

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 are down across the board, so so far it looks like we're going to see.

some selling at the open on Wednesday morning..

Now, the first trading day of 2024 has.

come and gone and it was a pretty cloudy day..

We saw a big move up in the US dollar index, which can be negative for stocks..

We saw bonds selling off yesterday, which of course, can be negative for stocks..

So so far, things are not looking very good..

Now, crude oil was down yesterday..

That's good for the economy, but not necessarily good for investors..

While natural gas traded higher, gold was fairly stable yesterday..

It's down \$16 in the premarket this morning..

That's not a good sign..

Gold is chasing silver already back on a daily sell signal..

Now, the DOW was able to hold its own on Tuesday..

That had a lot to do with one sector of the market, and that is US Health Care.,

which was the best performer in North America on Tuesday..

You can see a couple of the DOW 30 stocks.

led the healthcare sector higher, which was Merck and Amgen..

Then we also have a couple of stocks that.

all of these stocks are in the S&P 500, some Moderna and Viatriis..

Viatriis is up over 5% on the day..

If you own any of these stocks and you haven't been systematically taking money.

off the table, Wednesday would be a good day to lock in some profits..

But again, there is no reason to completely liquidate a position..

There's nothing wrong with selling into.

strength, and we certainly had strength on Tuesday..

Now, the VIX for the S&P 500 is pretty close to a buy signal right now..

It certainly traded through the upper channel line yesterday..

It traded right up to the tether line on the midterm chart..

So that's looking like options traders are getting a little nervous at the moment..

We did not get a sell signal in the S&P 500 on Tuesday..

That would happen on Wednesday with a.

close below 471.08. Now, the VIX for the Nasdaq, a.

little more elevated already on a buy signal..

And we saw the Nasdaq 100 roll over yesterday..

Remember coming into this week, we had a.

lot of window dressing, a lot of panic buying over the last couple of weeks, and.

now we're seeing those people unwind those positions..

They don't need them anymore..

We're seeing some selling, whether that continues or not is another story yet to.

be written, but we'll just have to take the signals as they come..

The biggest loser on the Nasdaq 100.

yesterday was MongoDB, which was down over 6% on the day, and then followed by.

Advanced Micro Devices, which was down nearly 6% on the day..

But I think the biggest drag was probably.

those Magnificent Seven stocks, and we had a gap lower for Apple..

That you don't see very often, and then.

the rest of the Magnificent Seven, most of them generated sell signals..

We're looking at Amazon, we're looking at.

Meta, Microsoft, Nvidia, and then Shopify on both sides of the border, back on a.

sell signal, joining Tesla already on a sell signal..

Looking at the Canadian market, the ice price for the TSX 60 had a fairly quiet day, closing down just nine cents on the day..

On Wednesday, we're looking for a close.

below \$31.59 to give us a new sell signal for the iShares for the TSX 60..

What worked on the TSX?.

Well, the energy sector was up on the day, but as you can see, we're in the channel, so we're not trending at the moment, even though we're on a buy signal..

We do have an open gap above the recent.

high that could act as resistance going forward..

And so far, it does not look like the pros are interested in taking control..

Yes, we're on a buy signal, but we're in.

the channel, which is not trending and the pros have not taken control..

That's not looking like it's going to work out..

What worked?.

Well, First, Quantum was the biggest winner on the TSX..

Of course, this is a very High Risk stock..

It is on a buy signal right now..

The pros are starting to take control..

We hit our next price target of 12.50..

15.63 and 18.75 are the next two targets to the upside..

If we look at the Fly Paper Channel, you.

can see it's up at \$20, but it is coming down daily..

So it is going to intersect with that 18.75 level over the next few days..

So that is the opportunity..

But remember, it is a very high risk opportunity..

This company is one press release away from being a zero..

Then looking at what didn't work..

Well, Brookfield was a big loser yesterday..

It is still on a buy signal that would change on Wednesday with a close below 5.

1.70. Then we've got Open Text back on a sell signal..

We had a big down day for Lightspeed trading down to the lower channel line..

So a close below \$25.53 would give us a sell signal on Wednesday..

Then Nuvei is back on a sell signal as of Tuesday's close..

Now last up this morning, looking at the.

biggest Canadian stock, which is the Royal Bank..

We've had several early warning signals up there..

It still hasn't moved much..

It was only down to five cents yesterday..

We're looking for a close below 131.78 on.

Wednesday to give us a sell signal for the Royal Bank..

The pros don't look like they want to give up control at the moment..

We hit the 134.38 level a couple of weeks ago, and now we're looking at our next.

price target, which is 137.50, which is also our next weekly target..

You can see that we got a little higher than that back at the start of 2023..

A year ago, we were up at that level..

The Royal Bank might want to stretch up to.

the 137.50 level before starting to pull back..

But so far, coming into Wednesday's.

trading action, we don't really have anything to be concerned about..

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

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

some selling at the open on Wednesday morning..

We came into this week very overbought, and we certainly had some panic buying in.

late December, and we need to work that off..

Whether that turns into a longer term downtrend is yet to be determined..

But so far from Tuesday's trading action,.

we did generate a lot of daily sell signals..

Enjoy the rest of your day..

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