

Weekly Market Pulse: Index Jitters, Health Stock Heroics, and Central Bank Crossroads

The week closed with a push-and-pull dynamic across Wall Street. One major index flirted with record highs but could not lock them in, while others pulled back slightly after a steady climb.

Index Check-Up

- The blue-chip average inched higher by 35 points (+0.1%), leaving it only a whisker — 68 points — from fresh record territory.
- The tech-heavy index Nasdaq Composite slipped 0.4% on Friday but still secured a 0.8% weekly gain. It has now advanced in the past five weeks and is more than 5% above its 50-day moving average and is up 12% so far this year.
- The broader market index S&P 500 dipped 0.3% for the day but closed the week with a 0.9% lift. It has risen in six of the last eight weeks, is holding near record levels, and remains well above its key moving averages. Year-to-date, it is showing a 9.7% gain.

Market breadth leaned negatively, with decliners outpacing advancers on both the New York Stock Exchange and Nasdaq. Trading volume was uneven — heavier on the NYSE, lighter on the Nasdaq.

When a Single Stock Saves the Day

The blue-chip average owes its modest advance almost entirely to a healthcare heavyweight. After months of being a major drag, the stock suddenly turned hero, leaping 12% in a single session — its strongest showing since March 2020. That jump alone added nearly 200 points to the index, erasing some of the more than 1,200 points it had cost earlier in the year.

The catalyst? Regulatory filings revealed that a large-scale institutional investor quietly scooped up about \$1.6 billion worth of shares last quarter. Additional disclosures highlighted new positions in homebuilders and a steelmaker, previously masked under confidential filings. On the flip side, the same report showed reduced exposure to two of the market's most widely held financial and technology names, both of which declined on Friday.

The Bigger Macro Picture

Beyond stock-specific drama, traders remained cautious. Earnings results painted a mixed picture, and fresh concerns around sector-specific tariffs weighed on sentiment. Still, the main event sits just ahead: the central bank's annual gathering in Wyoming, where its chair will deliver remarks closely watched worldwide.

The policy dilemma is stark:

- **Case for easing:** Certain economic readings suggest momentum is cooling.
- **Reason for restraint:** Inflation remains sticky, and the latest retail sales data surprised to the upside with upward revisions to prior months.

Markets currently assign a 90% chance of a rate cut in September, though many strategists argue expectations may be running ahead of reality. With one more job report and additional inflation data due before that decision, policymakers are unlikely to pre-commit.

Bottom Line

Friday underscored how a single stock story can swing an entire index. But the real pivot point for markets will come not from corporate filings, but from the tone set in Jackson Hole event in Wyoming. Do not expect dramatic promises — more likely, the familiar refrain will echo policy remains firmly “*data dependent*.”

Major Index Performance (Week Ending Aug 15):

Index	Friday Close	Weekly	Monthly	YTD	1-Year
S&P 500	-0.29%	0.94%	3.30%	9.66%	16.35%
Dow Jones Industrial	0.08%	1.74%	2.10%	5.65%	10.81%
Nasdaq 100	-0.51%	0.43%	3.62%	12.85%	21.66%
Nasdaq Composite	-0.40%	0.81%	4.57%	11.97%	22.90%
Russell 2000	-1.11%	3.09%	3.80%	3.31%	8.34%

Market Pulse: Sectors Snapshot

Sector	Weekly Change	One-Month Trend
Health Care (XLV)	+4.65%	+2.72%
Materials (XLB)	+1.90%	+1.00%
Industrials (XLI)	-0.26%	+0.37%
Real Estate (XLRE)	+0.19%	+0.05%
Financials (XLF)	+1.18%	+1.57%
Communications (XLC)	+3.58%	+5.18%
Energy (XLE)	+0.74%	-1.52%
Discretionary (XLY)	+2.35%	+4.55%
Utilities (XLU)	-0.65%	+4.43%

Sector	Weekly Change One-Month Trend	
Staples (XLP)	-0.56%	+2.44%
Technology (XLK)	-0.08%	+3.02%

Health Care in the Driver's Seat

Healthcare stole the spotlight, climbing **4.65%** and finally shaking off months of sluggish action. As noted last week, big names like Merck, Eli Lilly, and Bristol Myers Squibb were showing recovery setups—and this week delivered. With XLV inching closer to its 200-day moving average, the sector is regaining institutional attention. Biotech area (XBI) within this sector showed strength as it moved past the 200-day EMA line with a strong gain of 6.2%.

Tech Taps the Brakes

Meanwhile, tech took a breather. Semiconductors were the main drag—VanEck Semiconductor ETF (SMH) added 0.72% on the week but sank 2.08% on Friday, likely tied to options expiration. This could mark the beginning of a seasonal cooling period, with capital rotating into Health Care, Communications, Energy, and Materials.

Financials: A Mixed Bag

Financials posted a modest weekly gain (+1.18%) but stumbled into the weekend. Big banks like Goldman Sachs and Bank of America slipped roughly 2%, keeping relative strength readings underwhelming despite fresh setups forming in this space.

Crypto's False Start

Bitcoin and Ethereum kicked off strong (+0.79% and +2.48%), but enthusiasm faded fast as both gave up most of their gains in the last two sessions. Ethereum's chart still looks constructive, suggesting a normal pause rather than a failed trend.

Industrials Lose Steam, Discretionary Shines

Industrials slipped (0.26%) as recent leadership faded, while Materials eked out steady progress. Utilities, after riding July's AI-data-center narrative, spent the past two weeks consolidating. By contrast, Consumer Discretionary notched a 2.35% jump thanks to Amazon's grocery delivery buzz (boosting its stock while dinging Walmart and Kroger) and Tesla's strength—but fading—early-week rally.

Energy Spotlight: Solar Surge

Energy added 0.74%, but the real action was in solar. The Invesco Solar ETF (TAN) ripped higher by **8.41%** off its 50-day EMA. Whether this is just a bounce or the start of a broader rebound for the battered solar group remains to be seen.

Housing Flexes Muscle

Homebuilders (DHI, LEN, TOL) surged 5.6%, signaling money is quietly rotating into housing and solar—at technology's expense for now.

Important Economic events next week:

Some important economic events scheduled for the upcoming week are:

Tuesday (08/19): Atlanta Fed GDPNow (Q3)

Wednesday (08/20): FOMC Meeting Minutes

Thursday (08/21): Initial Jobless Claims, Philadelphia Fed Manufacturing Index, Existing Home Sales, S&P Global Manufacturing PMI (Aug), S&P Global Services PMI (Aug)

Important Earnings this week:

Some important companies scheduled to announce their Q2 earnings this week are:

Monday (08/18): Palo Alto Networks (PANW), Viking Holdings (VIK)

Tuesday (08/19): Toll Brothers (TOL), Home Depot (HD)

Wednesday (08/20): Futu Holdings (FUTU), Baidu (BIDU), Lowe's (LOW), Target (TGT)

Thursday (08/21): Target (TGT), Bilibili (BILI), Intuit (INTU), Walmart (WMT), Ross Stores (ROST)

Friday (08/22): BJ's Wholesale (BJ)

Long-Term Stock Picks:

Our long-term stocks are those in which we have the conviction that they have strong business fundamentals and enjoy moats in their respective industries; hence the chances of long-term profits are high.

NVDA	<p>Nvidia lost 1.23% last week amid uncertainty around options expiration on Friday. Being a strong stock, Nvidia is getting support at 20-day EMA, but we think it is entering into a traditionally weaker period and hence it is possible that it catches up with the rising 50-day EMA (currently 164.54) where better entry could be made. It is a long-term leader and soon will reach the 200 mark though chances for temporary pullback are also increasing.</p> <p>Therefore, for Nvidia it is suggested to wait for a pullback for a better entry which could give us a better risk-to-reward ratio.</p>
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AAPL	Picked last week, our long-term leader Apple gained 1.09% last week and look is likely to continue its uptrend.
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Interesting new picks for Watchlists:

1. DHI: D.R. Horton was picked up in our weekly commentary dated 7/27 as follows: "D.R. Horton is one of the leading national homebuilders and has returned 14.16% during the last one month while also paying 1.03% annual dividends." The pop came earlier than expected as Warren Buffett revealed purchase of stocks during Q2. Homebuilder stocks are also gaining due to recent drop in mortgage lending rates and further decline due to expected cut in interest rates. Watch out for any pullback to the rising 20-day EMA which is likely to provide support to this stock.
2. MU: Micron Technology is a leading provider of memory and storage solutions and among one of the top five semiconductor suppliers in the world. The company seems well positioned to capitalize on memory demand due to explosive growth in AI and data center applications. Analysts are expecting an increase in earnings in the upcoming year. Although stock lost 3.5% on Friday, if it crosses 129.85, this will be a breakout entry targeting a 15-20% range above.

Medium- and Short-Term Picks:

AGX	Picked last week, Argan suffered a 6.29% loss. If it breaks the weekly low at 215.88 then the position should be closed.
URBN	Picked two weeks ago, Urban Outfitters gained another 1.48%. We still think that the stock is building up for a move above 80 and is actionable at current prices with a stop loss below 70.17.
APP	After a great prior week (20.26% gain), Applovin took a breather with 3.79% loss which was expected after such a run amid options expiration week. Stock seems a bit extended, and some profit should be taken from the existing position.
IONQ	IONQ lost 3.87% last week. As mentioned, it is a high volatility stock due to nature of quantum computing (accordingly a smaller position size was suggested). Any new entry should be put on hold.
ATAT	Atour consolidated last week with a 1.39% loss. Its second quarter results are now due on 8/26. Wall Street expects an EPS of 42 cents while sales increase of 30% over the last year. Although it is still in a buy range but since earnings are close, therefore, a cautious approach is desirable at this stage to avoid any surprises.
GBTC	GBTC was flat with a modest 0.35% gain last week. Aggressive bitcoin investors could still take a position in this bitcoin ETF at current levels with a tight stop loss below 87.65.

AMZN	With a gain of 3.75% last week, Amazon is flashing a buy signal as stated last week (above 226.22). Although not a perfect setup, we still think in the long term, the stock will come back to previous highs at 242.52 and could stage a breakout as well. Amazon also announced that it will offer delivery of perishables in 2300 US cities. Amazon investors are hopeful on this announcement and are trying to push up the stock.
AVGO	Broadcom was flat last week with a 0.45% gain but eased on last two days (options expiration could be a cause). If not taken it is time to take some profits and reduce the position size. Any pullback to its 20-day or 50-day EMA line will be anxiously bought by waiting investors as happened on Friday.
AEM	After an incredibly good prior week, AEM eased by 1.67% last week. We think current uptrend has a chance to test 150 level before a pullback. No fresh entry recommended at this time.
CRDO	CRDO gave back 3% last week after a tremendous run since April lows. As stated earlier, it may be a good time to reduce the position size and let the rest run. No further entry recommended. Caution: These types of stocks are suited only to aggressive investors because of high volatility.
CIBR	CIBR recovered 1.21% last week but expect it to further come down to 66-68 range. Therefore, suggest a hold for the time being while waiting for a better entry.
MELI	MELI registered a 1.64% gain during the last week as it is trying to regain the 2400 level. If it regains the 2480 level and holds it, then it will be a buy signal with a stop loss below 2345.
AU	As expected, after a huge prior week (17.76% gain), AU eased this week with a 5.42% loss. We still think it has good long-term prospects but could further pullback after a huge gain. Let us wait for a better entry position around 50-day EMA (around 50), if missed the boat. Meanwhile, it is also time to take some profits from this winner.
META	Meta continued its progress with another 2% gain and is still showing leadership among the Mag7 stocks. Any pullback to its 20-day EMA line (currently 754) will provide a better entry.
TSLA	Tesla stock popped earlier, reaching 348.98 on Wednesday before moving lower again and closing at 330.56. We have mentioned for several weeks that Tesla is finding support above 300 and is eyeing the 370 level and still holds a chance although it is underperforming vs. the S&P 500.
MSFT	As mentioned earlier, Microsoft is testing its 20-day EMA now and could get support. However, considering a weak season for Tech stocks (Mid Aug-Oct), it is possible for it to further come down to 500 level at which point it is likely to get support and provide an actionable entry.

GOOGL	Google is eyeing its all-time highs at 206.56. Although it is likely to clear this with a breakout, we think we should wait to see market reaction on Court's ruling on Government's antitrust suit against Google which is likely to be announced by the end of August. Till that time, it is a hold.
CVX	Chevron gained another 1% last week and looks set to slowly gain ground towards 166.93. The energy giant with a solid dividend (4.45%) is still a favorable play for many long-term investors.
MPLX/HESM	MPLX lost 0.81% and HESM lost 1.13% last week after an impressive run in the past weeks. With high dividend yields, these pipeline operators are ideal for investors who want a continuous stream of income.
BABA	BABA gained 0.75% for the week and is waiting for its earnings now scheduled for 08/22. We think that stock is currently actionable in a buy range , but position size should be reduced around this event.

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