B.E.S.T. VIEW

The Monthly Market Technical View of Bruno Estier Strategic Technicals

septembre 2026

Text Written: 31 août 2026 | Chart: 31 août 2026

S&P500 - Expected Green Path v. Red Path until the end of 2026

Bruno Estier, MFTA, MSTA, CFTe

As we enter September of the four-year cycle low, we are updating our view for the remaining quarter of 2026. Our BestView for May 2026 needs to be revised, as the S&P 500 has continued to rise without a correction since April.

Our Green Path envisions that the rise above 7620 is a breakout that could lead to a new higher high near the technical target of 8000 around mid-September. From that next top, a gradual but steep decline should take place toward the Cloud (near 7000) by mid-October. Then the fourth quarter should see its usual rebound until year-end.

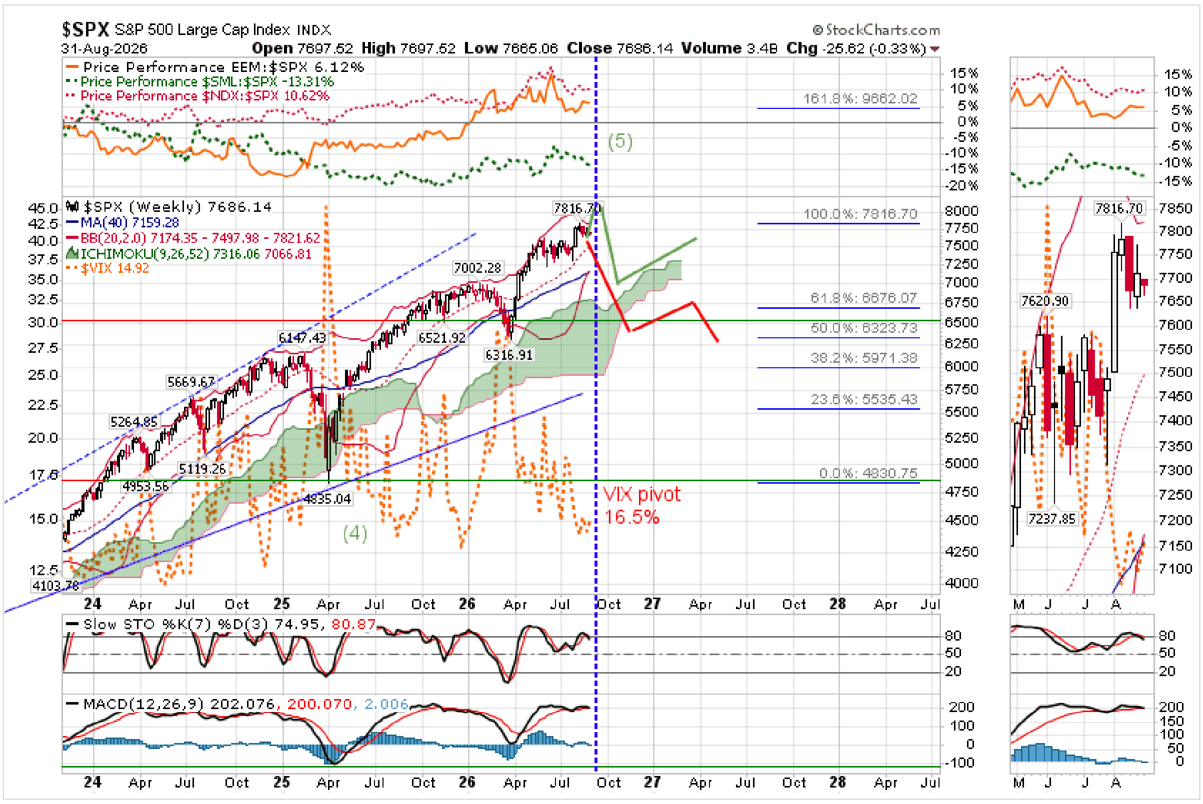
Our Red Path assumes that the top at 7816, seen with the VIX Index below 15%, is the final one. From that top, the S&P500 should decline during September and possibly also during the first two weeks of October below the weekly Ichimoku Cloud toward 6500-6325, which is the 50% Fibonacci retracement of the rise from 4830 in April to 7816 in July. A seasonal rebound from November to May 2027 is likely, but it should remain below the weekly Cloud in 2027.

As the strength of the S&P 500 during 2025 and 2026 was driven by the outperformance of the Nasdaq v. the S&P 500, particularly due to the MAG7, and then by AI-related investments, it will be important to monitor whether the Relative Strength of the Nasdaq v. the S&P 500 is extending its decline. (See the already slowly declining red dashed line). This decline in Relative Strength should coincide with the expected decline in the S&P 500 in the Fall, corresponding to the expected four-year cycle low in 2026.

S&P 500: December 2023 - August 31, 2026

Weekly candles with Ichimoku Cloud. (log scale)

The orange dotted line represents VIX (14.4%) which declined below its previous low.



UPPER PANEL: In the green dotted line, the Relative Strength (RS) line of Small Caps v. S&P 500 has declined in the last 4 weeks. During the same period, in the red dotted line, the RS line of Nasdaq 100 v. S&P500 is slightly down in a flat range, while in the gold solid line, the RS of ETF EEM (Emerging markets) v. S&P500 is rebounding.

- All the lines drawn on the right of the actual date by BEST are for educational purposes, assuming some ebb and flow and sector rotation out of MAG7 into the 493 other stocks. We look at 2 main potential cases:

1. The Green Path envisions a Higher High near 8000 very soon, followed by a correction into Q3 of 2026 to find support near 7000.
2. The Red Path envisions a decline from the recent top near 7816 in a deep decline, finding support at the previous low of April 2026 near 6500.

LOWER PANEL: As of August 28, 2026, the momentum indicators hint at the current situation of the S&P500. The long-term weekly MACD is making a Lower High, but has not yet crossed down.

- The weekly STO has crossed down in overbought areas. Close monitoring is advised in the upcoming September weeks.
- The vertical line in blue is set in October 2026 for the theoretical lows of the US Presidential cycle (near the midterm election).

Data Source: Stockcharts.com
Analysis by B.E.S.T.