

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

It's Stephen Whiteside here from theuptrend..

com. In the premarket this morning, stock index.

futures are flat, commodities are slightly lower..

Now, we do have energy numbers coming out at 10:30 this morning, and they could.

certainly change the direction of the energy sector on Wednesday..

Now, on Tuesday, the VIX continue to move lower for the seventh day..

That, of course, is bullish for the overall stock market..

Things would change on Wednesday if the.

VIX were to close above \$18.55. From what we're seeing in the pre-market.

this morning, we are certainly not expecting that to happen..

In today's presentation, we'll break it up into three parts..

We'll start off with a look at the US market followed by the Canadian market.,

and then we'll close off looking at commodity prices..

Probably the most important chart that we're watching this week is the S&P 500..

It has moved up to our next price target.

and hit that price target yesterday at 437.50, got as high as 437.59..

Now, just above that is the top of an open gap that could not be filled in October..

So as hard as they tried, we moved up two lines in October, could not fill that gap..

And so far in November, we have not been able to fill that gap..

So that gap is a major area of resistance..

The market could hit it and reverse, and.

that could mark the top for this particular move..

If we are able to not only fill that gap but close above it, then the probability.

of moving up to our next price target at 456.31 increases dramatically..

But that has not happened yet..

Now, Tuesday was a very mixed day for the.

US market, where most of the major S&P sectors were actually lower on the day..

We did see continued strength in consumer.

discretionary, technology and consumer staples..

What didn't work?.

Well, materials and energy..

We'll find out that that's true on both sides of the border..

There's Consumer Discretionary moving up..

Yesterday, it almost hit our next price.

target of 162.50, we got as high as 162.41 before backing away slightly..

There's the Technology Sector moving up..

Step One has been completed..

We have made a higher high..

Step two, yet to be determined and we're certainly not concerned about that on.

Wednesday, which is did we make a higher low?.

And of course, again, we're not going to deal with that on Wednesday..

We did hit our next price target..

So if you had an order to sell in at 75, it got filled yesterday..

Of course, I recommend putting orders in just below those price targets..

We did get as high as \$175.29, so you got covered yesterday..

I did mention that we're going to keep a close eye on Apple to see if Apple would.

break the pattern of lower highs and lower lows..

We did put a slightly higher high.

yesterday, and so that's part one of the equation has been reached..

But of course, we still need to see what.

low we make next time the market moves down..

Now here's an area of concern..

It's nice to see technology stocks lead the market higher, but it would be nicer.

if the chip sector was going along for the ride..

As you can see, the pros have no interest.

in taking control of the chip sector on Tuesday..

NVIDIA is still holding up well..

It has not made a higher high just yet and.

we are expecting resistance at the 468.75 level to kick in once again..

Then what didn't work well, the energy.

sector and we've been concerned about this sector for a while now..

If we go back to September, we put in a lower high..

Then in early October, we put in a lower low..

Then we came back in October, put in a slightly lower high..

Now, we're putting in a new lower low for the energy sector..

For the XLE ETF, we were trying to hold.

support at 84.38, that broke yesterday, and so our next price target for this.

sector is 81.25. Slumberger was the big loser yesterday in the energy sector..

Then we saw Chevron make a new low for this move..

Of course, Chevron is a Dow 30 stock..

Then looking at what didn't work, well,.

the Russell 2000 and the Russell Microcap ETF both pulled back..

They both been down for the last couple of days..

We're not getting that broad support for a rally that we would want to see..

That puts us on a little bit of a defensive here, thinking that this may not.

last very much longer, but there's no proof to that just yet..

Just a couple of signs: the stocks index, the chip sector is not participating and.

mid-cap and micro-cap stocks are not participating..

So that's probably not a good sign going forward..

Now moving on to the Canadian market, here's a little bit of a problem..

What's working right now?.

Well, the big cap stocks and the TSX60.

have been the best performing and small-cap micro-cap is not doing well..

We want those to participate..

We want a broad rally to take us into year end..

So far, we're not seeing that..

There's the TSX-60 pulling back yesterday..

There is the TSX itself pulling back..

Then when you look at mid-cap, small cap, and micro-cap stocks, they did not perform.

very well yesterday, and that is a concern going forward..

What worked?.

Well, similar to what worked in the US, it was infotech and Consumer Discretionary..

Consumer Staples was down..

Everything else was down on the day after those two sectors, and then materials and.

energy stocks were the biggest losers of the day..

So there's Infotech making a new high..

This chart looks very similar to Shopify..

You'll see that in a second..

The big winner on the TSX Infotech sector on Tuesday was BlackBerry..

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

Hut8 was a big winner yesterday, up 3.51 %..

And then there's Shopify..

And Shopify looking very much like the Infotech index itself..

Consumer Discretionary was up yesterday, but it's consumer staples that have been.

the big winner over the past week, and that sector was down just a quarter of.

a % on the day, but it looks like it might be putting in a top up at these levels..

Then what didn't work?.

Well, Materials was down yesterday..

I've been on a sell signal for a couple of weeks now..

Gold stocks rolled over..

They are back on a sell signal..

Once again, we put in a lower high..

We'll have to see if we put in a lower low..

Then looking at energy stocks, they.

finally rolled over after being on a buy signal for a couple of days..

Certainly, we're not bullish about the energy sector over the past couple of.

weeks with both crude oil and then natural gas, both back on sell signals..

I have a question now..

Will the FlyPaper channel once again hold this support?.

Will investors be willing to buy the dip.

or do we break down and finally give up the ghost for the energy sector in 2023?.

Let's finish off looking at commodity.

prices and there's crude oil breaking down yesterday..

We were trying to hold support at '81.25..

That didn't work..

Then the 78.13 should have been support..

Look at all that support from back in August..

That didn't work..

This is looking pretty bearish..

75 and '71.88 are certainly our next two targets to the downside..

Then we've got natural gas on its second day of a sell signal..

Once again, putting in a lower high for natural gas..

3.32 would be our next target to the downside..

We did find support there in September..

Looking at the metals, we still have.

copper on a buy signal, certainly not helping the mining sector at the moment..

Gold and silver both rolled over yesterday..

They're both back on sell signals..

We've been concerned about both of those for a while now..

I think it's important to point out that the gold and silver market of our fathers.

is not the gold and silver market of today..

Investors have many more options, including all of the cryptocurrencies,.

which have been doing very well over the past few weeks..

If there has been global stress because of.

what's happening in the Middle East, there are other options for investors to get in.

and out fairly quickly besides the gold and silver market..

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

Have a great day..

Still a little concerned about the market.

with the chip sector, mid-capital-cap, small-caps not participating..

But certainly, there's nothing to do about.

that based on that information on Wednesday morning..

Have a great day..

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