

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:

Leading Indicator Facing Important Break-Out Test!

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.

Wednesday, January 30, 2019

Leading Indicator Facing Important Break-Out Test!

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

[Homebuilder ETF \(XHB\)](#) has sent leading signals to the broad market since the highs in 2007 and another very important signal could be sent by what they do at current prices.



<Ctrl-Click> on above chart to enlarge

XHB started experiencing a bearish divergence in January and August of 2018, as it reflected much greater weakness than the broad markets. While XHB was falling hard last year, it created falling channel (1).

Currently, XHB is testing old highs and new falling channel resistance at (2).

Homebuilders are facing a dual breakout test at (2) this week. What they do at (2) should send a very important message to the broad market from this important sector. Keep a close eye on XHB here, as a break-out would send a short-term positive message from them.

#####

***e*Research Corporation**

***e*Research** was established in 2000 as Canada's first equity issuer-sponsored research organization. As a primary source for professional investment research, our Subscribers (*subscription is free!!!*) benefit by having written research on a variety of small- and mid-cap, under-covered companies. We also provide unsponsored research reports on middle and larger-sized companies, using a combination of fundamental and technical analysis. We complement our corporate research coverage with a diversified selection of informative, insightful, and thought-provoking research publications from a wide variety of investment professionals. We provide our professional investment research and analysis directly to our extensive subscriber network of discerning investors, and electronically through our website: www.eResearch.ca.

Bob Weir, CFA
Contributing Analyst