

## Chart of the Day

### Consumer Staples are the new Safe Haven \$XLP

January 20, 2026

Scott highlights the State Street Consumer Staples ETF (\$XLP) as a standout performer in an otherwise "ugly" stock market. While broad indices like SPY and QQQ have broken down below their 50-day moving averages—fueled by rising geopolitical tensions over Greenland and soaring bond yields—XLP remains in the green and is coiling near a major breakout level.

#### Next Steps:

- Monitor the \$82.70 Alert: Watch for a decisive daily close above this level. As of January 20, 2026, XLP is trading near \$82.11, having already moved above its 50-day moving average on January 8.
- Audit Major Index Support: The "ugly day" Scott refers to saw SPY close down -2.06% and QQQ down -2.12%. If these indices fail to reclaim their 50-day MAs, the rotation into XLP is likely to accelerate.
- Watch Bond Yields & Geopolitics: The "Greenland Crisis" and the 10-year Treasury yield hitting a 4.75-month high of 4.31% are the primary drivers of this risk-off mood. Defensives like Staples typically outperform in high-yield, high-uncertainty environments.
- Target Specific Holdings: If XLP breaks out, look for strength in its top components: Walmart (\$WMT), which recently announced a major leadership reshuffle, and Costco (\$COST), which are both currently providing the "heavy lifting" for the ETF.

#### Transcript:

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Hey everyone, good evening. It's Scott at scottrades onx with stockarketmentor.com and your chart of the day. Want to take a look at the State Street Consumer Staples ETF. This is ticker XLP. Now XLP is showing a ton of relative strength right now because we had a pretty ugly day in the stock market. We had SPY breaking down under its 50-day moving average. We have the QQQ breaking down under its 50-day moving average, but XLP is green on the day and close to a potential breakout spot here on the

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chart. So, I certainly want to watch Consumer Staples for a breakout above some recent highs from back in August of 2025. You can see how we got up to this 82 83 zone in August. Hold right back and we're back to that scene of the crime. And so I have an alert here on XLP just above this high from August at around 8270. And I want to see if XLP can get above and stay above that level and do it on great volume. So consider watching XLP for a potential safe haven momentum trade, especially if we continue to see

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weakness elsewhere in the market. So, that's just one of many things we're watching tonight over at stockarketmentor.com. I hope that video is helpful. I'll see you next time.