it was trading at on July 17th, July 2nd, and June 19th. Over this five week period, the index has now had 3 multi-day rallies and 3 multi-day declines of roughly 4%. If this pattern holds, the S&P 500 will rally

Sector Prices vs Trading Range

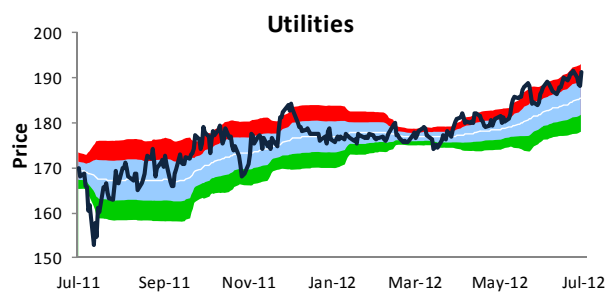
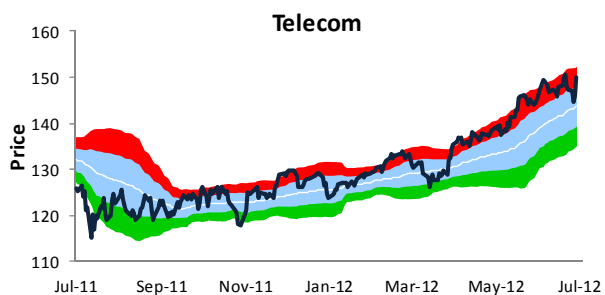
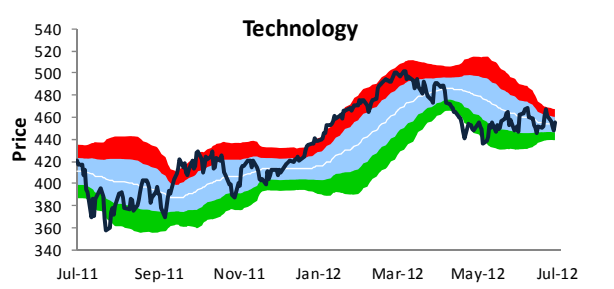
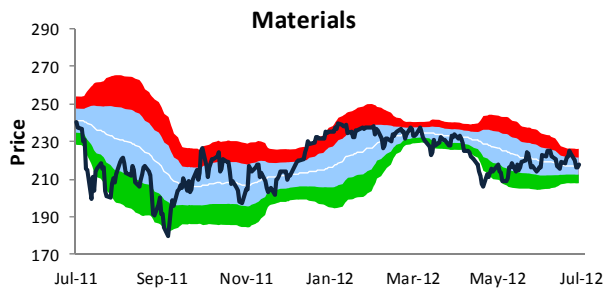
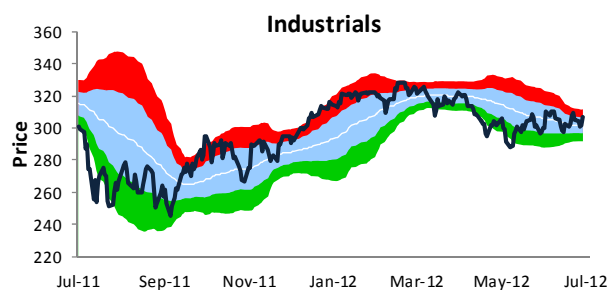
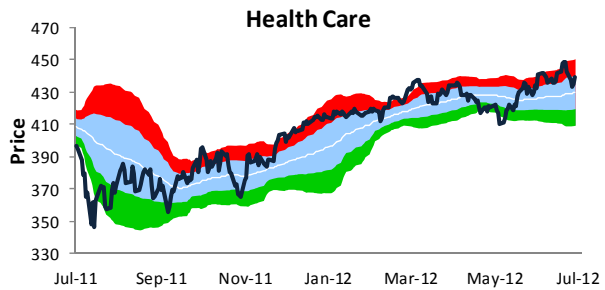
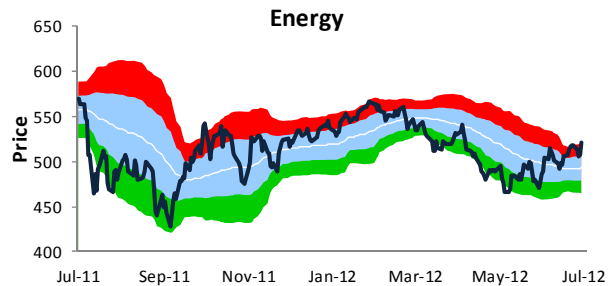
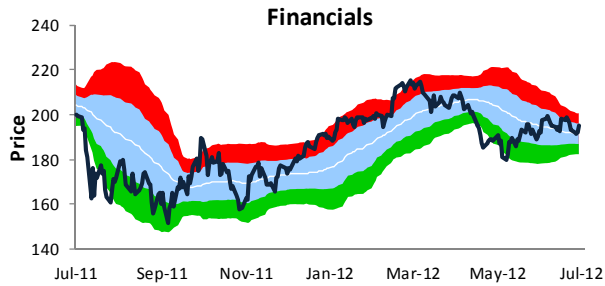
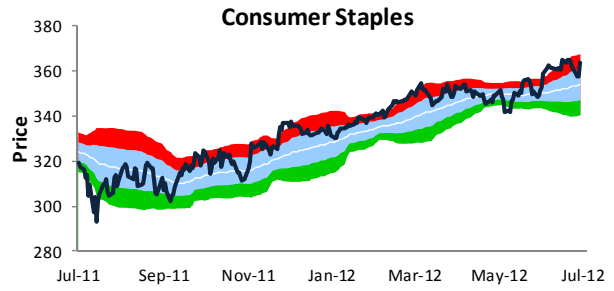
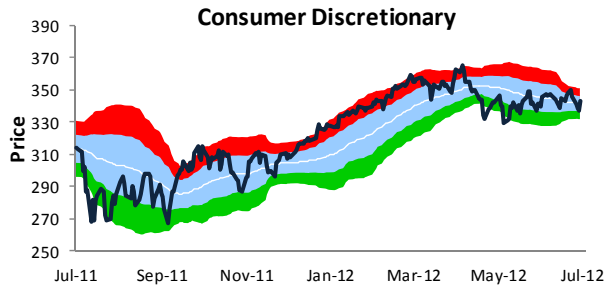
Index/Sector	Current	1 Wk Ago	OS	N	OB
S&P 500	OB	OB			
Cons Discret.	N	OB			
Cons Staples	OB	OB			
Energy	OB	OB			
Financials	N	N			
Health Care	N	OB			
Industrials	N	OB			
Materials	N	OB			
Technology	N	OB			
Telecom Svcs	OB	OB			
Utilities	OB	OB			

another 2% from here and then pull back once again. Fortunately, the index hasn't had any technical breakdowns throughout this period of ups and downs. The index has managed to close above its 50-day for all of July now, and every single sector is currently above its 50-day moving average. While the index itself is currently right at the top of its trading range, underlying breadth is far from overheated. The S&P 10-day advance/decline line is just a blip above the even level, while just 61% of stocks in the S&P are above their 50-days.

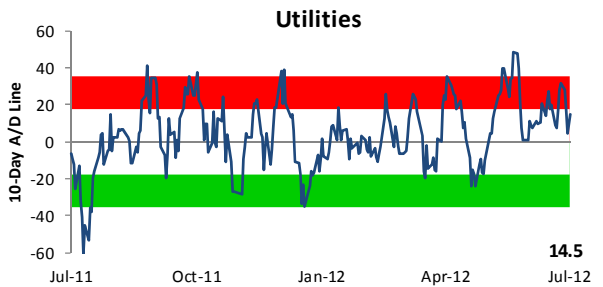
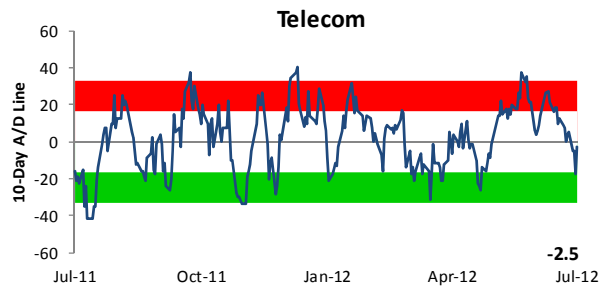
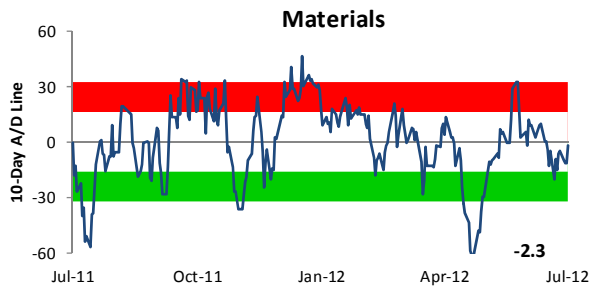
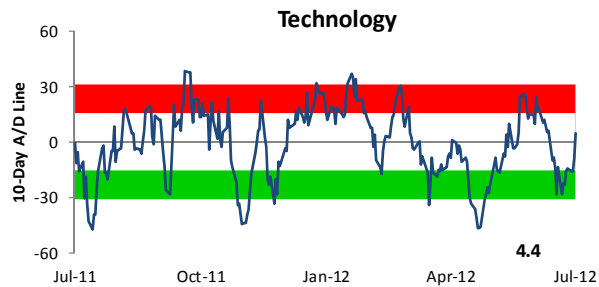
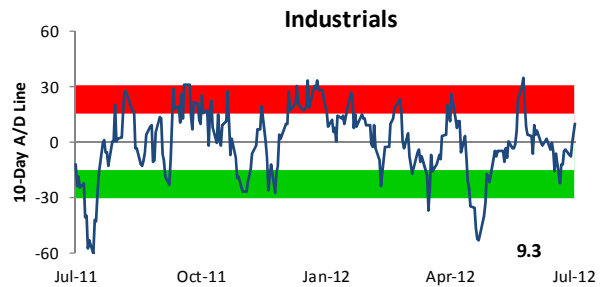
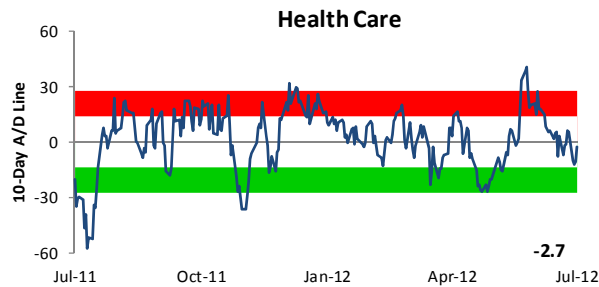
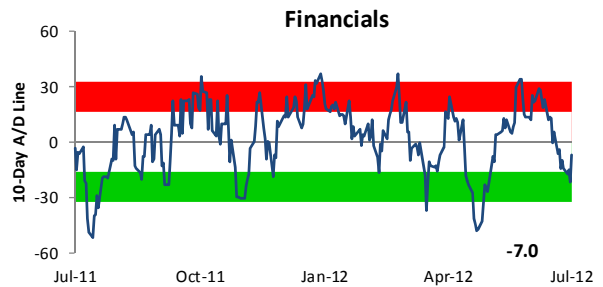
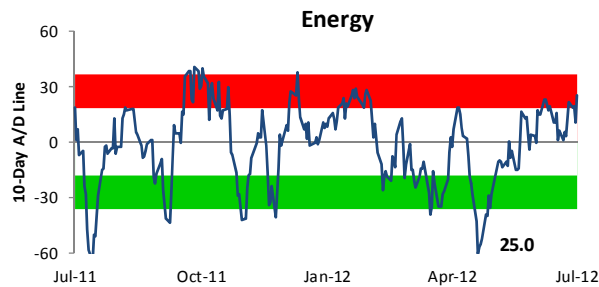
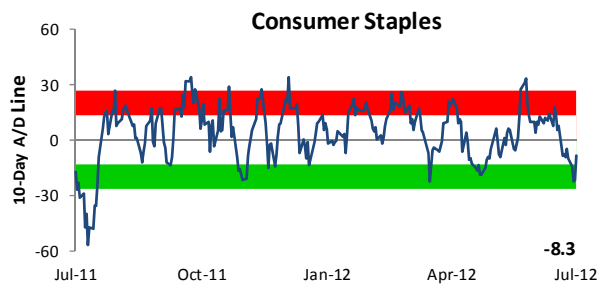
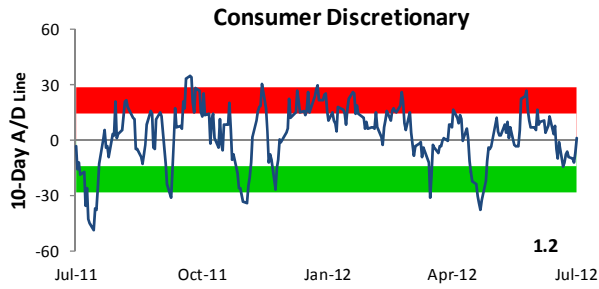
As you'll see on the relative strength charts, Energy continues to be a major leader, while Tech, Materials and Consumer Discretionary remain weak.



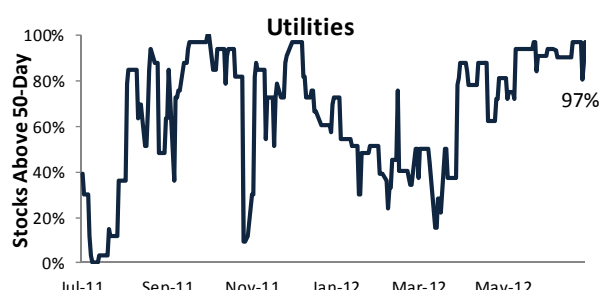
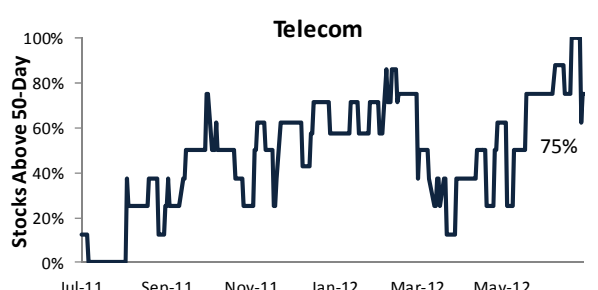
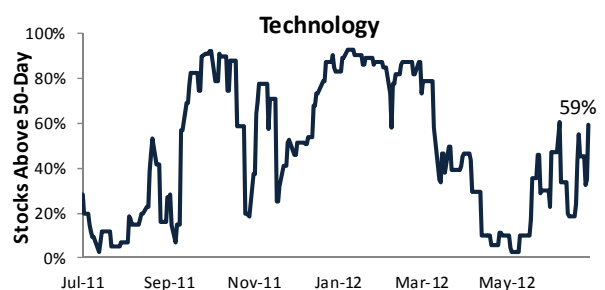
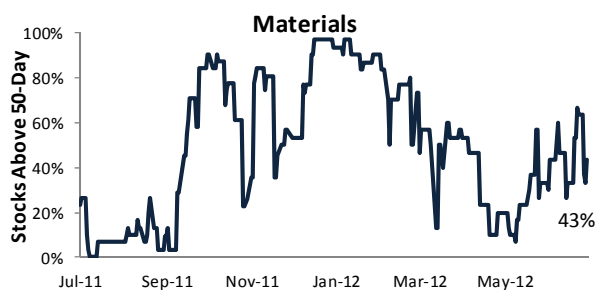
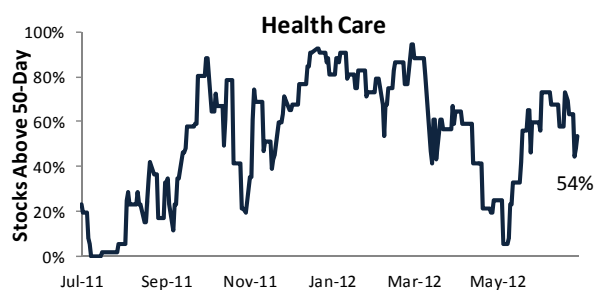
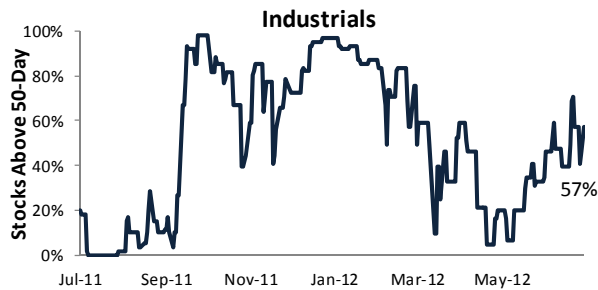
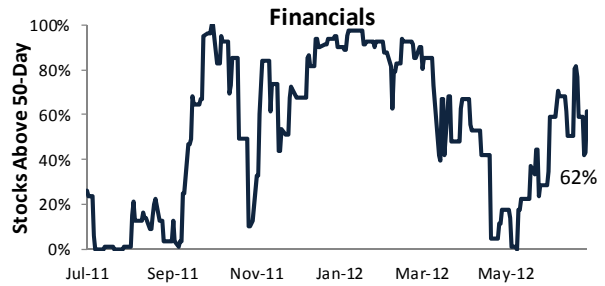
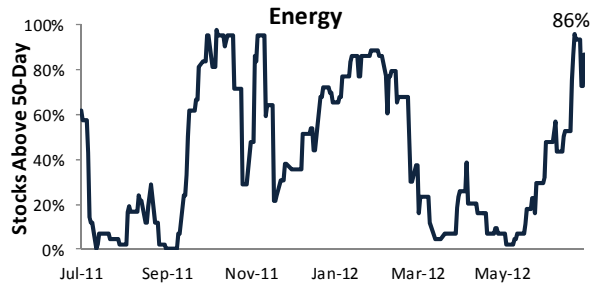
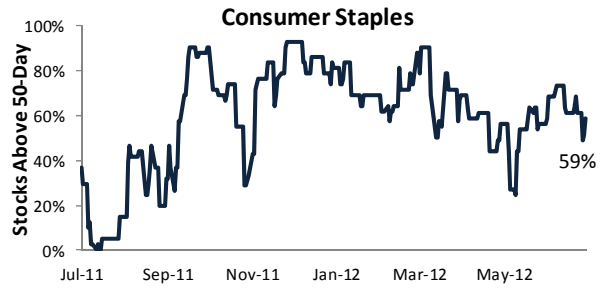
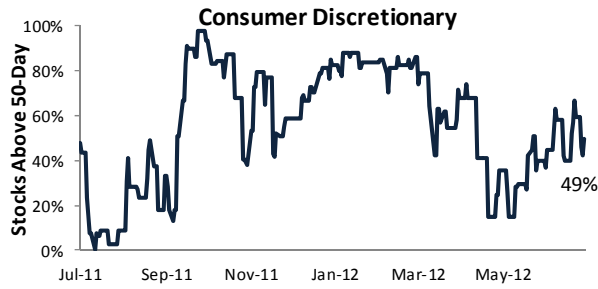
Sector Snapshot: Trading Ranges



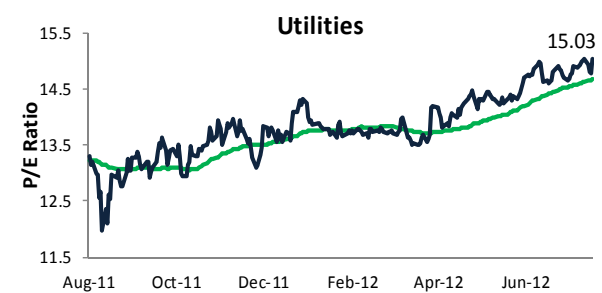
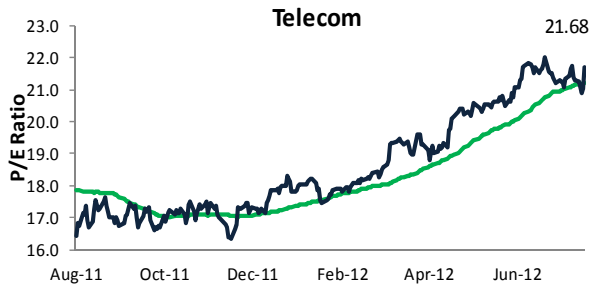
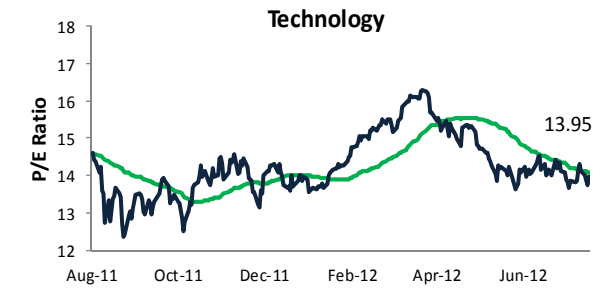
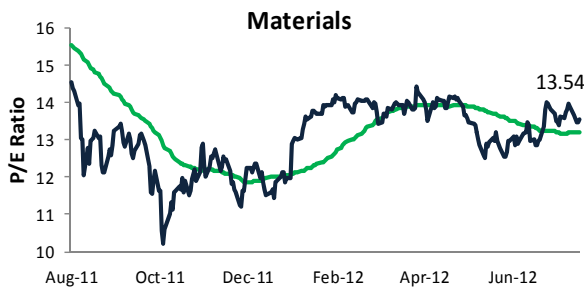
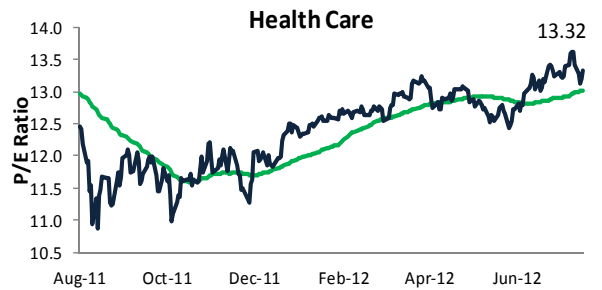
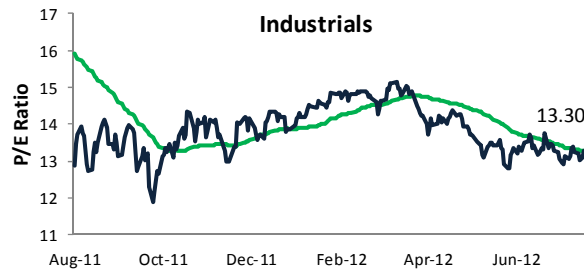
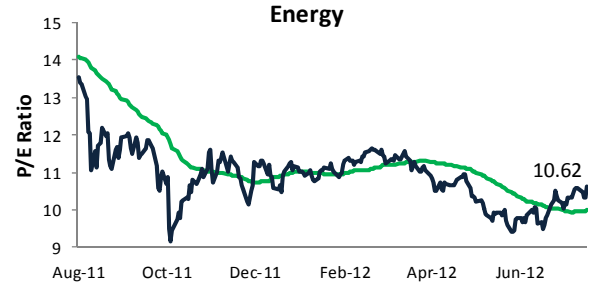
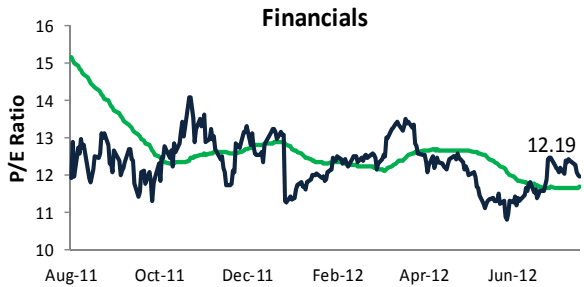
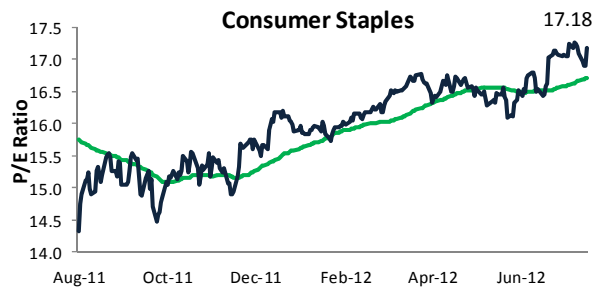
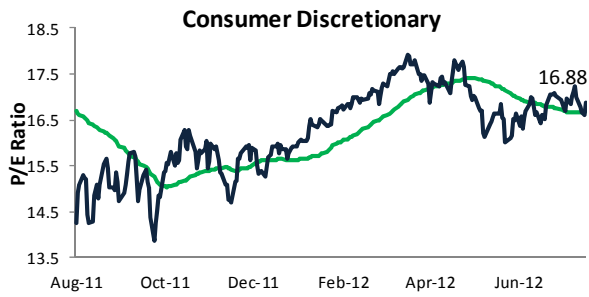
Sector Snapshot: Sector Breadth (10-Day A/D Line)



% of Stocks Above 50-DMA

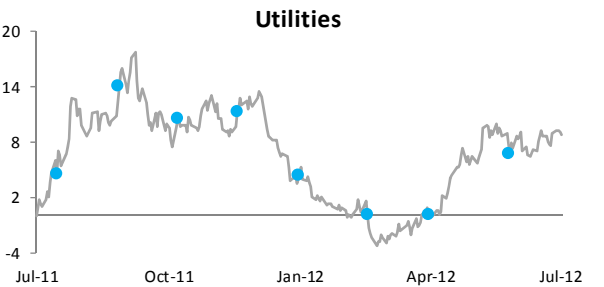
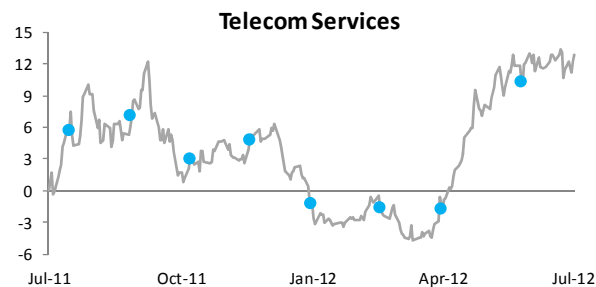
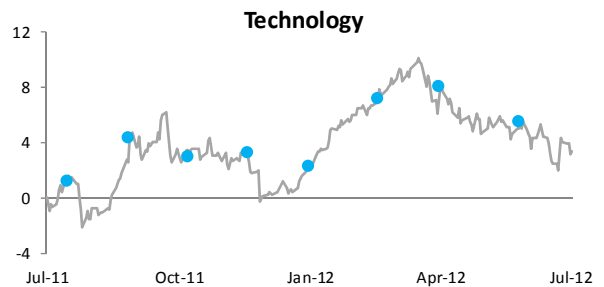
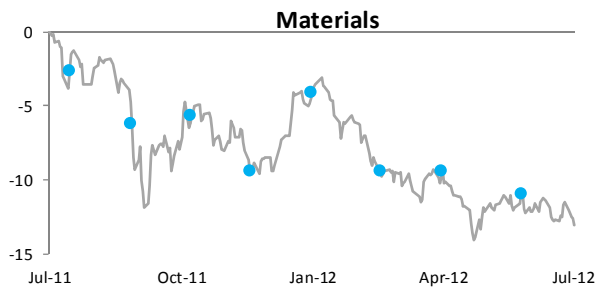
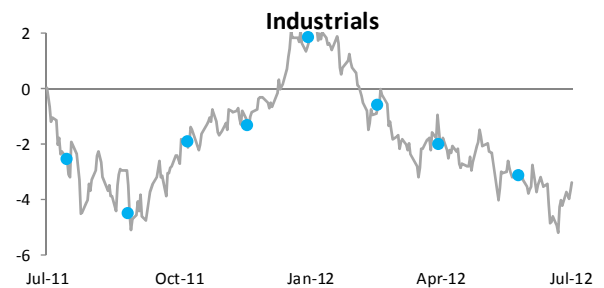
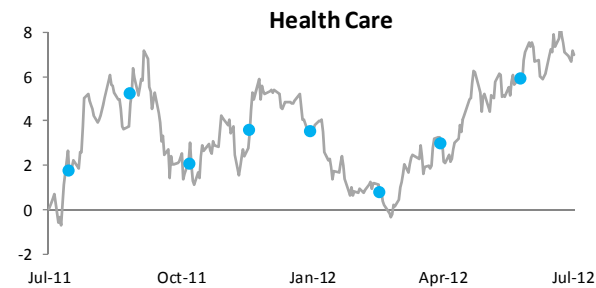
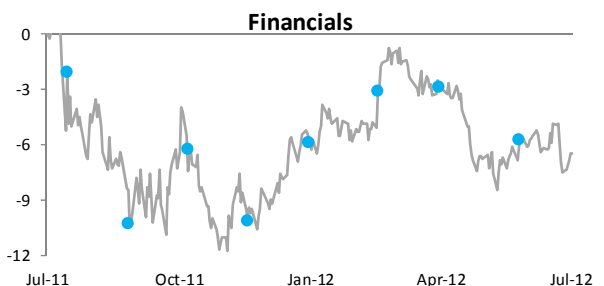
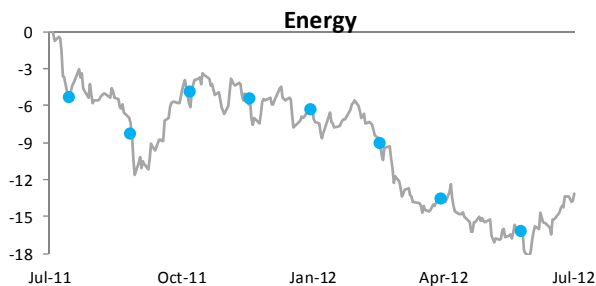
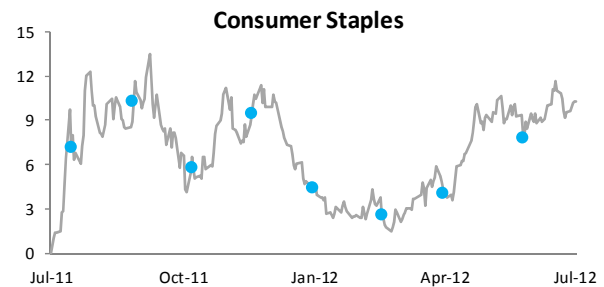
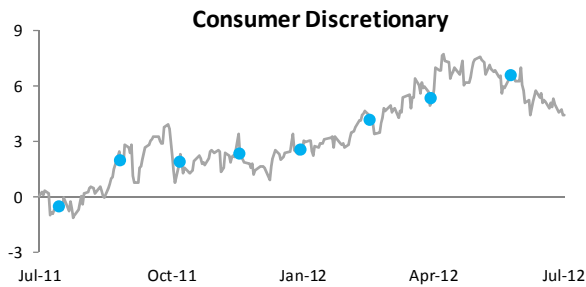


Sector Snapshot: Trailing 12-Month P/E Ratios



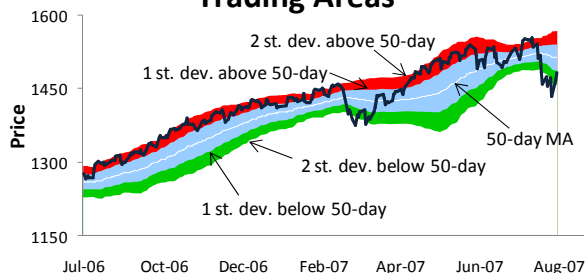
Sector Snapshot: Sector Relative Strength

Rising lines indicate that sector is outperforming S&P 500, while downward sloping lines represent sector underperformance. Red dots indicate Fed rate cuts, and blue dots represent Fed meetings where no changes were made to interest rate policy.



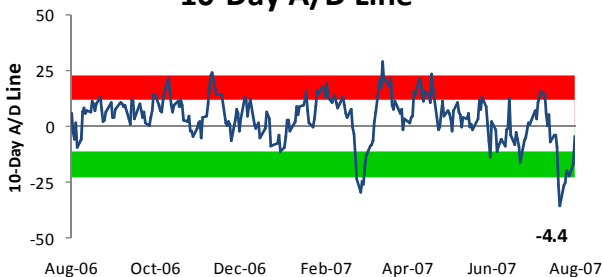
Bespoke's Sector Snapshot: Explanation of Indicators

Trading Areas



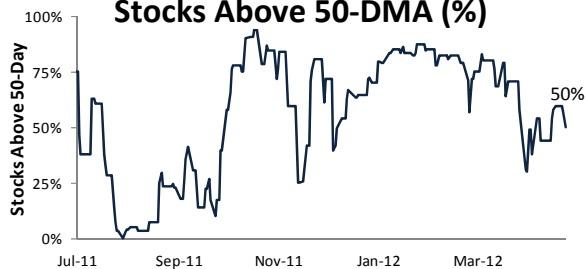
In these charts, the blue shading represents one standard deviation above and below the sector's 50-day moving average. The red area is between one and two standard deviations above the 50-day while the green area is between one and two standard deviations below. When the price moves into or above the red zone, it is considered overbought while movements into or below the green line indicate oversold levels.

10-Day A/D Line



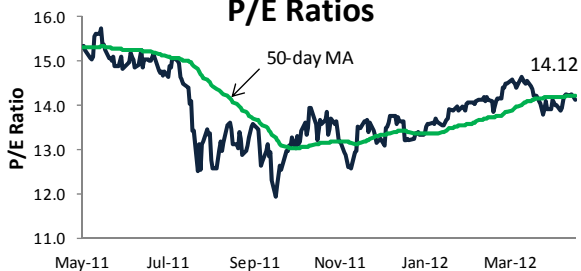
The charts of the ten-day advance-decline lines (A/D) are calculated by taking the daily number of advancers minus decliners in each sector and then adding up them over a rolling ten day period. Just as in the Trading Area charts, the red zone marks overbought territory and the green zone marks oversold territory.

Stocks Above 50-DMA (%)



These charts highlight the percentage of stocks in each sector or index trading above their 50-day moving averages. Our experience has found that when this number has sharp moves in either direction, a short-term reversal is usually in the cards.

P/E Ratios



These charts show the trailing P/E ratio of the specified sector or index and its 50-day moving average. This enables readers to see how valuations currently stack up.

Sector Relative Strength



Our sector relative strength charts compare the performance of each sector to the S&P 500 over the last year. Rising lines indicate outperformance versus the S&P 500, while declining lines indicate underperformance. Red dots indicated Fed rate decisions. Many investors use relative strength to find sectors with strong or weak momentum.