



Corner On Market Sentiments

Levels on the XBI

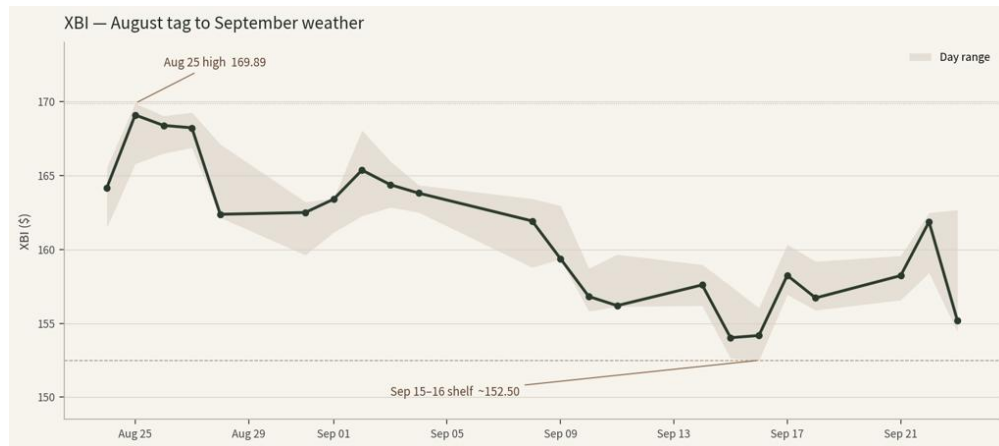
From Pullan's Pieces #229 September 2026

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In August we asked not whether the XBI belonged in the mid- and upper-160s, but how it intended to live there. September has started to answer. It tagged a multi-year high of 169.89 on August 25th, that was the print last month's Corner on Market Sentiments was watching. It proceeded to spend the last four weeks working off that ledge but today (September 23rd) was the first session it felt like actual real weather up on the peak: open near 162, close 155.20, down a little more than 4%, on the heaviest volume of the month.

That is not a collapse. It is also not nothing. From the August high, the index is off roughly 9%. Year-to-date it is still up about a third and gains over the last year remain in the mid-60s. The long uptrend with higher lows over several years we showed in August has not been canceled by one autumn month.



The level that matters now is the one last month we called an anchor: the most recent higher low. That shelf printed on September 15th–16th around 152.50–154. Today’s low of 154.44 came right to the edge of it and stopped. Until that zone gives way, the multi-year structure is bruised, not broken. A clean break, especially on rising volume (unless whipsawed), would be the first real argument that the summer advance was a tour of the summit rather than a decision to stay.

Technically, the short-term picture has deteriorated on cue. Price has lost the 20-day moving average (closing below) *and* slipped through the 50-day near 158, forming a bearish crossover signal. Daily RSI has cooled from the stretched readings that produced the [bearish divergence](#) flagged in August, shown here again for reference:



The fundamental climbing party that has assisted the ascent to the peak has not exactly packed up and left. As we all know, biotech IPOs in 2026 are already running well ahead of last year's total, with larger average hauls than the drought years. [M&A remains the other engine](#) with big pharma still shopping de-risked, mid-to-late-stage assets against the patent cliff. This company on the mountain does not repel gravity after a near-doubling off last year's lows but it does argue against treating every down day as the end of the hike.

Levels (anchors) worth watching from here:

152–154. The September shelf we camped on.

158–160. First evidence the pullback is done being in charge but only if it doesn't die under 162.

Volume character. August asked us to watch the quality of volume on advances and pullbacks. Today's down-day volume was an attention getter. The next up day needs to show up with some of that same seriousness, or the September camping shelf is just a pause before a deeper test.

August's Corner closed by saying some of the most useful light arrives when the season itself begins to change and it may be that today, the

season did change. The XBI came off 170 the way most things come off a high they have not earned the right to occupy permanently: not all at once, then all in one session. The work now is mechanical.

Watch the shelf. Watch the volume.