

# Tech Talk for Monday September 9<sup>th</sup> 2024

## The Bottom Line

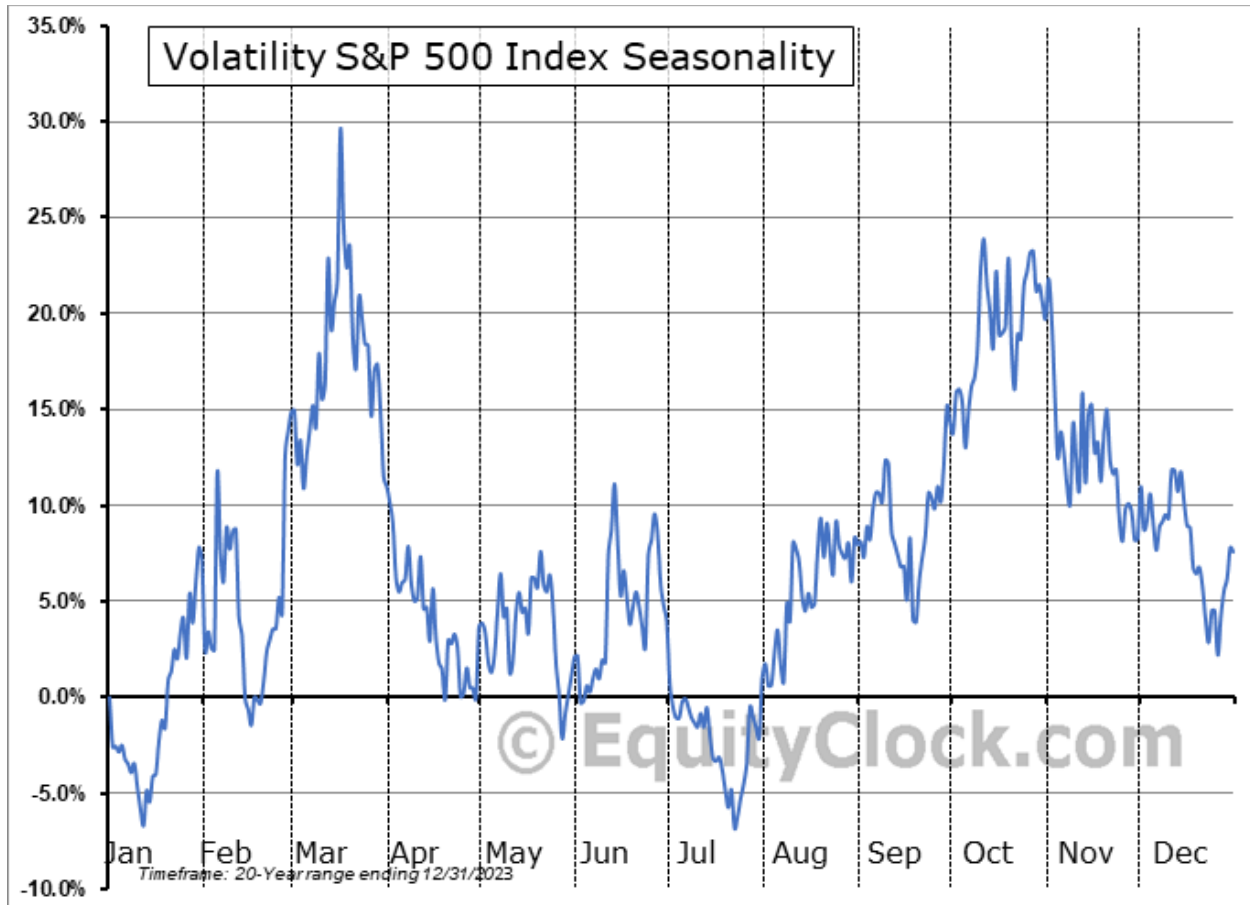
**Brutal technical action by world equity markets last week!** Equity markets are following their historic pattern of moving lower in the month of September.

**Offsetting was a drop in bond yields that triggered strength in bond prices.** The price of the long term Treasury Bonds iShares popped to a 15 month high



**The VIX Index spiked.** Typical for this time of year until mid-October!





## Consensus for Earnings and Revenues for S&P 500 companies

Source: [www.factset.com](http://www.factset.com)

**Second quarter earnings and revenue estimates were increased slightly from the last report three weeks ago.** Ninety nine percent of companies have reported second quarter results to date: 79% have reported higher than consensus quarterly earnings and 60% have reported higher than consensus revenues. Consensus for second quarter earnings advanced slightly to an 11.3% gain (versus a previous 10.9% gain) and consensus for second quarter revenues increased to a 5.3% gain (versus a previous 5.2% gain)

**A word of caution!** Consensus for the third quarter earnings slipped again to a 4.9% increase (versus a previous 5.2% increase). Consensus for third quarter revenues was slipped to a 4.8% increase (versus a previous 4.9% increase).

**Earnings gains accelerate in the fourth quarter.** Consensus calls for a 15.4% increase in earnings (versus a previous 15.5% increase) and a 5.4% increase in revenues (versus a previous 5.6% increase).

**For all of 2024,** consensus calls for a 10.1% earnings increase and 5.1% revenue increase.

**Earnings gains remain elevated in 2025.** First quarter earnings are expected to increase 15.0 % on a year-over-year basis (versus previous 14.4% increase) and revenues are expected to increase 5.9%. Second quarter earnings are expected to increase 14.1% (versus previous 13.9% increase) and revenues are expected to increase 5.7% (versus previous 5.8% increase. For all of 2025 earnings are expected to increase 15.4% (versus previous 15.3% gain) and revenues are expected to increase 6.0%.

## Economic News This Week

Source: [www.Investing.com](http://www.Investing.com)

**Bank of Canada Maclem speaks** at 8:30 AM EDT on Monday.

**U.S. August Consumer Price Index** released at 8:30 AM EDT on Wednesday is expected to increase 0.2% in July. On a year-over-year basis, August Consumer Price Index is expected to increase 2.6% versus 2.9% in July. Excluding food and energy, August Consumer Price Index is expected to increase 0.2% versus 0.2% in July.

**U.S. August Producer Price Index** released at 8:30 AM EDT on Thursday is expected to increase 0.2% versus a gain of 0.1% in July. Excluding food and energy, August Producer Price Index is expected to increase 0.2% versus 0.0% in July.

**September Consumer Sentiment** released at 10:00 AM on Friday is expected to increase to 68.0 from 67.9 in August.

## Selected Earnings News This Week

Source: [www.Investing.com](http://www.Investing.com)

**Monday:** Oracle

**Thursday:** Adobe, Kroger

## Trader's Corner

Example showing technical score for S&P/TSX Energy iShares	Previous Score	New Score
Intermediate trend: Neutral to down	0	-2
Strength relative to S&P 500: Remains negative	-2	-2
Above/Below its 20 day moving average: Remains below	-1	-1
Daily momentum (Stochastics, RSI, MACD): Remains down	-1	-1
Total	-4	-6

See chart in Technical Notes

## Equity Indices and Related ETFs

### Daily Seasonal/Technical Equity Trends for September 6<sup>th</sup> 2024

Unit	Seasonal	Until	Trend	Relative Strength	20 Day MA	Momentum	Tech Score	Prev Score
SPX	Neutral	Nov.8	Up	Neutral	Below	Down	0	
TSX	Neutral	Dec.15	Up	Positive	Below	Down	2	
DJIA	Neutral	Sept.20	Up	Positive	Below	Down	2	
COMPQ	Positive	Sept.15	Up	Negative	Below	Down	-2	
IYT	Neutral	Sept.9	Down	Positive	Above	Down	0	
AORD	Neutral	June 15	Neutral	Neutral	Below	Down	-2	
NIKK	Neutral	Nov.8	Down	Neutral	Below	Down	-4	
IEV	Neutral	Dec.8	Up	Positive	Below	Down	2	4
FXI	Neutral	Oct.4	Down	Neutral	Below	Down	-4	
EEM	Neutral	Nov.29	Neutral	Negative	Below	Down	-4	

**Green:** Increase from previous day

**Red:** Decrease from previous day

Source for all positive seasonality ratings: [www.EquityClock.com](http://www.EquityClock.com)

## Commodities

### Daily Seasonal/Technical Commodities Trends for September 6<sup>th</sup> 2024

Unit	Seasonal	Until	Trend	Relative Strength	20 Day MA	Momentum	Tech Score	Prev Score
CRB Index	Neutral	Feb.12	Down	Negative	Below	Down	-6	
Gasoline	Neutral	Mar.30	Down	Negative	Below	Down	-6	
Crude Oil	Neutral	Jan.12	Down	Negative	Below	Down	-6	
Natural Gas	Neutral	Sept.13	Down	Positive	Above	Up	2	0
S&P Energy	Neutral	Dec.9	Down	Negative	Below	Down	-6	
Oil Services	Neutral	Dec.19	Down	Negative	Below	Down	-6	
Gold	Neutral	Dec.23	Up	Positive	Above	Down	4	
Silver	Neutral	Dec.28	Down	Neutral	Below	Down	-4	-2
Gold Bug	Positive	Oct.15	Up	Negative	Below	Down	-2	
Platinum	Neutral	Dec.24	Down	Negative	Below	Down	-6	
Palladium	Neutral	Nov.28	Down	Neutral	Below	Down	-4	-2
Copper	Neutral	Nov.22	Down	Negative	Below	Down	-6	
Agriculture	Neutral	Nov.10	Neutral	Neutral	Below	Down	-2	0

**Green:** Increase from previous day

**Red:** Decrease from previous day

## Sectors

### Daily Seasonal/Technical Sector Trends for September 6<sup>th</sup> 2024

Unit	Seasonal	Until	Trend	Relative Strength	20 Day MA	Momentum	Tech Score	Previous Score
XLK	Neutral	Oct.9	Down	Negative	Below	Down	-6	
XLB	Neutral	Oct.1	Up	Neutral	Below	Down	0	

XLI	Neutral	Oct.27	Up	Neutral	Below	Down	0	
XLY	Positive	Jan.3	Down	Positive	Below	Down	-2	0
XLF	Positive	Nov.2	Up	Positive	Above	Down	4	
XLE	Neutral	Dec.9	Down	Negative	Below	Down	-6	
XLP	Neutral	Feb.16	Up	Positive	Above	Up	6	
XLU	Neutral	Feb.6	Up	Positive	Above	Down	4	
XLV	Neutral	Nov.11	Up	Positive	Below	Down	2	4
XLC	Neutral	Jan.8	Up	Negative	Below	Down	-2	0
XLRE	Neutral	Dec.1	Up	Positive	Above	Down	4	
TSX Financial	Positive	Sept.30	Up	Positive	Above	Down	4	6
TSX Energy	Neutral	Dec.11	Down	Negative	Below	Down	-6	-4
TSX Gold	Neutral	Dec.15	Up	Negative	Below	Down	-2	
TSX Tech	Neutral	Nov.15	Up	Neutral	Below	Down	0	
TSX B Metals	Neutral	Oct.4	Down	Negative	Below	Down	-6	

Green: Increase from previous day

Red: Decrease from previous day

## Links offered by valued providers

**Why oil prices may have further to fall: TD Asset Management**

[Why oil prices may have further to fall - YouTube](#)

**Fed takes in August jobs data heading into blackout period: Yahoo Finance**

[Fed takes in August jobs data heading into blackout period - YouTube](#)

**September 5, 2024 | September a Treacherous Time for Traders: Mark Leibovit**

[September a Treacherous Time for Traders – HoweStreet](#)

More links to follow

## Changes Last Week

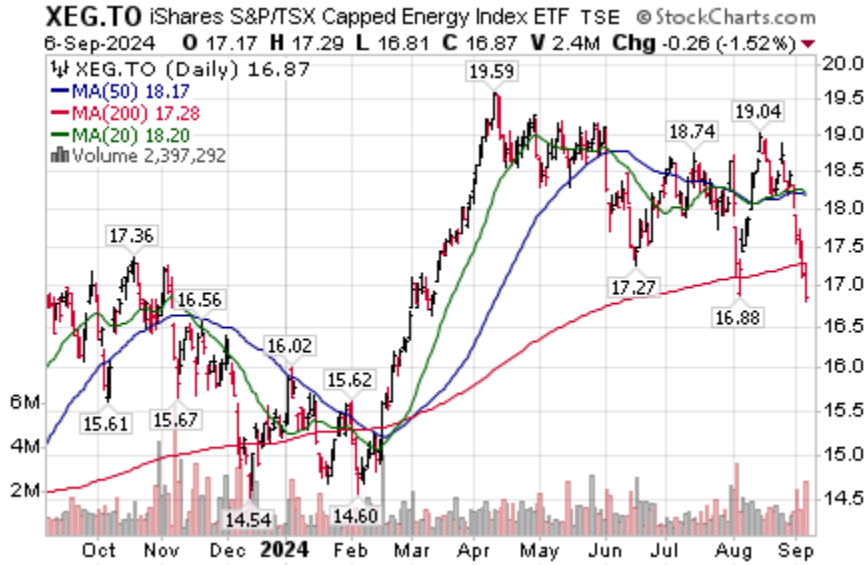
Index	Close	Change	Percent Change
SPX	5,408.42	-239.98	-4.25
TSX	22,781.43	-564.75	-2.42
INDU	40,345.41	-1,217.67	-2.93
COMPQ	16,690.83	-1,022.79	-5.77
TRAN	15,427.06	-615.99	-3.84
AORD	8,214.80	-101.90	-1.23
NIKK	36,391.47	-2,256.28	-5.84
IEV	55.95	-2.24	-3.85
FXI	25.50	-0.96	-3.63
EEM	41.78	-1.56	-3.60

# Technical Notes for Friday

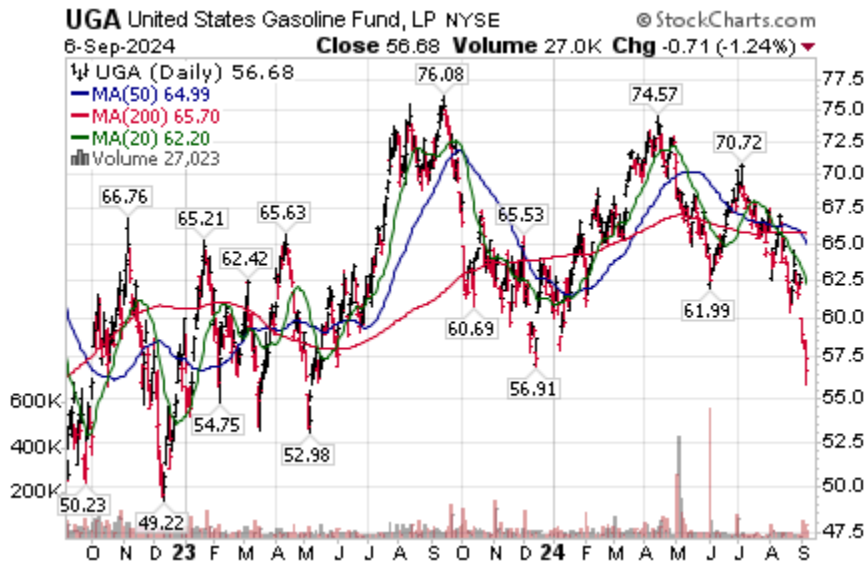
**S&P/TSE Base Metals iShares \$XBM.TO** moved below Cdn\$18.44 extending an intermediate downtrend. **BMO Equal Weight Base Metals ETF \$ZMT.TO** moved below Cdn\$60.57, **Teck Resources \$TECK.B.TO** a TSX 60 stock moved below Cdn\$59.57, **BHP \$BHP**, one of the world's largest base metal producer moved below \$51.73 and \$51.62



**S&P/TSE Energy iShares \$XEG.TO** moved below Cdn\$16.88 extending an intermediate downtrend.



**Gasoline ETN \$UGA** moved below \$56.91 extending an intermediate downtrend.



**Lithium ETN \$LIT** moved below \$35.16 to a four year low extending an intermediate downtrend.



**Steel ETF \$SLX** moved below \$62.12 extending an intermediate downtrend.





**S&P 100 and NASDAQ 100 stocks breaking below support** setting intermediate downtrends included **Alphabet** \$GOOG on a move below \$156.60, \$GOOGL on a move below \$154.93, **Intel** \$INTC on a move below \$18.84, **ASML Holdings** \$ASML on a move below \$767.41, **NXP Semiconductor** \$NXPI moved below \$228.30, **Electronic Arts** \$EA on a move below \$143.97 and **Chevron** \$CVX on a move below \$138.14



# S&P 500 Momentum Barometers



The intermediate term Barometer plunged 8.20 on Friday and 23.00 last week to 59.00. It changed from Positive to Neutral on a drop below 60.00. Daily trend has turned down.



The long term Barometer dropped 3.00 on Friday and 11.00 last week to 68.20. It remains Overbought. Daily trend has turned down.

# TSX Momentum Barometers



The intermediate term Barometer plunged 4.87 last week and plunged 21.68 last week to 45.13. It changed from Overbought to Neutral on a drop below 60.00. Daily trend has turned down.



The long term Barometer plunged 6.64 on Friday and plunged 13.28 last week to 61.06. It remains Overbought. Daily trend has turned down.

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