

Hello, everyone, and welcome to Tuesday morning..

It's Stephen Whiteside here from.

TheUpTrend.com In the pre-market this morning, stock.

index futures are below fair value, being led lower by the Nasdaq..

Now, we don't have any major economic.

numbers coming out this morning, so things should be fairly quiet at 9:30,.

even though we are going to see a little selling..

Looking at the VIX, The VIX traded up to the upper channel line once again on.

Monday, looking for a close above 13.70. Now, the VIX for the Nasdaq.

traded above the upper channel line and closed right on the upper channel line, so.

close above 17.26 would give us a buy signal on Tuesday..

You're seeing a little more weakness in.

the Nasdaq when just looking at the VIX itself..

Now, the US dollar index has been up over the past couple of days, and that could be.

negative for stocks if this trend continues..

So far, we've seen a little weakness in a.

couple of areas and a lot of sector rotation..

Remember, we were talking about the fact.

that money is starting to come back into those mid-cap, small-cap stocks, and we.

certainly saw that on Friday and on Monday..

Looking at the DOW, it had an inside day on Monday being led higher by 3M..

3m led the market higher, I think, two days last week..

A lot of interest in 3M over the past month..

Then looking at the S&P 500, down a little.

over half a %, still trading and closing above the upper channel line..

We dipped into the channel yesterday.

looking for a close below 452.19 on Tuesday..

That could happen..

The big winner on the S&P 500 on Monday was Bath and Bodyworks, up over 8%..

One of the stocks that got kicked out of the S&P 500, Alaska Airlines announced a

takeover and it was down over 14 % on the day..

Then looking at the Nasdaq, we dipped below the lower channel line yesterday,.

held the channel line going into the close..

Certainly, there's a strong likelihood we're going to get a sell signal in the

Nasdaq on Tuesday with the close below 385.84..

The big loser on the Nasdaq-100 was Sirius XM..

It was down over 6% on the day..

Then Microsoft joined some of the other magnificent eight stocks..

It is back on a sell signal as of the day's close..

Then looking at nVidia, nVidia bounced off the 450 level..

Let's see if it can hold that on Tuesday..

Then looking at the iShares for the TSX-60, we're down slightly on the day..

Speaking of the Magnificent Eight stocks, Shopify still on a buy signal..

That would change on Tuesday with a close

below 95.85. The big winner on the TSX 60 was Cameco,.

while the big winner on the TSX Composite was Tillray, up over 7% on the day..

Now, what didn't work on Monday, and it

happened a lot in the pre-market, was gold..

Gold had a huge reversal day yesterday,.

making a new high for this move, then closing below the previous day's low..

That is very bearish, but it hasn't been felt throughout the market..

We did run up and hit our next price target of 2125..

Congratulations if you had an order and up there, it got filled yesterday..

If you look at the GLD, you won't see as.

much volatility because the GLD, of course, doesn't start trading until 9:30..

We did trade lower yesterday, looking for.

a close on Tuesday below 186.18. Then if you look at the gold stocks and.

the silver stocks, they didn't get hit too hard yesterday..

We're still above the upper channel line for the GDX and the XGD..

You can see the huge swing in the price of silver, just like gold..

We certainly closed below the previous days low..

A close below 24.54 would give us a sell signal on Tuesday..

Looking at the silver ETF, again, not as.

much volatility to the upside, but we certainly closed sharply lower..

Looking for a close on Tuesday below.

22.25, silver stocks actually ended the day with an inside day..

So gold and silver stock investors are.

holding up much better than the precious metals themselves..

Now, we've talked about sector rotation and the fact that the rally was broadening.

out into mid-cap, small-cap, micro-cap stocks..

And that continued on Monday with the iShares for the Russell 2000 moving up and.

the iShares for the Micro-cap sector moving up..

Now, we do not have a lot of stocks from the Russell 2000..

We have probably no stocks from the Russell's micro-cap index in our database..

There are a handful of stocks from the.

Russell 2000 such as Carvana and Beyond Meat..

Both saw money go in last week and certainly yesterday as well..

So money is moving into the really the weakest part of the market for 2023, and I.

believe it's coming out of those big cap tech stocks..

So keep an eye on those..

I would prefer to just play the ETFs because there's a lot less risk on the.

downside with mid-cap, small-cap, micro-cap stocks..

Certainly, most of them don't make any.

money and can get toppled with just a simple press release..

I'd rather play the ETFs in those sectors.

than the stocks themselves, but that's just me..

Now, the money that came out of gold and silver on Monday, where did it go?.

Well, it might have gone into Bitcoin and Ethereum, both gapping higher on Monday..

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

We're watching the VIX..

It could be a buy signal on Tuesday..

We're watching the US dollar index..

If both of those move higher, we could see the stock market continue to move lower..

Is that surprising?.

Well, not for the first week of December..

We've had a great run in November looking.

to work off some of that overbought condition..

Some money managers are looking to move.

money around to make themselves look better..

If they put money in Carvana and Beyond Meat, well, they certainly look better.

this morning than they did a couple of weeks ago..

We'll just have to wait and see how that works out..

Enjoy the rest of your day..

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