

Tech Talk for Saturday April 5th 2025

The Bottom Line

World equity markets were “Trumped” after the close on Wednesday. Equity indices around the world dropped sharply after the close on Wednesday when President Trump announced higher than expected tariffs on goods entering into the U.S. Weakness in world equity markets escalated on Friday when countervailing tariffs were announced by China. Other countries are expected to announce countervailing tariffs this week.

Downside technical action by top U.S. listed securities (i.e. U.S. sector ETFs and individual equities included in the Dow Jones Industrial Average, S&P 100 Index and NASDAQ 100 Index) **was extraordinary on Friday.** Forty five stocks broke intermediate support on Friday, an increase from 28 stocks that broke support on Thursday. The CNN Fear and Greed Index dropped to 4 out of 100, a record low indicating “Extreme Fear”. See <https://www.cnn.com/markets/fear-and-greed> According to Market Watch **“U.S. stocks saw biggest 2-day wipeout in history”** The Volatility Index (VIX) jumped 15.29 to close at 45.31 on Friday, but has yet to show signs of peaking.



Analysts started to reduce their target prices for U.S. equity indices. On Friday, RBC lowered its target price for the S&P 500 from 6,250 to 5,500.

Downside technical action by TSX 60 stocks also was extraordinary. Another seven TSX 60 stocks broke intermediate support/ set downside trends on Friday after five stocks broke support on Thursday. Breakdowns on Friday included Brookfield, Cameco, Cenovus, WSP Global, Manu Life Financial, National Bank and Suncor. The TSX Composite Index completed a classic Head and Shoulders pattern on Friday on moves below 24,250.02 and 24,145.59. The TSX 60 Index and its related ETFs (e.g. XIU.TO) completed a similar pattern. Ditto for Canada iShares trading in the U.S.: EWC!



Technical signs of a short term low by world equity indices have yet to surface.

Positive technical action was notable by U.S. Treasury Bonds on Friday. 20+ Treasuries iShares (TLT) broke above \$92.46 and \$93.52 completing a reverse Head & Shoulders pattern.



Consensus for Earnings and Revenues for S&P 500 companies

Source: www.factset.com

Analyst estimates for earnings gains for 2025 recorded modest declines last week. Estimates for revenue gains were unchanged. Consensus for first quarter earnings calls for a 7.0 % increase on a year-over-year basis, down from 7.3% last week. Consensus for first quarter revenues growth remained at 4.2%. Consensus for second quarter earnings gains slipped to 9.1% from 9.3% last week. Consensus for second quarter revenue gains remained at 4.6%. Consensus for third quarter earnings gains slipped to 11.7% from 11.9% last week. Consensus for third

quarter revenue growth remained unchanged at 5.4%. Consensus for fourth quarter earnings gains slipped to 11.2% from 11.4% last week. Consensus for fourth quarter revenue gains remained unchanged at 6.0%.

For all of 2025, earnings are expected to increase 11.3%, down from an 11.5% increase last week. Consensus for revenue gains was unchanged at 5.4%.

Economic News This Week

February U.S. Wholesale Inventories released at 10:00 AM EDT on Tuesday are expected to increase 0.3% versus a 0.8% gain in January.

March U.S. Consumer Price Index released at 8:30 AM EDT on Thursday is expected to increase of 0.2% versus a 0.2% gain in February. Excluding food and energy, March CPI is expected to increase 0.2% versus a 0.2% gain in February.

March U.S. Producer Price Index released at 8:30 AM EDT on Friday is expected to increase 0.1% versus no change in February. Excluding food and energy, March PPI is expected to increase 0.3% versus a 0.1% drop in February.

Selected Earnings News This Week

Fiscal first quarter reports by S&P 100 companies start appearing this week. Focus is on reports reported by Financial Service companies on Friday.

Monday: Levi Straus

Tuesday: Walgreens Boots

Wednesday: Delta Airlines

Friday: JP Morgan, Wells Fargo, Morgan Stanley, BlackRock, Bank of New York Mellon

Trader's Corner

Example showing score for Energy SPDRs (XLE)

	Previous Score	New Score
Intermediate trend: Changed from neutral to down	0	-2
Strength relative to S&P 500: Changed from neutral to negative	0	-2
Above/Below 20 day moving average: Remains below	-1	-1
Daily momentum (Stochastics, RSI, MACD): Remains down	-1	-1
Totals	-2	-6

Equity Indices and Related ETFs

Daily Seasonal/Technical Equity Trends for April 4th 2025

Unit	Seasonal	Until	Trend	Relative Strength	20 Day MA	Momentum	Tech Score	Prev Score
SPX	Neutral	Oct.28	Down	Neutral	Below	Down	-4	
TSX	Neutral	Dec.14	Down	Positive	Below	Down	-2	
DJIA	Neutral	Sept.20	Down	Positive	Below	Down	-2	
COMPQ	Neutral	May 18	Down	Negative	Below	Down	-6	
IYT	Neutral	Sept.9	Down	Negative	Below	Down	-6	
AORD	Neutral	June 15	Down	Positive	Above	Below	0	
NIKK	Neutral	Nov.13	Down	Neutral	Below	Down	-4	
IEV	Positive	Apr 30	Up	Neutral	Below	Down	0	
FXI	Neutral	Sept.29	Up	Neutral	Below	Down	0	
EEM	Neutral	Dec.11	Neutral	Neutral	Below	Down	-2	

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 April 4th 2025

Unit	Seasonal	Until	Trend	Relative Strength	20 Day MA	Momentum	Tech Score	Prev Score
CRB Index	Positive	May 21	Down	Positive	Below	Down	-2	
Gasoline	Neutral	Mar.30	Down	Positive	Below	Down	-2	
Crude Oil	Positive	Apr.12	Up	Positive	Below	Down	2	
Natural Gas	Neutral	Sept.3	Up	Neutral	Below	Down	0	4
S&P Energy	Positive	Apr. 12	Down	Negative	Below	Down	-6	-2
Oil Services	Neutral	Dec.3	Down	Negative	Below	Down	-6	-4
Gold	Positive	Apr.27	Up	Positive	Above	Down	4	
Silver	Positive	Apr.12	Up	Neutral	Below	Down	0	
Gold Bug	Neutral	July 27	Up	Positive	Below	Down	2	4
Platinum	Neutral	Dec. 9	Up	Neutral	Below	Down	0	
Palladium	Positive	Apr.20	Up	Neutral	Below	Down	0	
Copper	Neutral	Aug.8	Neutral	Neutral	Below	Down	-2	0
Agribusiness	Neutral	Sept.28	Down	Neutral	Below	Down	-4	-2

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Red: Decrease from previous day

Sectors

Daily Seasonal/Technical Sector Trends for April 4th 2025

Unit	Seasonal	Until	Trend	Relative Strength	20 Day MA	Momentum	Tech Score	Prev. Score
XLK	Neutral	Apr 19	Down	Negative	Below	Down	-6	
XLB	Neutral	Sept.27	Down	Neutral	Below	Down	-4	-2
XLI	Neutral	Dec.24	Down	Neutral	Below	Down	-4	
XLY	Neutral	May 20	Down	Neutral	Below	Down	-4	
XLF	Neutral	July 7	Down	Neutral	Below	Down	-4	0
XLE	Positive	Apr.12	Down	Negative	Below	Down	-6	-2
XLP	Positive	May 24	Up	Positive	Below	Down	2	6
XLU	Positive	July 2	Down	Positive	Below	Down	-2	6
XLV	Neutral	May 3	Down	Positive	Below	Down	-2	
XLC	Positive	June 2	Down	Neutral	Below	Down	-4	-2
XLRE	Neutral	Nov.22	Down	Positive	Below	Down	-2	-4
TSX Financial	Neutral	July 12	Down	Positive	Below	Down	-2	
TSX Energy	Positive	June 11	Down	Neutral	Below	Down	-4	-2
TSX Gold	Positive	April 9	Up	Positive	Below	Down	2	4
TSX Tech	Neutral	Oct.28	Down	Negative	Below	Down	-6	
TSX B Metals	Neutral	Nov.28	Down	Negative	Below	Down	-6	

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Hap Sneddon's Top Picks

Hap appeared on BNN on Friday. Following is a link to his "Top Picks"

<https://www.bnnbloomberg.ca/investing/2025/04/04/hap-sneddons-top-picks-for-april-4-2025/>

Changes last week

Index	Close	Change	Percent Change
SPX	5,074.08	-506.86	-9.08
TSX	23,193.47	-1,565.68	-6.32
INDU	38,314.86	-3,269.04	-8.26
COMPQ	15,587.79	-1,735.20	-10.02
TRAN	13,160.27	-1,432.34	-9.82
AORD	7,847.60	-347.90	-4.25
NIKK	33,780.58	-3,339.75	-9.00
IEV	53.79	-3.08	-8.63
FXI	32.74	-3.10	-8.65
EEM	40.58	-3.19	-7.29

S&P 500 Momentum Barometers



The intermediate term Barometer plunged 19.40 on Friday and 22.20 last week to 13.00. Daily trend is down. It is extremely oversold, but has yet to show signs of bottoming.



The long term Barometer plunged 14.00 on Friday and 19.40 last week to 23.40, lowest level since October 2022. It is extremely oversold, but has yet to show signs of bottoming.

The short term (20 days) Barometer plunged 24.40 on Friday to 6.40. It is extremely oversold and has reached a level where significant recoveries have occurred. No signs of a recovery yet!

TSX Momentum Barometers



The intermediate term Barometer plunged 21.10 on Friday and 27.06 last week to 22.94. It changed from Neutral to Oversold on a move below 40.00. Daily trend is down.



The long term Barometer plunged 13.30 on Friday and 21.56 last week to 34.40. It changed last week from Neutral to Oversold on a drop below 40.00. Daily trend is down.

Short term (20 days) Barometer plunged 32.57 to 11.01 on Friday. It is extremely oversold, but has yet to show signs of bottoming.

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