

Hello, everyone. It's Stephen Whiteside here.

from theuptrend.com with this weekend's edition of Stock Market Timing Television..

Well if you were with us at this time last.

week, we were focused on what wasn't working..

The Dow was leading the market higher and we were watching to see if the rest.

of the market would start to catch up or if the market would start to reverse..

And of the market certainly did some.

catching up this week and what a difference a week makes..

Now the market moved sharply off.

of the smallest inflation data point and one data point does not make a trend..

And so one wonders what will happen if we.

get a data point of that size in the opposite direction?.

Will the market move just as swiftly down as it did up this week?.

Well the market action we saw this week.

certainly fits into the seasonality chart where we get a rally in early November.

and then we get some sort of pullback before we head up into December..

We'll just have to see how that works out..

Looking at the VIX..

The VIX has been on the sell signal for the last three weeks and we headed lower..

So we're going to remain longterm bullish.

on the market as long as the VIX does not close above 30.31 this coming Friday..

If you're watching it during the week,.

this is the chart we posted last weekend, daily chart of the VIX and we were looking.

for a close above 28.01. That did not happen during the week..

We made a high on Thursday and then a quick reversal to the downside..

So on Monday we're looking for a close above 26.58..

If that were to happen of course that would change our view on the market.

on a short term basis from bullish to bearish..

Now we have to be quite impressed that the market was able to catch up.

with the seasonality chart this week and put everything back in order..

I'm not sure how long the market is going to be able to keep that up though we do.

have still have inflation to deal with and the oncoming recession.

and central banks are still raising rates around the world..

So I don't think that's going to change any time soon..

So just like any other week, you take it one week at a time..

This week is bullish,.

next week could be bearish and we could see a change in trend..

We'll just have to take it as we always do, one week at a time..

Now we were watching the Dow Diamonds lead in the market higher..

It broke through the October highs,.

the September highs, and now it's heading up towards the August highs..

Now the rest of the market is playing.

catch up and we're looking at daily charts here that you can see..

The SPY ETF actually joined the party.

on Thursday and broke through the October highs..

Now the next target that we have..

Mathematical target is 400 and 625..

But to get there we have to get over.

the big round number of 400 and we got as high as 399.35 on Friday..

So if we can break through 400, 406.25 is our next target to the upside..

And then above that you can see we peaked.

in September up there at 411.73 and then quickly reversed..

Looking at the QQQ's,.

they also joined the party on Thursday, broke out above the October highs,.

heading towards the areas that we haven't traded since September..

And we're looking at our next price target.

of 296.88 and of course just above that is the \$300 target..

Looking at the Ishares for the TSX 60 trading, pretty much like the Dow diamonds.

at the moment, heading up towards those August highs, our mathematical target is.

31.25, but we veered away from that in August getting as high as 31.20..

So just keep that in mind,.

that's our next big target to the upside for the Canadian market..

Now last week at this time we were talking about the fact that the Energy sector has.

been such a great performer this year, but it is far more important.

to the Canadian market than the US market at this time..

Currently the energy sector is only 3% of the SP 500 while it's 13.5% of the TSX..

Now going back in time,.

going back to the energy sector was a much bigger component of the S&P 500 way.

back when it was almost like the technology sector today..

But times have changed..

There's been a lot of consolidation.

in the energy sector over time and things priorities have changed,.

the technology sector has become far more.

important to the economy than the energy sector in the US..

Of course the energy companies in the US.

a lot of them are global, so they're much bigger than the energy.

companies in Canada which tend to be a lot more local..

Now, what worked this week and what didn't work well?.

What worked in the Canadian market?.

Well, it was the gold sector up nearly 12% for the week..

Then we've got it the technology sector up.

just under 11% and then we've got the healthcare sector,.

which of course includes the cannabis stocks, up nearly 9% on the week..

What didn't work well, energy stocks were down but also clean..

Technology stocks were down 2% on the week..

Looking at the US market, well,.

semiconductors led the way up by 12.57%..

That's a good sign going forward..

If we can take out those August highs then we're looking at housing which was up, 12.1%..

And then we're looking at the XAU up 10.44% for the week..

Next up, let's take a look at those megatrends..

And one of them did end this week.

and that was the US Dollar index, down 4.14% on the week..

That's a huge move for currency..

And then a lot of currencies around the world headed in the opposite direction..

Whether you're looking at the Australian.

Dollar, the British pound, Canadian Dollar,.

there's the Euro up of corresponding 14%, Japanese yen up nearly 6% on the week..

That is a huge move and there's a nice big move for the Swiss franc..

Now, bonds were also higher this week,.

no major trend change so far for the XBB in Canada, the TLT..

Now we talked about the merging market.

bonds, they were leading the market higher last week and we are back on a buy signal.

for emerging market bonds, but not for the junk bonds..

Still waiting for a close above 91.53..

Then looking at commodities,.

we had pullback in crude oil down 3.6%, still trading along the 87.50 level,.

we closed at 88.16, so we're still not able to break out..

There's no trend going on in crude oil at the moment..

There's still a trend for natural gas and unfortunately it's to the downside..

The only bullish thing is we haven't made.

a new low in three weeks and so we're down 7.66%..

And there's the price of copper up on the week, up 4.35% 2nd week in a row..

Then we had the gold up the \$68.0.50 on the week and that is of course.

the following silver which has been up for the last couple of weeks..

So there's all the metals up on the week..

Moving on to bitcoin and ethereum, they are down sharply this week..

down 24% and change for bitcoin, down 26.7% for ethereum..

I don't recommend any of these cryptocurrencies..

If I was 40, 50 years younger I might.

consider them, but they're not something I'm really interested in..

The reason I'm telling you this is because people often ask me questions.

and my opinion and I really don't have much of opinion on the crypto currencies..

Now let's finish off with the one chart to watch, and that is the US Dollar index.

had a major move down this week and every time it's moved down in 2022..

we've got a corresponding up move in the stock market..

And so what we've seen recently is back.

in September we made a high, then we made a series of lower highs.

and lower lows and this week we actually broke down..

And so as the US Dollar has been coming down, the stock market has been going up..

So I think the US Dollar is the one chart to watch and of course if that changes.

this week, that could also change the direction of the stock market..

OK folks, that's all for this weekend's presentation..

It was a memorable week, one of the best weeks we've seen in a couple of years..

Of course, we're going to look to see what kind of follow through we get this week..

If we got a small pullback or an inside week, that wouldn't be a big deal..

Of course, the first sign that something went wrong is if we start closing below.

the previous week's low, that would be certainly a concern..

Or if we saw a big move in the VIX to the upside, that would also be a concern..

But otherwise, we're going to follow.

the money and see how far it can take us into the year end..

Enjoy the rest of your weekend..

Next time you'll hear my voice is on Tuesday morning..