

Good morning, everyone..

Welcome to Monday morning..

It's Stephen Whiteside here from .TheUpTrend.com In the premarket this.

morning, stock index futures and crude oil are above fair value..

We're seeing a little pullback in gold this morning..

The buying that we're going to see in the.

premarket this morning is not going to erase the selling we saw on Friday..

We may actually see an inside day on Monday..

Now, the VIX ended the week up over 10 %..

This coming Friday, we're looking for a.

close below \$14.42 to give us a weekly sell signal for the VIX..

That, of course, would be supportive for long term stock gains..

Looking at a daily chart of the VIX, you can see the huge move we had on Friday and.

back on a buy signal that's negative for stocks..

That would change on Monday if the VIX were to close below \$16.79..

Looking at the daily fly paper channel chart for the VIX, you can see that it.

looks like we put in a higher low on Thursday..

We'll just have to wait and see if that holds this week..

And then we came back up to the previous high..

So now we're looking to see if we can make a higher high..

A higher low for the VIX and a higher high.

for the VIX would certainly be a bearish sign for the overall stock market..

Now looking at the weekly charts from last week, the biggest loser on the week was.

Semiconductors followed by Biotechs and Pharmaceuticals..

Those were the biggest areas of weakness last week..

Looking at the iShares for the Russell 2000, we were down 1.58 % last week..

Now we have been trading below the FlyPaper channel for quite a while now..

We've been in a range and making a series.

of lower highs over the last couple of years..

If we go back to the end of 2021, we put in a lower high, a lower high..

And then in 2023, we put in a lower high..

And by just about a dollar, we put in another lower high during the summer..

So a series of lower highs for the Russell 2000..

And you can see in the last 18 months, we drove up to the 200 level and pulled back..

We also went down to the 162.50 level a.

couple of times, and that acted as support..

So going forward, if we want to see a bull market in the stock market, we need the.

Russell 2000 to start breaking out above 200..

And if we're going to see a bear market.

continue, then we want to see the Russell 2000 break down below the 162.50 level..

And of course, we're talking about the IWM ETF..

Now, Microcap stocks have already broken down and are making lower lows and we're.

trading back to levels we haven't seen since late 2020..

And so we're making a series of lower highs and lower lows..

That is also true for the Venture Exchange, which has fallen even harder.

and is trading back at levels that we haven't seen since early 2020..

Now, looking at a chart of US or Canadian.

microcaps, it's a pretty easy indicator of the overall mood of the stock market..

You've probably heard me say this many times before, but when microcap stocks are.

trending higher, the stock market is having a lot more fun and a lot more.

people are making money in the stock market..

When microcap stocks are trending lower,.

that means investors are on the defensive and they're not willing to take money away.

from big cap safe stocks to small cap riskier stocks..

Of course, the small cap riskier stocks have much greater potential to the upside..

But we know that over the last couple of.

years, investors have not been willing to go after those Small cap Microcap stocks..

Until they do, it's going to be very hard to make money in the stock market..

Now you've heard the term been there, done that..

Well, Lawrence McDonald posted that where.

we closed on Friday on the S&P 500 is exactly where we closed 819 days ago..

We haven't really made any major gains since then..

We've certainly traded above that level and traded below it..

This is one of the reasons we ask you to take profits off the table along the way.

because sometimes the stock market just wants to trade sideways..

Now, the US dollar index traded lower last week and then ended the.

week closing higher, but not above the previous week's high..

Things slowing down for the US dollar index..

Bonds are reversed..

They made a load on the previous week and then closed higher last week..

With bonds moving higher, we saw bond yields pulling back..

We'll have to see if that trend is extended this week..

That could help the stock market..

The price of gold had a big up week, but.

we shouldn't get too excited because we're just back to where we were two weeks ago..

No major gains made, losses recovered, but no major gains from two weeks ago..

We're looking for a close this coming.

Friday above \$1,958.10 to give us a new buy signal for gold..

For silver, we're looking for close this coming Friday above.

\$24.07. Now at the same time, gold and silver were moving higher, copper moved.

lower, closed lower on the week, did not take out the previous week's low..

But as a global economic barometer, it's.

certainly not going in the right direction right now..

Crude oil had an inside week closing up at.

the upper channel line, so no change in trend for crude oil..

Looking at the major index ETFs for Monday, we're dipping into the channel for.

the iSharifs for the TSX-60, looking for a close on Monday below 29:33..

From what we're seeing in the premarket.

this morning, I'm not overly concerned about sell signals on Monday..

The Dow Diamonds closed in the channel, the SPY closed in the channel and the.

Triple Qs all closed in the channel on Friday..

Now, what really didn't work on Friday was.

the Semiconductors down to 4.22 % and back on a daily sell signal..

Let's finish off looking at a couple of market movers in the premarket..

Now, Pfizer is in the news this morning..

It's trading lower in the pre-market..

You really need to follow stocks the.

market loves and ignore or short stocks the market hates..

How do we know that the market hates Pfizer?.

Well, it's been on a weekly sell signal since the end of 2022..

The pros have given up control a long time ago and do not look like they're.

interested in buying this stock at the present time..

So while for other stocks that the market.

loves, investors are going to buy every buy signal that comes up..

When you're looking at a stock like.

Pfizer, it's more a matter that investors are going to short every sell signal for.

Pfizer that comes up, and they're going to continue to try to drive the stock lower..

Now, a stock that this market still loves is Tesla..

Tesla closed just below the lower channel.

on Friday, giving us a new daily sell signal..

It is trading lower again in the premarket this morning..

Now we talked about Tesla trading into a triangle and it drove up to the top of.

that triangle last week and now is moving lower..

So that resistance is still holding Tesla in check..

What's not bullish here is we could be.

putting in a lower high and that may be bearish for Tesla going forward..

Another stock that's putting in a lower high right now is Apple..

And Apple is still on a buy signal here..

It's trading lower in the premarket, as is Invidia..

Invidia is also trading down the.

premarket, not enough to give us a daily sell signal just yet..

That would happen on Monday with a close.

below 444.15. It looks like we may have put in a lower high on Thursday..

We'll have to see if that lower high holds us in check this week..

If that is a new lower high, then that is.

going to be bearish for the stock market going forward..

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

Have a great day..

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