

Good morning everyone. Welcome to Thursday morning..

It's Stephen Whiteside here.

from theuptrend.com with today's look at North American stock market trends..

Well, we're coming up to CPI numbers.

at 8:30AM this morning and so far it has been a fairly bullish morning with the Dow.

futures currently up just under 300 points..

So people are apparently not waiting for those CPI numbers..

They think they're going to be bullish for the market..

Now Wednesday turned out to be an inside day for the US market..

So whether you're looking at the Dow Diamonds, the Spiders, the Q's,.

the Russell 2000, or the Microcap sector, they all had an inside day on Wednesday..

An inside day of course is a day of indecision, a pause day, a rest day..

They're waiting for more information.

to come out and that information is going to come out at 830 this morning..

So we are expecting Volatility to expand..

So going from an inside day to a wide bar day on Thursday..

Now what didn't work yesterday?.

Utilities on both sides of the border were the big losers..

The big winner in the US was energy and transports..

And oddly enough, the biggest winners in the Transport sector..

And the biggest winners on the S&P 500 were the cruise lines..

Starting off with Norwegian, then Royal, followed by Carnival..

They were all up sharply yesterday, leading the S&P 500 higher..

Now looking at the Canadian market, we didn't get an inside day for the TSX,.

but we certainly got a very small range bar day..

We haven't had a day like that since back here in the middle of September..

And then of course, Volatility expanded the next day.

and that's what we're expecting to happen today..

No idea on the ultimate direction.

of the market, it is bullish before the CPI announcement..

That does not mean it's going to be bullish after..

So new low for the TSX, new low for the TSX 60..

Mid caps held up a little better..

Small caps held up fairly well, while the microcaps traded lower on Wednesday..

Now the big winner on the TSX, big winner from a loser is cannabis stocks..

Once again, of course this is a very volatile sector..

It'll often show up at the top.

of the winners and the biggest loser of the day, it'll just shift back and forth..

We had that big update last week, which was followed by a big down day..

And you can see we traded right up to the Flypaper Channel and reversed..

So if you were long any of the cannabis.

stocks last week, hopefully you had orders in above the market to get filled because.

you only had two days to take some profits before things went back to the norm..

Now what didn't work?.

Well, just like in the US..

It was the utility sector was the big loser on Wednesday..

Let's finish off looking at those mega.

trends and one of the mega trends of course is a rising VIX..

Now the VIX seems to be stuck here at 34.38.

and if we can't break through there that would probably indicate.

that the market wants to turn around at this point..

And here's an interesting chart..

Here's a Vanguard all world except the US.

ETF..

And as you can see we're in a bear market using the Flypaper Channel as resistance..

But right now it looks like we're trying to put in a double bottom here at 43.75..

If we can hold that, this could be the time.

and place where the market wants to turn around..

Remember we can't get the VIX to push.

higher, which means traders aren't willing to pay for more portfolio insurance.

at the moment, which means they're starting to turn.

from being bearish net bearish to somewhat bullish..

It doesn't mean that that's going to mark the bottom for this particular move but it.

certainly means that we could head up from here, maybe up two lines and then.

stop for a pause before we head lower again..

We'll just have to wait and see..

Now of course the US dollar index moved up yesterday..

It's another one of our big trends..

And of course that has a lot to do.

with the bond yields which had an inside day yesterday..

The 30 year bond had an inside day on Wednesday as well..

We still have copper trading in the channel so as an economic barometer.

it's not telling us too much at the moment..

You can see copper has traded up.

to the Flypaper Channel several times and it's acted as resistant..

So copper is still in a bear market of course, as is gold..

And gold recently traded up the fly paper.

channel and reversed as the US dollar reversed..

So if we can get the US dollar to start.

to come down again, we could probably get money to flow back into gold..

But right now we're on a daily sell signal and then let's finish off with energy..

We've got crude off with an early warning signal up there at the top of the screen.

we've pulled back for the past couple of days..

We're still on a buy signal here..

We need a close on Thursday below 83.95 to give us a Sell Signal..

And for natural gas we're still on a sell signal..

Things would change on Thursday with a close above 7.01..

If we start breaking down below 6.25 then.

5.47 would be our next target to the downside..

Okay folks, that is all for this morning's presentation..

The CPI numbers are coming out in a few minutes..

I'm not going to wait for that because I'm.

going to try to get the video posted as quickly as possible..

It's going to be interesting to see if the rest of the world can hold support here..

Of course we're all focused on what's.

going on in North America and rarely do we look beyond our borders except when.

the other countries show up as major news items..

But here's what the rest of the world looks like right now..

It looks like they're trying to put.

in a double bottom, and we'll have to see if that can hold..

And of course, one of the ways it's going.

to be able to hold is if we can get the VIX to start to come down..

Enjoy the rest of the day..

Next time you'll hear my voice.

is on Friday morning..

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