STOCK MARKET MENTOR

Chart of the Day

Ignore Tech until this happens on $XLK

September 10, 2026

Scott McGregor analyzes the Technology Select Sector SPDR Fund (XLK), noting that most technology stocks have been lackluster and bound to a sideways range for over a month. Scott McGregor explains that trying to trade this sideways grinding action since August has likely chopped active traders to pieces, as brief three-day advances repeatedly pull back into a cluster of key moving averages. To avoid further unprofitable chop, Scott McGregor advises market participants to ignore the XLK ETF until it establishes a clear higher high, recommending price alerts at 189.00 and 191.00 to confirm a move through near-term resistance and middle-of-August highs before re-engaging with the sector.

Next Steps:

1. Set Resistance Breakout Alerts: Place two distinct price alerts on the XLK ETF at 189.00 and 191.00.
2. Demand Confirmation Before Trading: Wait for a decisive move through and close above 189.00—and ultimately a sustained push past 191.00—before taking fresh long positions in broad tech equities.
3. Ignore Sideways Consolidation: Avoid initiating new positions while XLK remains trapped within its tight cluster of moving averages.
4. Check Out Community Analysis: Visit stockmarketmentor.com and follow Scott McGregor on Twitter (@scottrades) for further video updates and trade setups.

Transcript:

[0:00] Hey everyone, good evening. It's Scott

[0:02] at scottrades on x with

[0:04] stockmarketmentor.com

[0:06] and your chart of the day. Want to take

[0:08] a look at the technology sector ETF from

[0:11] State Street. This is XLK. Now, most

[0:15] technology stocks have been pretty

[0:17] lackluster and you can tell that just by

[0:20] looking at the XLK ETF. It's just really

[0:23] kind of gone sideways since August. So,

[0:26] for over a month, it's just been

[0:28] grinding around and probably chopping

[0:31] you to pieces if you're trying to trade

[0:33] it because it gets going for like three

[0:35] days and then pulls right back into the

[0:38] cluster of moving averages. And so, I

[0:40] would suggest ignoring XLK until it can

[0:44] make a higher high above 189. And so I

[0:48] would have an alert here on XLK at 189

[0:51] and wait for a move through and a close

[0:54] above that level before really getting

[0:56] involved in this because otherwise you

[0:58] might continue to get chopped around.

[1:01] Now near-term resistance is above 190

[1:04] and so it's going to need to get above

[1:05] and stay above and then push above this

[1:08] resistance from the middle of August as

[1:09] well. Otherwise, it's just a lower high.

[1:12] So, two separate levels to watch here on

[1:15] XLK,

[1:17] 189 and 191. And if it can eventually

[1:20] get above that level, technology could

[1:23] get interesting again real quick. That's

[1:26] all I got for you tonight. I hope that

[1:28] video is helpful. Give me a follow on

[1:29] Twitter if you don't already, Scott. And

[1:32] be sure and check out what we're up to

[1:33] over at stockarketmentor.com.

[1:36] I hope that's helpful. I'll see you next

[1:38] time.