

# Tech Talk for Saturday February 15<sup>th</sup> 2025

## Reminder

U.S. and Canadian equity markets are closed for a holiday on Monday.

## The Bottom Line

**Diverging trends!** On one hand, equity indices are responding to higher than consensus fourth quarter earnings and revenue results. Focuses this week are reports by Wal-Mart on Thursday and reports by a series of commodity companies throughout the week. Important equity indices and sectors either are near or above intermediate resistance levels. The NASDAQ 100 Index (NDX) closed at an all-time closing high on Friday at 22,114.69. Notably stronger last week were European, Chinese and Emerging Market ETFs. On the other hand, analysts continue to lower consensus 2025 earnings estimates for S&P 500 companies: Projected earnings growth is robust, but has diminished slightly now that most of the major U.S. companies have reported.

**What factor could cause North American equities to move significantly higher this week?** Weakness in the U.S. Dollar?? The U.S. Dollar Index and its related ETF: UUP completed double top patterns on Friday. Weakness in the U.S. Dollar is starting to impact commodity prices valued in U.S. Dollars. Gold is the obvious example. Other commodities are responding. The CRB Index reached a three year high last week.

**An event that could influence the U.S. Dollar is negotiations on the U.S. government debt ceiling.** The existing ceiling expires on March 14<sup>th</sup>.





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

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

**Fourth quarter results released last week continued to encourage analysts:** Estimates were raised again: 77% of S&P 500 companies have reported quarterly results to date: 76% have reported higher than consensus earnings and 62% have reported higher than consensus revenues. Better than consensus fourth quarter earnings prompted analysts to raise their fourth quarter S&P 500 earnings estimate to a 16.9% year-over-year increase, up from a 16.4% increase last week. Consensus for revenue gains remained last week at 5.2%.

**For all of 2024,** consensus calls for a 10.2% earnings increase, up from 10.1% last week. Consensus for a revenue increase remained at 5.2%

**Analyst estimates for earnings and revenue gains for 2025 were lowered again last week.** Consensus for first quarter earnings calls for an 8.1% increase on a year-over-year basis, down from an 8.7% increase last week. Consensus for first quarter revenues slipped to a 4.4% increase down from a 4.5% increase. Consensus for second quarter earnings gains dropped to 9.9% from a 10.2% increase last week. Consensus for second quarter revenues remained at a 4.7% increase. Consensus for third quarter earnings dropped to a 14.4% increase, down from a 14.5% increase. Consensus for third quarter revenues improved to a 5.5% increase, up from a previous 5.4% increase. Fourth quarter earnings are expected to increase 12.9%, down from a previous 13.3% increase. Fourth quarter revenues are expected to increase 6.1%, up from a 6.0% increase.

**For all of 2025,** earnings are expected to increase 12.7%, down from 13.0% last week and revenues are expected to increase 5.5%.

**Earnings gains are expected to continue into 2026.** Consensus calls for a 13.9% earnings increase, up from 13.8% last week. Consensus for revenue gains remain at 6.4%.

## Economic News This Week

**January Canadian Consumer Price Index** is released at 8:30 AM EST on Tuesday

**January U.S. Housing Starts** are released at 8:30 AM EST on Wednesday

**FOMC meeting minutes** are released at 2:00 PM EST on Wednesday

**February Philly Fed Manufacturing Index** is released at 8:30 AM EST on Thursday

**January U.S. Leading Economic Indicators** are released at 10:00 AM EST on Thursday

**December Canadian Retail Sales** are released at 8:30 AM EST on Friday

**January U.S. Existing Home Sales** are released at 10:00 AM EST on Friday

**February Michigan Sentiment** is released at 10:00 AM EST on Friday is expected to slip to 67.8 from 71.1 in January.

**Bank of Canada Governor Macklem** speaks at 12:45 PM EST on Friday.

## Selected Earnings News This Week

Another 44 S&P 500 companies are scheduled to report quarterly results this week (including one Dow Jones Industrial Average stock: Wal-Mart). Four TSX 60 companies are scheduled to report.

**Tuesday:** Medtronic, Cadence Design, Occidental Petroleum, Costar, Devon Energy, Toll Brothers

**Wednesday:** Analog Devices, Rio Tinto, Copart, Manulife Financial, VALE, Nutrien, CF Industries, Gildan, Louisiana Pacific, Lundin Mining.

**Thursday:** Wal-Mart, Alibaba, Booking, Southern Companies, NetEase, TransAlta

**Friday:** Onex

## Trader's Corner

Example showing score for Emerging Markets iShares (EEM)

	Previous Score	New Score
Intermediate trend: Changed from down to neutral on a move above \$44.35	-2	0
Strength relative to S&P 500: Remains positive	2	2
Above/Below 20 day moving average: Remains above	1	1
Daily momentum (Stochastics, RSI, MACD): Remains up	1	1
Totals	2	4

## Equity Indices and Related ETFs

### Daily Seasonal/Technical Equity Trends for February 14<sup>th</sup> 2025

Unit	Seasonal	Until	Trend	Relative Strength	20 Day MA	Momentum	Tech Score	Prev Score
SPX	Neutral	Oct.28	Up	Neutral	Above	Up	4	
TSX	Positive	Mar.3	Up	Neutral	Above	Up	4	
DJIA	Neutral	Sept.20	Neutral	Neutral	Above	Up	2	
COMPQ	Neutral	May 18	Down	Neutral	Above	Up	0	
IYT	Neutral	Sept.9	Down	Neutral	Above	Up	0	
AORD	Neutral	June 15	Up	Positive	Above	Up	6	
NIKK	Neutral	Nov.13	Up	Neutral	Below	Up	2	4
IEV	Positive	Apr 30	Neutral	Positive	Above	Up	4	
FXI	Neutral	Sept.29	Neutral	Positive	Above	Up	4	
EEM	Positive	Mar.1	Neutral	Positive	Above	Up	4	2

**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 February 14<sup>th</sup> 2025

Unit	Seasonal	Until	Trend	Relative Strength	20 Day MA	Momentum	Tech Score	Prev Score
CRB Index	Neutral	Feb.15	Up	Neutral	Above	Up	4	
Gasoline	Neutral	Mar.30	Up	Neutral	Below	Down	0	4
Crude Oil	Positive	Apr.12	Up	Negative	Below	Down	-2	0
Natural Gas	Neutral	Sept.3	Up	Positive	Above	Up	6	
S&P Energy	Positive	Apr. 12	Neutral	Neutral	Below	Up	0	
Oil Services	Positive	Mar.3	Down	Negative	Below	Up	-4	
Gold	Positive	Apr.27	Up	Positive	Above	Down	4	6
Silver	Positive	Feb.23	Neutral	Positive	Above	Up	4	
Gold Bug	Positive	Feb.25	Neutral	Positive	Above	Down	2	4
Platinum	Positive	Feb.25	Up	Positive	Above	Down	4	6
Palladium	Positive	Apr.20	Up	Neutral	Below	Up	2	4
Copper	Positive	Feb.28	Up	Positive	Above	Up	6	
Agriculture	Positive	Feb.21	Neutral	Neutral	Below	Down	-2	

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## Sectors

### Daily Seasonal/Technical Sector Trends for February 14<sup>h</sup> 2025

Unit	Seasonal	Until	Trend	Relative Strength	20 Day MA	Momentum	Tech Score	Prev. Score
XLK	Neutral	Apr 19	Up	Positive	Above	Up	6	
XLB	Neutral	Sept.27	Up	Neutral	Above	Up	4	
XLI	Positive	Feb.20	Down	Negative	Below	Up	-4	
XLY	Neutral	Mar.15	Up	Negative	Below	Up	0	
XLF	Neutral	July 7	Up	Neutral	Above	Up	4	6
XLE	Positive	Apr.12	Neutral	Neutral	Below	Up	0	
XLP	Neutral	Feb.16	Down	Positive	Above	Up	2	
XLU	Neutral	Feb.15	Down	Neutral	Above	Up	0	
XLV	Neutral	May 3	Neutral	Neutral	Below	Down	-2	0
XLC	Positive	June 2	Up	Positive	Above	Up	6	
XLRE	Positive	Apr.3	Down	Neutral	Above	Up	0	
TSX Financial	Neutral	July 12	Up	Neutral	Below	Down	0	
TSX Energy	Positive	Mar.7	Down	Neutral	Below	Down	-4	0
TSX Gold	Positive	Mar.26	Up	Positive	Above	Up	6	
TSX Tech	Positive	April 3	Up	Positive	Above	Up	6	
TSX B Metals	Positive	Feb.18	Down	Neutral	Above	Up	0	

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## Changes last week

Index	Close	Change	Percent Change
SPX	6,114.63	88.64	1.47
TSX	25,483.33	40.42	0.16
INDU	44,546.08	242.68	0.55
COMPQ	20,026.77	493.37	2.53
TRAN	16,606.53	459.34	2.84
AORD	8,825.10	44.80	0.51
NIKK	39,149.43	362.41	0.93
IEV	57.81	2.20	3.96
FXI	35.94	2.31	7.06
EEM	44.41	1.21	2.80

# Technical Notes for Friday

**U.S. Telecommunications iShares \$IYZ** moved above \$28.51 to a three year high extending an intermediate uptrend.



**Verisk Analytics \$VRSK** a NASDAQ 100 stock moved above \$296.18 to an all-time high extending an intermediate uptrend.



**AirBNB** \$ABNB a NASDAQ 100 stock moved above \$148.64 extending an intermediate uptrend. A leader in the Chinese technology sector!



**Lulu Lemon** \$LULU a NASDAQ 100 stock moved below \$367.15 and \$366.95 completing a double top pattern.



**CAE \$CAE.TO** a TSX 60 stock moved above Cdn\$36.68 to a 3 year high extending an intermediate uptrend.



**Fortis \$FTS.TO** a TSX 60 stock moved above Cdn\$63.75 to an all-time high extending an intermediate uptrend.





# S&P 500 Momentum Barometers



The intermediate term Barometer slipped 0.20 on Friday and dropped 6.20 last week to 54.40. It changed last week from Overbought to Neutral on a drop below 60.00.



The long term Barometer slipped 0.60 on Friday and increased 0.60 last week to 60.00. It remains Neutral.

# TSX Momentum Barometers



The intermediate term Barometer dropped 4.07 on Friday and slipped 0.45 last week to 43.89. It remains Neutral.



The long term Barometer dropped 2.26 on Friday fell 1.36 last week to 60.63. 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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