

Hello, everyone..

It's Stephen Whiteside here from theuptrend..

com with this weekend's edition of Stock.

Market Timing Television, the Canadian edition..

Let's start off this weekend's.

presentation looking at a couple of daily charts..

The TSX certainly ended the week on a.

bullish note, we are coming up to not only our next daily target of 20,625..

This was a major area of resistance back in April and into May,.

and you can see that this week's activity actually generated a weekly buy signal..

I wouldn't be too excited about taking it..

As I mentioned, we're coming up to the next daily and weekly price target, and.

that level has held us in check all through 2023..

It looks like we might be coming to the end of the summer rally, and we'll look at.

that in a little more detail in a few minutes..

If we can take out the 2023 highs and.

let's say that commodity started to push higher, then.

we're looking at an opportunity to move up to 21,875..

And as you can see, that's where we peaked out in early 2022..

Let's move from daily and weekly charts to some monthly charts..

And if you're feeling like things aren't.

going well in 2023, that is certainly true for the average investor..

The TSX is only up 6 % so far this year..

And you can see by looking at the monthly.

chart, we're not really trending on a long term basis..

It's still bullish, but we're really not going anywhere..

The DOW is just up 6.28 %, so the average.

Canadian, the average US investor, not really feeling the love this year..

When we look at the TSX 60, we're looking at gains a little less than the overall.

TSX at 5.57 % so far, and you can see we're still in the channel..

Now, when we look at midcap stocks, so you.

take the TSX composite, you take out the TSX 60, the stocks you're left with.

have been performing better than the overall market, up 7.81 %..

Then looking at small cap stocks, we're up just under 3 % for the year..

Then looking at the microcap stocks in the Venture Exchange, we're up 8.13 %..

No love here..

We're still on a monthly sell signal..

And as you can see from the peak to the.

trough, which was about a 50 % decline, we really haven't recovered that much..

Now, what's been working?.

Well, InfoTech technology, Big Cap.

technology stocks have done very well in 2023..

So far, the TSX Information Technology index is up over 40 % so far..

A lot of that has to do with Shopify, not.

the only winner in this index, but certainly when you look at the market cap.

of Shopify compared to some of the Bitcoin stocks which have done incredibly well in.

2023, we're looking at Shopify, we're up over 84 % for the year so far..

Now, the Nasdaq 100 is up over 41 %,.

and of course, we're looking at the Nasdaq 100 here..

The Nasdaq composite, which has over 2,500 stocks, is up over 34 %..

In both cases, a lot of the gains come from a handful of big cap stocks,.

including NVIDIA, which is up over 200 % so far this year..

We've got Meta up over 144 % and then Tesla up over 111 %..

Now, Meta and Tesla ended the week with bearish reversal signals..

This is a possible time and place where.

the summer rally could be coming to an end..

Now, Tesla has had a couple of has had a.

previous bearish reversal signal a couple of weeks ago..

You can see the Pros are starting to give up control..

They have not abandoned buying Tesla, but they are certainly giving up control..

Previously, when we had bearish reversal.

signals, it marked the top for these particular moves in.

Tesla, and that could be the case, right, that this is starting right now..

Once again, that the next leg down for Tesla has started..

Of course, if Meta and Tesla are putting.

in bearish reversal signals, we're also seeing the Nasdaq 100 put in a.

bearish reversal signal and semiconductors put in a bearish reversal signal..

I think the summer rally is coming to an end right now..

We'll just have to wait and see if that is true..

We certainly don't have a lot of weekly sell signals to deal with..

Now, one of the reasons I think the summer rally is coming to an end for the TSX.

itself, if we look at the percentage of stocks currently trading above the 20 day.

moving average, you can see that this index is up at the top of the range here,.

and this is where things start to slow down..

If we overlay the TSX itself.

over the index, you can see in this particular example where the index peaked.

and then it took a couple of weeks for the actual TSX to peak..

That's also true here..

Took another week or so before the TSX peak..

But it's very hard for a market to continue to move higher from here..

It certainly does not guarantee that all sectors are going to pull back..

We could see gold or crude oil spike up.

this week and take the energy sector higher or the gold sector higher..

There's not a guarantee that.

all the market is going to turn around, but it's usually what happens..

And if you've been with me for any length.

of time, I always say that the air is getting pretty thin up here..

It's just harder to make money up at these levels..

You're probably not going to see the.

overall market to be able to move much higher from here at this present time..

Now, when the index is down below 20, of.

course, that's when we look at low risk opportunities..

When it's above 80, that's when we consider the market to be high risk..

Again, no guarantees, we could continue to move higher for the next week or so..

It's not a complete....

The fact that you get to point A, something happens..

It's just general indication that the air is getting thin..

It's going to be harder to make money in.

the overall market for the next couple of weeks..

Now, the only thing that can really help.

the Canadian market right now is commodity prices..

And if we look at copper, we saw copper pulled back into the channel this week..

Copper had an inside week or a week of indecision..

With copper trading higher over the past.

couple of weeks, the Pros have not taken control on the weekly chart, so I don't.

have a lot of hope for copper at the present time..

Similar situation for gold..

Gold is still trading in the channel, so we have not seen a buy signal..

We need to close above last week's high.

this week to give us a new weekly buy signal for the price of gold..

The Pros have turned around, but they.

still have not taken control, unlike silver..

Now, silver has been on a buy signal for the past two weeks..

It's having trouble up here..

It's put in a bearish reversal signal..

It closed below 25..

The Pros have taken control..

They've been in control for a while now, but really not going anywhere..

We were hoping we could start moving up above 25 and take a run at the highs from.

a couple of months ago, but that isn't what's happening..

Now, a lot of people are looking at the fact that this is a very bullish chart..

You can see we made a higher low here, then a higher low, then a higher low..

We made a higher high, higher high..

And so this channel is looking very bullish to a lot of people..

But we're looking at price targets, and.

so far, \$25 has been a roadblock for the price of silver..

Hopefully, if we can start moving higher from here and continue, 28.12 would be our.

next target if we can take out the highs from back in April..

Then looking at the energy sector, crude oil was up on the week..

Moving from a weekly chart to a daily.

chart, you can see we're stuck at the 200 day moving average..

That does not guarantee.

that the market is going to reverse here, but we had trouble dealing with the 200.

day moving average back in April, and so far that's held us in check..

If we can continue higher from here, then 78.13 is certainly a legitimate target..

That's where we peaked out back in April, just above that level..

And then if we can take out the highs from April, then 81.25 would certainly be a reasonable target to the upside for the price of oil..

Now, looking at natural gas, we've been building a base for a long time here..

We're still trading in the channel..

We need another close this Friday above.

2.76. You can see the Pros are getting very close to taking control..

Last time they took control is back here,.

and you can see that natural gas took off like a rocket..

If we start continuing to move higher from.

here, then 4.69 would certainly be a legitimate target..

That doesn't seem like a lot, but that would be about a 70 % increase from where.

we are right now if natural gas can continue to move higher from here..

With the heat waves going across the world at the moment, you would imagine that. natural gas is in high demand at the moment..

I know supply is high, but demand is also high at the same time..

Now, lumber isn't as important to the.

Canadian stock market as it used to be, but you can see we had an inside week..

We're still on a weekly sell signal here right down at the 2023 lows..

And you've probably heard a lot about the.

price of wheat with what's going on with Russia and Ukraine..

Yeah, we're up over 5 % on the week, but.

we didn't take out the high from four weeks ago..

So nothing exciting going on for wheat..

We're still on a weekly buy signal here, no change in trend..

Now, the Fed is....

We're coming up to another Fed meeting..

Everybody's expecting the Fed to raise interest rates..

Once again, they're trying to fight inflation and you can see the price of.

gasoline is starting to break out heading towards the highs from early 2022..

And so if we're trying to fight inflation, gasoline would be a great place to start..

And that's not working out so well right now..

Let's finish off looking at the fear index and looking at a weekly chart of the VIX..

Fairly quiet trading this week, inside week for the VIX..

Long term investors can remain bullish on.

the stock market as long as the VIX does not close above \$16.79 this coming Friday..

Now, if you're a short term investor or trader, short term investors can remain.

bullish on the stock market as long as the VIX does not close above \$14.27 on Monday..

Now, the upper channel line is pretty flat right now, so that number, you could.

probably use that number for most of this week..

Heads will turn, the talking heads will.

turn if we start to break out, if the VIX starts to break out above 18 dollars..

And you can see back earlier in the year, we had a couple of runs at breaking out.

above the fly paper channel, that didn't work..

We recently ran up to the bottom of the fly paper channel and that reversed..

So the market is pretty comfortable with.

the VIX trading below the top of the fly paper channel..

If we start to poke out above it, that's when investors are going to get very, very.

nervous about the direction of the stock market..

And we're certainly not there..

We're down at a recent low..

So this is what we need to look for..

It's not what's happening yet..

The VIX is on a weekly and a daily sell.

signal that is still bullish for the market..

We saw reversal signals in the market on Friday and this week, and we'll need to.

see if there's follow through to the downside..

If there's follow through to the downside, the downside and the VIX starts to move.

up, then we'll start to get bearish on the stock market..

Enjoy the rest of your weekend..

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