

Hello, everyone..

It's Stephen Whiteside here from theuptrend..

com..

Welcome to this weekend's edition of Stock Market Timing Television..

Well, I hope you're having a wonderful weekend..

It's really nice here and we're heading.

out for a barbecue a little later this afternoon..

This time last week, we were looking at.

S&P 500 that had a wild day on Thursday and then recovered on Friday..

That Thursday was a Bearish Reversal day.

and has marked the high for this particular move..

We move forward a week and we do have lots.

of new daily sell signals to deal with, but not necessarily weekly sell signals..

Now you can see the latest.

Bearish Reversal signal on the S&P 500 chart..

The pros are giving up control but haven't given up control just yet..

Looking at a weekly chart of the S&P 500, a big sign of weakness, of course, is the.

fact that we closed below the previous week's low..

That is certainly a warning sign going forward..

Looking at the Nasdaq 100, you can see we.

had a Bearish Reversal three weeks ago, and that high has held us in check..

Looking at the Nasdaq composite itself, we ran up to 14,375 and stopped..

And so far, that level is holding us in check..

And that held us in check earlier in the year..

Then looking at the Russell 2000, what do you know?.

We're stuck at 2,000 and have been that way for a couple of weeks..

And 2,000, of course, held us in check earlier in the year..

And then looking at the TSX, well,

unfortunately, we had a big pull back this week back into the channel..

We were trying to break out above the

level that has held us in check for a year now, up at 20,625..

Unfortunately, that is still holding us in check..

Another sign of possible continued weakness here is the fact we put

in a high, a lower high, and now we've put in a lower high..

So a series of lower highs, not usually a good sign going forward..

Now, oddly enough, it was not the big cap stocks in the TSX that have led us higher..

If you look at the composite, then you look at the 60 biggest companies and then

look at the remainder of the TSX composite or what are called the midcaps..

They've outperformed the big cap TSX 60 stocks over the past couple of weeks..

Then looking at small cap stocks, they're stuck at resistance

at 718.75. Then looking at microcap stocks in the venture exchange, we're trying to

break out above 625, closed at 615.72, so still no joy..

Now, if this was truly a bull market, and we know it isn't because most of the gains

in 2023 have been from a handful of bigcap technology stocks, the venture exchange is

basically where it was at the start of the year..

So investors have not been compelled to put money into early stage startups such

as those listed on the venture exchange, and that's not a good sign..

Everybody has a lot more fun in the stock

market when small and microcap stocks can do well..

And so so far in 2023, that has not been the case..

Now, we've gone over this chart a few

times over the past couple of weeks, and we've talked about the percentage of

stocks currently trading above their 20 day moving average..

We looked at the TSX, the Nasdaq, and the S&N P 500..

And so here we are..

We were up at the top of the range and we were looking for a pullback..

Of course, when you're up above 80 %, we consider that a high risk zone..

When you're down below 20 %, that's a low risk zone..

This is when we look to sell, this is when.

we look to buy and now we're looking to see how far down we can come..

Of course, as you come down to the low risk area, there's no guarantee the market.

is going to instantly reverse and move higher..

Just because we're down here doesn't mean we can't continue to go lower..

We're also always going to look for a reversal in price momentum before we start.

getting too excited about becoming new buyers down in the low risk zone..

Now, the biggest mistakes that a lot of.

investors make is they wait until they get enough psychological support..

So anytime that the market is up at these levels where the percentage of stocks.

currently trading above their 20 day moving average is above 80 %, you're.

mostly going to find positive news and the market reacting positively..

Remember, this last run up that we had, the DOW was up day after day after day..

In fact, it broke all its previous track records..

We had to go back to 1987..

So there was a lot of cheerleading, a lot.

of positive support from the media up at these levels..

So this is the time and place where a lot of investors are willing to throw money.

into the market because they have that psychological support..

Now, the opposite is also true..

While we want to short stocks up at these.

levels, the average investor is going to be looking for negative psychological.

support before they pull the trigger and short stocks..

And so they're going to wait..

They don't know they're waiting, but this.

is the time and place where you get the most negative information about the market.

is when we're down below 20 % of the stocks on the S&P 500, the TSX, or the.

Nasdaq trading below their 20 day moving average..

So this is the time and place where you're going to get the most negative news..

And for somebody who's not that confident, doesn't understand how the stock market.

works, this is the time and place they're going to decide to either sell or short.

stocks or buy puts down at the bottom of the range..

And that's the exact opposite of what you really want to do..

We want to be looking for buying.

opportunities off the bottom and selling opportunities off the top..

Now, talking about selling opportunities, NVIDIA is still holding up fairly well..

It's been on a sell signal for a couple of days now..

Now, this is just a short term right side sell signal..

So this is for short term traders..

The midterm chart is still on a buy signal, so that has not changed just yet..

Of course, we're still on a weekly buy.

signal, still closing above the upper channel line, so not with that concerned..

We need a close below 395.02 this coming Friday..

Not expecting that to happen..

And we'll be watching every stock to see.

how they react to the Fly Paper Channel on the way down..

Does the market trade down to the Fly Paper Channel and do previous.

investors come back and buy the dip, or are they going to start walking away?.

If they start walking away, you can tell.

that by the fact that the stock will be trading through the Fly Paper Channel..

In this situation, looking at NVIDIA, you.

can see the top of the open gap basically lines up with the Fly Paper Channel..

So that would certainly be a reasonable target to the downside and an expected.

area where you'd expect the stock to find support..

Now, if things are going to get worse,.

then we're going to break down below the Fly Paper Channel and the market may take.

a run for the bottom of the open gap, which is just about \$300..

So if we're going to go from up at the 450 area down to 300, that's a 33 % loss.

and that's going to have a major effect on the overall stock market..

Now, Apple had a very bad day on Friday,.

not something that you usually see from Apple..

And for the last couple of months, most of the bars have been fairly small..

We've got a couple where we had wide range.

bars, but for the most part, they were pretty small..

But Friday, not only did we move lower,.

but we gapped lower and closed near the low of the day..

That's not a good sign..

187.50 was our first target, and then 181.25 was our next target..

So far, we're holding 181.25. If that.

breaks, 175 is our next target, then there's a nice open gap just above that.

that could act as a target on the way back down..

We are up at the top of the Fly Paper channel right now..

The bottom of it is about 176..

So it's certainly possible that we could hold the Fly Paper channel..

If we don't, then that's going to.

certainly send a message to the overall stock market..

Now, Amazon popped on Friday..

If we look at our price target chart from.

Thursday, we were looking at 137.50 and 143.75. Got up to 143.63 on Friday..

So not enough to hit our exact target..

But I ask you to consider putting orders in just below that target..

Now, if you're using your Right Side Chart, you weren't.

participating in that big move on Friday but certainly people using the midterm.

chart or a longer term analysis certainly are..

And hopefully some of you got to lock in some profits..

What would I do about Amazon coming in on Monday?.

Not a thing..

I would not be chasing Amazon up at these levels..

Then looking at Shopify, Shopify was down over 11 % on the week..

It is back on a weekly sell signal as of Friday's close..

We came into Friday already on a daily.

sell signal, trying to hold support in the Fly Paper channel..

You can see we're trying to hold support port at the 100 day moving average..

I am looking at Shopify on the TSX..

You can see we're still projecting down to.

the 200 day moving average, which is down right around \$70 at the moment..

Our next mathematical target is going to be 75..

Is there any history at 75?.

Yes, we bounced off it in late May..

If that does not hold, then you've got the top and the bottom of the open gap here.

that could potentially act as price targets..

You've also got 68.75 in the middle..

So the market may want to come down and fill that open gap..

We'll just have to wait and see..

And of course, the first sign is a break of \$75..

Moving on to commodity prices..

The price of crude oil continued to move higher, closing above the previous week's.

high for the second week in a row, 81.25 was our next target..

We closed at 81.21 on Friday, certainly hit our target..

And of course, if we continue to move.

higher from here, we will create a new price target going forward..

Looking at natural gas, we were down 2.31 % on the week..

Looking at the metals, copper had a pullback..

We had a Bearish Reversal week in copper..

The pros still have not taken control..

Gold was down \$23.80 on the week, so no change in trend for gold..

Having trouble getting up and over and staying over \$2,000 at the moment, if we.

take out the recent low, then \$1875 is our next target..

And we saw silver pull back 3.18 % still closing above the lower channel line..

So we'll close this coming Friday below.

23.42 would give us a new weekly sell signal for silver..

When we look at the price of silver,.

notice that we put in a lower high recently..

So now we're going to have to see if we continue to make a lower low here..

We put in a lower low..

Now we're going to have to see what happens next..

We put in a Bearish Reversal week three weeks ago..

That high is still holding us in check and.

the pros are starting to give up control on the weekly charts..

Looking at stocks, Canadian energy stocks.

were up 1.39 %, US energy stocks were up 1.25 %..

Looking at the metals,.

US gold stocks were down 3.78 %, while Canadian gold stocks were down 2.88 %..

US gold stocks, Canadian gold stocks still.

holding the recent low from a couple of weeks ago..

We'll have to see if that low holds going forward..

Otherwise, our next target to the downside will be the low from spring of this year..

Looking at bonds, bonds continue to move lower for the most part this week..

Bond yields continue to move higher..

Looking to see if the highs from late 2022 will hold us in check..

Looking at the XBB, we actually closed down just slightly on the week, closing up.

the lower channel line after making an intra week low..

There's the TL2 MT making a new low for this move..

We saw a lot of movement in stocks that.

are heavily tied to interest rates such as utilities..

US utilities coming down 4.55 %..

Canadian utilities coming down 4.27 %, making a new low for this move..

Let's finish off looking at the VIX..

Last week, we talked about the fact the VIX was in a fairly tight range..

Top of the range was 17.08. We closed on Friday at.

17.10, so starting to break out above the range on the daily chart..

We generated a buy signal on Wednesday,.

saw a small pull back on Thursday, and a nice big up move on Friday..

We are starting to punch out above the.

daily Fly Paper Channel, and we are certainly back on a weekly buy signal..

So we will remain long term bearish on the.

stock market as long as the VIX does not close below 13.75 this coming Friday..

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

We are expecting the market to be weak during the month of August and September..

And at some point, hopefully there'll be a.

low risk buying opportunity where we can ride the market higher into the year end..

Enjoy the rest of your weekend..

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