MACRO OPS

TRADE · LEARN · EVOLVE

TURNING POINT REPORT

Weekly Market Brief: Insights, Research Highlights, and Portfolio Positioning

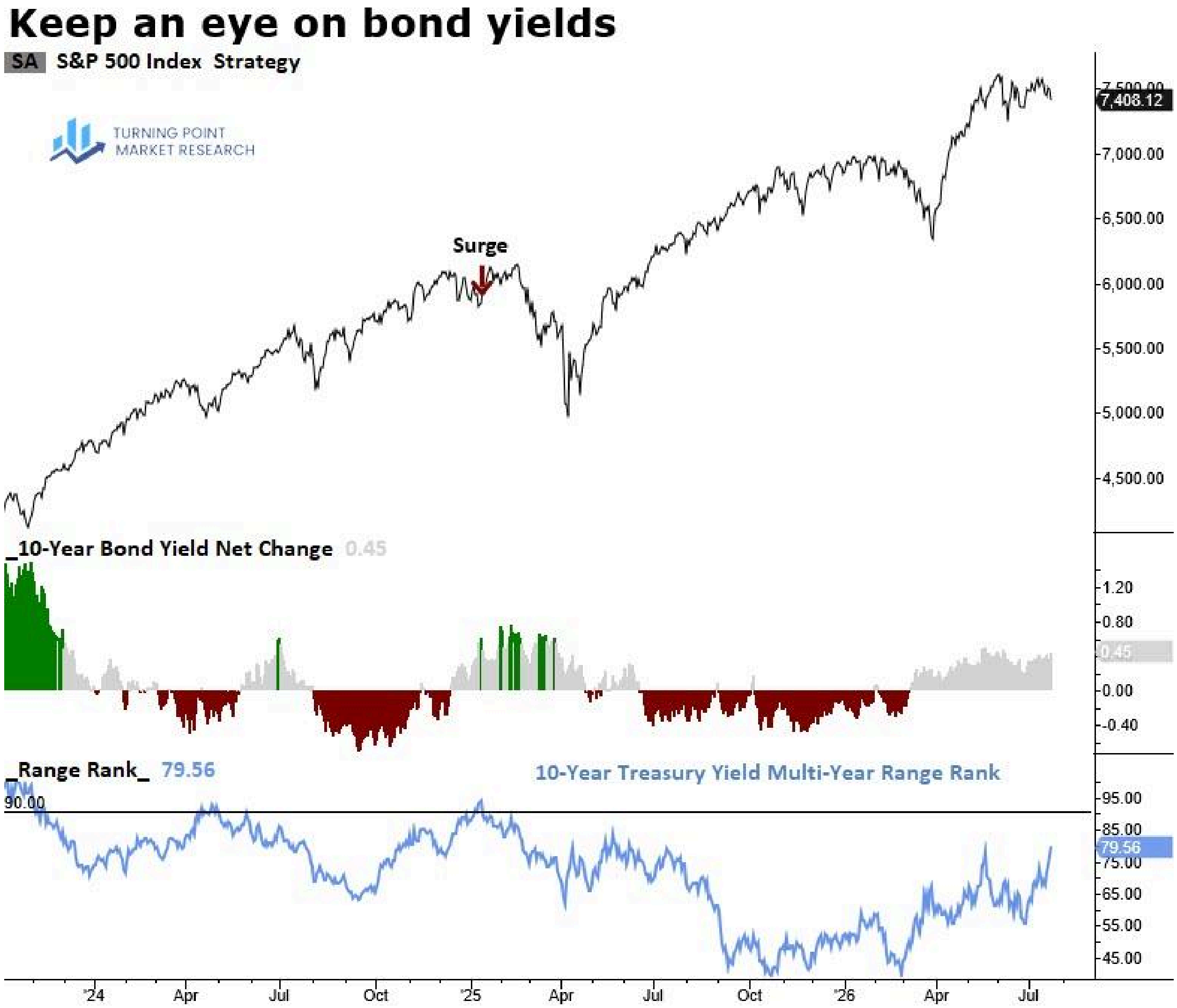
By Dean Christians

July 24, 2026

Broad Market Thoughts

The market backdrop deteriorated somewhat this week as escalating tensions with Iran lifted crude oil prices, driving both interest rates and the dollar higher. That creates an additional challenge for equities already navigating continued pressure in the AI trade. With these two forces working against risk assets, the near-term risk/reward becomes less compelling.

The Fed meeting is next week, and it's difficult to envision policymakers backing away from their hawkish messaging. As a result, yields and the dollar will likely remain the key drivers of market direction. Speaking of yields, I'll be closely monitoring my interest rate model, which flags a surge in the 10-year yield within an already elevated multi-year range. It's approaching key thresholds.



Research this week

In our first report of the week, we shared a comprehensive ranking of S&P 1500 stocks to assess bottom-up leadership trends. Financials, real estate, and healthcare emerged as the strongest sectors, while technology slipped to seventh place and the resource-oriented sectors—energy and materials—ranked at the bottom.

S&P 1500 — SECTOR RANKINGS SUMMARY | July 17, 2026								
Rank	Sector	# Stocks	Avg Score	Bull/Bull	Bull/Bear	Bear/Bull	Bear/Bear	Top Name
1	Financials	250	66.3	119	4	90	37	VCTR
2	Real Estate	98	64.7	47	4	23	24	TRNO
3	Health Care	164	60.3	74	4	56	30	NHC
4	Industrials	250	50.6	82	38	59	71	EXPD
5	Consumer Discretionary	182	47.2	55	9	53	65	ETSY
6	Consumer Staples	74	46	21	5	18	30	EPC
7	Information Technology	188	45.8	44	61	29	54	AAPL
8	Utilities	57	44.9	13	2	15	27	D
9	Communication Services	43	43.4	11	3	9	20	ROKU
10	Energy	66	40.3	13	10	1	42	MPC
11	Materials	78	37.4	14	9	14	41	KOP

©Turning Point Market Research

Our second report of the week focused on ranking our ETF universe to assess top-down leadership trends. The analysis continued to highlight a bias toward cyclical value and defensive groups, while growth-oriented and thematic ETFs showed further deterioration. Resource-based ETFs remain among the weakest areas, although that trend could begin to reverse if the recent rally in crude oil gains further traction.

ETF UNIVERSE — AVERAGE SCORE BY CATEGORY | 127 ETFs / 16 Categories | Max Score = 100								
Rank	Category	# ETFs	Avg Score	Bull/Bull	Bull/Bear	Bear/Bull	Bear/Bear	Top ETF
1	Value	1	90.3	1	0	0	0	IWD
2	Index-Small	2	80.2	2	0	0	0	IWM
3	Cyclical	15	64.8	7	0	6	2	PSCF
4	Style	1	59.1	0	1	0	0	SPHB
5	Defensive	12	49	2	0	4	6	XHS
6	Global-Europe	15	45.7	4	0	4	7	EWO
7	Growth	17	43.1	1	6	4	6	GNOM
8	Index-Large	2	42.5	0	0	0	2	OEF
9	Thematic	18	37.9	3	2	4	9	HACK
10	Global-Asia-Pacific	14	35.4	0	3	3	8	EWS
11	Global-South America	4	33.5	0	0	1	3	EPU
12	Global-North America	2	31.6	0	0	0	2	EWC
13	Resource	14	21.4	0	2	0	12	XOP
14	Global-MENA	6	13.1	0	0	0	6	TUR
15	Cryptocurrency	2	13	0	0	0	2	ETHA
16	Precious Metals	2	10	0	0	0	2	GLD

©Turning Point Market Research

Dual trend analysis

Energy was the clear standout among sectors, adding a net 15 bullish Dual Trend buy signals as crude oil surged amid renewed tensions with Iran. However, the sharp move higher in oil prices created a headwind for consumer discretionary stocks, which experienced the second-largest deterioration in net bullish signals. Meanwhile, a trend we have been monitoring for several months continued, with technology posting the largest net decline in bullish Dual Trend signals of any sector.

Dual Trend System Buy Signals - One-Week Change Summary for Sectors

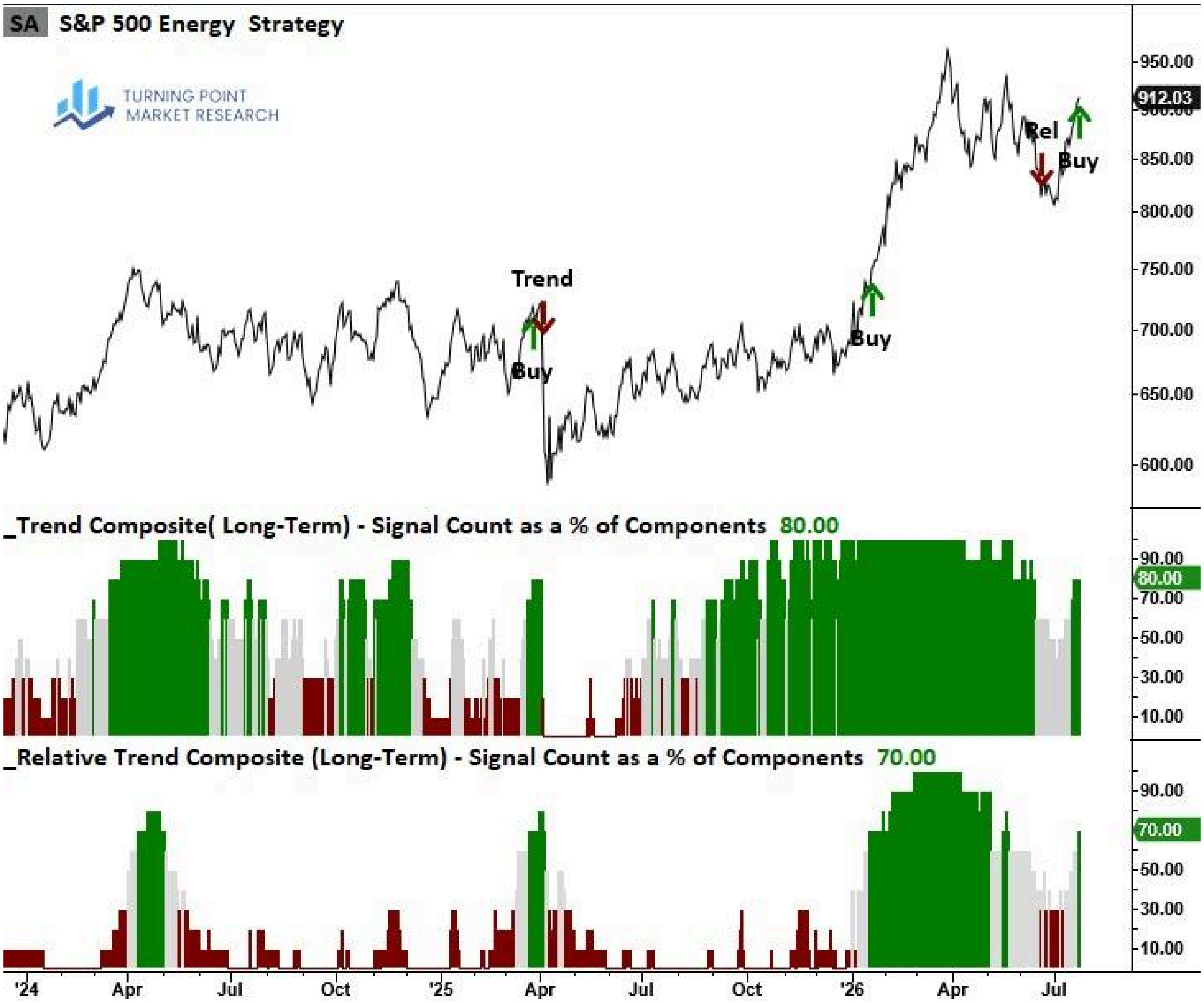
Relative to the S&P 500

	S&P 500				S&P 400				S&P 600				
Sector	% LT Bullish	5-Day Chg	% ST Bullish	5-Day Chg	% LT Bullish	5-Day Chg	% ST Bullish	5-Day Chg	% LT Bullish	5-Day Chg	% ST Bullish	5-Day Chg	Net Gain/loss
Communication	8.30%	-2	29.20%	1	33.3%	-	50.0%	-	44.4%	-	55.6%	-	-1
Discretionary	25%	-	31.30%	-4	36.2%	1	55.2%	-2	38.8%	2	56.5%	-8	-11
Staples	25%	-	58.30%	1	33.3%	-	33.3%	1	42.9%	1	60.7%	2	5
Energy	45.50%	2	45.50%	5	43.8%	1	37.5%	2	30.3%	1	27.3%	5	16
Financials	41.60%	2	80.50%	-1	44.6%	3	81.5%	-2	56.3%	3	70.6%	-5	0
Health Care	39.30%	2	72.10%	-2	54.5%	3	81.8%	1	54.2%	-1	77.8%	-2	1
Industrials	42%	-2	60.50%	2	45.3%	2	43.0%	-2	51.1%	1	63.0%	-	1
Technology	50.70%	-	26.70%	-3	55.1%	-	30.6%	-4	55.7%	-2	41.4%	-6	-15
Materials	40.70%	-	48.10%	-	18.5%	-1	37.0%	-	18.5%	-1	18.5%	-	-2
Real Estate	37.50%	-	53.10%	-1	48.3%	1	69.0%	1	61.9%	1	76.2%	1	3
Utilities	34.40%	1	46.90%	-	14.3%	-	50.0%	2	15.4%	1	61.5%	1	5

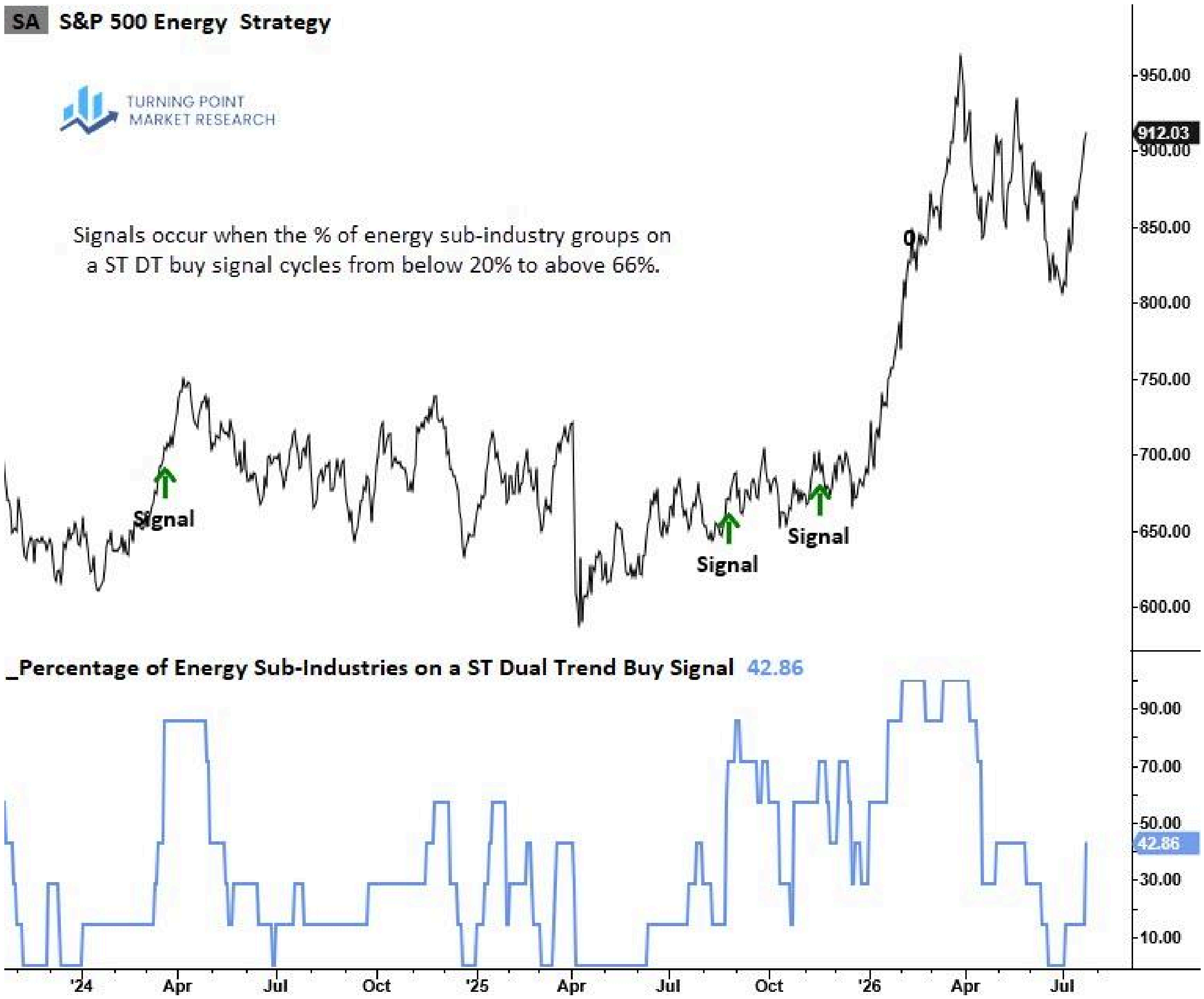
On Thursday, the S&P 500 Energy sector shifted to a bullish status on both the short- and long-term Dual Trend System, reinforcing the improving message from the individual stock trends discussed above. We would also highlight the bullish short-term shift in Utilities, which now joins Healthcare and Real Estate. Combined with existing buy signals in Financials, Industrials, and Energy, the sector backdrop continues to favor a blend of cyclical value and defensive leadership.

SECTOR	DUAL TREND SYSTEM							
	SHORT-TERM				LONG-TERM			
	T-LEVEL	R-LEVEL	SIGNAL	DATE	T-LEVEL	R-LEVEL	SIGNAL	DATE
Communication Services	0	0	Bearish	05/29/26	40	0	Bearish	06/22/26
Consumer Discretionary	0	0	Bearish	02/05/26	20	0	Bearish	11/18/25
Information Technology	30	50	Bearish	07/07/26	80	80	Bullish	04/17/26
Financials	90	100	Bullish	07/01/26	90	60	Bearish	04/14/25
Industrials	80	90	Bullish	06/25/26	100	60	Bullish	06/25/26
Energy	80	80	Bullish	07/23/26	80	70	Bullish	07/23/26
Materials	0	10	Bearish	03/18/26	60	10	Bearish	05/19/26
Consumer Staples	30	20	Bearish	03/19/26	50	0	Bearish	05/08/26
Health Care	100	100	Bullish	06/25/26	90	50	Bearish	03/23/26
Real Estate	100	80	Bullish	06/26/26	100	40	Bearish	03/11/24
Utilities	80	80	Bullish	07/22/26	70	20	Bearish	05/06/26

This latest buy signal in energy developed in response to renewed geopolitical tensions with Iran. In contrast, the prior signal developed before the initial geopolitical escalation and emerged from a sizable base, creating a much more attractive risk/reward opportunity. Although this buy signal may offer a favorable entry opportunity, the potential for another TACO-related reversal makes acting on it psychologically challenging. As always, manage risk appropriately.

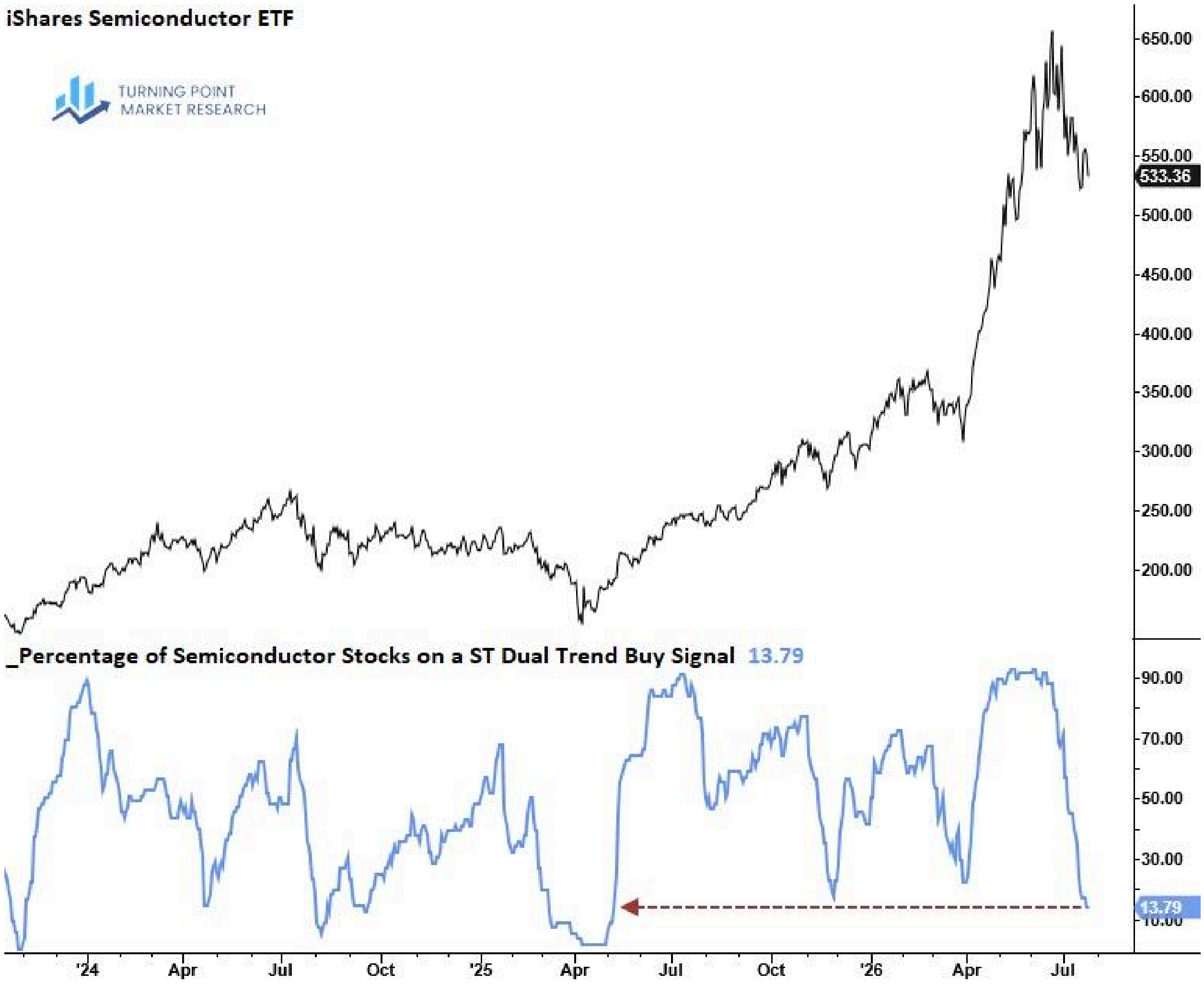


If this marks the beginning of another leg higher in energy stocks, we should expect additional energy sub-industry groups to transition to a bullish short-term Dual Trend status. Currently, three of the seven groups are on buy signals, while the system requires five of seven for confirmation. Stay tuned.



Update on Semiconductors

The percentage of semiconductor stocks on a short-term Dual Trend buy signal has fallen to just 13%, the lowest reading since May 2025. The group remains under pressure today after Intel reported its strongest revenue growth in 15 years, yet the stock is down 7%, suggesting much of the good news has likely already been priced in.



Portfolio update

Portfolio activity was light this week, with just one transaction: the complete sale of our position in Sphere Entertainment. The proceeds remain in cash, increasing our weighting to 19% and reflecting a somewhat more cautious stance. With the major indexes still mired in consolidations—and some still working through corrections—we continue to believe patience will be rewarded. Sometimes the best investment decision is to do nothing.

TOTAL HOLDINGS - 12	TOTAL SECTORS - 4	S&P 500 WEIGHT - 55.46%	CASH WEIGHT - 19.02%

SYMBOL	NAME	WEIGHT	SUB-INDUSTRY	LT STATUS	ST STATUS
▼ Financials		Portfolio: 4.06%	Benchmark: 11.53%	Underweight -7.5%	
BNY	BANK NEW YORK MELLON COR	1.87%	Asset Management & Custody Banks	Bullish	Bullish
MS	MORGAN STANLEY	2.19%	Investment Banking and Brokerage	Bullish	Bullish
▼ Health Care		Portfolio: 3.00%	Benchmark: 8.43%	Underweight -5.4%	
PSCH	INVESCO S&P SMALLCAP HEALTH CARE ETF	3.00%	Small-Cap Health Care	Bullish	Bullish
▼ Industrials		Portfolio: 8.43%	Benchmark: 8.37%	Neutral +0.1%	
CAT	CATERPILLAR INC	2.06%	Construction Machinery & Heavy Transportation E	Bullish	Bearish
FIX	COMFORT SYS USA INC	1.57%	Construction and Engineering	Bullish	Bearish
HWM	HOWMET AEROSPACE INC	2.90%	Aerospace & Defense	Bullish	Bullish
PWR	QUANTA SVCS INC	1.90%	Construction and Engineering	Bullish	Bearish
▼ Information Technology		Portfolio: 10.03%	Benchmark: 37.35%	Underweight -27.3%	
CRWD	CROWDSTRIKE HLDGS INC	2.13%	Application Software/Cybersecurity	Bullish	Bullish
DELL	DELL TECHNOLOGIES INC CLASS CLASS C	2.55%	Technology Hardware, Strorage & Peri	Bullish	Bullish
HACK	AMPLIFY CYBERSECURITY ETF	2.98%	Application Software/Cybersecurity	Bullish	Bullish
SOXX	ISHARES SEMICONDUCTOR ETF	2.37%	Semiconductors	Bullish	Bearish

Through Thursday's close, our Dual Trend portfolio had gained 22.81%, outperforming the S&P 500's 8.92% return.

Dual Trend Portfolio vs. S&P 500 — Monthly Returns	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2026 DT Portfolio	4.3%	4.2%	-6.2%	13.6%	9.4%	0.9%	-3.8%						22.81%
2026 S&P 500	1.5%	-0.8%	-5.0%	10.5%	5.3%	-1.0%	-1.2%						8.92%

DAILY OUTPERFORMANCE ANALYSIS		
Market Condition	# of Days	% DT Outperformed
All Trading Days	139	62.6%
S&P 500 Up Days	75	76.0%
S&P 500 Down Days	64	46.9%

Portfolio/Index	Rate of Return
DT Portfolio	22.81%
S&P 500®	8.92%

Final Thoughts

Our models continue to suggest that the broader equity environment remains constructive. However, the recent spike in crude oil following renewed tensions with Iran introduces another layer of uncertainty by pushing both interest rates and the dollar higher. Energy has begun to reassert its uptrend, and we are keeping a close eye on the sector as it has the potential to provide additional opportunities if strength persists. The challenge is that the move is being driven primarily by a geopolitical event that could reverse quickly, making it difficult to determine whether this represents a sustainable trend or a temporary reaction. Meanwhile, leadership has rotated away from growth-oriented areas such as technology and consumer discretionary and toward value cyclicals and defensive sectors. While that rotation has helped support the broader market, it lacks the characteristics typically associated with strong bullish momentum phases. As a result, patience remains warranted.

