

Tech Talk for Saturday December 21st 2024

The Bottom Line

Here comes Santa Claus! Peak period for the “Santa Claus rally” for U.S. and Canadian equity indices is from December 24th to December 31st

Consensus for Earnings and Revenues for S&P 500 companies

Source: www.factset.com

Year-over-year earnings and revenue gains accelerate in the fourth quarter from the third quarter. Consensus calls for an 11.9% earnings increase (up from 11.8% last week) and a 4.6% revenue increase (down from 4.7% last week).

For all of 2024, consensus calls for a 9.4% earnings increase (down from 9.5% last week) and a 5.1% revenue increase.

Consensus for earnings and revenue gains in 2025 was unchanged last week. First quarter earnings are expected to increase 12.8 % on a year-over-year basis and revenues are expected to increase 5.2%. Second quarter earnings are expected to increase 12.1% and revenues are expected to increase 5.4%. Third quarter earnings are expected to increase 15.2% and revenues are expected to increase 5.7%. Fourth quarter earnings are expected to increase 16.9% and revenues are expected to increase 6.6%. For all of 2025 earnings are expected to increase 15.0% and revenues are expected to increase 5.8%.

Economic News This Week

Canada’s October GDP released at 8:30 AM EST on Monday is expected to increase 0.1% versus a gain of 0.1% in September.

Bank of Canada offers deliberations at 1:30 PM EST on Monday.

November Durable Goods Orders released at 8:30 AM EST on Tuesday are expected to drop 0.4% versus a 0.2% gain in October.

November U.S. New Home Sales released at 10:00 AM EST on Tuesday are expected to increase to 650,000 from 610,000 in October.

Selected Earnings News This Week

Nil

Trader's Corner

Example showing score for China iShares (FXI)

	Previous Score	New Score
Intermediate trend: Remains neutral	0	0
Strength relative to S&P 500: Remains neutral	0	0
Above/Below 20 day moving average: Moved above	-1	1
Daily momentum (Stochastics, RSI, MACD): Remains down	-1	-1
Totals	-2	0

Equity Indices and Related ETFs

Daily Seasonal/Technical Equity Trends for December 20th 2024

Unit	Seasonal	Until	Trend	Relative Strength	20 Day MA	Momentum	Tech Score	Prev Score
SPX	Positive	Jan.6	Up	Neutral	Below	Down	0	
TSX	Positive	Mar.3	Up	Negative	Below	Down	-2	
DJIA	Positive	Jan.6	Neutral	Negative	Below	Down	-4	
COMPQ	Neutral	May 18	Up	Positive	Below	Down	2	
IYT	Neutral	Sept.9	Down	Negative	Below	Down	-6	
AORD	Neutral	June 15	Neutral	Neutral	Below	Down	-2	0
NIKK	Positive	Jan.6	Up	Positive	Above	Down	4	
IEV	Positive	Apr 30	Down	Neutral	Below	Down	-4	
FXI	Positive	Jan.21	Neutral	Neutral	Above	Down	0	-2
EEM	Positive	Mar.1	Down	Neutral	Below	Down	-4	

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 December 20th 2024

Unit	Seasonal	Until	Trend	Relative Strength	20 Day MA	Momentum	Tech Score	Prev Score
CRB Index	Neutral	Feb.12	Down	Neutral	Above	Down	-2	-4
Gasoline	Neutral	Mar.30	Up	Neutral	Below	Down	0	
Crude Oil	Neutral	Jan.12	Neutral	Positive	Above	Down	2	
Natural Gas	Neutral	Sept.3	Up	Positive	Above	Up	6	4
S&P Energy	Positive	Apr. 12	Neutral	Negative	Below	Down	-4	
Oil Services	Positive	Mar.3	Down	Negative	Below	Down	-6	
Gold	Positive	Apr.27	Neutral	Neutral	Below	Down	-2	
Silver	Neutral	Dec.28	Down	Negative	Below	Down	-6	
Gold Bug	Positive	Feb.25	Down	Negative	Below	Down	-6	
Platinum	Positive	Feb.25	Neutral	Neutral	Below	Up	0	
Palladium	Positive	Apr.20	Down	Negative	Below	Up	-4	
Copper	Positive	Feb.28	Down	Neutral	Below	Down	-4	
Agriculture	Positive	Jan.30	Down	Negative	Below	Down	-6	

Green: Increase from previous day

Red: Decrease from previous day

Sectors

Daily Seasonal/Technical Sector Trends for December 20th 2024

Unit	Seasonal	Until	Trend	Relative Strength	20 Day MA	Momentum	Tech Score	Prev. Score
XLK	Neutral	Apr 19	Up	Positive	Below	Down	2	
XLB	Positive	Jan.3	Down	Negative	Below	Down	-6	
XLI	Positive	Feb.20	Down	Negative	Below	Down	-6	
XLY	Positive	Jan.3	Up	Positive	Above	Down	4	
XLF	Neutral	July 7	Up	Negative	Below	Up	0	-2
XLE	Positive	Apr.12	Neutral	Negative	Below	Down	-4	
XLP	Neutral	Feb.16	Neutral	Neutral	Below	Down	-2	
XLU	Neutral	Feb.6	Neutral	Negative	Below	Up	-2	-4
XLV	Positive	Feb.2	Down	Negative	Below	Up	-4	-6
XLC	Neutral	Jan.8	Up	Neutral	Below	Down	0	-2
XLRE	Positive	Apr.3	Down	Negative	Below	Down	-6	
TSX Financial	Neutral	July 12	Up	Neutral	Below	Down	0	
TSX Energy	Positive	Mar.7	Down	Negative	Below	Down	-6	
TSX Gold	Positive	Mar.26	Down	Negative	Below	Down	-6	
TSX Tech	Positive	April 3	Up	Neutral	Below	Down	0	
TSX B Metals	Positive	Jan.18	Down	Negative	Below	Down	-6	

Green: Increase from previous day

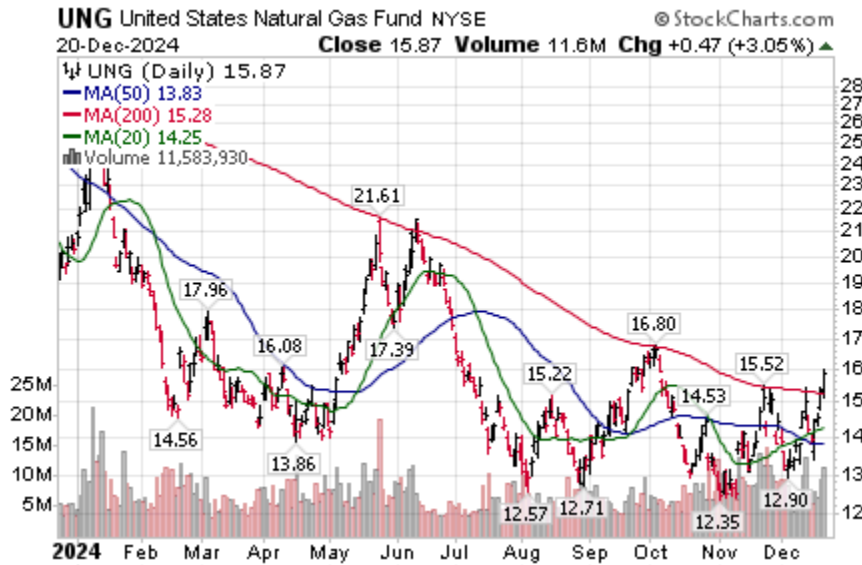
Red: Decrease from previous day

Changes Last Week

Index	Close	Change	Percent Change
SPX	5,930.85	-120.24	-1.99
TSX	24,599.48	-674.82	-2.67
INDU	42,840.26	-937.80	-2.25
COMPQ	19,572.60	-354.12	-1.78
TRAN	15,891.99	-819.44	-4.90
AORD	8,316.70	-233.60	-2.73
NIKK	38,701.90	-758.54	-1.95
IEV	52.03	-2.23	-4.11
FXI	30.42	-0.68	-2.19
EEM	42.27	-1.76	-4.00

Technical Notes for Friday

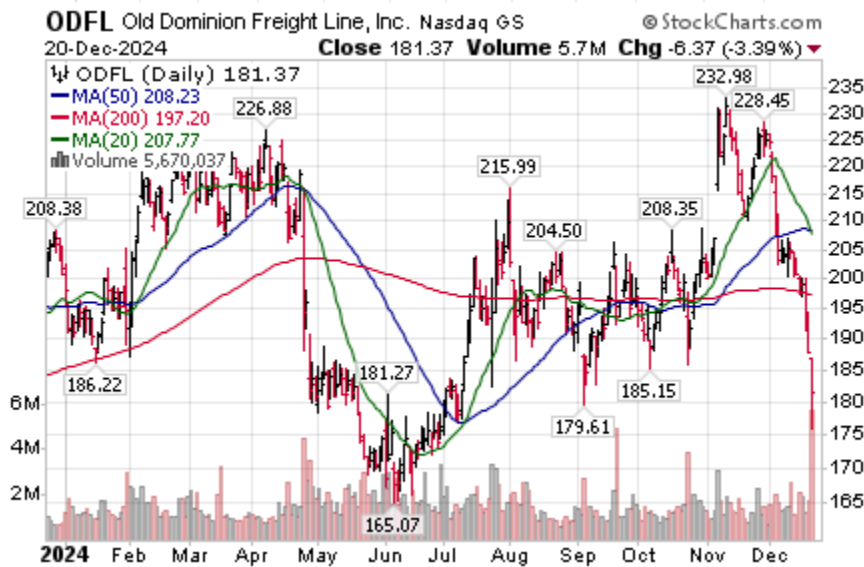
Natural Gas ETN \$UNG moved above \$15.52 completing a double bottom pattern.



United Kingdom iShares \$EWU moved below \$33.61 and \$33.41 completing a Head & Shoulders pattern.



S&P 100 stocks and NASDAQ 100 stocks moving below support extending an intermediate downtrend included Kraft Heinz, CSX, Old Dominion Freight Line, Autodesk, Intuit, Qualcomm, Synopsys and ON Semiconductor



Oil Services ETF \$OIH moved below \$262.18 extending an intermediate downtrend.



Bank of Nova Scotia \$BNS.TO moved below \$75.93 completing a double top pattern



S&P 500 Momentum Barometers



The intermediate term Barometer dropped 21.00 last week, but bounced 5.60 on Friday to 26.60. It changed last week from Neutral to Oversold on a drop below 40.00.



The long term Barometer dropped 10.20 last week, but recovered 2.20 on Friday to 56.40. It changed last week from Overbought to Neutral on a drop below 60.00.

Short term (20 day) Barometer bounced on Friday to 11.80 from a deeply oversold 7.80.

TSX Momentum Barometers



The intermediate term Barometer dropped 15.99 last week, but bounced 4.11 on Friday to 26.48. It changed last week from Neutral to Oversold on a drop below 40.00.



The long term Barometer dropped 7.76 last week, but recovered 2.74 on Friday to 59.82. It changed last week from Overbought to Neutral on a drop below 60.00.

Short term (20 day) Barometer bounced on Friday to 11.87 from deeply oversold 8.68.

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

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