

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

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

morning, stock index futures are trading above fair value..

We do have US jobless claims coming out at 8:30, and of course, those numbers could.

change the direction of the market on Thursday morning..

Well, yesterday turned out to be a wild.

day, and we do have the VIX back on a buy signal..

That, of course, is bearish for stocks..

But stocks really didn't break down..

We've got some other things to look at..

What the problem is right now, it's really a tale of two markets..

The North American market is sitting by itself..

The rest of the world is starting to fall apart..

That could drag the North American markets.

down after the Christmas holidays, but we'll just have to wait and see..

Now, we had a lot of bearish reversal signals yesterday..

Remember, those are one day events..

They still need to be confirmed..

If the market is trading higher in the.

premarket this morning, the market is not in a rush to confirm those signals..

So yesterday, this high is going to be a significant line in the sand..

When we look at the TSX, we made a new.

high yesterday, then reversed, and we also closed below the previous day's lows..

So that is bearish..

You're going to see that a lot..

So similar situation for the S&P 500, we.

closed below a couple of days of previous lows..

So that's a very bearish sign..

But we're not seeing any fall through to.

the downside in the premarket this morning..

So the market had a hiccup yesterday..

It might have had something to do what was.

going on in the rest of the world, but we'll just have to wait and see..

Now, when we look at the rest of the world, and I'm just going to show you a.

couple of examples, we have the Indian market back on a sell signal, we have the.

Hong Kong market back on a sell signal, the Japanese market,.

the UK market, and the Taiwanese market, which fell nearly 12.5% yesterday,.

heading right back down to define support at the October lows..

We always talk about the fact stocks often fall faster than they rise, and you can.

see gave up nearly two months of gains in just one day..

There's obviously stuff going on outside of North America..

North America is holding up fairly well..

The US Dollar index had an inside day yesterday, so no sign of disruption there..

The bond market, both the TLT and the XBB made new closing highs yesterday..

The bond market is not worried about what's going on right now..

That could change, but right now, the currency market, the bond market, still.

supportive of higher North American stock prices, or at least not overly bearish on.

the North American stock markets at this time..

Now, you're probably wondering, over the past week, I've been asking you to make.

sure you've locked in some profits and taken some money off the table here..

What I haven't said is to completely.

liquidate a position and give up on the market..

Certainly, what I have not even got near.

is shorting the market, buying bear ETFs, or buying puts..

We haven't got there yet, so there's still.

no reason to get overly bearish on the market..

We just want to be prudent and take some money off the table and lock in some.

profits, but not completely liquidate a position..

You could have taken money off the table in the Nasdaq..

You don't have to completely liquidate a position..

That's also true for the Russell 2000 and for the micro caps..

These markets reversed yesterday, but.

there is no new downtrend as of Thursday morning..

Now look at the Dow Diamonds..

Again, we had an outside reversal day yesterday..

The biggest loser on the Dow was Disney,.

which is back on a sell signal as of Wednesday's close..

We had a reversal day for American Express..

That was the second biggest loser on the Dow..

On the S&P 500, the biggest loser was FedEx followed by Aon..

Then on the Nasdaq 100, the biggest loser.

was Lucid followed by Warner Brothers Discovery, which traded right down to the.

lower channel line, did not close below it..

A close below 11.47 would give us a sell signal on Thursday..

Then looking at the TSX-60, the biggest loser was First Quantum..

You got to imagine First Quantum is.

probably going to get taken out of the TSX-60 at some point,.

and that's going to put additional downward pressure on that stock..

On the TSX itself, the biggest loser was.

Cargojet, back on a sell signal as of Wednesday's close..

This particular stock is actually back on a sell signal..

If you own CargoJet, today you've got a.

reason to completely liquidate any long position..

Now, crude oil held steady yesterday is up slightly on the day..

Natural gas had an inside day, so no fear in the energy market..

Then looking at the metals, copper actually moved up..

If the global economy is starting to.

shrink, it's not being seen in the copper market..

Gold was down just \$4.40, but no major move there..

That was an inside day..

Now, silver, on the other hand, moved up,.

and it is back on a buy signal as of Wednesday's close..

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

Wednesday was an interesting day..

It might be just an aberration that is washed away over the next few days..

We'll just have to wait and see..

We are coming up to a long weekend that.

usually has a bullish bias to it, so not expecting a lot of downward pressure here..

Again, yesterday just might be an anomaly that nobody remembers a couple of weeks.

from now, so we'll just have to wait and see..

Have a great day, folks..

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