

# Tech Talk for Saturday November 9<sup>th</sup> 2024

## The Bottom Line

**All-time highs were recorded by broadly based U.S. equity indices following the election of Donald Trump as President.** On Friday, the S&P 500 Index exceeded the 6,000 level and the Dow Jones Industrial Average exceeded 44,000.

**U.S. equity index futures are tracking their historic seasonal pattern following a U.S. Presidential election** once a definite result has been determined. Historically, strength in indices has extended until the first week in January when specific plans proposed by the next President are revealed.

**Anticipation of strong and accelerating year-over-year earnings gains in the fourth quarter by S&P 500 companies also will help share prices between now and early January.**

**Note that activity on North American equity markets on Monday is expected to be significantly lower than average due to a bank holiday.**

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

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

**Frequency of third quarter corporate reports is winding down.** Ninety one percent (455 companies) have reported to date. Results released to date have prompted analysts to raise their earnings estimates slightly. Consensus calls for a 5.3% year-over-year earnings increase (up from 5.1% last week) and a 4.8% year-over-year revenue increase (down from 4.9% last week).

**Earnings and revenue gains accelerate in the fourth quarter, but at a slightly lower rate.** Consensus calls for a 12.2% earnings increase (down from a 12.7% increase last week) and a 4.8% revenue increase.

**For all of 2024,** consensus calls for a 9.4% earnings increase (up from 9.3% last week) and 5.1% revenue increase (up from 5.0% last week)

**Consensus for earnings gains in 2025 remains elevated, but at a slightly lower rate.** First quarter earnings are expected to increase 12.7 % on a year-over-year basis (versus a 13.0% increase last week) and revenues are expected to increase 5.3%. Second quarter earnings are expected to increase 11.9% (versus a 12.2% gain last week) and revenues are expected to increase 5.5%. For all of 2025 earnings are expected to increase 14.8% (versus a 15.1% increase last week) and revenues are expected to increase 5.7%.

## Economic News This Week

**October U.S. Consumer Price Index** released at 8:30 AM EST on Wednesday is expected to increase 0.2% versus a gain of 0.2% in September. Excluding food and energy, October CPI is expected to increase 0.3% versus a 0.3% gain in September.

**October U.S. Producer Price Index** released at 8:30 AM EST on Thursday is expected to increase 0.2% versus no change in September

**November Empire State Manufacturing Survey** is released at 8:30 AM EST on Friday.

**October U.S. Retail Sales** are released at 8:30 AM EST on Friday.

**October U.S. Capacity Utilization** released at 9:15 AM EST on Friday is expected to slip to 77.1% from 77.5% in September. October Industrial Production is expected to drop 0.4% versus a 0.3% decline in September.

**September Business Inventories** are released at 10:00 AM EST on Friday.

## Selected Earnings News This Week

**Another 12 S&P 500 companies** (including three Dow Jones Industrial Average companies: Home Depot, Cisco and Walt Disney) are scheduled to release quarterly results. In Canada, **three TSX 60 companies** are expected to release results: Shopify, Suncor and Brookfield.

**Tuesday:** Home Depot, Shopify, AstraZeneca

**Wednesday:** Ten cent, Cisco, JD.com, Copart, Suncor

**Thursday:** Alibaba, Walt Disney, Applied Materials, Palo Alto, Brookfield

**Friday:** Foot Locker

## Trader's Corner

Example showing technical score for U.S. crude oil ETN (USO)	Score	Previous New Score
Intermediate trend: Remains neutral	0	0
Strength relative to S&P 500 Index: Remains neutral	0	0
Above/Below 20 day moving average: Moved from above to below	1	-1
Daily momentum (Stochastics, RSI, MACD): Changed from up to down	1	-1
Totals	2	-2

## Equity Indices and Related ETFs

### Daily Seasonal/Technical Equity Trends for November 7<sup>th</sup> 2024

Unit	Seasonal	Until	Trend	Relative Strength	20 Day MA	Momentum	Tech Score	Prev Score
SPX	Positive	Jan.6	Up	Neutral	Above	Up	4	
TSX	Neutral	Dec.15	Up	Negative	Above	Up	2	
DJIA	Positive	Jan.6	Up	Positive	Above	Up	6	
COMPQ	Neutral	May 18	Up	Positive	Above	Up	6	
IYT	Positive	Dec.5	Up	Positive	Above	Up	6	
AORD	Neutral	June 15	Up	Negative	Above	Up	2	0
NIKK	Positive	Jan.6	Up	Neutral	Above	Up	4	
IEV	Neutral	Dec.8	Neutral	Negative	Below	Up	-2	
FXI	Positive	Jan.21	Up	Negative	Below	Down	-2	4
EEM	Neutral	Nov.29	Up	Negative	Below	Down	-2	0

**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 November 7<sup>th</sup> 2024

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

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## Sectors

### Daily Seasonal/Technical Sector Trends for November 8<sup>th</sup> 2024

Unit	Seasonal	Until	Trend	Relative Strength	20 Day MA	Momentum	Tech Score	Prev. Score
XLK	Neutral	April 19	Up	Neutral	Above	Up	4	
XLB	Positive	Jan.3	Up	Negative	Below	Up	0	2
XLI	Neutral	Oct.27	Up	Positive	Above	Up	6	
XLY	Positive	Jan.3	Up	Positive	Above	Up	6	
XLF	Neutral	July 7	Up	Positive	Above	Up	6	
XLE	Neutral	Dec.9	Up	Neutral	Above	Up	4	
XLP	Neutral	Feb.16	Down	Negative	Below	Up	-4	-6
XLU	Neutral	Feb.6	Neutral	Negative	Below	Up	-2	-4
XLV	Positive	Feb.2	Down	Negative	Above	Up	-2	-4
XLC	Neutral	Jan.8	Up	Positive	Above	Up	6	
XLRE	Neutral	Dec.1	Down	Negative	Above	Up	-2	-6
TSX Financial	Neutral	July 12	Up	Neutral	Above	Up	4	
TSX Energy	Neutral	Dec.11	Down	Neutral	Below	Up	-2	0
TSX Gold	Neutral	Dec.15	Up	Negative	Below	Down	-2	
TSX Tech	Neutral	Nov.15	Up	Positive	Above	Up	6	
TSX B Metals	Positive	Jan.18	Up	Neutral	Above	Up	4	

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## Changes Last Week

Index	Close	Change	Percent Change
SPX	5,995.54	266.64	4.65
TSX	24,759.40	504.24	2.08
INDU	43,988.99	1,947.80	4.63
COMPQ	19,286.78	1,046.86	5.74
TRAN	17,353.94	1,002.61	6.13
AORD	8,552.60	172.90	2.06
NIKK	39,500.37	1,446.70	3.80
IEV	54.38	-0.89	-1.61
FXI	31.47	-0.21	-0.66
EEM	44.65	0.16	0.36

# Technical Notes

**Salesforce.com** \$CRM a Dow Jones Industrial Average stock moved above \$317.31 to an all-time high extending an intermediate uptrend.



**UnitedHealth Group** \$UNH a Dow Jones Industrial Average stock moved above \$608.61 to an all-time high extending an intermediate uptrend.



**Costco \$COST** an S&P 100 stock moved above \$922.60 to an all-time high extending an intermediate uptrend.



**Tesla \$TSLA** a NASDAQ 100 stock moved above \$299.29 extending an intermediate uptrend.



**Intuit** \$INTU an S&P 100 stock moved above \$674.55 extending an intermediate uptrend.



**Vertex** \$VRTX a NASDAQ 100 stock moved above \$510.64 to an all-time high extending an intermediate uptrend



# S&P 500 Momentum Barometers



The intermediate term Barometer added 0.80 on Friday and jumped 16.20 last week to 65.40. It changed from Neutral to Overbought on a move above 60.00. Daily trend is up.



The long term Barometer added 0.20 on Friday and gained 4.80 last week to 74.60. It remains Overbought



# TSX Momentum Barometers



The intermediate term Barometer dropped 4.98 on Friday, but gained 7.04 last week to 63.35. It changed from Neutral to Overbought on a move above 60.00.



The long term Barometer added 0.45 on Friday and gained 3.50 last week to 76.47. It remains Overbought.

Tech Talk is a free service offered each business day at [www.timingthemarket.ca](http://www.timingthemarket.ca)

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