

TECHNICAL CHARTING OPINION

eResearch Corporation is pleased to feature a technical opinion by Chris Kimble of Kimble Charting Solutions.



Mr. Kimble states, on his website www.kimblechartingsolutions.com, that his goal for his investment research is to:

... help people to enlarge portfolios regardless of market direction by looking for patterns at extreme points of "exhaustion" with a high probability of reversing, called TBNM: tops, bottoms, no middles. The intent is to simplify the decision-making process.

Mr. Kimble has been in financial services for over 30 years.

His research is intended to simplify investment decisions and increase confidence with charts that are clear as to the pattern at hand and action to take. His strategy is to look for chart patterns at extreme exhaustion points that have a high probability of reversing. These extremes reflect excess fear and greed of global investors and, therefore, they can be capitalized upon.

By providing research showing markets at extremes of long term resistance or support, and including bullish/bearish sentiment readings when available, Mr. Kimble attempts to help investors simplify their decision-making, reduce risk, increase confidence, and improve results.

Today's article begins on the following page, and is entitled:

Energy Sector: Bullish Breakout Taking Place

You can access his website and subscribe to his service at the following link:

www.kimblechartingsolutions.com

Note: All of the comments, views, opinions, suggestions, recommendations, etc., contained in this Article, and which is distributed by eResearch Corporation, are strictly those of the Author and do not necessarily reflect those of eResearch Corporation.

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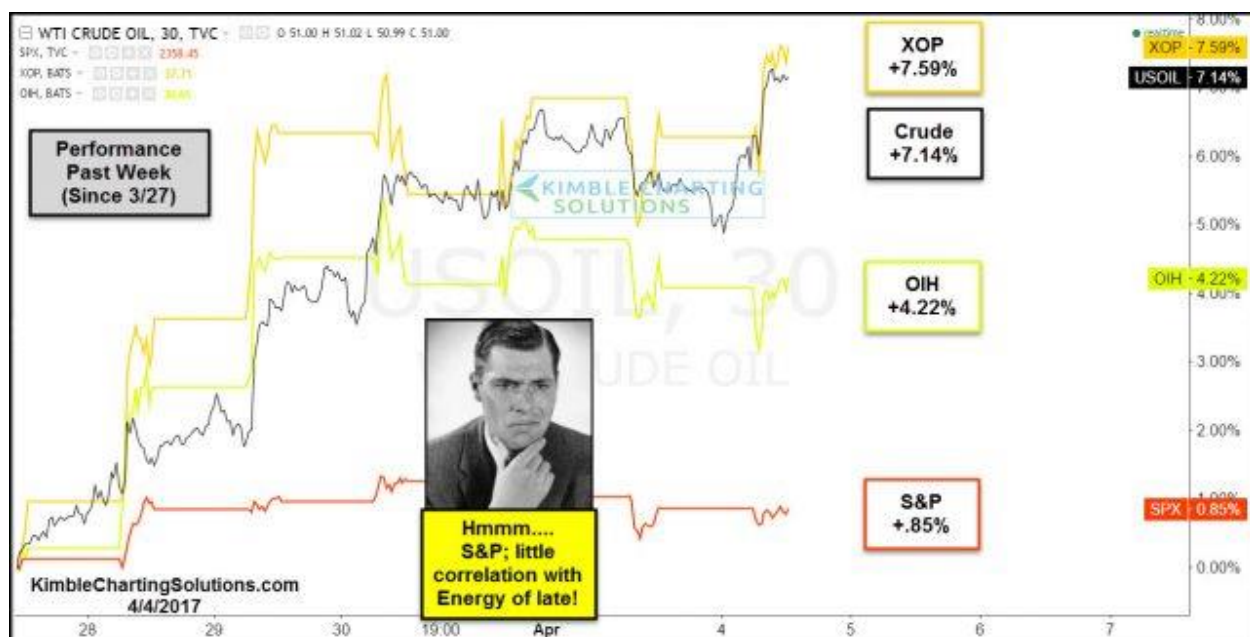
Energy Sector: Bullish Breakout Taking Place

(To enlarge the chart below, place cursor on chart, and <Ctrl-Click>)

Energy stocks have not been a good buy-and-hold investment for the past few years. Looking back over the past 5 years, XLE has lagged all of the S&P 500 sectors, and it is the only S&P sector that has a negative 5-year return. Could this trend be ending?

A couple of things have caught our eye of late, from a Power of the Pattern perspective.

The chart below looks at the performance of Crude Oil, two energy ETFs, and the S&P 500, since 3/27. Not seen this kind of energy strength over the broad market in a good while.



<continued>

The chart below looks at the XOP/SPY ratio over the past three years. This chart reflects that [XOP](#) has been much weaker than the S&P since 2014.



A year ago this ratio made a low and since then, it is attempting to create a series of higher lows and higher highs. The ratio hit rising channel support of late at (1) and it is now attempting to break above resistance of a bullish falling wedge at (2), which sends a bullish message to this sector.

The Power of the Pattern shared last week that a two-thirds chance of a bullish breakout was in play, see post [HERE](#). A week later, the breakout of the bullish falling wedge is taking place.

Full Disclosure- [Premium](#) & [Sector/Commodity](#) Members are long this sector.



***e*Research Corporation**

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Bob Weir, CFA
Director of Research