

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:
Hard Hit Home-Builders Testing Critical Resistance 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.

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Hard Hit Home-Builders Testing Critical Resistance Test

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

Housing and home building related stocks have been hit hard over the past year. Case in point: The Homebuilders ETF (NYSEARCA: XHB).

Looking at the chart below, it is clear that the [Homebuilders \(XHB\)](#) have been in a downtrend since January of last year (see pink shaded area). The downtrend started with a bearish divergence and accelerated with another bearish divergence in September of last year. This led to the December lows.



<Ctrl-Click> on above chart to enlarge

The current rally has carried XHB up into a critical break-out level. This level is made up of a key confluence of lateral and trend-line resistance.

What happens here will send an important message about the economy to the stock market.

The bullish case for the economy and stocks is a break out here. BUT the bullish case will receive a concerning canary message if heavy selling takes place at this key resistance level.

This article was first written for [See It Markets.com](http://SeeItMarkets.com). To see original post [CLICK HERE](#)

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