

Tech Talk for Saturday April 8th 2023

The Bottom Line

The calm before the storm! Frequency of first quarter reports by S&P 500 companies starts slowly next week and ends in a rush on Friday. Initial focus is on reports released by major U.S. banks. Consensus calls for a year-over-year drop in first quarter earnings by S&P 500 companies of 6.6%. Responses to initial reports will set the stage for performance by North American equity indices for the next three weeks.

Economic reports next week also are a focus. U.S. March CPI and PPI report are expected to confirm a declining trend in inflation. On the other hand, another drop in monthly Retail Sales indicates at least a mild slowdown in the U.S. economy. Response by U.S. equity index futures on Friday morning to the March Employment Report was mildly positive: Non-farm Payrolls increased 236,000 versus an estimate of 238,000, Unemployment Rate slipped to 3.5% from 3.6% in February and Average Hourly Wages increased 0.3% in line with consensus. On a year-over-year basis, Average Hourly Wages in March dropped to 4.2% from 4.8% in February.

Seasonal influences for North American equity indices currently are favourable until the first week in May for U.S. equity indices and frequently until the last week in May for the TSX.

Note gain by the Shanghai Composite Index last week (including the gain on Friday). On a seasonal basis Far East equity markets continue to appear as an interesting alternative to North American equity markets into July.

Economic News This Week

Source: www.Investing.com

March Consumer Price Index released at 8:30 AM EDT on Wednesday is expected to increase 0.3% versus a gain of 0.4% in February. On a year-over-year basis March Consumer Price Index is expected to increase 5.2% versus a gain of 6.0% in February. Excluding food and energy, March Consumer Price Index is expected to increase 0.4% versus a gain of 0.5% in February. On a year over year basis, core CPI is expected to increase 5.6% versus a gain of 5.5% in February.

Bank of Canada updates monetary policy at 10:00 AM EDT on Wednesday. The Bank of Canada's lending rate to Canada's major bank is expected to remain unchanged from February at 4.50%.

March Producer Price Index released at 8:30 AM EDT on Thursday is expected to increase 0.1% versus a decline of 0.1% in February. On a year-over-year basis, March PPI is expected to increase 3.1% versus 4.6% in February. Excluding food and energy, March PPI is expected to increase 0.2% in February. On a year-over-year basis, core PPI is expected to increase 3.1% versus a gain of 4.4% in February.

March Retail Sales released at 8:30 AM EDT on Friday are expected to drop 0.4% versus a drop of 0.4% in February. Excluding auto sales, March Retail Sales are expected to slip 0.3% versus a drop of 0.1% in February.

March Capacity Utilization released at 9:15 AM EDT on Friday is expected to slip to 79.0 from 79.1 in February. March Industrial Production is expected to increase 0.2% versus a gain of 0.3% in February.

April Michigan Sentiment released at 10:00 AM on Friday is expected to increase to 62.7 from 62.0 in February.

Selected Earnings News This Week

Source: www.investing.com

Quiet week until Friday! Focus is on major U.S. banks.

Thursday: Taiwan Semiconductor, Fastenal. Delta Airlines

Friday: UnitedHealth Group, JP Morgan, Wells Fargo, Citigroup, PNC Financial

Trader's Corner

Technical scores range from +6 (Most Bullish) to -6 (Most Bearish). A score of 0 is neutral. Preferred purchase candidates have a rising technical score. Preferred sell/short candidates have a falling technical score.

Technical scores for Trend and Relative Strength range from +2 to -2. Scores for 20 day moving average and daily momentum range from +1 to -1. Color change to red means lower daily score. Color change to green means higher daily score. Color change to red means lower daily score.

Equity Indices and Related ETFs

Daily Seasonal/Technical Equity Trends for April 6th 2023

Unit	Seasonal	Until	Trend	Relative Strength To SPX	20 Day Momentum MA	Tech Score	Score Last Week
SPX	Positive	May 5	Up	Neutral	Above	Up	4
TSX	Neutral	Dec. 12	Neutral	Negative	Above	Up	0
DJIA	Positive	May. 5	Down	Neutral	Above	Up	0
COMPQ	Positive	May 5	Up	Positive	Above	Down	4
TRAN	Neutral	Aug.27	Down	Negative	Above	Down	-4
AORD	Neutral	July 15	Neutral	Negative	Above	Up	0
NIKK	Positive	Apr.30	Neutral	Negative	Below	Down	-4
IEV	Positive	Apr.30	Up	Positive	Above	Up	6
SSEC	Positive	May 30	Up	Negative	Above	Up	2
EEM	Neutral	Nov.29	Neutral	Neutral	Above	Down	0

Green: Increase from previous day

Red: Decrease from previous day

Commodities

Daily Seasonal/Technical Commodities Trends for April 6th 2023

Unit	Seasonal	Until	Trend	Relative Strength To SPX	20 Day MA	Momentum	Tech Score	Score Last Week
CRB Index	Positive	June.11	Down	Neutral	Above	Up	0	0
Gasoline	Positive	June 29	Up	Positive	Above	Up	6	2
Crude Oil	Positive	Apr.15	Neutral	Positive	Above	Up	4	0
Natural Gas	Positive	June 20	Down	Negative	Below	Down	-6	-6
S&P Energy	Positive	June 11	Down	Positive	Above	Down	0	0
Oil Services	Positive	Apr.24	Down	Neutral	Above	Down	-2	-2
Gold	Positive	Apr.27	Up	Positive	Above	Up	6	4
Silver	Neutral	Nov.29	Up	Positive	Above	Up	6	2
Gold Bug	Neutral	June 15	Up	Positive	Above	Up	6	4
Platinum	Neutral	Dec.9	Neutral	Neutral	Above	Up	2	2
Palladium	Neutral	Nov.26	Down	Neutral	Above	Up	0	0
Copper	Positive	May 10	Down	Negative	At	Down	-5	0
Lumber	Neutral	Oct 1	Down	Negative	Below	Up	-4	-6
Agriculture	Neutral	Oct.9	Down	Negative	Below	Down	-6	-2

Green: Increase from previous day

Red: Decrease from previous day

Sectors

Daily Seasonal/Technical Sector Trends for April 6th 2023

Unit	Seasonal	Until	Trend	Relative Strength To SPX	20 Day MA	Momentum	Tech Score	Score Last Week
XLK	Neutral	Apr.13	Up	Neutral	Above	Down	2	6
XLB	Neutral	Oct.1	Down	Neutral	Above	Down	-2	-2
XLI	Neutral	Aug.26	Down	Negative	Below	Down	-6	-2
XLY	Neutral	Aug.7	Up	Negative	Above	Down	0	4
XLF	Neutral	July 7	Down	Negative	Above	Up	-2	-4
XLE	Positive	June11	Down	Positive	Above	Up	2	0
XLP	Positive	May 24	Neutral	Neutral	Above	Up	2	2
XLV	Neutral	Nov.3	Down	Positive	Above	Up	2	0
XLU	Positive	July 2	Down	Positive	Above	Up	2	0
XLC	Positive	June 14	Up	Positive	Above	Up	6	6
XLRE	Neutral	Dec.1	Neutral	Negative	Above	Up	0	0
TSX Financial	Positive	Apr.18	Neutral	Negative	Above	Up	0	0
TSX Energy	Positive	Apr.12	Down	Neutral	Above	Up	0	-2
TSX Gold	Neutral	June 14	Up	Positive	Above	Up	6	4
TSX Tech	Neutral	Nov.15	Up	Neutral	Above	Down	2	6
TSX B Metals	Neutral	Nov. 28	Down	Neutral	Above	Down	-2	0

Green: Increase from previous day

Red: Decrease from previous day

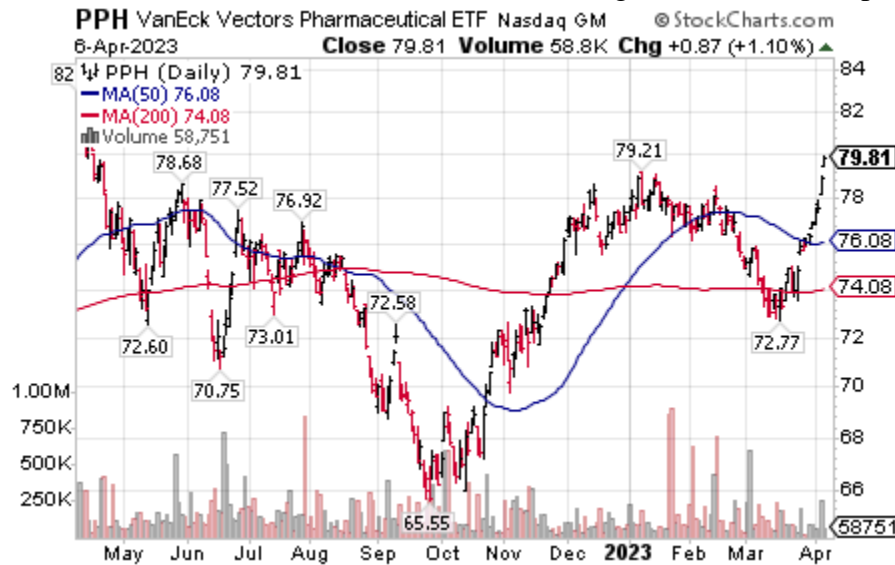
Source for positive seasonal ratings: www.equityclock.com

Technical Notes for last Thursday

Italy iShares \$EWI moved above \$30.96 extending an intermediate uptrend.



Pharma ETF \$PPH moved above \$79.21 extending an intermediate uptrend.



Alphabet a NASDAQ 100 stock moved above resistance extending an intermediate uptrend:
 GOOG moved above \$108.82 and GOOGL moved above \$108.18.



Southern Companies \$SO an S&P 100 company moved above \$72.38 extending an intermediate uptrend.



Caterpillar \$CAT a Dow Jones Industrial Average stock moved below \$211.43 extending an intermediate downtrend.



Okta \$OKTA a NASDAQ 100 stock moved below \$77.51 completing a double top pattern.



BCE \$BCE.TO a TSX 60 stock moved above Cdn\$63.10 completing a reverse Head & Shoulders pattern.



Nutrient \$NTR.TO a TSX 60 stock moved below Cdn\$96.10, Cdn\$94.87 and Cdn\$92.30 extending an intermediate downtrend.



S&P Momentum Barometers



The intermediate term Barometer eased 0.20 on Thursday and dropped 6.20 last week to 44.00. It remains Neutral.



The long term Barometer eased 1.00 on Thursday and dropped 3.20 last week to 56.80. It returned to Neutral from Overbought after moving below 60.00.

TSX Momentum Barometers



The intermediate term Barometer added 1.07 on Thursday and gained 0.63 last week to 49.79. It remains Neutral.



The long term Barometer added 0.70 on Friday, but dropped 1.01 last week. It remains Overbought.

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