

Semiconductors ETF (SMH) Bearish Head and Shoulders Pattern

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We have written previously about the formation of a bearish Head and Shoulders topping pattern in the Semiconductors EFT (SMH). This pattern causes us to hold back on adding to long positions in technology stocks. Should a breakdown from the neckline continue, we would look to liquidate tech holdings and go short the SMH. See daily chart below:

SMH Daily



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