

Tech Talk for Saturday July 13th 2024

The Bottom Line

The Summer Rally continues. All-time highs were set by broadly based equity indices including TSX Composite Index, S&P/TSX 60 Index, S&P 500 Index, Equal Weight S&P 500 Index, Dow Jones Industrial Average, Australia All Ordinaries and Nikkei Average! Equity markets are responding to encouraging second quarter results released by major companies and expectations that interest rates set by central banks in the U.S., Canada and Europe will come down soon.

Consensus for Earnings and Revenues for S&P 500 Companies

Source: www.FactSet.com

Second quarter results released to date were mildly encouraging. Twenty seven companies have reported. Their results prompted FactSet to increase their year-over-year earnings estimate for the second quarter from a gain of 8.8% to a gain of 9.3%. Revenue estimate increased from a gain of 4.6% to a gain of 4.8%.

Economic News This Week

Source: www.Investing.com

June U.S. Retail Sales released at 8:30 AM EDT on Tuesday are expected to be unchanged versus a gain of 0.1% in May. Excluding auto sales, June U.S. Retail Sales are expected to increase 0.1% versus a decline of 0.1% in May.

June Canadian Consumer Price Index is released at 8:30 AM EDT on Tuesday

June Business Inventories released at 10:00 AM EDT on Tuesday are expected to increase 0.3% versus a gain of 0.3% in May.

June U.S. Housing Starts released at 8:30 AM EDT on Wednesday are expected to increase to 1.31 million units from 1.277 million units in May.

June Capacity Utilization released at 9:15 AM EDT on Wednesday is expected to increase to 78.6% from 78.2% in May. June Industrial Production is expected to increase 0.3% versus a gain of 0.7% in May.

Beige Book is released at 2:00 PM EDT on Wednesday

July Philly Fed released at 8:30 AM EDT on Thursday is expected to increase to 2.9 from 1.3 in June.

June Leading Economic Indicators released at 10:00 AM EDT on Thursday are expected to drop 0.3% versus a drop of 0.5% in May.

June Canadian Retail Sales are released at 8:30 AM EDT on Friday

Selected Earnings Reports This Week

Source: www.Investing.com

Another 45 S&P 500 companies are scheduled to report this week (including five Dow Jones Industrial Average companies). No TSX 60 companies are scheduled to report this week.

Monday: Goldman Sachs, Blackrock

Tuesday: UnitedHealth Group, Bank of America, Morgan Stanley, Schwab, PNC Financial, State Street, JB Hunt

Wednesday: ASML, Johnson & Johnson, CSX, US Bancorp, Kinder Morgan, Northern Trust, Alcoa

Thursday: Taiwan Semiconductor, Netflix, Abbott Labs, Intuitive Surgery, Marsh McLennan, DR Horton, PPG Corp, M&T Banks, AutoNation, Alaska Airlines

Friday: American Express, Schlumberger, Travellers, Halliburton, Fifth Third, Comerica

Trader's Corner

Notable change in score last week was TSX from 0 to +6

Trend changed from Neutral to Up: Score increased from 0 to +2

Relative strength changed from Negative to Positive: Score increased from -2 to +2

Remained above its 20 day moving average: Score unchanged at +1

Daily momentum scores remained positive: Score unchanged at +1

Score changed from $(0 -2 +1 +1) = 0$ to $(+2 +2 +1 +1) = +6$

Equity Indices and Related ETFs

Daily Seasonal/Technical Equity Trends for July 12th 2024

Unit	Seasonal	Until	Trend	Strength Relative To SPX	20 Day MA	Momen tum	Tech Score	Prev Score	Score Last Week
SPX	Neutral	Nov.8	Up	Neutral	Above	Up	4	2	4
TSX	Neutral	Dec.15	Up	Positive	Above	Up	6	4	0
DJIA	Neutral	Aug.31	Up	Neutral	Above	Up	4		4
COMPQ	Positive	Sept.15	Up	Positive	Above	Down	4		6
IYT	Neutral	Aug.27	Up	Neutral	Above	Up	4	0	-2
AORD	Positive	Aug.31	Up	Neutral	Above	Up	4		2
NIKK	Neutral	Nov.8	Up	Positive	Above	Down	4	6	4
IEV	Neutral	Dec.8	Neutral	Neutral	Above	Up	2		0
FXI	Neutral	Oct.4	Up	Neutral	Above	Up	4		2
EEM	Neutral	Nov.29	Up	Positive	Above	Up	6		6

Green: Increase from previous day

Red: Decrease from previous day

Source for all positive seasonality ratings: www.EquityClock.com

Commodities

Daily Seasonal/Technical Commodities Trends for July 12th 2024

Unit	Seasonal	Until	Trend	Strength Relative To SPX	20 Day MA	Momen tum	Tech Score	Prev Score	Score Last Week
CRB Index	Neutral	Feb.12	Neutral	Negative	Above	Down	-2		2
Gasoline	Neutral	Mar.30	Neutral	Neutral	Above	Down	0		4
Crude Oil	Neutral	Jan.12	Neutral	Neutral	Above	Down	0		4
Natural Gas	Neutral	Sept.13	Down	Negative	Below	Down	-6		-6
S&P Energy	Neutral	Dec.9	Down	Negative	Above	Up	-2	-4	0
Oil Services	Neutral	Dec.19	Down	Neutral	Above	Up	0		-2
Gold	Positive	Sept.4	Up	Positive	Above	Up	6		4
Silver	Neutral	Dec.28	Up	Positive	Above	Up	6		6
Gold Bug	Neutral	July 27	Up	Positive	Above	Up	6		6
Platinum	Neutral	Dec.24	Up	Neutral	Above	Down	2		6
Palladium	Neutral	Nov.28	Neutral	Neutral	Above	Down	0	2	4
Copper	Neutral	Nov.22	Up	Neutral	Above	Down	2		6
Agriculture	Neutral	Nov.10	Down	Neutral	Above	Up	0	-2	-4

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Sectors Daily Seasonal/Technical Sector Trends for July 12th 2024

Unit	Seasonal	Until	Trend	Strength Relative To SPX	20 Day MA	Momen tum	Tech Score	Prev Score	Score Last Week
XLK	Positive	Aug.28	Up	Neutral	Above	Down	2		6
XLB	Neutral	Oct.1	Down	Neutral	Above	Up	0		-4
XLI	Neutral	Aug.26	Neutral	Neutral	Above	Up	2	0	-4
XLY	Neutral	Aug.7	Up	Positive	Above	Down	4		6
XLF	Positive	Nov.2	Up	Neutral	Above	Up	4		4
XLE	Neutral	Dec.9	Down	Negative	Above	Up	-2	-4	-2
XLP	Neutral	Feb.16	Up	Negative	Above	Up	2		2
XLV	Positive	July 30	Up	Neutral	Above	Up	4	2	-4
XLU	Neutral	Feb.6	Up	Neutral	Above	Up	4		0
XLC	Neutral	Jan.8	Up	Neutral	Above	Down	2	4	6
XLRE	Neutral	Dec.1	Up	Positive	Above	Up	6		4
TSX Financial	Positive	Sept.30	Up	Positive	Above	Up	6	2	-4
TSX Energy	Neutral	Dec.11	Down	Neutral	Above	Up	0		-2
TSX Gold	Neutral	Dec.15	Up	Positive	Above	Up	6		6
TSX Tech	Neutral	Nov. 15	Neutral	Positive	Above	Up	4	2	2
TSX B Metals	Neutral	Oct.4	Neutral	Neutral	Above	Up	2	0	2

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Technical Notes for Friday

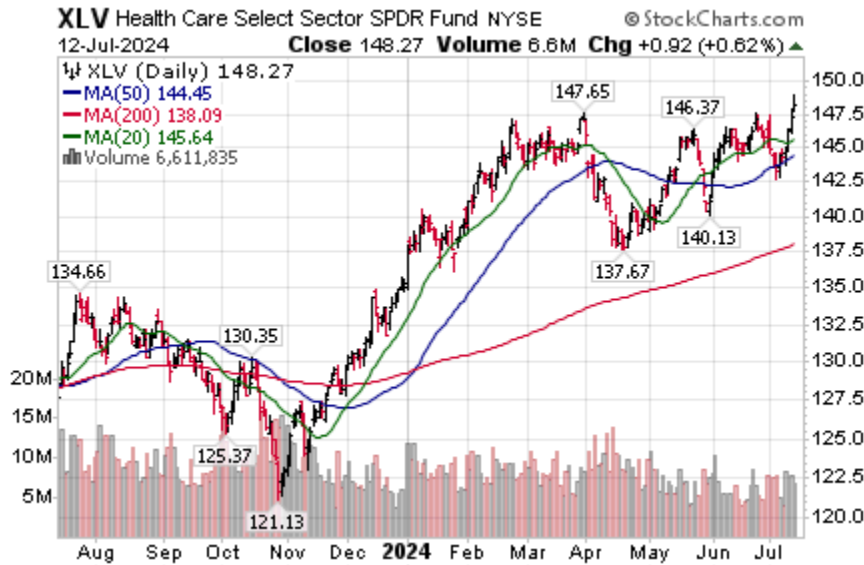
Equal Weight S&P 500 ETF \$RSP moved above \$169.12 to an all-time high extending an intermediate uptrend.



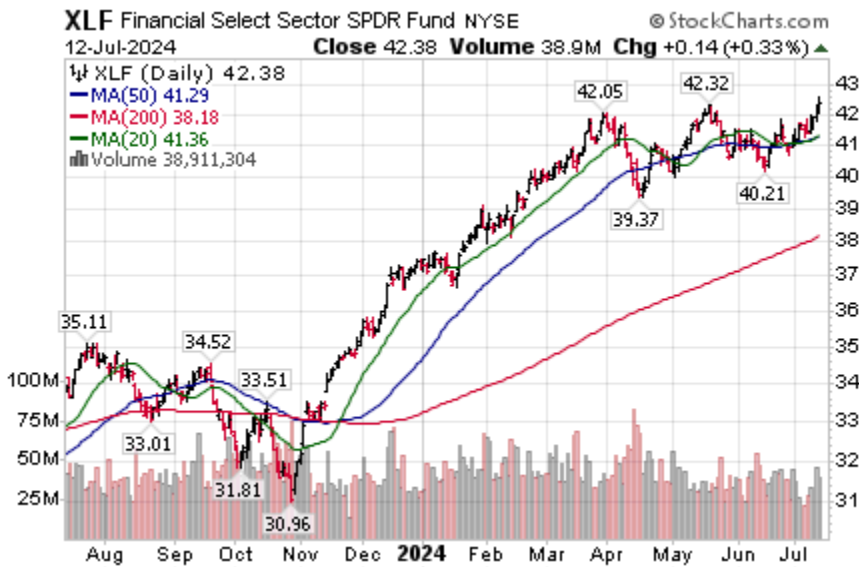
Japan iShares \$EWJ moved above \$71.54 to an all-time high extending an intermediate uptrend.



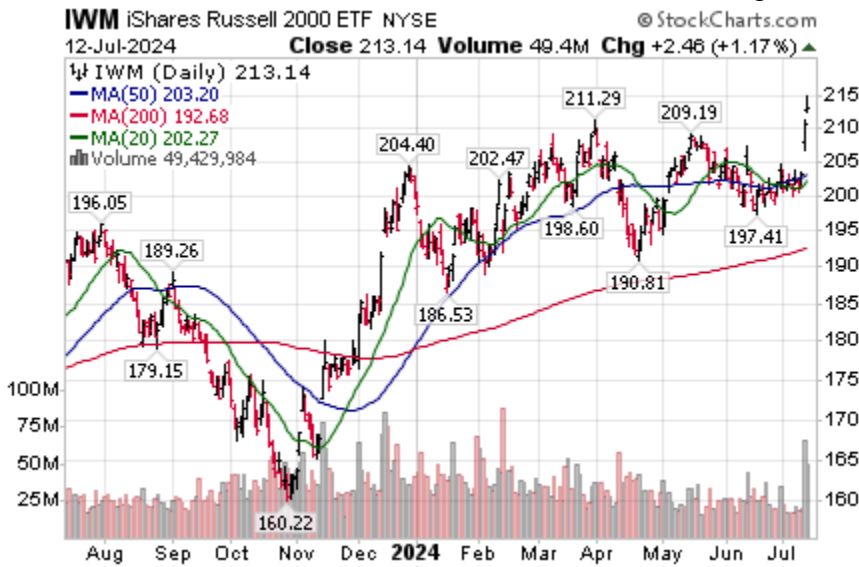
Health Care SPDRs \$XLV moved above \$147.65 to an all-time high extending an intermediate uptrend.



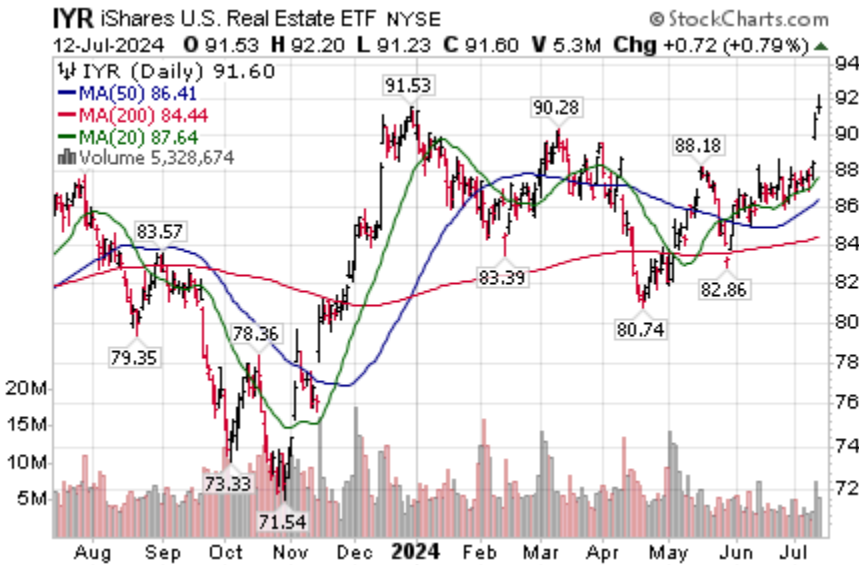
Financials SPDRs \$XLF moved above \$42.32 to an all-time high extending an intermediate uptrend.



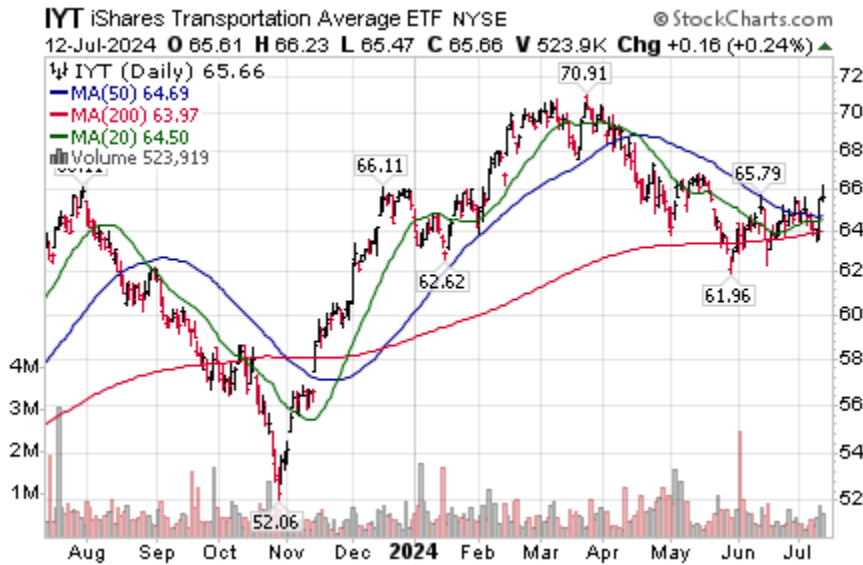
Russell 2000 iShares \$IWM moved above \$211.29 extending an intermediate uptrend.



U.S. Real Estate iShares \$IYR moved above \$91.53 extending an intermediate uptrend.



Transportation Average iShares \$IYT moved above \$65.79 completing a double bottom pattern.



BMO Dow Jones Industrial Average units ZDJ.TO moved above \$61.99 to an all-time high extending an intermediate uptrend. **Dow Jones Industrial Average SPDRs \$DIA** moved above \$399.83 to an all-time high extending an intermediate uptrend.



S&P 100 and NASDAQ 100 stocks moving above resistance and extending intermediate uptrends included Ford, Monster Beverages, Cognizant Technology, Berkshire Hathaway, Analog Devices, ON Semiconductor and Duke Energy

Gildan Activwear \$GIL.TO a TSX 60 stock moved above Cdn\$53.74 to an all-time high extending an intermediate uptrend.

Brookfield \$BN a TSX 60 stock moved above Cdn\$61.48 to an all-time high extending an intermediate uptrend.

S&P 500 Momentum Barometers



The intermediate term Barometer added 6.80 on Friday and jumped 24.60 last week to 70.20. It changed from Neutral to Overbought on a move above 60.00. Daily trend is up.



The long term Barometer added 3.80 and gained 9.40 last week to 74.80. It remains Overbought. Daily trend is up.

TSX Momentum Barometers



The intermediate term Barometer added 5.75 on Friday and gained 14.25 last week to 79.65. It remains Overbought. Daily trend remains up.



The long term Barometer added 2.21 on Friday and gained 11.50 last week to 79.20. It remains Overbought. Daily trend remains up.

Tech Talk is a free service available each business day at www.timingthemarket.ca

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