

Good morning everyone and welcome to Wednesday Morning..

It's Stephen Whiteside here from.

TheUpTrend.com. In the pre market this morning stock index.

futures and commodities are trading above fair value..

So so far it looks like we're going to see.

some buying at the open on Wednesday morning..

We do have economic numbers coming out at.

8:30 this morning that could sway the market..

So we'll just have to wait and see..

We still have the VIX on a sell signal that support of for higher stock prices.

that would change on Wednesday if we were to close above \$14.20. Now we've got the.

Dow trading up at summer highs, we've got the S&P 500 trading up at summer highs and.

we've got the Nasdaq trading up at summer highs..

So this is a time and place where we could take a break..

We've got the TSX pulling back a bit this.

week and you can see that we moved up and filled an open gap and started to pull.

back from there and so we have not been able to get back up to the summer highs..

Of course the US market has those big cap technology stocks..

The Canadian market is much more commodity.

focused and so the selling in energy stocks have not helped and now we're.

getting some selling in the banking sector..

So we are expecting a little bit of a pullback here..

If we look at the percentage of stocks currently trading above their 20 day.

moving average on the S&P 500 you can see that we're currently up at the top of the.

range and this is where the market either pulls back or takes a break..

I think we're going to have a little bit.

of a pullback in the first week of December..

We'll just have to wait and see..

If we look at the percentage of stocks on.

the S&P 500 currently trading above their 200 day moving average..

You can see we moved up to our first target and we talked about this a couple.

of weeks ago that we may be able to move up to this level and this is the time and.

place where we may see the market pull back..

But given the seasonality of the time of.

the year we are looking for a continued move higher and you can see that the.

market has pulled up to those levels before..

So what we're talking about here is we're.

looking for the market rally to broaden out..

We've talked a lot about that..

We've talked about the semiconductors and micro cap stocks, small cap stocks..

We're looking for those to move up as well as those big cap technology stocks that.

have been pulling the market higher and so that's what we're waiting for..

But wouldn't be surprised if we see a.

little pullback in the first week of December and of course we're expecting to.

see more money come into the market this week heading into month end..

Now bonds continue to move higher..

That's putting downward pressure on bond yields..

That's supportive for higher stock prices,.

and it may be supportive for higher precious metals prices..

As the price of gold made a new high for this move, as did the price of silver..

Silver is coming up to those summer highs right now..

The best performing stock on the S&P 500 yesterday was newmont..

If we go back to last week, you can see we were looking up two lines 39.06 and 40..

63..

Well, both of those targets were hit yesterday..

So if you had orders in at either of those two, they got filled on Tuesday..

Now we're looking up, seeing if we can.

break out above the September high up to 40 219..

And the best performing stock on the TSX.

60 on Tuesday was Barrick up 4.97% and hit our next target of 23..

44. Our next target to the upside is 24..

22..

And so we've got a new high for this move, for GDX, for the XGD, and for the SIL..

So gold and silver stock continuing to move higher on Tuesday..

Okay, folks, that is all that I wanted to cover this morning..

Looks like the market wants to continue to move higher on Wednesday..

Have a great day..

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