

Good morning, everyone, and welcome to Wednesday morning..

It's Stephen Whiteside here from theuptrend.com..

In the premarket this morning, ahead of the inflation numbers that come out at.

8:30, things are fairly quiet, not a lot of commitment either way..

Of course, once those inflation numbers come out, we expect volatility to expand,.

have no idea which way the market is going to go after those numbers come out..

So far, the VIX is still on a sell signal.

this week, which is supportive for higher stock prices..

That would change on Wednesday if the VIX.

were to close, not trade, but close above \$15.07. Now, how the Fed calculates.

inflation and all the things they're looking at, I'm not sure how they couldn't.

determine that inflation is still a major issue and they should raise rates..

But the way that they look at the numbers.

and how they weight things, of course, changes over time..

They could see something and just put a.

different weighting on it than the rest of us would..

But when we look at commodity prices, we've got crude oil making a new high.

yesterday, gasoline up testing the recent high..

Even natural gas came back yesterday, and.

we're looking at the UNG, and it recently made a lower-low..

Now we'll have to see if it can break this short term pattern here and make a higher.

high, which would be short term bullish for natural gas..

Now looking at some longer term commodity.

charts, looking at the bacon, you can see we're up at the highs of 2023..

We've got hamburger up at the highs of 2023..

We've got cocoa or chocolate up at the highs of 2023..

That's a similar situation for underwear or cotton..

Then we're looking at frozen concentrated orange juice up at the highs of 2023, and.

the price of sugar up at the highs of 2023..

So all that is very inflationary..

Of course, how the Fed looks at it is not.

the same as how you and I would look at it..

Some commodities that are not up at the top of the range for 2023: coffee is.

actually down near the lows of 2023, and so is the price of lumber..

Well, what worked on Tuesday?.

Well, it was the energy sector on both sides of the border..

Looking at individual stocks, the biggest winner on the TSX 60 was Suncor..

On the TSX itself, it was Vermilion..

Looking at the S&P 500, when we're looking to energy stocks, the big.

winner was Occidental, followed by Marathon..

Marathon had a big reversal day yesterday..

If you're trading marathon, I want to sit on my hands for a day and see what happens.

next, see if we can get another confirming close above the upper channel line..

Now, ahead of the energy stocks on the S&P.

500, the biggest winner was Zion followed by PNC, followed by Keycorp..

Those were the biggest winners on the S&P 500..

Now, those big gains were not enough to take the ETF back on a buy signal..

We're still waiting for a buy signal for regional banks and banks to join.

the SPYDR Financial ETF already on a buy signal..

That has more to do with broker dealers, but especially the insurance companies,.

which are trading back up at the recent highs..

Looking north of the border, the TSX.

Financial Index is sitting right on the edge of a new buy signal..

Banks moved up yesterday..

They're getting pretty close to a buy signal..

Then the big winner yesterday was the National Bank, and then we had the Royal.

Bank both trade up and closed in the channel..

So we're one trading day away from a possible buy signal..

And just like in the US, insurance stocks are holding up very well north of the.

border, whether you're looking at Manulife or SunLife..

Now, I always talk about Fairfax being.

Canada's version of Berkshire Hathaway and it is still holding up very well, not.

looking as good as Berkshire Hathaway itself, which made a new high yesterday..

And Berkshire Hathaway is listed as an.

insurance stock, so that matches up pretty well with the insurance index..

Looking at the major index ETF, starting.

with the iShares for the TSX60, we hit the upper channel line yesterday..

So looking for a close on Wednesday above \$30.65. Then looking at the NASDAQ 100,.

trading in the channel yesterday, no change in trend there..

Unlike semiconductors, which made a new closing low for this move..

Then looking at the DOW still on a sell signal, no change there..

We've traded through the upper channel.

line two days in a row, but have not closed above it..

Then looking at the S&P 500, we traded down yesterday still in the channel..

We're looking for a close on Wednesday.

below 4:44.86. Now you can break up the S&P 500 several ways..

One way is to look at the equal weighted.

version, so not giving your stocks like Apple overweighting..

Each stock is equally weighted within the index..

It is on a sell signal right now..

So is the low volatility..

So this is 100 stocks out of the S&P 500 with the lowest volatility..

They recently made a new low before moving back up into the channel..

And then the high beta stocks are also on a sell signal..

That has a lot to do with one stock, and that was Apple, which plunged last week..

You can see when the ETF rolled over and.

you can see Apple are rolling over there as well..

So Apple was down yesterday..

Looking at the rest of the high beta.

stocks that we follow, we've got Alphabet still on a buy signal, no change there..

Amazon having an inside day..

Then we saw Meta pull back closing in the channel..

We also saw Microsoft close within the channel..

No change in trend for NVIDIA had an inside day on Tuesday..

And no change in trend for Tesla, which made a new high for this move..

And that shows up as a bearish reversal day..

But remember, we did not close below the previous day's low, so not overly.

concerned about that bearish reversal signal just yet..

And you can see that we're getting pretty close to getting to that open gap up here,.

which could certainly be a target, whether it's the bottom or the top..

But we may see Tesla trade up to those levels on Wednesday..

Last up, let's take a look at what's going on with the hard stuff..

Things that if it drops on your foot is going to hurt..

Copper traded up into the channel for the.

second day in a row, so no change in trend there..

A small pullback..

Gold was down yesterday..

Silver was up slightly on Tuesday..

It is still stuck to the 20, 23, 43 level, so that's still holding us in check..

Then looking at the gold miners in the.

channel once again, no change in trend for the GDX or the XGD or Silver Miners..

No changes in trend from Tuesday's trading action..

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

Normally, I tell you to think about donating blood..

If you're in the US right now, there is a crisis going on..

There's been a whole bunch of climate disasters over the past month or so..

And if you have the time, please consider donating blood..

I've heard people complain about the waiting time to donate blood..

I don't ever experience that..

We make appointments and I've never had any trouble..

I've donated over 50 times and I've never.

once had to wait for more than five minutes from my appointment time..

So I don't understand how the system works in the US..

I've never had any personal experience with it..

But if you are south of the border, please.

considering donating blood not only for somebody else's wellbeing, but it's.

important for your own personal wellbeing as well..

Have a great day, folks..

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