

Good morning everyone and welcome to Wednesday morning..

It's Stephen White side here from the uptrend.com..

In the premarket this morning, stock index futures are down across the board..

So far it looks like we're going to see a little selling on the last day of May..

Now we do realize that automatic money is hitting the market..

The market also realizes that..

So while we can see a bullish bias at month end, if the market wants to go.

lower, that bullish bias can help dampen any downward pressure..

We're still dealing with the debt ceiling that has not been resolved yet..

Now, yesterday looks like a market top..

We saw some bearish reversal signals and.

some significant symbols such as the semiconductors..

We saw NVIDIA pulled back after making a new high..

Broadcom had a big update yesterday and.

then reversed going into the close, closing lower on the day..

So a big bearish reversal day for Broadcom, Microsoft, Meta..

These stocks all had bearish reversal days.

on Tuesday, and that may mark the top for this move in the market..

We'll just have to wait and see..

Now, the Nasdaq is nowhere near a sell.

signal coming into Wednesday's trading action..

Our next mathematical target was 359.38. Couldn't get there yesterday..

That doesn't mean that we can't get there..

It's just we didn't get there on Tuesday..

There's the S&P 500..

It did hit our next target before pulling back at 421.88. Closed at 421.18, a lot of.

people are looking to see if the market can move out above and hold above 420..

Now, we're often talking about the fact that the S&P 500 is market cap weighted,.

and that's why we watch the big cap stocks the most to see where they're going.

because they'll pull or push the rest of the market..

So we know that Apple is a much more.

significant waiting and a much more significant company in the S&P 500 than,.

say, UPS, even though it's a household name or visa..

These stocks are much smaller when you look at them based on market cap than.

Apple or Microsoft or Google or Amazon or Tesla, which are much bigger companies..

Now, if we looked at the S&P 500 equally weighted, so every stock in the S&P 500.

was given equal representation, the market would look much different..

So this is how it looks when it's market cap weighted..

This is how it looks when it's equally weighted..

And as you can see, when you put all the.

S&P 500 stocks side by side, the market isn't doing very well at the moment..

Now, when we look at the percentage of stocks currently trading above their 20.

day moving average, what's really spooky is the fact that even.

though the Nasdaq is hitting new highs right now, only 52.47 % of the Nasdaq 100.

% and 51.51 % of the Nasdaq itself are above their 20 day moving average..

We can see that the TSX is weakest..

We're seeing a lot of pressure on the TSX.

with banks having issues at the moment, and we've got gold stocks down sharply..

So that's certainly putting pressure on the TSX..

The DAO 30, only a third of the stocks in.

the DOW 30 are above their 20 day moving average..

So it's really spooky, the fact that the Nasdaq is hitting new highs and only 52 %.

of Nasdaq 100 stocks are currently trading above their 20 day moving average..

Well, what worked and what didn't work yesterday?.

Well, on the S&P 500, it was consumer discretionary..

It was the big winner followed by technology stocks..

And as you can see, we had the big pullback going into the close..

And then real estate, those were the big winners..

The big losers were consumer staples..

Energy, which rolled over yesterday on both sides of the border..

And then health care stocks made a new low for this move..

Looking at the Canadian market, we were down across the board yesterday..

So it was energy stocks were the big.

losers in percentage terms, followed by materials making a new low for this move..

And then we saw health care pull back..

Then looking at gold stocks, they made a new low yesterday..

Financials were down a little over 1 %..

Banks were down over 1 %..

And when we look at the banks, we've got Bank of Montreal still on a sell signal..

We've got Bank of Nova Scotia trading in the channel yesterday..

A close below 66.10 on Wednesday would give us a sell signal..

Then looking at CIBC, we're looking for a.

close below 56.21. No change in trend for the National..

It reported earnings this morning, so.

we'll have to see how the market reacts to that..

Then the Royal Bank, no change in trend there..

A new low for this move for the TD Bank, still on a sell signal, no change there..

Let's finish off this morning's.

presentation with a quick look at commodities..

And there's crude oil rolling over yesterday back on a sell signal..

Down again in the pre market this morning, that's also true for natural gas, still on.

a sell signal, looking to see if the recent lows will hold..

Then looking at copper, copper moved up into the channel yesterday, pulled back.

going into the close, closing lower on the day..

Now we had a reversal for gold..

It's still trading below the lower channel line, so no change there..

It's up 40 cents in the pre market last time I checked this morning..

Silver had a bullish reversal day on Monday..

Little pullback yesterday, still trading below the lower channel line..

And then let's finish off with lumber..

Of course, a couple of years ago, lumber.

was screaming, and now it's been screaming to the downside..

So no change in trend for lumber..

Bacon prices should be getting lower right now..

We're seeing live hogs down at the very bottom of the chart at the moment..

And then hamburger meat, on the other hand, should be getting expensive going.

into barbecue season, so that is unfortunate..

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

Looking for some selling at the open on Wednesday morning..

Have a great day..

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