

# Tech Talk for Saturday August 26<sup>th</sup> 2023

## The Bottom Line

**High and rising interest rates on long term North American Treasuries have “put a lid” on North American equity markets.** Comments by Federal Reserve Chairman Powell on Friday echoed comments by the Bank of Canada that central banks in North America are “prepared to raise rates further”. The stage is set for “choppy” equity markets between now and October.



## Economic News Next Week

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

U.S. second quarter annualized real GDP released at 8:30 AM EDT on Wednesday is expected to increase 2.4% versus a gain of 2.0% in the first quarter.

July Core PCE Price Index is released at 8:30 AM EDT on Thursday

July Personal Income released at 8:30 AM EDT on Thursday is expected to increase 0.3% versus a gain of 0.3% in June. July Personal Spending also is released.

August Chicago Purchasing Managers Index is released at 9:45 AM EDT on Thursday.

August Non-farm Payrolls is released at 8:30 AM EDT on Friday.

Canada's June GDP released at 8:30 AM EDT on Friday is expected to decline 0.2% versus a gain of 0.3% in May.

July U.S. Construction Spending released at 10:00 AM EDT on Friday is expected to drop 0.1% versus a gain of 0.5% in June.

August ISM Manufacturing PMI released at 10:00 AM EDT on Friday is expected to improve to 46.6 from 46.4 in July.

## Selected Earnings News Next Week

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

Focus this week is on quarterly reports released by Canada's major banks

**Tuesday:** Bank of Montreal, Bank of Nova Scotia, Best Buy, JM Schmucker, Big Lots

**Wednesday:** Salesforce.com, National Bank

**Thursday:** Lululemon, Commerce Bank, Dollar General

## 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 sell candidates have a falling technical score.

Technical score ranges are:

Trend:	-2 to +2
Strength relative to S&P 500:	-2 to +2
Above/Below 20 day moving average:	-1 to +1
Daily momentum indicators (Stochastics, RSI, MACD):	-1 to +1
Minimum/Maximum scores	-6 to +6

### Equity Indices and Related ETFs

Daily Seasonal/Technical Equity Trends for August 25<sup>th</sup> 2023

Unit	Seasonal	Until	Trend	Strength Relative To SPX	20 Day MA	Momentum	Tech Score	Score Last Week
SPX	Neutral	Oct.28	Up	Neutral	Below	Up	2	0
TSX	Neutral	Dec. 12	Neutral	Neutral	Below	Up	0	-2
DJIA	Neutral	Sept.20	Up	Neutral	Below	Up	2	2
COMPQ	Neutral	Oct.10	Neutral	Neutral	Below	Up	0	-4
TRAN	Neutral	Aug.27	Up	Negative	Below	Down	-2	0
AORD	Positive	Nov.10	Up	Neutral	Below	Down	0	0
NIKK	Neutral	Nov.8	Down	Neutral	Below	Up	-2	-4
IEV	Neutral	Dec.9	Up	Neutral	Below	Up	2	0
SSEC	Neutral	Sept.26	Down	Negative	Below	Down	-6	-4
EEM	Neutral	Nov.29	Neutral	Negative	Below	Up	-2	-4

**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 August 25<sup>th</sup> 2023

Unit	Seasonal	Until	Trend	Strength Relative To SPX	20 Day MA	Momen tum	Tech Score	Score Last Week
CRB Index	Neutral	Jan.14	Up	Neutral	Above	Up	4	2
Gasoline	Neutral	Mar.30	Up	Neutral	Below	Up	2	-2
Crude Oil	Neutral	Jan.20	Up	Neutral	Below	Down	0	2
Natural Gas	Neutral	April 1	Up	Neutral	At	Down	1	0
S&P Energy	Neutral	Mar.23	Up	Neutral	Below	Down	0	6
Oil Services	Neutral	Dec.28	Up	Neutral	Below	Down	0	2
Gold	Neutral	Dec. 23	Down	Positive	Below	Up	0	-4
Silver	Neutral	Nov.29	Neutral	Positive	Above	Up	4	0
Gold Bug	Positive	Sept.3	Down	Neutral	Below	Up	-2	-6
Platinum	Neutral	Dec.9	Down	Positive	Above	Up	2	-2
Palladium	Neutral	Nov.26	Up	Positive	Below	Down	2	4
Copper	Neutral	Nov.22	Neutral	Positive	Below	Up	2	0
Agriculture	Neutral	Oct.9	Up	Negative	Below	Down	-2	0

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## Sectors

### Daily Seasonal/Technical Sector Trends for August 25<sup>rd</sup> 2023

Unit	Seasonal	Until	Trend	Strength Relative To SPX	20 Day MA	Momen tum	Tech Score	Score Last Week
XLK	Neutral	Apr.13	Neutral	Neutral	Below	Up	0	-4
XLB	Neutral	Oct.1	Up	Neutral	Below	Down	0	0
XLI	Neutral	Aug.26	Down	Neutral	Below	Up	-2	-4
XLY	Positive	Jan.3	Up	Negative	Below	Up	0	-2
XLF	Positive	Nov.2	Up	Neutral	Below	Down	0	0
XLE	Neutral	Mar.23	Up	Neutral	Below	Down	0	6
XLP	Neutral	Jan.6	Up	Negative	Below	Down	-2	0
XLV	Neutral	Nov.3	Up	Positive	Below	Down	2	2
XLU	Neutral	Feb.6	Down	Neutral	Below	Up	-2	0
XLC	Neutral	Jan.18	Up	Neutral	Below	Up	2	0
XLRE	Neutral	Dec.1	Neutral	Neutral	Below	Up	0	-4
TSX Financial	Neutral	Jan. 8	Up	Negative	Below	Down	-2	0
TSX Energy	Neutral	Dec.22	Up	Positive	Above	Down	4	6
TSX Gold	Positive	Sept.3	Down	Neutral	Below	Up	-2	-6
TSX Tech	Neutral	Nov.15	Neutral	Neutral	Above	Up	2	-4
TSX B Metals	Neutral	Nov. 28	Neutral	Neutral	Below	Up	0	-4

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# Technical Notes for Friday

Intuit \$INTU a NASDAQ 100 stock moved above \$514.14 extending an intermediate uptrend.



Emerson \$EMR an S&P 100 stock moved above \$98.01 to a two year high extending an intermediate uptrend.



# S&P 500 Momentum Barometers



The intermediate term Barometer added 3.00 on Friday, but slipped 1.20 last week to 34.20. It remains Oversold. Daily trend remains down.



The long term Barometer added 1.60 on Friday, but slipped 2.20 last week to 52.00. It remains Neutral. Daily trend remains down.

# TSX Momentum Barometers



The intermediate term Barometer added 5.29 on Friday and gained 3.53 last week to 40.97. It returned to Neutral on a recovery above 40.00.



The long term Barometer added 1.32 on Friday, but slipped 0.88 last week to 47.58. It remains Neutral.

**Disclaimer:** Seasonality ratings and technical ratings offered in this report and at [www.equitylock.com](http://www.equitylock.com) are for information only. They should not be considered as advice to purchase or to sell mentioned securities. Data offered in this report is believed to be accurate, but is not guaranteed